

# International Conference on Business and Economics - Hellenic Open University

Vol 1, No 1 (2021)

ICBE-HOU Proceedings 2021



## A project on “wine and distillation trade” course. The consumers mindset regarding retsina

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doi: [10.12681/icbe-hou.5314](https://doi.org/10.12681/icbe-hou.5314)

### To cite this article:

Iliadou, G., Giannopoulos, D., & Nikolakakis, K. (2023). A project on “wine and distillation trade” course. The consumers mindset regarding retsina. *International Conference on Business and Economics - Hellenic Open University*, 1(1). <https://doi.org/10.12681/icbe-hou.5314>

**A PROJECT ON “WINE AND DISTILLATION TRADE” COURSE  
THE CONSUMERS MINDSET REGARDING RETSINA**

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**Abstract**

On early '70s the consumers stopped preferring retsina, due to many reasons, some of them have already been mentioned, like the bad quality of the wine, that the owners of small Greek restaurants used and with the use of resin they were trying to cover the wine's flaws, of the change of the lifestyle, because anything that was related to the tradition or the countryside was characterized as outdated. Finally, the living standards change and that made the consumers seek of more elegant and aromatic and wines. The last decade despite all the above facts, some wine producers have started to produce higher quality of resinated wine to ensure that this product will remain on the market. The cause of this research is to figure out what is today's consumers mindset regarding resonated wine and their opinion on the new trend of higher quality retsina.

The method which used, was to collect data through a questionnaire. The questions are about demographics, questions about wine consumption and questions about retsina. The questionnaire was shared through Social Media. The number of answers reached 768 questionnaires throughout Greece. The results were processed with SPSS Statistics 22.

**Keywords:** marketing, resinated, wine, Retsina, SPSS analysis

**JEL Classification Code:** M31, L36

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## **1. Introduction**

### ***1.1. Historical data***

Resinated wine, the most famous traditional Greek wine, is being produced for thousands of years, as proved by archeological finds and from innumerable written reports. The last few years, retsina, was marked as an exclusive traditional Greek product. According to the legislation “retsina” is the wine that is being produced exclusively in Greek territory from grapes must processed with *Pinus halepensis* resin.

Research made on organic residues of utensils that were found in Crete and the mainland, indicated that the Minoans were cultivating grapes and were producing wine with resin since 1700BC (Shugart, et al., 2000).

In the 21<sup>st</sup> century, Greece is the only country that resinated wine, widely known as retsina, is still being produced with the use of resin, that comes from the native *pinus halepensis*. The production of retsina first started in Central Greece and then expanded to Macedonia and the Aegean islands. The use of resin made the wine less prone to oxidization (as an antioxidant) by covering unpleasant flavors that were developing during the vinification and storage of the wine. The popularity of retsina increased after the World War II, when producers like Kourtakis and Kabas increased their sales by bottling retsina. On the early '70s the sales of resinated wine decreased. This fact was attributed to the change of the consumers preferences as well as in the bad quality of the wine that was produced (Lazarakis, 2005).

### ***1.2. The production method and composition of retsina***

The last few years, retsina, was marked as an exclusive traditional Greek product (Soufleros, 2010). According to the legislation retsina is produced exactly like a common white wine, with the difference that a small amount of pine resin is added (up to 1%) before or during the alcoholic fermentation as long as it has not been fermented over 1/3 of the amount of sugar contained (Greek legislation: Π.Δ. 514 / ΦΕΚ 157/12.07.1979). Even though the addition of resin up to 1% is allowed by the law, over time the amount of resin added was reduced because of the improvements that have been made in the fermentation process (Lazarakis, 2005).

The variety of the grapes that are used might differ, however retsina is being produced most of the times (85%) by grapes of Savvatiano and Roditis grapes in a 10:1 ratio. The artificial aromatization of the wines, for them to acquire the characteristics of resonated wine, as well as mixing retsina with other types of

wines, are not allowed. As far as the alcohol percentage of the consumable resinated wine, is between 10-13% vol and the total acidity, expressed in tartaric acid, 18 should be higher than 4,5g/L The allowed acidity increase cannot exceed 1,5g/l in tartaric acid. Resinated wine is produced in all Greek territories. (Soufleros, 2000).

### **1.3. Legislation regarding resinated wine**

According to the current European legislation the name “retsina” is the wine which is being produced exclusively in Greek territory from grapes must, processed with *Pinus halepensis* resin. The use of *Pinus halepensis* resin is only allowed to produce resinated wine, under the conditions of the current Greek legislation (Official Journal of the European Union, L148/1, 6.6.2008, Regulation (EC) nr. 479/2008 of the 29<sup>th</sup> April 2008 council, for the common organization of the wine market (CMO), the amendment of the regulations (EC) nr. 1493/1999, (EC) nr. 1782/2003, (EC) nr. 1290/2005 and (EC) nr. 3/2008, and the repeal of the regulation (EEC) nr. 2392/86 and (EC) nr. 1493/1999. According to the current Greek legislation the name “retsina” or “resinated wine” is a “name by tradition”, that is used for white or rose dry wines that are traditionally produced only in Greece, by adding *Pinus halepensis* resin to the grape must (CR 514, for the production, control and protection of resonated wines, Greek legislation: ΦΕΚ 157/12.07.1979). In the year 2002, the traditional wine indications are enriched (Greek legislation: ΦΕΚ 179/19.02.2002, Decision 235309, Approval of Traditional Wine Indications) and regarding retsina, apart from the classic Retsina: Mandatory indication reserved exclusively for Greek wines, which are prepared in accordance with the PD. 514/1979 (Government Gazette 157 / 12.7.79) the following indications are approved: Retsina neuve and Retsina en fûts. In 2008, they were redefined as toponyms accompanying the word Retsina.

## **2. Cause**

On early '70s the consumers stopped preferring retsina, due to many reasons, some of them have already been mentioned, like the bad quality of the wine, that the owners of small Greek restaurants used and with the use of resin they were trying to cover the wine's flaws, of the change of the lifestyle, because anything that was related to the tradition or the countryside was characterized as outdated. Finally, the living standards change and that made the consumers seek of more elegant and aromatic and wines. The last decade despite all the above facts, some wine producers have started to produce higher quality of resinated wine to ensure that this product will remain on the market. The cause of this research is to figure out what is today's consumers mindset regarding resonated wine and their opinion on the new trend of higher quality retsina.

### **3. Methodology**

The method which used, was to collect data through a questionnaire. The questions are about demographics, questions about wine consumption and questions about retsina. The questionnaire was shared through Social Media. The number of answers reached 768 questionnaires throughout Greece. The results were processed with SPSS Statistics 22, with which comparisons were made with Crosstabs dual input tables. The  $\chi^2$  criterion also applies to whether one variable affects another (Chi square test). Also, for some variables we use the T-Test and the Pearson Correlation.

## 4. Research findings

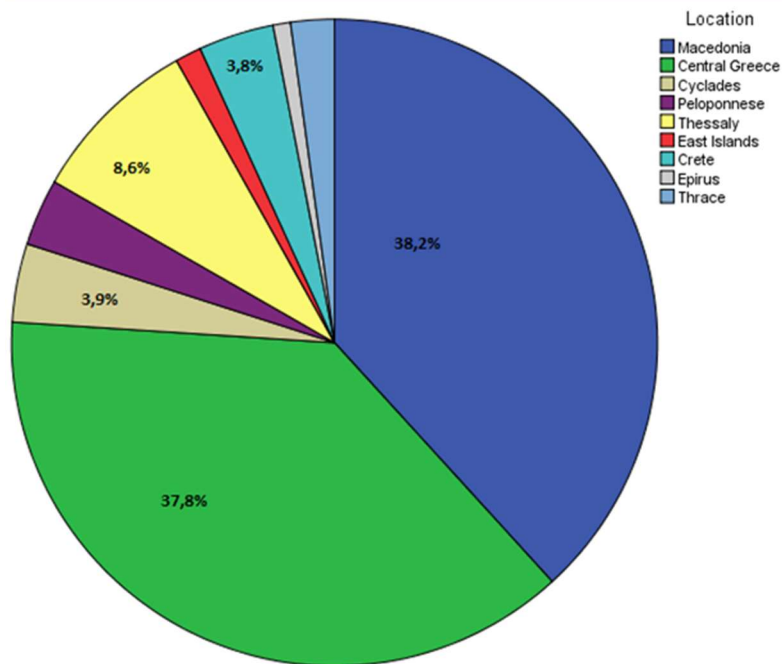
### 4.1 Processing the questionnaire's results.

In this section are reported the responses given by the consumers. The questionnaire is divided in three categories: demographics, wine consumption and questions regarding retsina. The questions in total are 16 and the number of responses is 768.

#### *Demographic data*

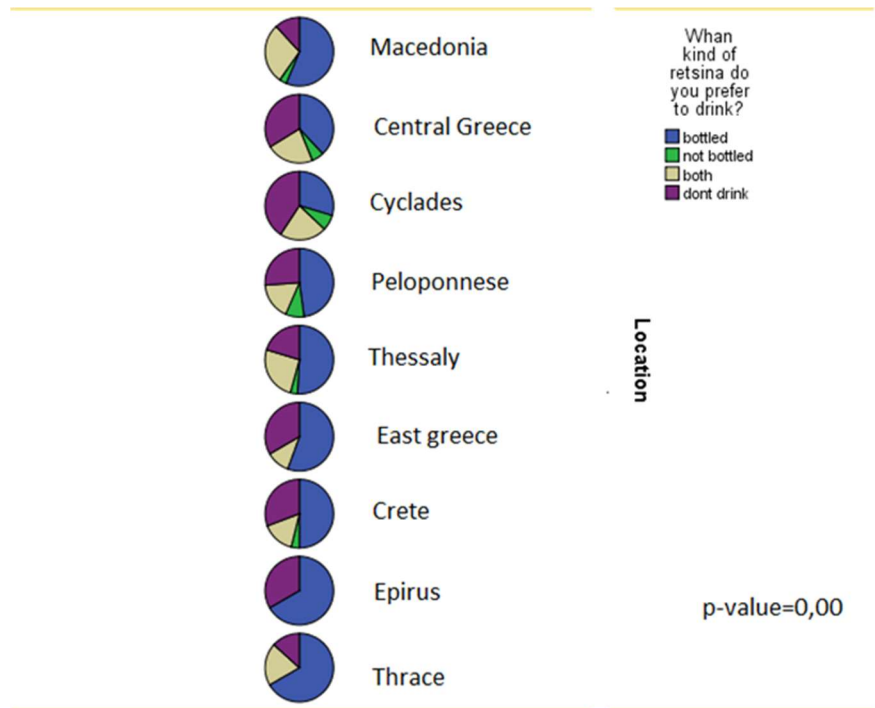
Location, gender, age, employment, household income

The questionnaire was sent throughout the country. Most of the responses came from northern Greece.

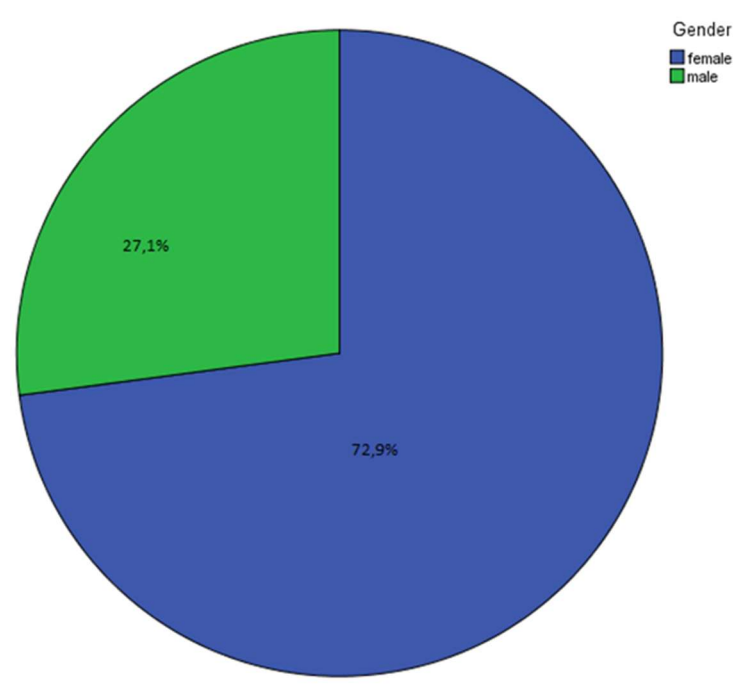


As you can see in diagram A residents of northern Greece have a better opinion of retsina than those of southern Greece.

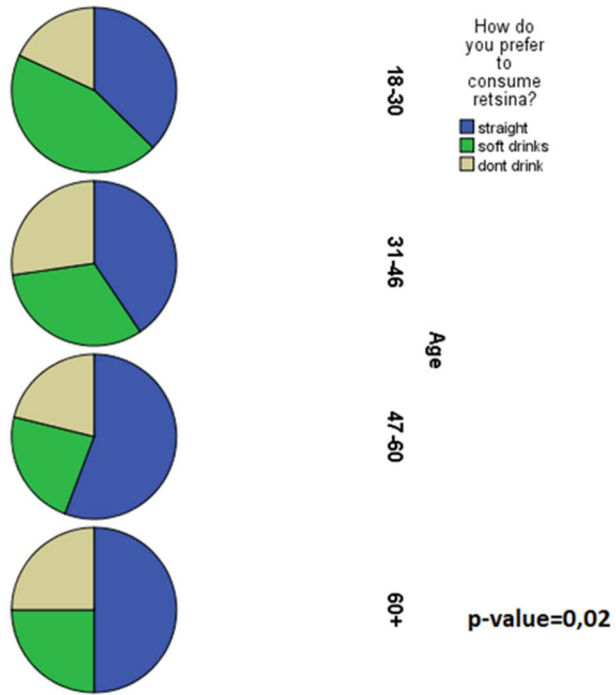
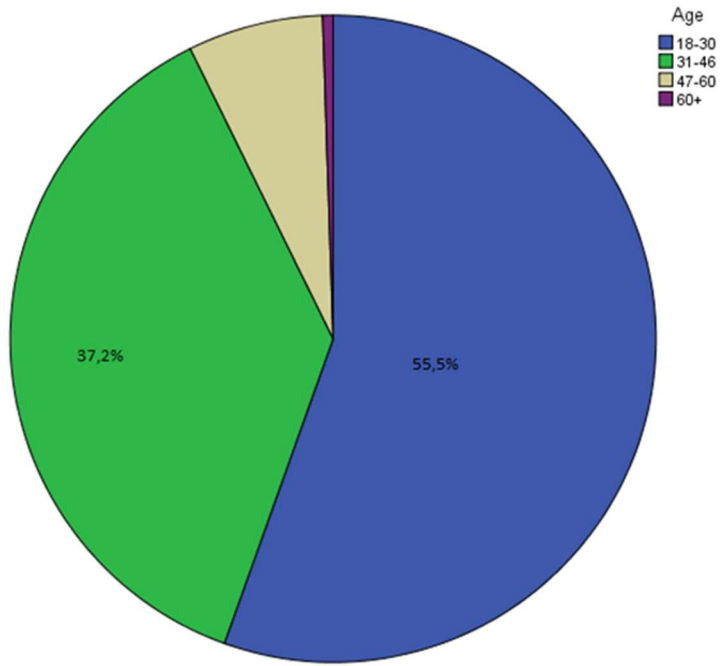


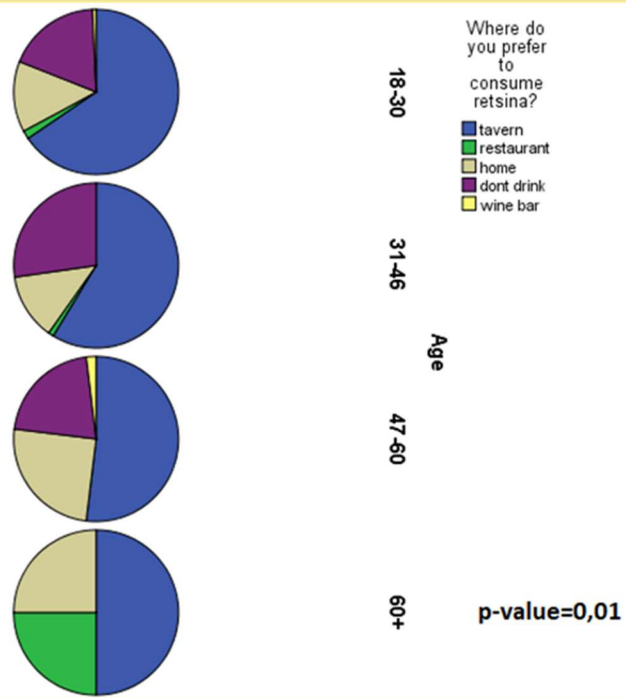


The majority of the respondents are women.

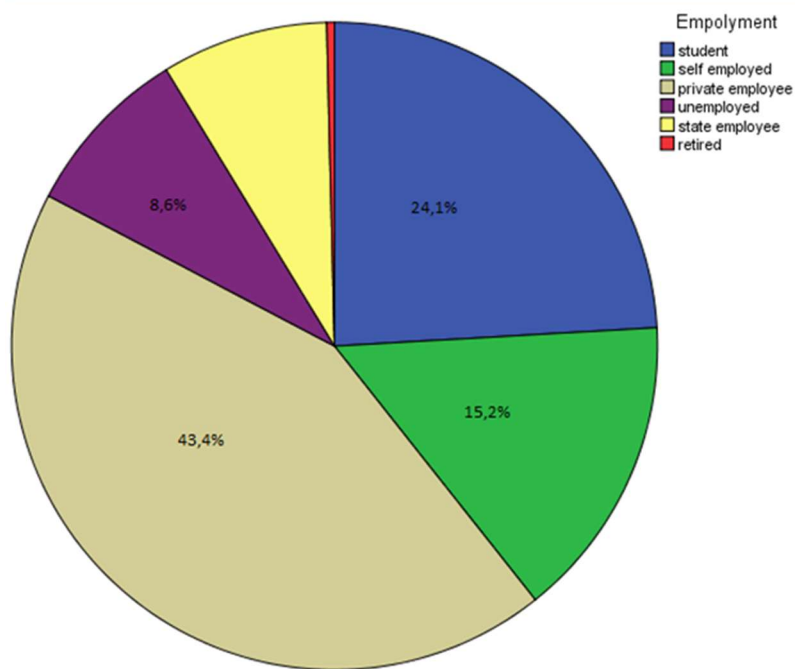


The majority of the respondents are in age group between 18 and 30 years. Very few of the participants are over the age of 45 (C1,C2).

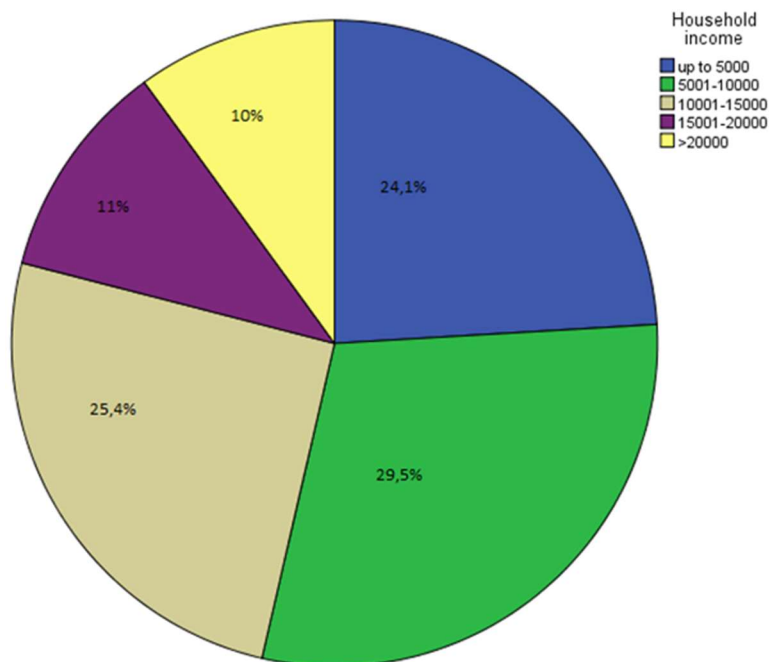




Most participants are private employees and the annual income for the majority is between 0 and 15.000€.



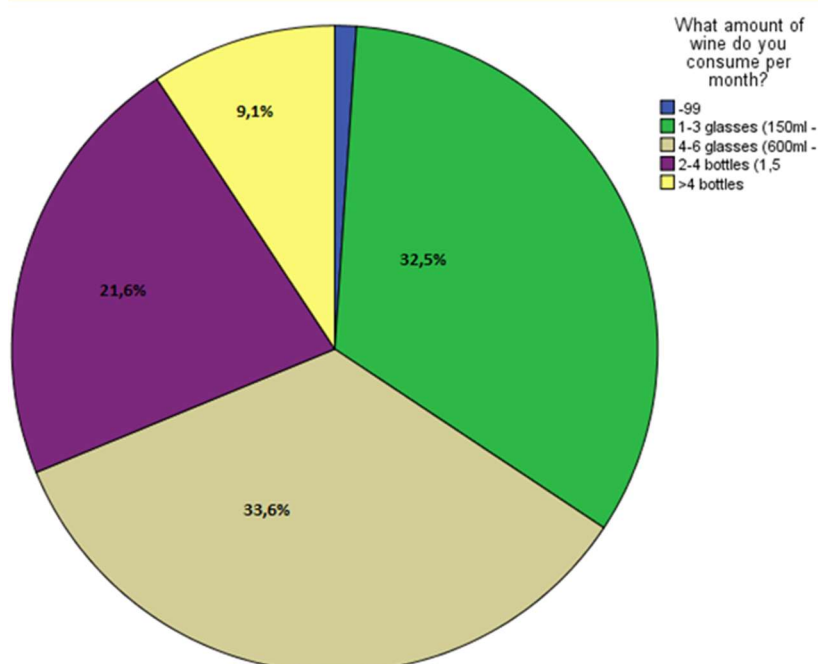
The percentage of people with an annual income over 15.000€ is very small.



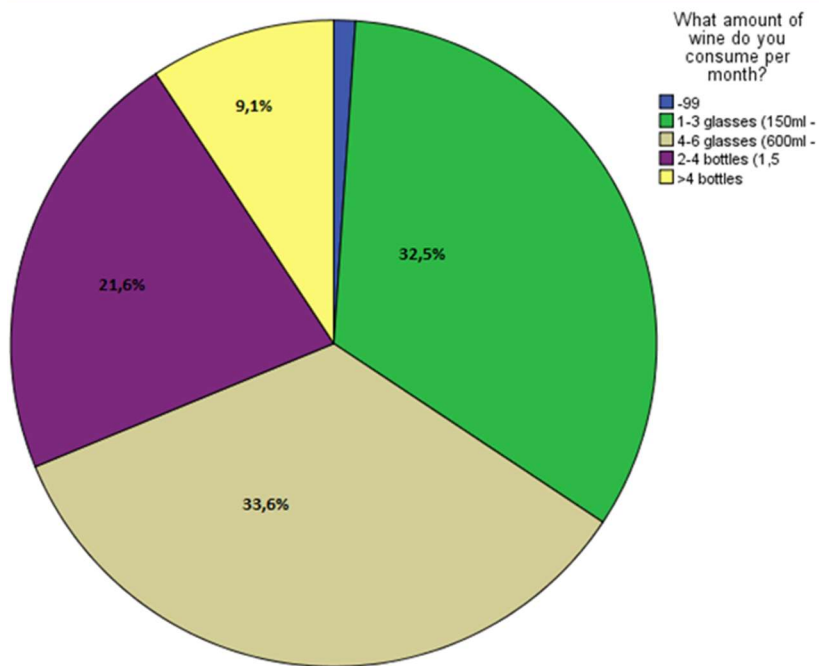
### Correlation between retsina and wine

Do you consume wine? What kind of wine do you consume? What amount of wine do you consume per month?

Most of the respondents consume wine either bottled or not. There is a small percentage that prefers to consume only bottled wine. Very few consumers respondents do not consume wine at all (Diagram I).



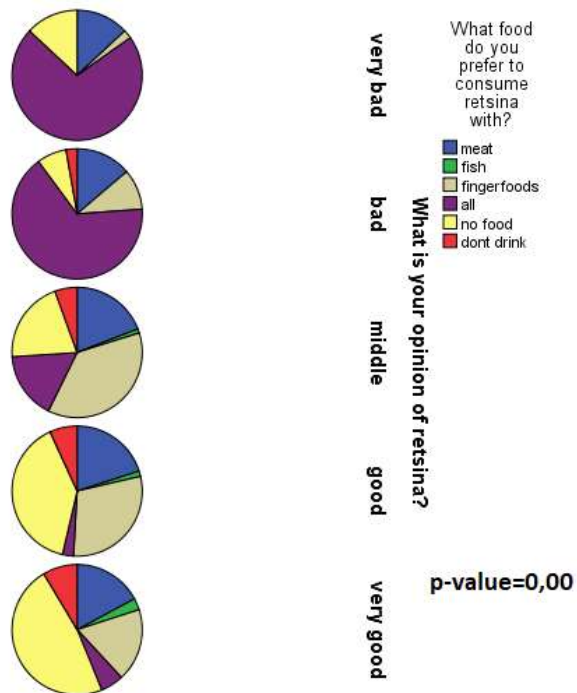
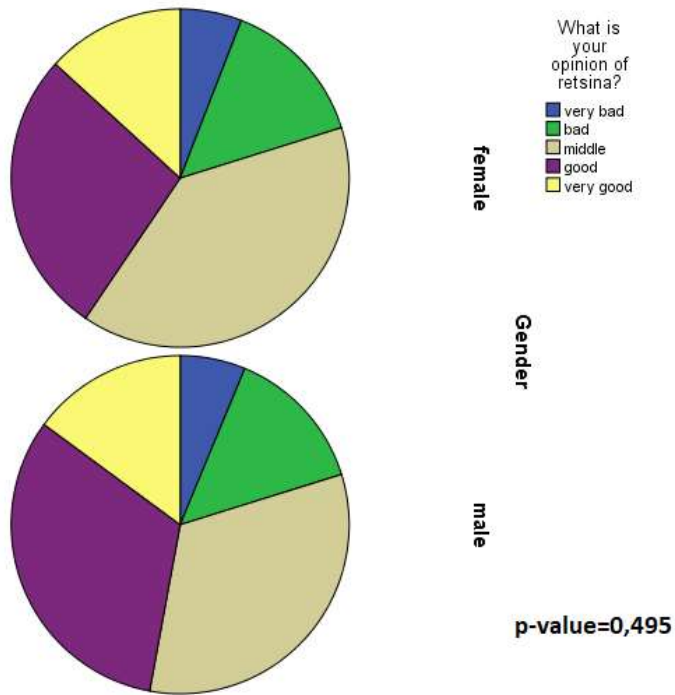
Regarding the question about wine consumption per month, the most popular responds are: 1-3 glasses/per month, 4-6 glasses/per month and 2-4 bottles per month. Very few consume more than 4 bottles per month.



*Analysis of the questions concerning retsina*

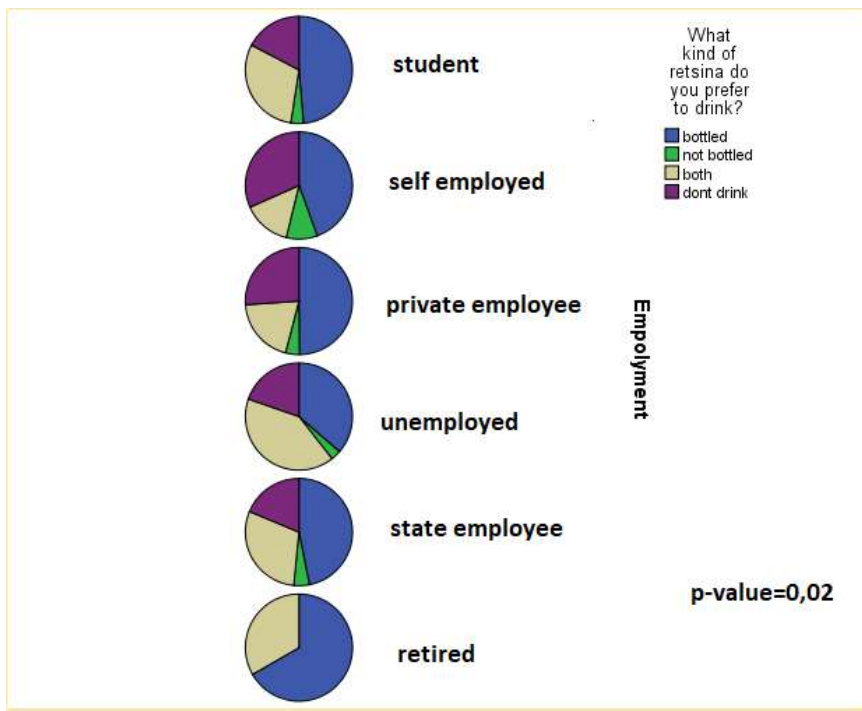
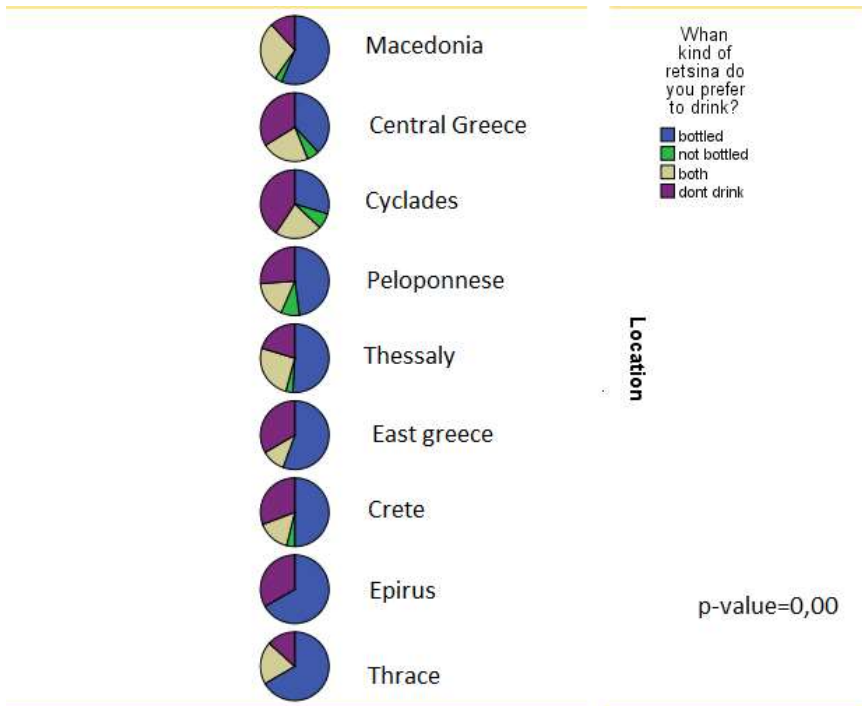
What is your opinion of retsina?

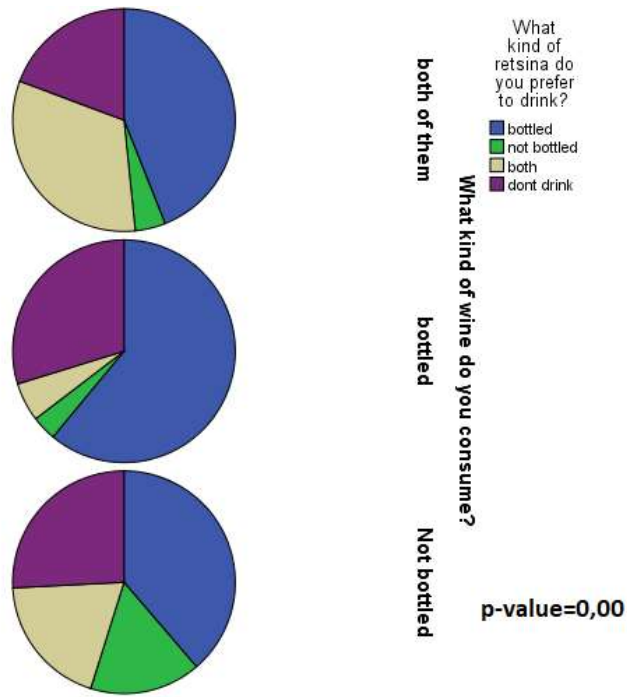
Nowadays consumers' opinion about retsina is not rather good. However, based on the statistics we can see that the percentages can change with correct methods .



What kind of retsina do you prefer?

Most of the respondents prefer bottled retsina which is considered to be a positive fact.

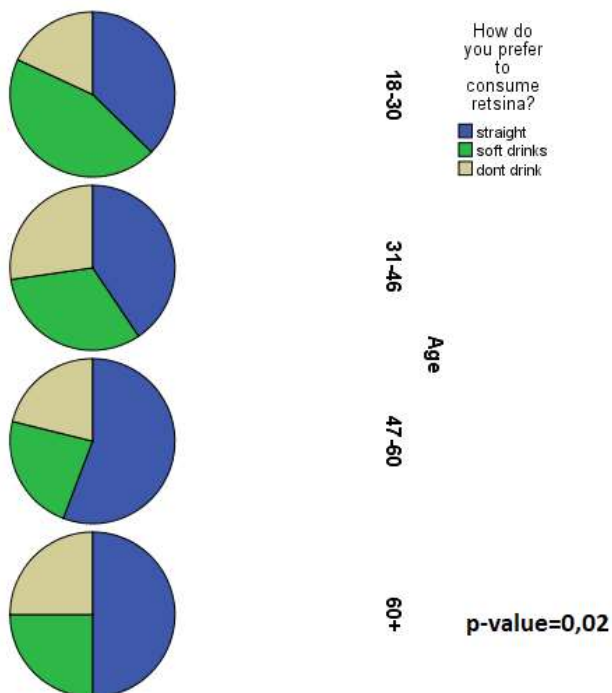




How do you prefer to consume retsina?

Half of the respondents consume retsina straight and the other half consume retsina mixed with soft drinks (Diagram C1).

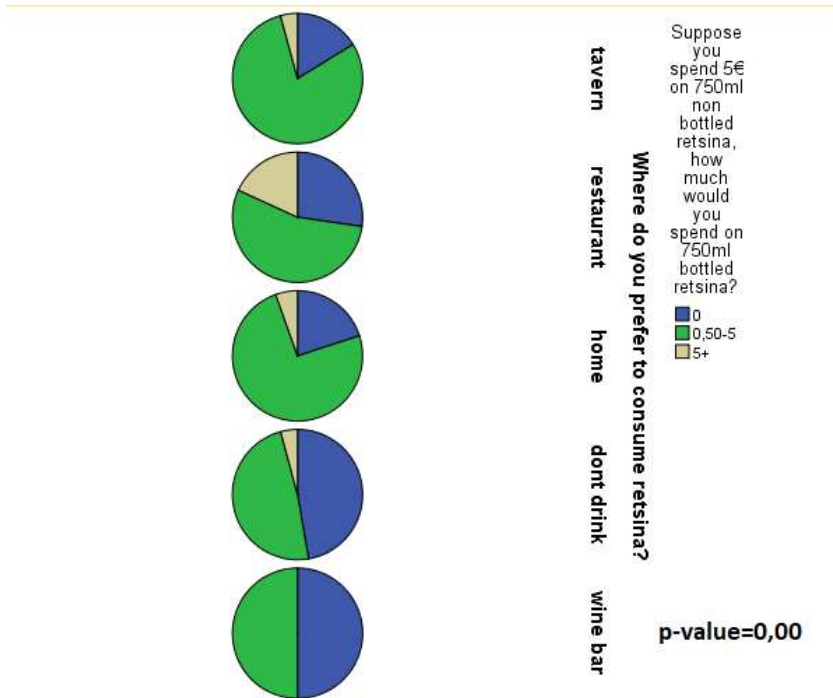
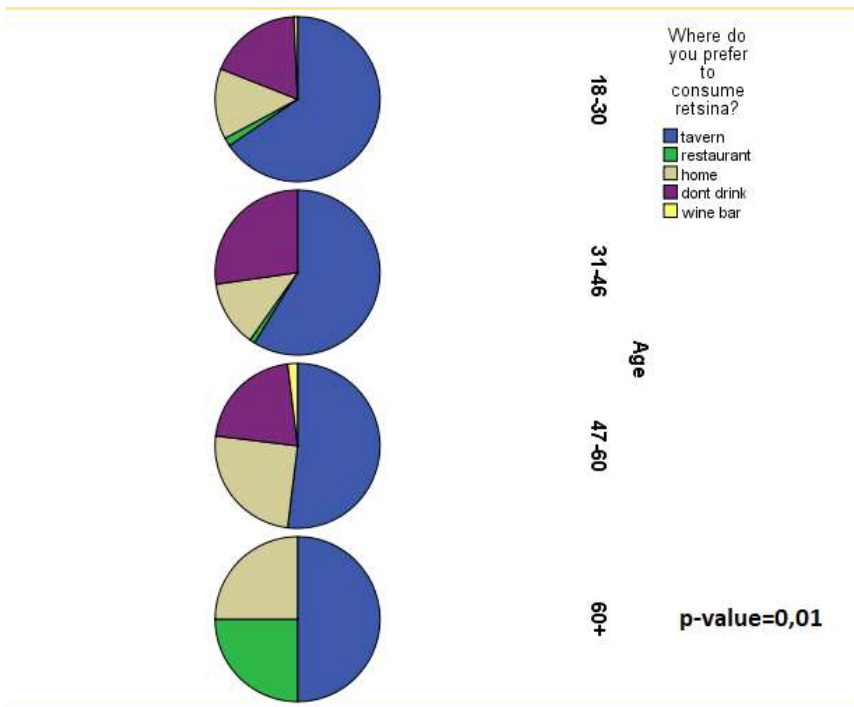
Diagram C1

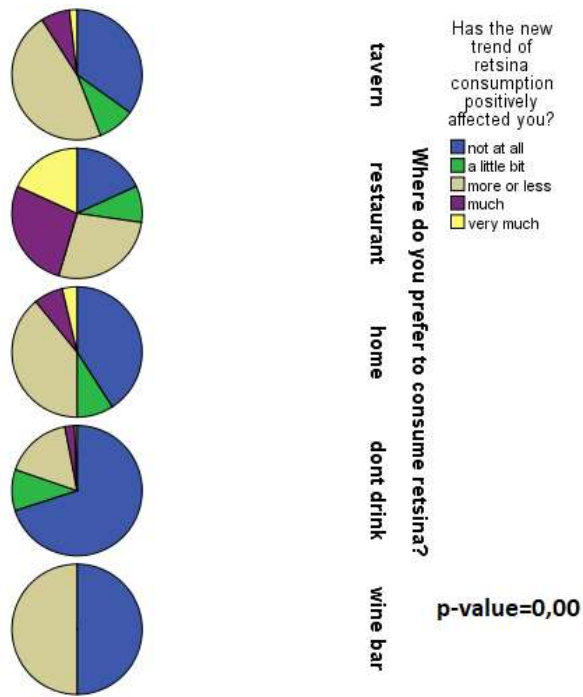


Where do you prefer to consume retsina?



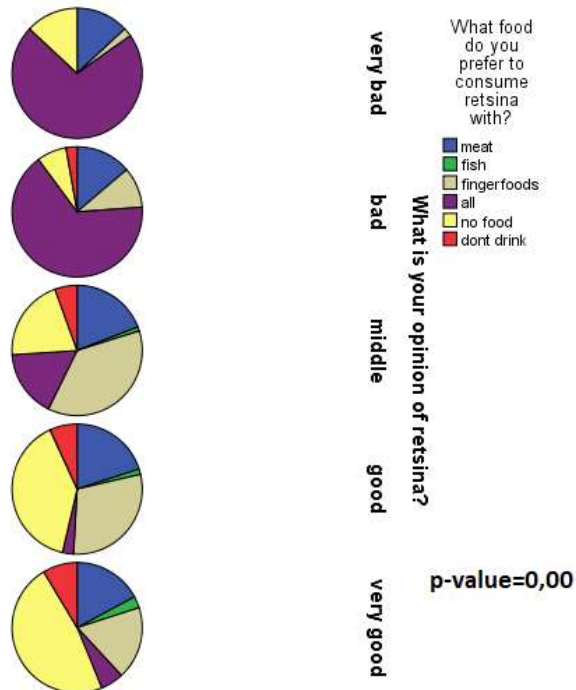
The majority of the participants prefer drinking retsina in small Greek traditional restaurants (taverna). Only a few prefer to drink retsina at home.





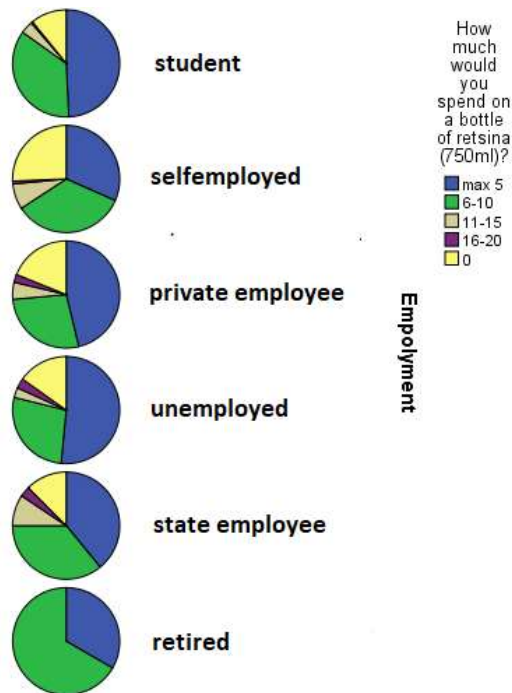
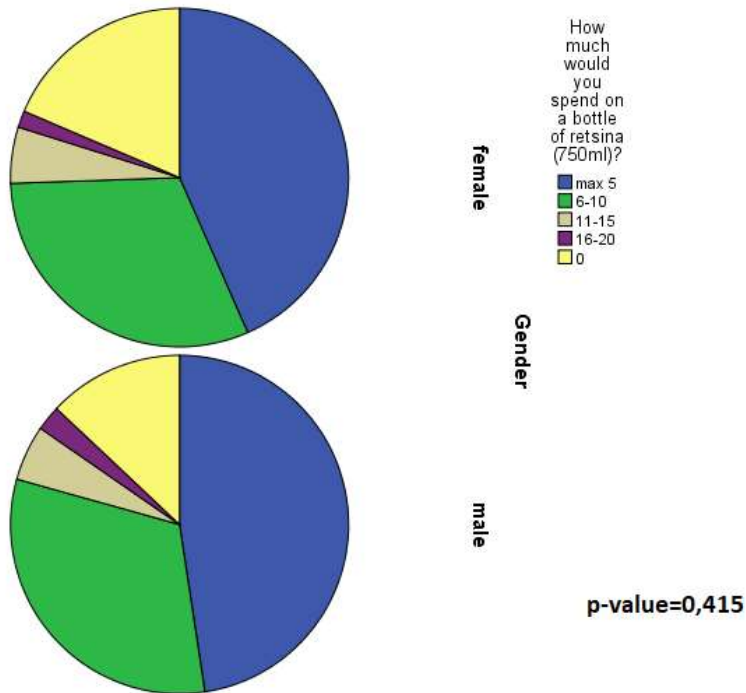
What food do you prefer to consume retsina with?

As retsina is well combined with the Mediterranean cuisine most of the respondents would prefer to consume retsina combined with meat dishes or fish dishes, while very few are those who would consume retsina without food.



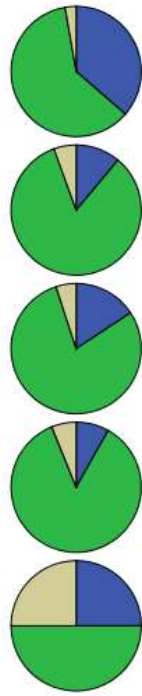
How much would you spend on a bottle of retsina?

Half of the respondents would spend up to 5 € on a bottle of retsina and only a few would spend over 5 € on a bottle of retsina. But there are many who wouldn't spend money on a bottle of retsina.



Has the new trend of retsina consumption positively affected you?

The percentage of people who have been positively affected is small. Most of the respondents has been affected at all or have been affected a little.

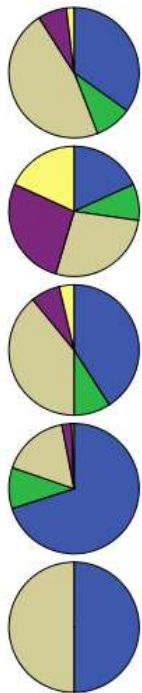


Suppose you spend 5€ on 750ml non bottled retsina, how much would you spend on 750ml bottled retsina?

Has the new trend of retsina consumption positively affected you?

not at all    a little bit    more or less    much    very much

p-value=0,00



Has the new trend of retsina consumption positively affected you?

tavern    restaurant    home    dont drink    wine bar

Where do you prefer to consume retsina?

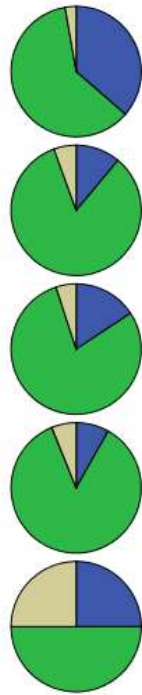
not at all    a little bit    more or less    much    very much

p-value=0,00

Suppose you spend 5€ on 750ml non bottled retsina, how much would you spend on 750ml bottled retsina?

The majority of the consumers would spend 0.50-5€ more on bottled retsina and only a few would spend more than 5€ (Diagrams E,F).

Diagram E



Suppose you spend 5€ on 750ml non bottled retsina, how much would you spend on 750ml bottled retsina?

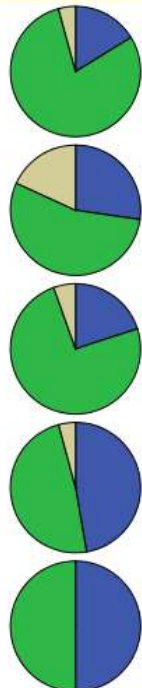
0  
0,50-5  
5+

Has the new trend of retsina consumption positively affected you?

not at all    a little bit    more or less    much    very much

p-value=0,00

Diagram F



Suppose you spend 5€ on 750ml non bottled retsina, how much would you spend on 750ml bottled retsina?

0  
0,50-5  
5+

Where do you prefer to consume retsina?

tavern    restaurant    home    dont drink    wine bar

p-value=0,00

## 4.2 Demographic data-mindset regarding retsina.

### *Location*

As we can see in diagram A location is related to the preference for specific types of retsina. In all areas there is a preference for bottled retsina. In more detail according to p-value ( $=0,00$ ) there are statistical differences between the residents of different areas. In the geographical regions of northern Greece (Macedonia, Epirus, Thrace) consumers have a large preference for bottled retsina. Also, the residents of the Peloponnese and eastern Greece have a large preference for bottled retsina.

### *Gender*

As shown in diagrams B1, B2 there is not big difference in the answers given between men and women to the questions about their opinion of retsina, about how much money they would spend on retsina and how much more money they would spend on bottled retsina. This came as a result with a T-test on independent variables that gives  $p=0.274$ . The conclusion is that for the promotion of the product there should be no gender separation.

### *Age*

According to diagrams C1,C2 there are differences in the consumption of retsina depending on age. Younger people prefer to consume retsina with soft drinks which older people don't. All ages prefer consuming retsina in small Greek traditional restaurants(taverna) combined with food, the percentage of younger people is really high.

Diagram C1

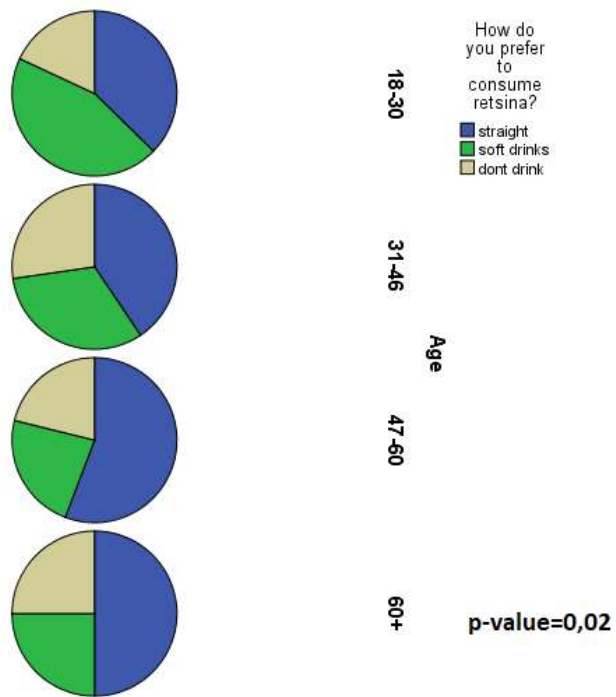
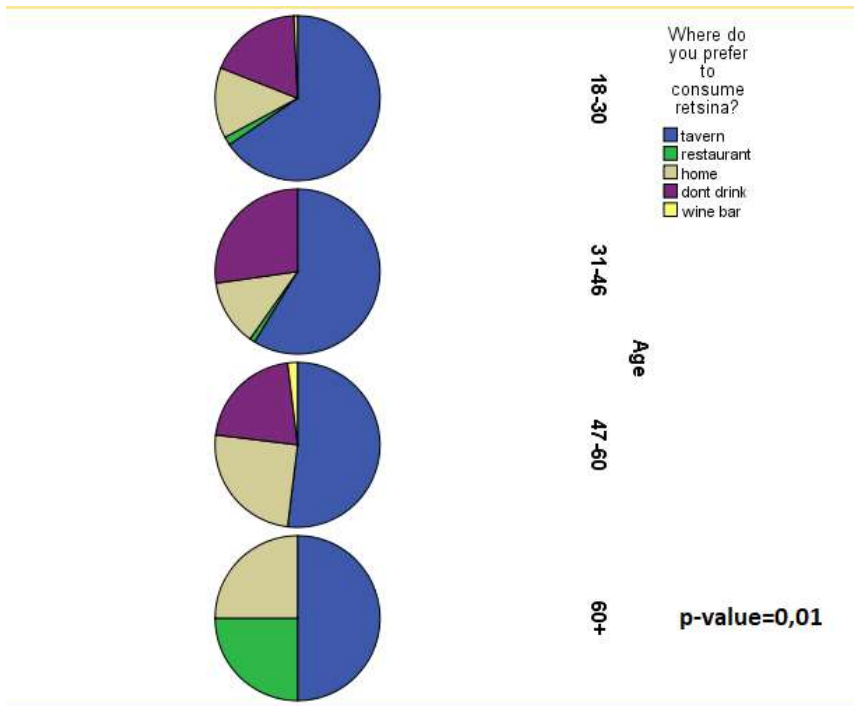


Diagram C2



### Employment

The conclusion drawn from diagrams D1, D2 is students' preference for consuming bottled retsina. At the same time students would spend the least money of all. Students prefer consuming bottled but low cost-quality retsina.

Diagram D1

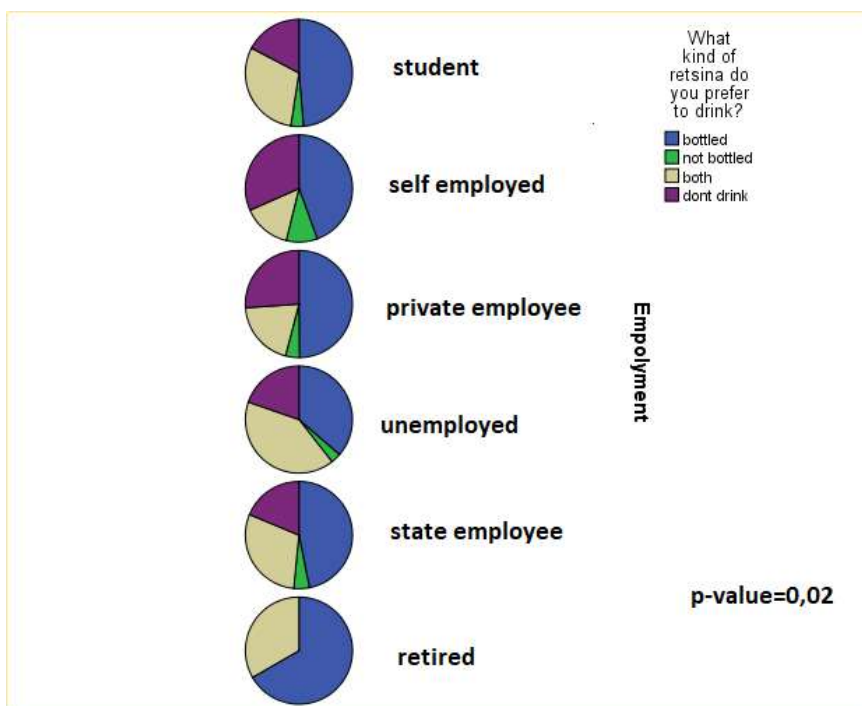
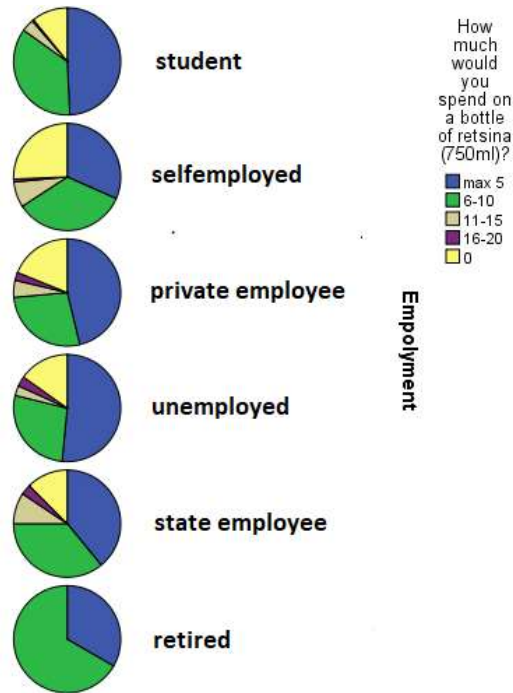


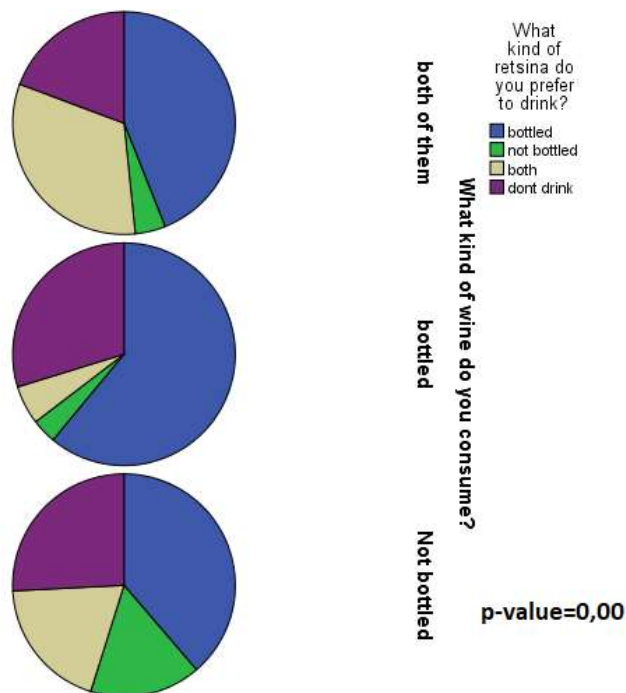


Diagram D2



### 4.3 Correlation between retsina and wine

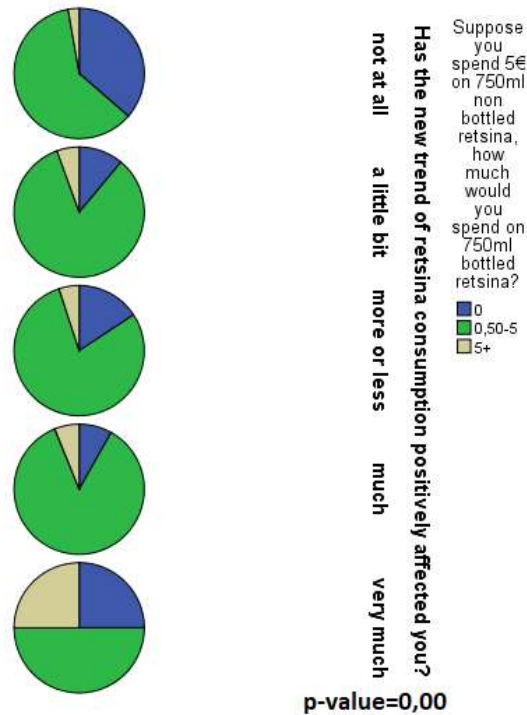
As seen in diagram I consumers prefer bottled retsina, even though when it comes to wine they consume both bottled and no bottled.



#### 4.4 Analysis of questions concerning retsina

In this chapter we analyze the answers given to the questions concerning retsina. As we can see in diagram E the greater influence of the new trend of consumption of bottled retsina is the more money which consumers are willing to spend for better quality. The correlation between consumers' opinion on retsina and the influence of the new trend was also examined. As we can see variables have a normal distribution. Therefore, we are able to use coefficient Pearson. There is a positive correlation between the variables and in fact a high correlation ( $p=0.0, r=0.245$ ).

Diagram E



In diagrams F.G we can see that respondents who prefer to consume retsina in small Greek traditional restaurants(taverna) are more influenced by the new trend of consumption of bottled retsina and they are willing to spend on a good quality bottled retsina. This fact can be useful in the future to promote more expensive bottled retsina.

Diagram F

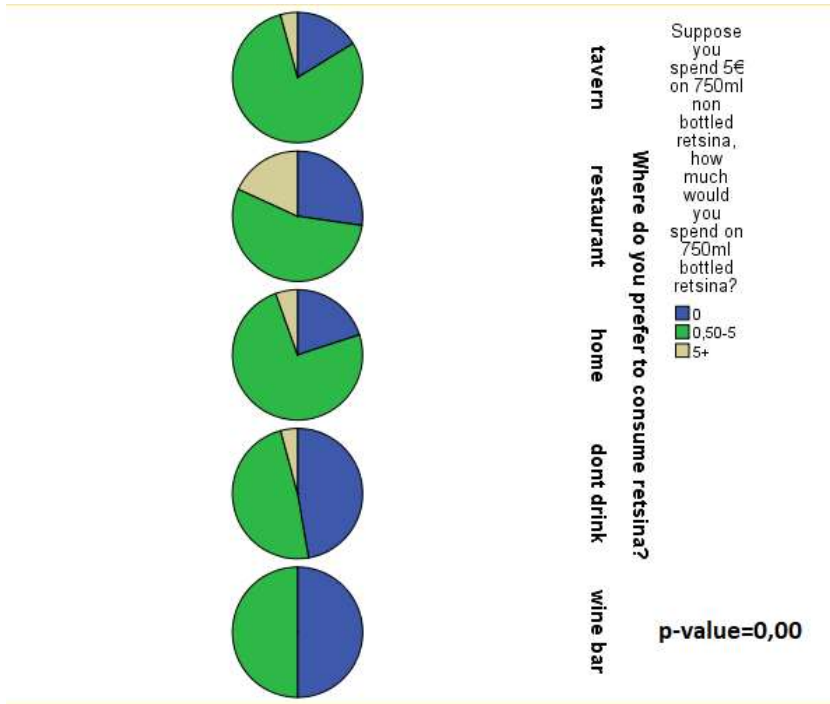
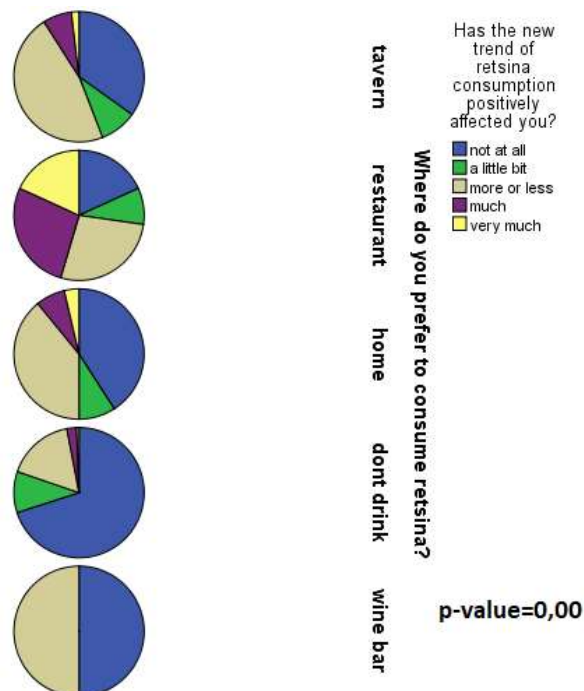
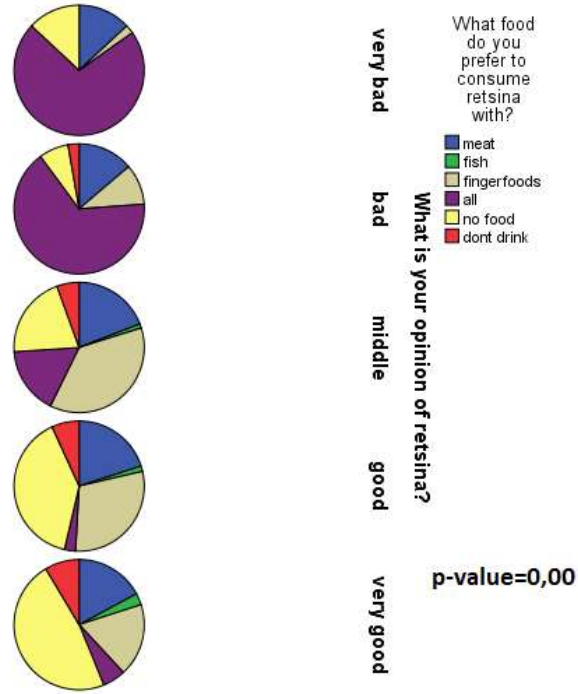


Diagram G



Finally, an interesting conclusion emerges from the correlation of consumers' opinion about retsina and the food they prefer to drink it with. Most respondents prefer to consume retsina combined with food (Greek

meze). However, the better opinion consumers have on retsina the more they prefer to consume it without food.



## **5. Conclusion**

In this chapter we present some conclusions from the statistical analysis of the answers given in the questionnaire.

Most consumers describe retsina as a mediocre product. The percentage of the respondents who believe that retsina is bad or really bad is significant. However, there is a preference for bottled retsina in northern Greece mainly. But because consumers are not willing to spend a lot of money on a bottle of retsina, cheap bottled retsina dominates the market. Younger people prefer to consume retsina in small Greek traditional restaurants and combined with soft drinks. Most of the respondents prefer to consume retsina combined with food. However, those who have a good opinion about retsina prefer to consume it without food. Finally, consumers who prefer to drink retsina in restaurants are willing to spend more money on a bottle of retsina.

## **6. Marketing plan proposal**

At first, to restore consumers' bad perception of retsina we suggest to launch advertisement campaigns focusing on the quality of the product and on its special value due to its historicity. The campaign should target all people regardless of age, gender, location, employment. This is why we suggest tv commercials showing the history and tradition of the product and at the same time how the quality of retsina has been improved. Radio advertisement and promotion through social media are also important.

In the campaign wine journalism is really important. Wine writers can highlight the new trend of bottled retsina in Greece and abroad, as well as its pairing with traditional Greek cuisine.

Another proposal is to organize retsina exhibitions with the participation of various wineries throughout Greece and a low fee entrance in order to present the variety of products that exists.

Preferably these exhibitions should take place in northern Greece as according to the questionnaires residents of northern Greece are more familiar with the product.

Finally, at restaurants and small Greek traditional restaurants (taverna) a glass of good quality bottled retsina could be used as welcome drink. This way people who have never tasted retsina before have the opportunity

to get to know the product. Furthermore, a nice welcome drink can convince customers to buy more expensive bottled retsina.

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