A toast to emerging terroir: 
exploring consumer attitudes 
toward local wine in Ukraine

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Abstract

Purpose – This paper aims to explore the emerging wine market of Ukraine. Specifically, the study examines Ukrainian consumer attitudes toward local wines and provides profiles of various groups of local wine consumers.

Design/methodology/approach – Data were collected via an online survey of Ukrainian wine consumers (N = 325). Factor and cluster analyses were performed to assess general attitudes toward local wine. Descriptive statistics and analyses of differences (t-tests and chi-square tests) were also used for further data exploration.

Findings – The findings indicate that quality perceptions, price sensitivity and reputation play a vital role in shaping local consumers’ attitudes toward Ukrainian wine. Three distinct consumer segments were identified. Local Skeptics exhibit reserved opinions about local wine. Local ambassadors show the highest level of enthusiasm and support for local wines. Local non-connoisseurs are the least involved and knowledgeable about wine; thus, their opinions about the local wine industry are not formed yet. This is the group that merits the utmost attention from wine marketers.

Originality/value – To the best of the authors’ knowledge, this paper is the first research attempt to identify different types of wine consumers based on their attitudes and perceptions toward local wines in Ukraine.

Keywords Emerging markets, Market segmentation, Ukraine, Wine

Paper type Research paper

Introduction

Lately, academic and trade articles on wine have turned their attention to markets that are not considered traditional wine regions. An overview of manuscripts published in the International Journal of Wine Business Research within the past five years (2017–2022) showed that almost a quarter of the published papers are focused on emerging wine markets, including Brazil (20%), India (15.6%), Mexico (8.9%) as well as Hungary, Croatia, Georgia, Bulgaria, Czech Republic and others.

These nontraditional markets are often referred to as “emerging”. However, to the best of our knowledge, there is no established definition of an emerging wine market. Some authors emphasized the overall attributes of emerging markets, like volatility with transitions occurring in economic, political and social dimensions (Mody, 2004). Others follow the International Monetary Fund classification and refer to emerging economies as emerging markets, or use selected criteria, such as a rate...
of growth and/or supportive sociopolitical environment (Li, 2016). Based on the criteria identified by previous research, for the purposes of this study, we offer the following definition of an emerging wine market: a market with a recent considerable industry growth and economic potential, but still lacking familiarity, global exposure, and reputation.

Despite the growing interest in emerging wine markets, there remains insufficient exploration of attitudes toward local products within these markets. Yet, many researchers emphasized the critical need for local products to be first accepted by local residents (Everett et al., 2018; Ruth and Rumble, 2016; Woods et al., 2015). With time, these residents become loyal consumers, enthusiasts and advocates, who share and promote products from an emerging market (Kolyesnikova et al., 2008). The current study focuses on one such emerging market (Ukraine), with a specific goal to investigate local consumers’ perceptions and attitudes toward Ukrainian wine.

After Russia invaded Ukraine in February 2022, the world has been discovering this country from a new perspective. However, apart from the political conflict, little is known about the Ukrainian history, culture, heritage and modern life; much less about the local wine. Yet, the Ukrainian winemaking tradition has a long history that dates back to the fourth-century BC (Wines of Ukraine, 2021). Currently, wine consumption in Ukraine equals to 3 L per capita (OIV, 2021). These low consumption numbers indicate that even for local consumers, Ukraine lacks recognition as a wine-producing region. However, within the past two decades, the Ukrainian wine industry has been experiencing a tremendous growth, which has not been documented properly in academic literature yet. Some studies on the Ukrainian wine industry have been focusing on winegrowing (Goncharuk and Figurek, 2017; Rossokha and Petrychenko, 2020); industry overview (Kochkina and Blyostkina, 2017; Tkachenko et al., 2016); marketing approaches (Braiko et al., 2018; Didukh and Aoun, 2019; Solodova and Golubynkova, 2017); the legal aspects of geographical indications (Oliynyk et al., 2018). However, limited attention has been given to Ukrainian wine consumers in existing research, as evidenced by a small number of studies (Kochkina and Tavoletti, 2019; Rewerts et al., 2009). The exploration of Ukrainian wine consumer behavior, purchasing habits and loyalty to the local wine industry remains largely uncharted territory. The current research is the first attempt to unfold an understanding of the Ukrainian wine consumers by first examining the factors that affect consumers’ attitudes and then segmenting the Ukrainian wine market.

This research contributes to the academic literature on consumer behavior by extending an understanding of attitudes toward local products in emerging wine markets. From the managerial standpoint, this research represents a guide for wine marketers. Using the findings about differences in attitudes toward local wines among different groups of consumers, Ukrainian wine firms will be able to target market segments through different marketing strategies, meanwhile developing a collective regional brand.

**Literature review**

*Local consumption in emerging markets*

The consumption of locally produced goods has become a recent trend both in established and emerging markets. Supporting local producers has been found beneficial to the local economy, environment and community (Ferguson and Thompson, 2021). When a new product appears in an emerging market, local consumers are usually the first to adopt and
popularize the product and these consumers establish the product value and brand identity (Kotler and Keller, 2006). An understanding of local consumer preferences is crucial for emerging markets (Gorham et al., 2015; Woods et al., 2015). This knowledge can help marketers to identify gaps in the domestic market and opportunities for diffusion and innovation (Ruth and Rumble, 2016). In addition, this understanding can assist in building brand loyalty, which is essential for local product promotion and success (Everett et al., 2017).

Like in many other markets, there has been a noticeable rise in the consumption of locally-made goods in Ukraine (Tarasovskyi, 2022; Zocchi et al., 2022). These preferences for local goods many have been attributed not only to the global tendencies for localization, but also to the current geopolitical situation in Ukraine. Previous research has shown that political views and/or patriotism may manifest themselves in local goods consumption (Pekkanen and Penttilä, 2021; Spielmann et al., 2020). The months of suffering have united the Ukrainians (Ukrinform, 2022); and thus, it stands to reason that the Ukrainians’ solidarity can be reflected in their choices of locally produced wine. Therefore, it is critical to study the local wine market to foster the development of the wine industry.

Brief overview of the Ukrainian wine industry
Historically, winemaking and winegrowing have been important sectors of the Ukrainian economy due to favorable agricultural conditions in the region. However, when in 2014, Russia annexed the Crimea peninsula – one of the most prominent wine regions in the country – Ukraine lost 30% of its vineyards. Nevertheless, the loss of Crimea and the armed conflict in the east of Ukraine impelled the development of other wine regions in the country.

The most recent data by the International Organization of Vine and Wine (OIV, 2023) provides a comparative overview of wine production in Eastern European countries, highlighting Ukraine’s noteworthy standing within the regional context. In 2022, Ukraine produced 0.6 million hectoliters (mhl) of wine. For comparison, Georgia recorded 2.1 mhl, Hungary yielded 2.4 mhl, Romania registered 3.7 mhl, Moldova produced 1.4 mhl, Bulgaria contributed 0.7 mhl and Russia reported a production volume of 4.7 mhl. Despite Ukraine’s comparatively modest production figures, it holds significance in the global wine context due to its developing potential.

The Ukrainian wine industry consists primarily of the three major winegrowing regions: Bessarabia, Black Sea Region and Transcarpathia (Zakarpattya) (Figure 1). More than 40,000 hectares of vineyards can be found in the southern regions (Wines of Ukraine, 2021), but several experimental vineyards also exist in the northern part of the country. International grape varieties, such as Cabernet Sauvignon, Merlot, Chardonnay and Riesling, are widely represented. At the same time, several local varieties (e.g. Odesa Black, Sukholimansky and Telti Kuruk) are well-known not only in the domestic market, but also starting to receive international recognition. According to the International Organization of Vine and Wine, Ukraine produced 0.9 million hectoliters of wine in 2019. Between 2000 and 2018, Ukraine was listed in the top 20 wine producing countries in the world (OIV, 2019). Although export levels are still comparatively low (US$56.5m in 2018, Topchiy, 2019), Ukrainian wines can be found in various world markets. Due to the enormous global support to Ukraine since the beginning of war, new export prospects have emerged for Ukrainian winemakers (Nikolaichuk and Tarasov, 2022). Yet, despite the long history and the recent growth of the wine industry, Ukrainian wines have not yet received the international recognition they deserve.

In addition, many Ukrainians used to have a predisposition about local wines. Previously, the lack of funds for quality technologies did not allow winemakers to produce
high-quality dry wines to meet the demand. To hide the flaws in the bulk wine, winemakers often added sugar to it, halting fermentation before all the grape sugars are converted into alcohol, or by blending in sweet reserve wines. In the past, this was a relatively common practice among Ukrainian winemakers; thus, a fair number of Ukrainian wines used to be sweet. Consumers were generally satisfied with these wines, although some suspected poor-quality. Because consumers expected sugar to be added to the wines, many also believed in an urban legend that some Ukrainian wines were made of powdered concentrates. This stereotype of so-called “fake wines” was a tremendous problem for market development, because it hurt the image of Ukrainian wines, whereas the collective reputation is one of the key determinants of the success of local products (Winfree and McCluskey, 2005). Although testimonies from the industry indicate that most consumers nowadays no longer subscribe to this preconceived notion about Ukrainian wines, no empirical data exists that would support this information. As such, one of the objectives of this study is to investigate whether this belief still persists among consumers today.

Conceptual framework
This research is an initial attempt to examine Ukrainian wine consumers. Specifically, consumer behavior, consumers’ characteristics and attitudes toward local wine will be assessed. According to the theory of planned behavior (Ajzen, 1991), consumer behavior is influenced by a favorable or unfavorable assessment of the behavior or attitudes toward the behavior. Consumer attitudes are defined as the degree to which a person has a favorable or unfavorable evaluation of a product. Hence, for the context of the current study, it is expected that more favorable attitudes toward local wine will lead to higher frequencies of local wine consumption (Ajzen, 1991).
Wine is a complex product for consumers to evaluate. Huneeus (2005) noted that as marketers try to apply traditional brand strategies to the wine industry, they often fail because of the complexity of the decision-making process. When consumers purchase wine, they are faced with a complex price matrix, as well as the abundance of wine features, such as color, region, information on the label and many others, which in the end often make the purchasing process overwhelming and stressful.

Wine can be analyzed by objective and subjective attributes (Romo-Muñoz et al., 2020). Objective attributes consist of vines’ age, production region and harvest year, whereas subjective attitudes include aroma, bouquet, perceptions of sweetness, acidity, astringency, mouth-feel, body and the general evaluation of the wine. For the purposes of this study, several subjective attributes that are most relevant to the examination of consumers’ attitudes toward wine, will be considered, namely, the perceptions of taste, quality and price. Previous research found these characteristics to be the most influential factors for wine consumption and/or purchasing decisions in emerging markets (Kochkina and Tavoletti, 2019; Mehta and Bhanja, 2017).

Wine is an experiential product; thus, the taste of wine cannot be evaluated prior to tasting the product (Bruwer et al., 2011). In emerging markets, consumers tend to place greater emphasis on physical evidence, for example, the taste of wine (Li, 2016). Such physical evidence constitutes an integral part of quality assessment, as taste is one of the most important determinants of wine quality (Cerjak et al., 2016; Charters and Pettigrew, 2007). Although consumers can evaluate wine quality by many different gustatory dimensions, the current research focuses only on taste and quality perceptions because including multiple evaluation factors may elevate the level of intricacy and cause information overload for respondents (Duhan et al., 2019).

Price was chosen as a factor for examination because in emerging markets products usually do not have an established image or reputation. Therefore, consumers tend to make their purchase decisions based on price. For instance, Chinese wine consumers were found to use price per bottle as one of the most influential factors that affects their wine purchasing and consumption behavior (Camillo, 2012). Similar findings were reported for Indian wine consumers (Mehta and Bhanja, 2017).

Consumers’ characteristics
Knowledge. The significance of product knowledge in wine purchasing decisions has been studied extensively (Dodd et al., 2005; Mueller et al., 2008; Viot, 2012). Several previous studies on wine consumption empirically tested Brucks (1985) three-component framework of product knowledge:

1. subjective knowledge (i.e. self-perceived knowledge about the product);
2. objective knowledge (i.e. factual knowledge about the product); and
3. previous experience with the product.

Wine consumers were found to differ in the amount, content and organization of their knowledge about wine. For example, wine novices and wine experts use different criteria to categorize product-related tasks (Velikova et al., 2015). People with higher levels of wine knowledge usually engage in variety-seeking behavior when purchasing wine (Ellis and Mattison Thompson, 2018).

The current study intends to empirically test the impact of product knowledge within the framework of an emerging wine market. Because the focus of this research is on consumers’ attitudes toward wine, subjective knowledge and previous experience are expected to be...
most relevant to the context. Measuring objective knowledge is a challenging task (Brucks, 1985) as the measures usually focus on indicators of the product’s functionality. These utilitarian measures are not always applicable to products that are hedonic in nature, wine being one of them (Velikova et al., 2015). Thus, objective knowledge seemed less applicable to the current study and was not tested.

**Involvement.** Knowledge about wine can indicate product involvement (Dodd et al., 2005). Involvement was originally defined as an individual’s assessment of the object in terms of interest and values (Zaichkowsky, 1985). Later, involvement was described as a collective measure of consumers’ interest, places of purchase, salespeople involvement and/or the consumption event (Cox, 2009). Involvement plays an important role in attitudes development. The elaboration likelihood model explains how attitudes are formed and changed (Petty et al., 1983). One of the key antecedents of these changes is involvement, particularly high- and low-involvement that are represented in the central and peripheral routes, respectively. Under high-involvement conditions, people evaluate the issue-relevant arguments with a cognitive effort, and their attitudes are an outcome of this information-processing activity, whereas under low-involvement conditions, attitudes change as a result of simple associations and/or cues (Petty et al., 1983; Rucker and Petty, 2006). An understanding of changes in attitudes throughout both routes is important for consumer behavior research.

The established significance of product involvement in the wine marketing literature influenced the choice of including involvement in the current research inquiry. In this study, involvement is approached as consumers’ interest in wine.

**Wine market segmentation.** The segmentation approach is fundamental for understanding consumer behavior (Bruwer et al., 2002). There are several streams of wine consumers’ segmentation in the literature:

- gender differences (Atkin et al., 2007; Barber, 2009);
- purchase motivations (Hlédík and Harsányi, 2019; Thomas and Pickering, 2005);
- attitudes (Caliskan et al., 2021; Kolyesnikova et al., 2008);
- descriptions of sensory characteristics (Hughson et al., 2004); and
- involvement (Aurifeille et al., 2002; Bruwer and Buller, 2013).

These approaches were discussed in a comprehensive review by Lockshin and Corsi (2012). The authors noted that it is crucial to use new ways and new markets for classifying consumers. To the researchers’ knowledge, the Ukrainian wine market has not been segmented before; hence, this study is the first attempt to identify different types of wine consumers based on their attitudes and perceptions of local wines.

**Purpose**

The current study investigates the Ukrainian wine market; specifically, it aims to shed light on Ukrainian wine consumers’ attitudes toward local wines. The purpose of the paper is threefold:

1. to examine Ukrainian wine consumers’ attitudes toward local wines;
2. to examine factors that influence consumers’ attitudes; and
3. to segment the emerging Ukrainian wine market into clusters and provide sociodemographic and wine consumption profiles for each of the wine consumer segments.
The following research questions have been formulated to address the three specific objectives of this study:

**RQ1.** What are the Ukrainian wine consumers’ attitudes toward local wines?

**RQ2.** What factors affect consumers’ attitudes toward local wines?

**RQ3.** Based on their attitudes and perceptions of local wines, what segments of Ukrainian wine consumers constitute the domestic market?

**Methodology**

**Procedures**
The data were collected through the online survey research method before the full-scale war, specifically in Spring 2021. The questionnaire was originally developed in English; then translated into Ukrainian by an independent bilingual researcher. Using the iterative process of back-translation (Brislin, 1970), the Ukrainian survey was translated back into English by another bilingual individual. The researchers then compared this translation to the original English version to ensure adequate correspondence in the two versions. The survey was issued in the Ukrainian language.

To qualify, respondents had to be of legal drinking age (18+ in Ukraine) and to consume wine (from every day to every few months). The convenience sample method was used. The participants were recruited by an email invitation through a database of a project on the development of geographical indications systems in Ukraine funded by the European Union. Throughout the duration of the EU project, participants voluntarily signed up to the database and agreed to be contacted with invitations to participate in future research projects. A total of 325 valid usable surveys were entered into the analysis.

**Measures**

Previous studies on emerging markets guided the design of the survey (Kolyesnikova et al., 2008; Velikova et al., 2013). The operationalization of the variables and the sources from which they were borrowed or adapted can be found in Table 1. Attitudes toward local wines were measured by a statement “Ukrainian wines are/have” followed by eight items on a five-point Likert scale, where 1 was “strongly disagree” and 5 was “strongly agree”. Respondents assessed their wine involvement by indicating their agreement with the statements about their interest in wine. Subjective knowledge was measured by asking the participants to self-assess their knowledge about wine. Participants were also asked how often they consume and purchase wine. Finally, questions about demographic characteristics such as gender, birth year and the highest education level achieved, concluded the survey.

**Sample description**
The sample consisted of 59.7% women and 40.3% men. The Ukrainian sample mirrored a general New World trend for more female wine drinkers (McMillan, 2022). Generation cohorts in the sample were represented by 10.5% of Baby Boomers (born 1946–1964), 34.8% of Generation X (born 1965–1981), 26.8% of Generation Y (born 1981–1994) and 28% of Generation Z (born 1995 and later). With regard to the highest educational level achieved, the vast majority (92%) were well-educated, having earned either a bachelor or a graduate degree.

Consumers in the sample drink wine at least once a week (37.5%) or several times per month (29.5%). Almost 60% reported preferences for still wine, and 35.1% equally liked still
and sparkling wines. In addition, half of the sample chose red wine as their favorite; and almost 70% expressed preferences for dry wines, whereas 20% preferred sweet or semi-sweet wines.

The majority of the respondents (55.1%) were highly involved with wine in general. They rated their wine knowledge as relatively high in general, with 41% considering it intermediate or advanced. However, the limited number of respondents with advanced knowledge made statistical analysis impractical for this subgroup. Therefore, we merged the advanced level with intermediate wine knowledge to create a more robust and analyzable data set.

Almost all respondents were familiar with Ukrainian wines (98.8% have tasted local wines), which demonstrates extremely high awareness of local wines in the domestic market. Respondents were also asked about the country-of-origin for the wine they drink most frequently. Italy (18.5%), Georgia (13.6%), Spain (12.9%) and France (10.5%) were most preferred. Notably, one-quarter of the sample chose Ukraine as their most preferred wine region. Although the 25% of Ukrainian consumers choosing Ukraine as their preferred wine region may not appear substantial, given the developing nature of the industry, it indicates considerable support for the Ukrainian wine sector among locals. To draw a comparison with another emerging wine market, a recent study of Texas wine consumers reveals that 21.1% of Texans prefer Texas wine (Boonsaeng et al., 2023).

Data analysis
The analysis was carried out using the IBM SPSS 29 software. Data were analyzed using descriptive statistical tests, analyses of differences (t-tests and chi-square tests), factor and cluster analyses.
Findings

Attitudes toward Ukrainian wine

RQ1 examined the general attitudes of Ukrainian consumers toward local wines. The mean values are presented in Table 2. The overall findings show that in general, consumers have positive attitudes toward Ukrainian wine. However, the means for familiarity and recognition are relatively low, indicating that consumers believe that Ukrainian wines are not popular enough ($M = 3.14$) and not well known ($M = 2.69$). Low mean values for the “fake wine” statement ($M = 2.05$) align with the anecdotal evidence from the industry that consumers no longer hold such predispositions.

Factor analysis

Next, to examine the factors that affect these attitudes (RQ2), a principal component analysis with varimax rotation was applied. An examination of factor loadings and scree plot suggest a three-factor solution that connected the contextual assessment of wine consumers (Table 3).

Factor 1 represented items measuring price (i.e. good value for money; appropriately priced), thus was labeled “Price Sensitivity”. Two items that loaded on Factor 2 are related to recognition (i.e. well-known and popular), hence Factor 2 was labeled “Reputation”. Items on the third factor were grouped around the perceptions of Ukrainian wines quality (i.e. good quality; world-class and the reverse-coded item regarding fake wines), thus this factor was labeled “Quality

Table 2.
Attitudes toward Ukrainian wines

<table>
<thead>
<tr>
<th>Ukrainian wines have/are...</th>
<th>$M$</th>
<th>$SD$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good quality</td>
<td>3.81</td>
<td>0.94</td>
</tr>
<tr>
<td>Good value for money</td>
<td>3.81</td>
<td>0.87</td>
</tr>
<tr>
<td>Appropriately priced</td>
<td>3.81</td>
<td>0.88</td>
</tr>
<tr>
<td>Widely available</td>
<td>3.47</td>
<td>1.09</td>
</tr>
<tr>
<td>World-class</td>
<td>3.26</td>
<td>1.00</td>
</tr>
<tr>
<td>Popular</td>
<td>3.14</td>
<td>0.94</td>
</tr>
<tr>
<td>Well-known</td>
<td>2.69</td>
<td>0.99</td>
</tr>
<tr>
<td>Mostly made of powdered concentrates (fake wines)</td>
<td>2.05</td>
<td>1.09</td>
</tr>
</tbody>
</table>

Source: Table by authors

Table 3.
Factor loadings for attitudes toward local wines

<table>
<thead>
<tr>
<th>Items</th>
<th>Price sensitivity</th>
<th>Reputation</th>
<th>Quality perception</th>
<th>Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have good value for money</td>
<td>0.831</td>
<td></td>
<td></td>
<td>0.700</td>
</tr>
<tr>
<td>Appropriately priced</td>
<td>0.654</td>
<td></td>
<td></td>
<td>0.609</td>
</tr>
<tr>
<td>Are well-known</td>
<td>0.867</td>
<td>0.777</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are popular</td>
<td>0.854</td>
<td></td>
<td></td>
<td>0.771</td>
</tr>
<tr>
<td>Mostly made of powdered concentrates (fake wines)</td>
<td></td>
<td></td>
<td>−0.824</td>
<td>0.695</td>
</tr>
<tr>
<td>Have good quality</td>
<td></td>
<td></td>
<td>0.607</td>
<td>0.721</td>
</tr>
<tr>
<td>Are world-class</td>
<td></td>
<td></td>
<td>0.598</td>
<td>0.723</td>
</tr>
<tr>
<td>Percent of total variance explained</td>
<td></td>
<td></td>
<td></td>
<td>67.5%</td>
</tr>
</tbody>
</table>

Source: Table by authors
Perceptions. The three factors account for 67.5% of the total variance. The value of the Kaiser-Meyer-Olkin measure of sampling adequacy for the set variables is 0.73, which is significant.

Cluster analysis
It was expected that the population of Ukrainian wine consumers will not be homogenous in their attitudes toward local wines. Cluster analysis was conducted with a two-step approach to determine segments of Ukrainian wine consumers (RQ3). In the first step, the hierarchical cluster analysis was conducted to determine the number of clusters. The second step applied the K-means clustering algorithm for classifying the participants into a specific number of clusters based on their attitudes toward Ukrainian wines.

The most common number for cluster groups in wine market segmentation varies from four to six (Kolyesnikova et al., 2008). In this study, we applied the recommended by previous research K-mean cluster analysis procedure. The three-cluster configuration was regarded as the most appropriate. Three clusters were statistically different from one another, $F(2, 322) = 43.03, p < 0.01, F(2, 322) = 118.52, p < 0.01$ and $F(2, 322) = 27.85, p < 0.01$ for the price sensitivity, reputation and quality perception factors, respectively. Based on the review of the means for each group, the clusters were labeled with the following descriptive names:

- Local Skeptics;
- Local Non-Connoisseurs; and
- Local Ambassadors (Table 4).

Local Skeptics represented slightly over one-third of the sample. These consumers have the lowest perception of local wine quality with the lowest assessment of its collective reputation. Notably, two-thirds of the respondents in this group were high-involved consumers. On the contrary, Local Ambassadors were the smallest segment of the sample (19.4%). Consumers in this group represent people who strongly believe in the reputation of local wine and its quality. Local Ambassadors indicated that they are highly involved with wine and that they like to be engaged in conversations about Ukrainian wines. The third and the largest (46.5%) group was named Local Non-Connoisseurs. These consumers mirror casual wine consumers, who are typically not involved with wine. They were somewhat doubtful about Ukrainian wine’s reputation and quality. In general, all three groups were price-sensitive, with the lowest mean for Local Skeptics.

To further examine these consumer segments, cross-tabulation was used to determine whether statistically significant differences exist among the three clusters with respect to selected sociodemographic characteristics and wine consumption patterns.

Socio-demographic profile
The results show that the three clusters were significantly different in terms of their gender, age, educational levels, wine knowledge and involvement with wine. Compared to the other

<table>
<thead>
<tr>
<th>Factors</th>
<th>Local skeptics $(n = 111)$</th>
<th>Local ambassadors $(n = 63)$</th>
<th>Local non-connoisseurs $(n = 151)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price sensitivity</td>
<td>3.56</td>
<td>4.48</td>
<td>3.71</td>
</tr>
<tr>
<td>Reputation</td>
<td>2.36</td>
<td>3.96</td>
<td>2.88</td>
</tr>
<tr>
<td>Quality perception</td>
<td>2.85</td>
<td>3.46</td>
<td>3.00</td>
</tr>
</tbody>
</table>

Source: Table by authors
clusters, the Skeptics segment was dominated by men (53.2%), whereas two-thirds of Non-Connoisseurs and Ambassadors were women.

With regard to generational cohorts, the three clusters had similar splits, with skewness toward Generation X in the Skeptics and Ambassadors segments (35.1% and 49.2%, respectively). The Non-Connoisseurs group had more younger consumers, with 36.4% being Generation Z. All consumers were well-educated, with the majority having earned a bachelor’s or a post-graduate degree. Over two-thirds of Skeptics estimated their knowledge about wine to be intermediate or advanced; Ambassadors mostly evaluated their knowledge as basic (50.8%); and not surprisingly, the vast majority (79.4%) of Non-Connoisseurs assessed their familiarity with wine at the intermediate or lower levels.

To summarize, Skeptics were represented mostly by middle-aged male consumers, who in general, are highly involved with wine and have higher wine knowledge. Non-Connoisseurs are mostly young females with basic wine knowledge; and Ambassadors are mostly represented by middle-aged females with the majority estimating their wine knowledge as basic (Table 5).

Wine consumption profile
Wine consumption analysis revealed statistically significant differences among the clusters, $\chi^2(6, N = 325) = 86.54, p < 0.01$. Skeptics were frequent wine consumers, with over half of the group consuming wine at least once a week, and almost 20% reporting daily wine consumption. Ambassadors consume wine at least once a week (49.2%), whereas Non-Connoisseurs drink wine only occasionally, from several times per month (34.4%) to every few months (42.4%).

The groups seem to be different in their wine preferences, but only in terms of the level of wine sweetness ($\chi^2(6, N = 325) = 53.45, p < 0.01$). The vast majority (90%) of Skeptics prefer dry wine. Ambassadors are somewhat similar to Skeptics in terms of dry wine preferences (71.4%), but they also like semi-dry (15.9%) and semi-sweet (12.7%) wines. Roughly half of Non-Connoisseurs prefer dry wines, but they have a little more skewness toward wines with higher levels of sweetness.

Almost all respondents have tasted Ukrainian wines previously, with an exception of Non-Connoisseurs, where 2.6% have not tried Ukrainian wines. Most Skeptics purchase Ukrainian wines fairly regularly, with one-third buying local wines several times per month and 47.7% once in a couple of months. Of the three groups, Ambassadors buy local wines most frequently, with 41.3% reporting purchasing Ukrainian wines several times per month. On the contrary, Non-Connoisseurs are the least involved and 16.6% indicated they never buy local wines (Table 6).

Discussion and implications
This exploratory study represented an initial attempt to examine the Ukrainian wine market. Overall, the results show that Ukrainian wine consumers have positive attitudes toward local wine. Moreover, the past preconceived notion about fake wines is decreasing. This suggests that within the last few years, Ukrainian wines have undergone significant improvements in quality, leading to favorable attitudes, consumer loyalty and a good reputation.

Three factors that affect Ukrainian consumers’ attitudes toward local wine were identified as Price Sensitivity, Reputation and Quality Perceptions. Price and quality are factors, which always play an important role in consumers’ choices. But the fact that consumers in an emerging market greatly value product reputation signals the urgent need for a positive image establishment in the domestic market as the image drives market prices (Benfratello et al., 2009).
Table 5. Socio-demographic profile of the clusters

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Entire sample (n = 325) (%)</th>
<th>Local skeptics (n = 111) (%)</th>
<th>Local ambassadors (n = 63) (%)</th>
<th>Local non-connoisseurs (n = 151) (%)</th>
<th>Chi-square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11.56**</td>
</tr>
<tr>
<td>Male</td>
<td>40.30</td>
<td>53.20</td>
<td>33.30</td>
<td>33.80</td>
<td></td>
</tr>
<tr>
<td>Female</td>
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<td>3.2</td>
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<td>38.1</td>
<td>–</td>
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Notes: *$\chi^2 = p < 0.01$; **$\chi^2 = p < 0.05$
Source: Table by authors
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Entire sample ((N = 325)) (%)</th>
<th>Local skeptics ((n = 111)) (%)</th>
<th>Local ambassadors ((n = 63)) (%)</th>
<th>Local non-connoisseurs ((n = 151)) (%)</th>
<th>Chi-square</th>
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<td><strong>Frequency of consumption</strong></td>
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<td>31.70</td>
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<td><strong>Favorite type of wine</strong></td>
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<td></td>
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<td>-</td>
<td>2.60</td>
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<td></td>
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<td>33.30</td>
<td>41.30</td>
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<tr>
<td>Once in a couple of months</td>
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<td>28.60</td>
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<td>1.60</td>
<td>16.60</td>
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**Note:** *χ² = p < 0.01*

**Source:** Table by authors
Despite the challenging geopolitical circumstances, the Ukrainian wine industry has been experiencing a resurgence. Many new wineries and garagiste winemakers appeared on the market. Nongovernment organizations promote these winemakers at national and international trade shows (Wines of Ukraine, 2023a, 2023b). In 2022, the interest in Ukrainian producers has increased not only from foreign markets but also from local consumers (Nikolaichuk and Tarasov, 2022). Moreover, Ukraine’s wine imports have been growing lately and have almost reached the prewar value levels of US$13.2m (United Nations, 2023).

Our findings also suggest that Ukrainian wine consumers can broadly be grouped into three consumer segments: Local Skeptics, Local Ambassadors and Local Non-Connoisseurs. Local Skeptics are the least enthusiastic about local wines. They are interested in wine in general and are highly involved with the product. It is reasonable to assume that because of their strong relationships with wine, they are well aware of the global wine trends. They are also likely to understand that the Ukrainian wine industry is still in the initial stages of development. It is important to point out though that despite their seemingly negative attitudes toward local wines, Skeptics fairly regularly drink Ukrainian wines (over half drink them at least once a week) and fairly regularly purchase them (one-third of this group buy Ukrainian wines several times per month). Therefore, the industry should not quickly dismiss this segment just because of their less favorable attitudes at the moment. People in this segment seem to know the potential of Ukrainian wines and should be targeted appropriately so that their trust in the industry strengthens.

Local Ambassadors represent the push power of those who will disseminate the information through word-of-mouth. Virtually, all Ambassadors are highly involved with wine (96.8%) and their wine knowledge is mostly at the intermediate or advanced levels (95.2%). Their wine purchasing behavior is quite similar to Skeptics, with one distinction in that almost 30% of Ambassadors buy Ukrainian wine at least once a week or more often. Clearly, this is the group that sees the potential for the emerging wine industry, and therefore, their activities will help to create a positive reputation for local wine brands. Such activities may include wine tastings with a focus on local wines or local varieties, as well as participation in local wine festivals and events. It is recommended that marketers cooperate with Ambassadors to promote local wine brands. The “Wines of Ukraine” marketing campaign is one of the best examples of the already existing cooperation between marketers and Local Ambassadors. Its aim is the dissemination of information and promotion of the regional Ukrainian wine brand on the national and international levels.

While Skeptics and Ambassadors are well aware of local wines, Non-Connoisseurs need attention from wine marketers. First, this is the most price-sensitive group, who are unsure yet about their wine preferences. Non-Connoisseurs are also the least involved with the product, and thus, wine marketers could transform them into enthusiasts through different marketing strategies; for example, wine education, especially given that this group is less knowledgeable about wine (almost 20% indicated they have no wine knowledge). Marketers should evolve their interest in gaining wine knowledge by providing wine events with workshops and tastings. This is where the Ambassadors can be helpful.

Although social media wine influencers are becoming increasingly prevalent, wine drinkers in markets such as the USA, China and the UK continue to rely more on word-of-mouth (i.e. friends and family) as trusted sources for information (Aswani, 2021). In Ukraine, however, the situation is different. Digitalization became prominent in almost all Ukrainian industries (Fedorov, 2023); and for consumers, it is easier to find information about products online. As Non-Connoisseurs are mostly young consumers, they are more online-engaged,
and wine marketers should use different social media platforms for promoting Ukrainian wines and generating added value for these consumers.

To conclude, on a conceptual level, this research expands the academic literature on consumer segmentation in emerging wine markets. Taking into consideration the common challenges and opportunities faced by many developing wine regions, the results can be adapted and used by wine industries in other emerging regions. The understanding of local consumer behavior, segmentation strategies and the role of key factors such as price, reputation and quality can guide marketers in better targeting local consumers, fostering industry growth and building a positive image for emerging wine markets globally.

Limitations and future research
The primary limitation of this study is the sampling method. Because the participants were selected from an EU project’s database, their participation in a survey about wine may have resulted in a sample that was more involved with the product than the general population in the country. Although the sample was relatively equally split in terms of their wine knowledge and involvement, future studies should consider surveying wine consumers through market research companies, which usually have access to wider demographics. Moreover, though meeting the minimum requirements for the defined objectives (Dolnicar et al., 2014), the sample size of 325 responses poses a limitation by potentially affecting the generalizability of the findings to the larger Ukrainian population.

Another limitation was the fact that data were collected before the full-scale war. Local consumers' attitudes might have changed since then. First, at the very beginning of the war, access to alcoholic beverages was temporarily banned and then limited. Imports were scarce; thus, consumers were naturally forced to buy local products. This necessity to purchase local products, including alcoholic beverages, coupled with the marked Ukrainian patriotism since the beginning of the war, may have increased consumer ethnocentrism. It is thus recommended that future research uses consumer ethnocentrism and product patriotism theoretical frameworks for studying consumer behavior in emerging wine markets, especially in times of crisis. Furthermore, a follow-up study is recommended as consumer attitudes may have evolved in response to the geopolitical situation.

References


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