



Introduction

With the rapid dispersal of world wine production over the last half century, and the increasing global reach of world wine markets during the past two decades, attention in the wine industry has moved from focusing merely on improving production to how businesses are organized and brands (including territorial or regional brands) are managed. Yet, while there have been a number of books addressing specific aspects of running a wine business (particularly on the subject of marketing) there is an absence of studies that cover the entire spectrum of wine business management, and it is this discrepancy which this work aims to address.

Wine is a product which captures the imagination of not just its consumers, but also many of its producers. More traditional wine enterprises may concentrate on their wine in the context of local identity and long-established consumption values, and for more new-wave businesses there can be a focus on the aesthetic value of what they are making. In both cases, the approach can deflect attention from running the business effectively and in the contemporary commercial environment that can quickly lead to failure, however good the wine is or however easy in the past it has been to sell the wine locally.

The growth in interest in the business of wine has led to an increase in training and education programmes on the subject worldwide. This book is primarily designed for students, in the broadest sense, of the wine business. This includes not just those who study the subject formally at an academic institution, but also those already working in the industry keen to develop their knowledge of the subject and ensure that their company does not just make good wine, but manages itself effectively and engages with its consumers efficiently.

One of the complexities underlying the world of wine is that the product is almost always place-specific; that is, it has a precise regional, perhaps even vineyard, origin. Its management is therefore not only the management of a single enterprise, but also the collective management of a region. Managers within the wine industry must thus consider not just how to make their own business more effective, but also how to engage with others around them to organize and promote their area. Additionally, because of the diverse selection of wine on offer a great deal of the distribution is specialized. Despite the recent growth in sales in supermarkets in many countries, specialist stores, on-premise sales, sommeliers and wine critics are all still an essential part of the industry. The result of these two factors is that it is hard to talk of a single type of “wine business”. Although most of what follows focuses on wine-producing companies, it has also been necessary for our contributors to focus on the territorial dimension and downstream businesses.

The book is divided into four parts. The first section provides context for the wine industry worldwide. Wine has a history of around 8,000 years which has shaped how it is perceived by both producers and consumers, and much of this informs, albeit unconsciously, the way wine enterprises operate; chapter 1 addresses these issues. Chapters 2 and 3 respectively consider the economic and legal environment within which these companies operate, and chapter 4 examines what marks wine out as different, thus what it is that makes managing wine businesses different from other enterprises.

Section two focuses on the management of wine businesses. Here we have an analysis of how change is taking place in the wine industry worldwide and how it can be managed better (chapter 5) at the same time looking at how to develop more strategic management, particularly within a niche (chapter 6). The section then considers the role of entrepreneurship and leadership (chapter 7). The following chapter addresses the specific issue of regional organizations and how they operate. Chapters 9 and 10 then consider the specific management functions of financial and human resource management.

Section three is focused on marketing and distribution. This considers consumers and their behaviour (chapter 11), managing wine brands (chapter 12), managing promotion and events (chapter 13) and methods of distribution (chapter 14).

The final section is designed to focus attention on management in the context of the modern and fast-changing world of wine. Here we evaluate the significant (long-standing but of great contemporary relevance) links between wine and hospitality (chapter 15), the rapidly growing field of wine tourism (chapter 16), the impact of the growth of luxury wines around the world (chapter 17) and how modern communication technology is having an impact on wine businesses (chapter 18).

Our contributors were asked to provide a wide range of examples from the wine world to illustrate as many of their points as possible. Additionally, the chapters in the core management sections (II-IV) each have a case study near the end to exemplify some of the points made and to allow readers to explore specific and interesting wine business issues which relate to the subject under discussion. A series of questions at the end of each chapter is also designed to help focus readers on the topic, and to work through how the themes raised operate in practice.

We are pleased to have been able to assemble a team of world-leading experts in the field, who were willing to contribute their years of knowledge and expertise to this project – and we are grateful to all of them for the time and energy they have dedicated, particularly for working to such tight deadlines. As well as our colleagues from the Burgundy School of Business (who themselves come from different countries) we have contributions from Canada and Australia, the UK and the USA, Cyprus and Greece, Chile and Brazil. This gives a genuine international perspective to the work, with each author being asked to focus not just on their own country. We hope that this will offer readers engaged in the industry in a very specific geographical location, a wider perspective on wine – an awareness of how the business may operate differently elsewhere and how incorporating some of those differences may add value to their own understanding.

Finally, as with all long-term academic projects, this book – which has been a great pleasure to have conceived and produced – has nevertheless taken much time. We don't mean to complain, this is our job and we enjoy it; however, our families have had to

live with the distraction it has brought to our home life and so we are grateful to them for the tolerance, and indeed support, that they have shown throughout the gestation and birth of this venture. Pierre Morin, of Pearson has also been unfailingly helpful, and we want to acknowledge his role in bringing this project to fruition. This book is appearing in both French and English versions. Most chapters were originally drafted in English, and we wish to thank Émilie Boivin and Delphine Lemoine for translating these into French – as well as Catherine Palmowski who translated the French chapters into English.

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