

# **A typology of small producers in the champagne industry**

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## **Abstract**

This study examines small wine producers in champagne (vignerons), specifically by attempting to categorise them based on the structure of their business and their attitudes to business management, in particular marketing. The research used qualitative techniques to obtain in-depth data over a range of sub-regions in Champagne. The findings suggest four categories of vigneron and one sub-category, based on an analysis which examines market orientation and a dichotomous internal/external approach to the business. Most vignerons have a focus which is oriented towards their vines, their land or their family, with a few being more fixed towards profits, or on total business management. The findings are relevant for wine businesses and their advisors, helping them to understand how to improve the management and focus of their enterprise.

## **Introduction**

This research explores types of small producers – known as vigneron - within the champagne industry. The study was exploratory so qualitative research processes were adopted which resulted in four different categories of vigneron being identified. The research is relevant at both practical and theoretical levels. It has practical relevance for two reasons. First, because of the continued success of champagne in the face of a general decline in the French wine industry both domestically and in export markets. Second, because of the importance of small producers generally to European wine production and the changing economic and legislative environment, particularly driven by the European Union as it seeks to stem continued oversupply – so that research into their marketing perspective may be significant.

It is also worth noting that much recent wine business research has focused on the consumer rather than the producer (Amine & Lacoeylle, 2007; Charters & Pettigrew, 2006; d'Hauteville & Perrouy, 2003; Hall & Winchester, 2000; Lockshin, Quester, & Spawton, 2001; Rouiller et al., 2004). Very recently some studies have examined producers and their outlook on marketing (Jordan, Zidda, & Lockshin, 2006; Remaud, 2006), and others have examined the overall management approach of producers, usually within Australia (Aylward & Glynn, 2006; Brown, Davis, Charters, Clark-Murphy, & Walker, 2007; Orr, 1999). However, this is still an under-researched area, and little work has examined this aspect of the wine industry in France, as opposed to the New World wine producing countries.

## **Context**

The research study was created to use an open-ended data collection process in order to get the deepest range of data possible. Whilst it was constructed to mirror a previous project which took place in Western Australia (Brown et al., 2007; Walker, Charters, Brown, Clark-Murphy, & Davis, 2006), it was conceived without any hypotheses as the cultural and oenological background in champagne is so different from the Australian wine industry that it was felt necessary to commence the study without presuppositions about what may be discovered. The research project was designed to examine management generally, and the focus of the current paper, on the structures and types of small champagne producers, was merely one area under research.

A few studies have created management typologies which are relevant to the current research. Julian and Rae (2007) used psychological attributes and personality traits to construct a typology of bioentrepreneurs, but their research focused on the individuals, rather than the enterprise as a whole. Pramodia and Mattias (2007) analysed family firms. Correlating the type of values a family could hold with the level of family involvement in the firm revealed 16 types of business – but this approach was very structurally rigid, plotting a limited number of values against a precise estimate of family participation. More relevant to the current study are two further studies focused on the wine industry. The first was an exploration of business types in the Western Australian wine industry (Brown et al., 2007) produced six types of business in total, including entrepreneurs, generational successors, a group which barely survive in business terms and another which subsidise their business from other income and a set of farmers (or those from a farming background) who had moved into wine production. Second, Mattiacci, Nosi and Zanni (2006) examined entrepreneurship in Tuscan wineries. They observed three types of producer, of which one, the ‘traditional entrepreneurial model’, was

typical of smaller local wineries, mainly product oriented, implementing adaptive strategies to respond to the competitive challenges of the business scenario. In

general, these producers are not able to accomplish effective marketing strategies or start innovation processes on their own (Mattiacci et al., 2006 p. 3f.).

It is this group of smaller, long-standing producers which most closely equates with the Champagne vigneron. Their other categories included more externally owned or large scale enterprises less relevant to champagne.

In addition, two further areas of small business research are particularly relevant for the context of this study, as the types constructed in the findings draw on insights from these fields. The two areas comprise business motivation and marketing orientation, which both offer insights into the overall view that the owners of these SMEs have on the role and vision of their business. It is also relevant to consider the nature of the champagne industry, which will be examined subsequently.

### ***Business motivation***

One analysis of why people enter business has focused on the idea of psychic rewards (Owen, Carsky, & Dolan, 1992), also known as psychic income (Wheelock & Baines, 1998). This analysis is useful because it focuses on the personal goals of the owners of small businesses, and particularly because it stresses that they may be beyond the normal economic and financial categories for business success. It is important, therefore, to note that many small-scale entrepreneurs are not motivated primarily for financial reasons and may look more for personal satisfaction such as a sense of personal achievement or particular lifestyles (Walker & Brown, 2004).

This perspective may reveal why some owner/managers of small wine producing companies seem to be less driven by financial motives and concentrate more on other drivers – perhaps a “passion” for their product. Pragmatically, however, those personal drivers highlight the problems of an industry which is trying to maintain its sustainability, if a number of small businesses are more focused on personal and lifestyle ambitions rather than the overall economic development of the industry or sector. Irrespective of the sector within which they work, all owners or managers of small enterprises need to have an array of business skills, and how they develop these will have an impact on the management and success of the enterprise. There is often a sense that the wine industry is somehow different from other businesses (Lockshin, Rasmussen, & Cleary, 2000). At least in the New World those who work with wine often do appear to have some very specific characteristics, which may be mirrored in their abilities as managers.

### ***Market orientation***

The marketing focus (on product, or sales, or customer) of those involved in businesses may have a direct link with the individual’s motives for being in that business. It has been observed (Beverland, 2004a) that the result of a market orientation is that an enterprise will organise itself, and establish systems which are focused on the needs of customers – but the result is the development of a coherent marketing mix and the emergence of robust brands, so that profits result from the customer focus rather than from a concentration on the profits *per se* (Kohli & Jaworski, 1990). The evidence of much research over the last decade or more suggests that an enterprise which is oriented towards its customers will perform more strongly in marketing terms (Kirca, Jayachandran, & Bearden, 2005), so that earlier marketing paradigms – the product or sales focus – have now been replaced by the marketing focus (Kotler, Adam, Brown, & Armstrong, 2006). Consequently successful enterprises are considered to be those which focus on delivering the requirements of the market, rather than their own idiosyncratic wants or perspectives. Thus, at a national level, it has been noted that

the overall wine industry in certain countries lacks effective market focus, such as Bulgaria (Zharieva, Gorton, & Lingard, 2004) or France (Jordan et al., 2006). Recent studies have observed that the results of good performance accrue more obviously to companies which are customer-focused and which produce goods rather than services (Kirca et al., 2005), a factor relevant to the champagne industry.

Nevertheless, it has also been remarked that wine businesses in particular may place less emphasis on market focus and more on the production of a 'high quality', carefully crafted product. Critically, for a study which is examining overall perspectives on a business, Beverland (2005) observes that wine-producers who espouse a product-focused approach regard themselves as craftsmen or even as artists, rather than people running a business. It is particularly the case that at the luxury end of the market there may be specific consumer appeal to be gained from playing down crude business objectives or mass production and focusing instead on the creative and artistic aspects of making the wine (Beverland, 2005), although it may be that this is only possible for long-term producers who have established a tradition and heritage for their brand. It may be questionable whether or not new entrants in long-standing areas such as Champagne would be able to achieve this (Beverland, 2005).

### *The champagne industry*

The Champagne region of France has been making wine for around 1500 years (Unwin, 1996). As with all French quality wine regions, it has an Appellation, so that the area within which vines can be planted has been delineated. Around 34,000 hectares have been delimited in this way, and this area is now almost completely planted, so there is at present no space for further vineyards (although in the past a rather larger area was under vine, and there are proposals to extend the delimited area in the future). The viticultural centres of Champagne are Reims and Epernay, with some of the larger, well-known negociants ('the houses') based in one or other of them. Whilst around 40 houses are responsible for most of the well-known champagne brands, such as Pommery, Laurent-Perrier and Moët et Chandon, they only own ten percent of the vineyard land available. The vineyards are generally owned by small-scale grape growers, the *vignerons*. There are 15,000 *vignerons* who sell grapes to the houses or local co-operatives – but in addition around 5,000 of these *vignerons* also produce and sell wine on their own account, though mainly to a domestic, primarily local, market.

This project focused on *vignerons*, rather than the large houses, as it was primarily concerned with management and marketing perspectives in SMEs. The *vignerons* have often been involved in grape growing for many generations, and may also have been selling wine for a considerable time – over 100 years in some cases. Individuals such as this are often referred to as *paysans*, (literally 'peasants', though without the derogatory connotation that the word has in English) and many of those interviewed in this study used that term proudly about themselves.

The *vignerons* may therefore be selling both a manufactured product to the public, and also selling agricultural produce to a business client. The small size of the holdings means that it may be barely enough to make a living – and many of the *vignerons* have a second job. Their outlook is traditionally that of a *paysan*, with a primary focus on the land and on cultivation. Much *vigneron* champagne is sold locally; some of the larger *vignerons* may distribute in France, including sales in supermarkets and a few distribute abroad. These *vignerons* include some very highly regarded champagne producers. In the latest edition of the 'Classement de la Revue de Vins de France' (Burtshy, Gerbelle, Poels, & Poussier, 2007) one of the four three-starred wines (the highest rating) comes from a grower rather than the more well-known

houses, as are two of the eleven two-starred wines and 13 of the 24 one-starred wines. When those with no stars are included in total over 50% of all the wines noted come from vigneron.

As is typical in much of Europe, though unusual in the rest of the world, many of the vigneron (about 85%) are also members of a local co-operative. This means that they deliver their grapes to the co-operative, which is obliged to buy and process them. The resulting juice or wine may then be sold on to the houses which use it to produce their champagne. In other cases, however, the vigneron are given back champagne, in bottle, which they can then sell under their own label. However, it is crucial to realise that in this case they are not provided with champagne made from their grapes, but rather with a champagne produced from all the grapes delivered to the co-operative; what they sell may therefore be the product of the entire village or of a group of villages – not just of their vineyards. In these cases the vigneron are known as *coopérateur-manipulants*, and there are about 2600 of them in Champagne. Independent vigneron who make their own wine are known as *recoltant-manipulants*.

## **Process**

It is worth stressing that the focus of this study was on small- and medium-sized businesses which grow grapes and sell wine. In international wine industry terms none of the vigneron interviewed ran large enterprises; only one made more than 300,000 bottles per annum (25,000 cases per annum). This focus was deliberate since the needs and expertise of smaller producers are qualitatively different from the larger producers in the champagne industry.

As this was an exploratory study, it was decided that qualitative methods would be used to try to obtain a broad perspective - a 'total' picture of a particular sample, rather than data which were widely generalisable (Calder, 1977). Interviews were used as they allow for the depth of data needed (Douglas, 1985).

A semi-structured interview guide was created as the primary means of data collection. This format was used to guarantee some data continuity between informants, but also to offer flexibility so that other, unplanned-for, information and ideas could feed into the data-collection process. This could allow less conscious and less cognitive perspectives on marketing a wine business to be obtained (Fontana & Frey, 1994). Specific questions asked interviewees about how they measure success, investigated what their marketing background was (if any), discussed marketing planning, exporting and training, what they considered value in champagne is and asked about the role of champagne industry organisations. Data used in this paper have been drawn essentially from the responses to those questions. Pilot interviews were not carried out. However, as the interview guide was not structured it could be (and was) developed and refined during the whole data collection process (Denzin, 1989). Interviews were recorded in detailed field notes, and were additionally tape recorded.

## ***The sample***

Twenty-eight interviews were arranged for this study over four sub-regions of the champagne appellation. The interviewees were usually owner-managers, and could also be the winemaker. In most cases the businesses were family enterprises – so multiple generations were occasionally interviewed in double interviews. The size of the businesses varied, both in numbers of hectares cultivated and bottles produced (a large landholder can sell most of his/her grapes, and only produce a moderate number of bottles). The largest produced 1.5 million bottles p.a. and the smallest only 2000 with an average of 125,780 bottles. However, the largest producer was an outlier, over 5 times the size of the second largest (included because it was expected to, and did, have a markedly different perspective which would offer 'negative instances' to contrast with other approaches and ensure that they were highlighted

(Douglas, 1985)). If this vigneron was excluded then the average landholding was just over 8 hectares, with a mean production of about 75,000 bottles per annum.

The key aim was to have a mix of operations, small and large, including some which export, and both recoltant-manipulants and members of co-operatives (there were about equal numbers of each). Some interviewees operated their wine business as part of a larger agricultural enterprise. A summary of key demographic and other information is contained in appendix 1.

The sub-regions where the interviews took place were the Montagne de Reims, the Vallée de la Marne, the Cote des Blancs and – about 120 kilometres south of the main areas of production – the Aube. These areas were selected for specific reasons. Historically, each of the first three has been perceived to have different viticultural strengths. The Montagne de Reims and the Cote de Blancs have especially high quality reputations, and are also close to the major centres of population – so receive a lot of attention from visitors. The Vallée de la Marne, which stretches for 60 kilometres to the west of Epernay, is less well known and probably less visited. The Aube, outside the main tourist area for champagne, traditionally made less wine but has been a key supplier of grapes to the large houses in the north.

The principle in developing data collection in qualitative research is to proceed until one reaches ‘saturation’ (Sarantakos, 2004). This project began with an expectation that there would be 32 interviews, but it was felt by the time 28 had taken place that saturation was achieved. Although the total number of vignerons varies between the selected sub-regions, it was decided to interview equal numbers in each area, to ensure that the researchers could easily understand and focus on the similarities and differences between each location.

### *Analysis*

During and after data collection the researchers met regularly to evaluate the process, and review the data as it was being obtained. Data analysis was an on-going and cross-comparative process (Janesick, 1994). However, the two researchers approached analysis in different ways. One used a very structural approach, analysing information about the informants in a formal way – thus whether they were a recoltant-manipulant or a cooperateur-manipulant, or if their market focus was on vines or wine or sales. The other researcher eschewed such a formal analysis, and treated each informant initially as a discrete data-source, evaluating their attitudes, approach and perspectives in totality. Crucially, despite these separate approaches to the analysis, the findings of both researchers carried a great deal of unanimity. Two of the types noted below were created independently and unanimously, and there was substantial agreement over the others.

The use of different research areas, variably-sized businesses and alternative approaches to the analysis of the data meant that a certain level of data triangulation occurred, adding to the trustworthiness of the process (Wallendorf & Belk, 1989).

### **Categorising the vignerons**

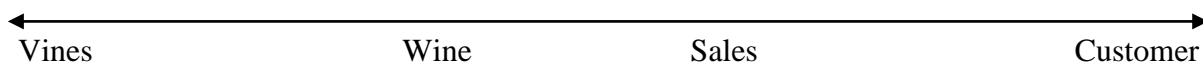
This paper categorises small wine producers in the Champagne region into types. In order to do this a series of data sets were utilised. Some of these were demographic, and easily quantified. These included the size of the enterprise (both in terms of hectares of vineyard owned/managed and numbers of bottles produced), the generation of ownership and the highest qualification obtained by the current owner or manager. The second data set concerned the structure of the enterprise – whether it was run by recoltant-cooperateurs or recoltant-manipulants and whether or not they sold grapes and wine or just wine. The third

data set considered attitude and approaches to management and marketing (including distribution and export), ideas of value and the key perceived success factors for the business. This data set examined the mentality of the vigneron, and was thus less defined and clear-cut in approach than the previous two.

### ***Business focus and personal orientation***

Within the Champagne region it is common for vigneron to talk about the three ‘Vs’ – *vignes, vins et ventes* (vines, wines and sales). This alliterative catchphrase, repeated regularly by informants, is itself responsible for colouring their perspective. Vines are the first things mentioned then wine - and the use of the word sales, rather than ‘marketing’ or ‘customers’, whilst neater for the alliteration, maintains a fairly dated perspective on the process of marketing. Thus the focus of many in the champagne industry on the vines inevitably influences their marketing orientation and consequently their ideas about the purpose and structure of the business.

The market orientation of the vigneron taking part in the research project were therefore assessed as having a product, sales or customer focus, depending on the data (see figure 1).



**Figure 1: The marketing orientation of champagne vigneron.**

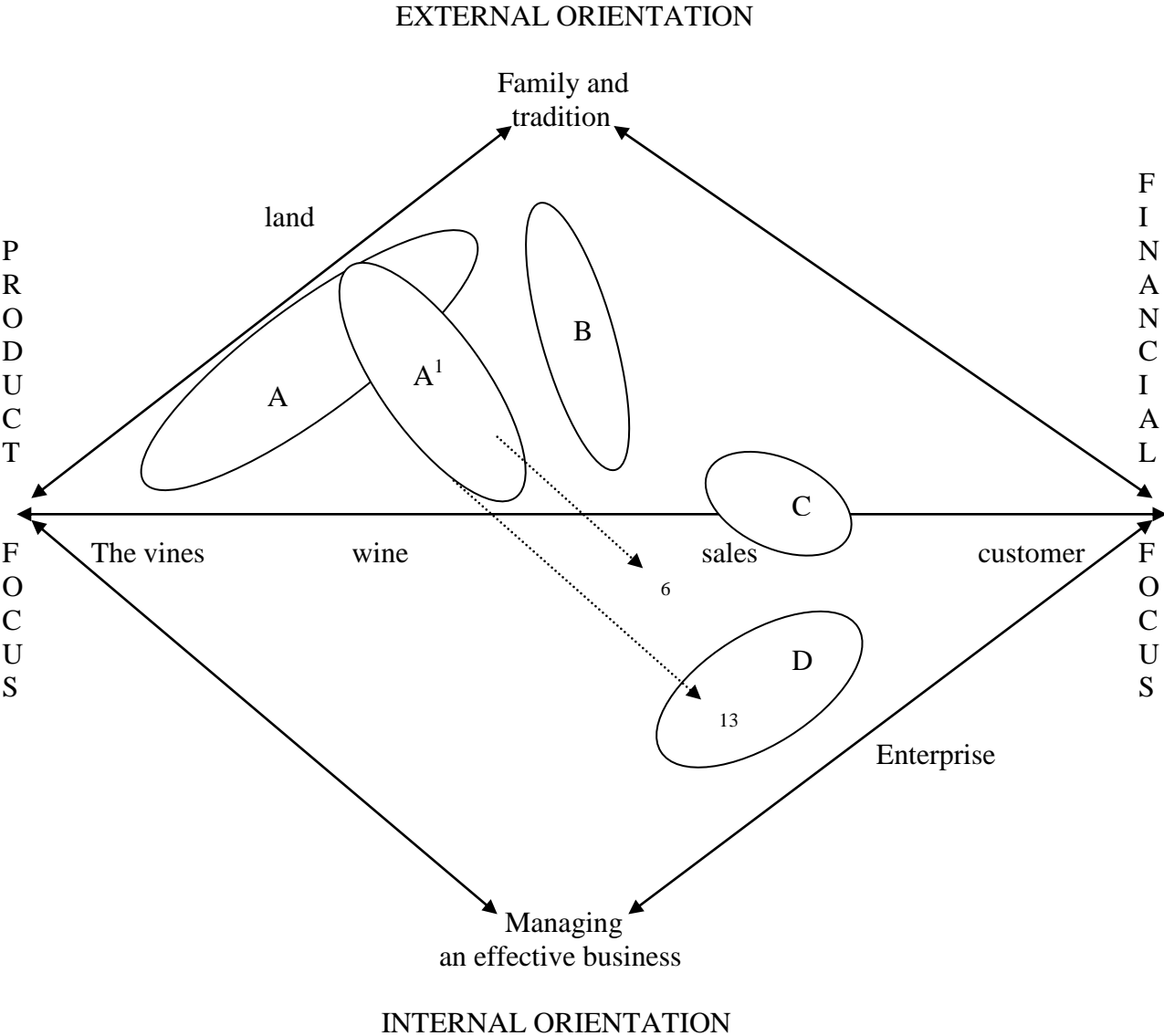
This continuum offers an analysis of the focus of small enterprises in Champagne, suggesting that they are either concentrated on the personal desire to tend their vines, or on the production of wine, or on the more utilitarian necessity of earning and living, by sales or by focusing on the customer. Within this continuum, it is notable that the researchers considered that the vast majority of vigneron were bunched at the product end of the scale, with a number (around 50%) firmly displaying a product orientation. However, whereas in New World countries the product focus is on the wine as a crafted product (Charters, Clark-Murphy, Davis, Brown, & Walker, 2008 - forthcoming), in this case the focus tended to be much more on the vines and it is clear that being in the vineyard was important even for those who might have a clear business (sales or customer) orientation.

In addition to the continuum from the product (vines, wine) to market-awareness, one can note that the orientation of the vigneron can be outward-directed, or more towards something more personally (inwardly) significant. In this instance there was a marked tendency for some producers to show an element of attachment to their land, often aligned with a commitment to their family. There was a sense of stewardship in this approach – of responsibility to someone or something else. On the other hand some interviewees displayed a much more personal focus in what they were doing; the land and other people such as one’s family may be important – but a sense of achievement or personal development was also significant in what they did, giving them a more personal focus on their enterprise.

By merging the continuum of marketing-focus with the other inward/outward dichotomy it is possible to construct a grid which reflects, on two axes, the various attitudes to the business (figure 2). This transposes onto the marketing-orientation continuum another axis fixed at one extreme on extraneous purposes (stewardship) and the more internal goal of having a personal challenge. This grid can then be used to plot where the informants primarily focused in their approach to their business. Having determined the situation of each informant, some clusters appeared to exist. There were four of these groups, plus what the researchers



considered to be a sub-group, and these are detailed on figure 2 from A to D, including one distinct sub-group of category A.



**Figure 2: An analysis of champagne industry involvement.**

**Types of vigneron**

Given that this process involved a qualitative analysis of qualitative data it may therefore not necessarily be exact, although it may also have provided a more nuanced evaluation than a quantitative approach would have done. The findings are not offered as a precise quantification of vigneron’s approach to their business, but as a suggestion of how, they approach it with an attempt to offer some quantified idea of the size of each group of vigneron. As this analysis progressed it was often the case that an enterprise’s focus was clear cut, but in many cases it was unclear, and a business appeared to straddle two (even three) clusters. In part this reflects the suggestion made by Kohli and Jaworski (1990) that customer focus is not dichotomous (either/or) but exists on a continuum with other forms of orientation.

### ***Group A – Vine-focused***

This was the largest group of vigneron with eight interviewees in the category and a further seven in a sub-category (see below). The total group thus accounted for just over half of all the informants. The main group of eight comprised a group of vigneron who make wine (or, if cooperateurs, have it made for them) but who also sell grapes – and for whom that side of the business may be more important than direct sales of wine. Indeed, some of them noted that selling grapes was more profitable, but they chose to sell some wine ‘to avoid having all my eggs in one basket’. This group were the smallest land-holders (3.8 hectares each, on average) and sold the least wine (16800 bottles p.a. on average) with very little of that exported. When asked about the reasons for their success as an enterprise they talked about the quality of their product, or the price/quality ratio – one explicitly saying ‘my price/quality relationship makes a loyal clientele, and I know that I am competitive in relation to other producers’ (authors’ translation). They had the lowest level of training on average (a diploma in viticulture was common). They also tended to be the second generation in the enterprise. All of this gave a sense that they had taken over the business because it was a family concern and the expectation was that they would do this. One of these, when asked why he was in the business, replied that he had no choice – he was the eldest of five children and expected to take it over. He was steward of the land for his family, and needed it to make sales to generate his income. Hence their focus tended towards their vines - one explicitly saying ‘I am passionate about my vines’ – with little business planning taking place and no sense of strategic direction. Any idea of stewardship they displayed concentrated on the land rather than the business in its totality.

### ***Sub-group 1A – Sales-focused cooperateur-manipulants***

About nine of the informants articulated a level of orientation towards sales. In about two-thirds of these cases the interviewees expressed a strong commitment to the land which they owned (rather than the vines, *per se*). They showed the traditional approach of the French *paysan*, but at the same time displayed a strong awareness of a need to sell if they were to make a living. These informants were all cooperateurs. They tended to focus less on sales of grapes and more on sales of wine but still with very little export. The sales-focused cooperateurs were also small land-holders (just under 5 hectares each, on average) and produced just a little more wine than the vine-focused. A couple of this group, displaying a bit less emphasis on the land and rather more on the customer only made wine – thus selling no grapes – and were more dependent on exports. They thus were at the extreme product/sales focused end of the group, but as the category seemed to operate on a continuum they were not out of place within it and in all other senses they fitted the profile of this subgroup. The definition offered by this group of the value of champagne focused almost completely on the price of the wine rather than its quality or the development of brand reputation. However, when questioned about the reasons for their success, like the vine-focused they thought that primarily it was due to the quality of their champagne. This subgroup was no more highly qualified than the vine focused, but tended to be the third generation or older in their enterprise – and it may be this business longevity which gave them a little more concentration on sales than the previous group.

### ***Group B – Product-focused farmers***

This group (n=5) were generally recoltant-manipulants and tended to operate rather larger businesses than Group A and A<sup>1</sup>, so that on average they had over eleven hectares of vines and sold seven times as much wine as the previous groups (and the second highest average of any of the groups). They were more likely to export than the other groups. They came from

an even longer established enterprise than the others, generally being the fourth generation of their family involved in the business. They seemed to rate the image and reputation of champagne as more significant in its value than any price relationship. However, while they often displayed a strong sense of family loyalty – and by extension a commitment to their land (as farmers) they were much less involved with the vines *per se*, or with viticulture (indeed, a couple of them expressed an aversion to working with the vines).

### ***Group C – Profit-focused***

Three of the interviewees had a strong focus on sales and profitability but came from a different perspective from the sales-focused cooperateurs (Group A<sup>1</sup>). They were about the same size in land ownership and bottles produced, but tended to have a higher level of qualification (at least to the level of the baccalaureat), and sold much less wine in direct sales from the property – thus they had developed other, more complex distribution networks. They also only came from the most reputable areas of Champagne – the Cote des Blancs and the Montagne de Reims, which may have enhanced their credibility as producers. Interestingly they had a completely diverse analysis of the reasons for their success, including chance, good investment and the sector within which they worked – all issues ignored by the other interviewees. This was the least cohesive group, made up of three individuals who had only their relative success (measured by size and sales) and a sales/profit focus in common.

### ***Group D – Business-focused***

Five of the informants gave the impression that they were running a total business, covering, grapes, production and distribution. To a greater or lesser extent with all of these there was a sense that managing the complete enterprise gave a focus on customer expectations; thus, like Group C, they saw the importance of profitability but they also seemed to gain a strong personal satisfaction from all aspects of running the enterprise, including producing good wine, dealing with clients and organisational efficiency. The group included the very large producer, which skewed the size of this cluster; nevertheless, the characteristics of this entire group were sufficiently similar for them to be seen as a single group.

The vigneron which had this business focus are particularly interesting. Even discounting the very largest they were noticeably bigger than the others (having 36 hectares and 414,000 bottles on average), and came from each sub-region studied. They had a higher level of education, and each enterprise was between the fourth and seventh generation. Their idea about what gave value to champagne was entirely focused on the image and the reputation of the product rather than a simplistic price analysis and their assessment of the reasons for their success, while varying substantially, tended to focus on their work with clients and the hard work they had put into the business.

Two of these producers had very strong export markets, with 65-70% of sales going overseas – so that they had to be very clear about the market conditions and customer expectations elsewhere to succeed. The larger of these two was interesting, because he clearly had a well-developed understanding of relationship marketing saying, as many large champagne producers do (Beverland, 2004b), that his aim was to make friends in other countries. The other export-focused vigneron had an MBA, and the knowledge he had gained was clearly used to develop and run a well-managed business. The third producer had a particularly focused wine tourism operation, providing a well-marketed and high-quality tour and tasting, with the result that substantial sales were made at the cellar door. The fourth, whilst less apparently customer-oriented, also had a key concentration on the welcome of customers at the cellar door, with a carefully constructed reception area, as well as targeted promotion

which offered links to key local restaurants, a web-site and other activities. Interestingly, this informant also placed a high emphasis on training, and continuing skills development. The final vigneron was smaller than the others, but had a clear policy of differentiating himself as an organic producer, and again a substantial (70%) export market. He was interesting because when asked what marketing was he noted that the negociants were most active at it, and had some difficulty defining it – yet clearly was very focused in how he actually went about marketing his champagne in practice.

### *Nuances*

The typology offered tends to give a fairly static idea of how the clusters of vignerons formed. Nevertheless, it is clearly a dynamic process, both in terms of generational change, and also in terms of individuals changing their perspective. One of group D – vigneron no. 13 – had clearly only recently refocused his business in a way that tended to make him cluster with the other business-focused producers. Another, a cooperateur-manipulant (interviewee no. 6) who, having started by taking on his family's vines, was in the process of developing his own wine production facility – thus moving to a focus on the product – while at the same time developing an interest in marketing and how he could offer the consumer a distinctive product. Whilst he was not currently as obviously business-focused as those in Group D he appeared to be moving his enterprise from group A<sup>1</sup> towards group D – though with the possibility that too close a focus on the product would mean he ended up in Group B. It is therefore important to see the grid and the clusters as a shifting construct which may give an overall indicator of how vignerons tend to approach their business in general but not where they will remain indefinitely. It was particularly noticeable that a number of younger respondents indicated that while things had been done in a particular way until now, they would be changing in the future.

Additionally, having noted that most vignerons in this study tended to concentrate on the product rather than the customer, the situation was subtle than clear cut. When asked what was the most positive aspect of being a vigneron the commonest reply was working in the vineyard. Nevertheless, the second most common response (n=8) was 'dealing with customers', which a number of informants enjoyed greatly. This does not equate precisely to a customer focus, but it could be the basis for the development of a strong market-oriented business. Interestingly this response seemed marginally more common amongst vignerons working in the less well-known sub-regions (the Aube and the Vallée de la Marne) than in the more prestigious areas, perhaps because their distance from the main centres of the champagne industry (Reims and Epernay) and the lesser reputation of their regions required them to work harder to sell their product. Critically, most of those who focused on their vines knew they need to make a profit in order to continue. Conversely the enterprises oriented towards running a profitable business continued to enjoy working their vines, or making a high-quality wine.

### **Conclusion**

This study examined the attitudes of vignerons to their business, the marketing orientation of that business and the resulting way in which that business was structured. Essentially most informants seemed fixed towards their vines and/or their land, with a small number focusing on profitability and/or the total management of their enterprise – a finding which reinforces the conclusion of Mattiacci, Nosi and Zanni (2006) in Tuscany that small, established producers concentrate on production issues at the expense of strategy and marketing. However, whilst the more business-focused tended to operate the largest organisations, a too-crude analysis should be avoided. Whether growth resulted from a business focus, or the

business focus was necessitated by increased production is hard to answer from the data. Perhaps unsurprisingly, the more business-focused enterprises tended to be led by owner/managers with a greater degree of training. More interesting, perhaps, is the tendency (not linear, but nevertheless there), for the more business-focused organisations to be run by families with a longer history, and with more generations involved in the company.

Nevertheless, it is also important that the vigneron at the other end of the spectrum should not be too crudely assessed as non-market oriented. There were nuanced differences between those focused on their vines, those focused on their land, and those whose primary concentration was on the family heritage. At the same time, certain groups had a tendency to look towards sales, and/or towards champagne as a product. There were also distinctions to be made between the focus of some recoltant-manipulants and cooperateur-manipulants, with a distinct set of the latter having a focus on sales as much as on their land.

It has been noted that often entrepreneurial action is unfocused and unplanned (Beverland, 2004a), especially in the wine industry. A focus on understanding markets and delivering to their requirements appears to be atypical. Those producers who displayed it seemed to have a concentration not so much on sales *per se* but on the business as a whole. In general, however, the approach shown by vigneron was not as focused as that displayed by those five.

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#### Appendix 1 – table of informants

Récoltants	Origine				
	Ha	area	structure	group	Volume
1	12,5	Montagne de Reims	RM	A	77 051
2	6,0	Montagne de Reims	RC	A1	60 000
3	2,5	Montagne de Reims	RM	A	24 000
4	5,5	Montagne de Reims	RC	A1	23 000
5	10,0	Montagne de Reims	RM	D	100 000
6	6,0	Montagne de Reims	RC	A1	55 000
7	15,0	Montagne de Reims	RM	C	280 000
8	6,0	Côte des Bar	RC	A	30 000
9	5,8	Côte des Bar	RM	C	25 000
10	22,0	Côte des Bar	RM	B	220 000
11	128,0	Côte des Bar	RM	D	1 500 000
12	7,4	Côte des Bar	RC	A1	21 000
13	11,0	Côte des Bar	RM	D	130 000
14	10,0	Côte des Bar	RC	C	70 000
15	11,0	Vallée de la Marne	RM	B	180 000
16	4,3	Vallée de la Marne	RM	A	12 000
17	3,8	Vallée de la Marne	RC	B	30 000
18	15,0	Vallée de la Marne	RM	D	150 000
19	3,0	Vallée de la Marne	RC	A1	20 000
20	5,2	Vallée de la Marne	RC	A	45 000
21	4,0	Vallée de la Marne	RC	A	6 000
22	18,0	Côte des Blancs	RM	B	180 000
23	3,4	Côte des Blancs	RM	A	19 000
24	3,6	Côte des Blancs	RC	A1	40 000
25	2,2	Côte des Blancs	RC	A	2 000
26	18,0	Côte des Blancs	RM	D	190 000
27	3,9	Côte des Blancs	RM	B	25 000
28	3,6	Côte des Blancs	RC	A1	8 000
Average	12,4		Average		125787