Health warnings on wine labels: a discrete choice analysis of Italian and French Generation Y consumers

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Alcohol consumption among young people represents an increasing concern in European countries due to many negative short-term and long-term effects, including social, physical, psychological and neurological consequences into their adult life. At the same time, binge drinking, or heavy episodic drinking, is still significantly rising in some EU Member States (ESPAD, 2015).

Providing consumer information about, and labelling of, alcoholic beverages to indicate the negative outcomes of alcohol represents a priority according to the recommendations of the World Health Organization Global Strategy to reduce harmful use of alcohol. As a consequence, in recent years there has been a strong debate regarding the introduction of health warnings on alcoholic beverage labelling, including wine, aimed to increase consumer awareness of the side effects linked to poor consumption patterns and to reduce the negative external consequences related to an excessive consumption of alcoholic beverages (Martin Moreno et al., 2013; Farke, 2011). Nevertheless, while a number of countries have introduced mandatory warning labels on alcoholic beverages, in Europe a voluntary and unregulated approach still prevails. In this regard, many public health and consumer associations are urging implementation of mandatory health warning labels on alcoholic beverages. In 2015, the European Parliament adopted a resolution on the European Alcohol Strategy, which clearly emphasised the need to improve the labelling of alcoholic beverages with particular reference to both nutritional information and potential side effects, through the adoption of a harmonised strategy at European level. More recently, in March 2017, the European Commission presented its report examining whether mandatory nutrition labelling requirements should be extended to alcoholic beverages, inviting the industry to present a self-regulatory proposal covering all sectors (wine, beer, spirits) given the nature of alcohol-related risks.

Numerous studies, have analysed the impact of the introduction of alcohol warning labels on consumer attitudes, knowledge and behaviour, suggesting that alcohol warning labels may improve knowledge and attitudes regarding the harmful consequences of alcohol consumption among adults (Stockwell, 2006; Scholes-Balog, 2012; Wigg and Stafford, 2016). Other studies have been carried out to explore consumer reactions to alternative formats of warning labels, highlighting the importance of framing and the emotional appeal of a health warning (Al-Hamdani and Smith, 2017; Hassan and Shiu, 2016; Jarvis et al., 2015). However, most of these studies were performed in the United States or Australia, while the interests and attitudes of European consumers have not yet been fully explored.

In this context, the main objective of the current paper is to analyse the interest, attitudes and preferences of Generation Y consumers (those borne between 1978 and 2000) towards different health warnings on wine labels. To this purpose a questionnaire, via an online platform, was administrated to consumers of two European countries: 400 in Italy and 400 in France. A Discrete Choice Experiment (DCE) was applied to estimate consumer stated preferences for different health warnings on wine labels, using three warning options, namely
with the long-term effect of drinking (brain damage); with a negative short-term effect (car crash); and with the option of no warning. Four attributes composed the options, with different levels each: alcohol content (high, medium and low); framing of warning statement (positive or negative); pictorial warning size (big or small); pictorial warning position (front or back/neck label). Non-existing warnings were included in the study, to avoid distorting the importance of levels and attributes due to consumer previous experience. Attributes were chosen based on previous research (e.g. Jarvis et al., 2015). The final choice design was built on results from a pilot study involving 25 consumers in each country and consisted of 12 choice sets of three wine bottles each, graphically represented. Consumers were ask to choose the preferred bottle to drink during a dinner with friends, which is a typical consumption situation for Generation Y (Mueller and Charters, 2011).

Random Utility Models were applied to estimate the importance of the different alternatives, attributes and levels.

The main findings show that Generation Y consumers tend to consider health warnings as quite important, and the degree of perceived utility differs in relation to the warning framing. In particular, our results reveal that the negative framed warning has more emotional impact on consumers than the generic ones, confirming results from previous research (Al-Hamdani and Smith, 2017; Al-Hamdani, 2014). At the same time, consumers tend to attach greater utility to the short-term effect warning (e.g. do not drink and drive) than to long-term effects warnings concerning the potential risk of alcohol on the brain. In addition, the size and position of warning are key attributes in influencing their choices. However, our results also show some significant differences among stated preferences in different countries. These differences are not only linked to the geographic origin of the consumers, or to socio-demographic variables, but are also related to alcohol consumption habits and attitudes towards labelling. This heterogeneity of consumer preferences indicates a need for a careful consideration of alcoholic beverage labelling regulations and the need for further investigation.

Current results could be valuable to the ongoing debate in the EU on alcoholic beverage labelling and could also provide useful indications for private companies, in defining the future development of wine labelling programs and implementing marketing strategies focused on enhancing efficacy and readability of labels.

Keywords: health warning; wine labelling; Generation Y consumers; Discrete Choice Experiment