

**Terroir and wine differentiation.
A cross-case analysis on French and Italian wine producers' perceptions**

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◦**Purpose:** The main aim of this paper is to provide a clear understanding of wine producers' perceptions about terroir and its potentialities as a differentiation tool. Additionally, we explored the role of local wine associations and policy makers in the creation and valorization of place image through terroir.

◦**Design/methodology/approach:** We realized a cross-case analysis based on two wine areas respectively located in France and Italy. Specifically, we identified 11 wineries in the Pic Saint-Loup and 15 wineries in the Sannio Valley and conducted semi-structured interviews with owners and managers in order to obtain in-depth information.

◦**Findings:** In wine producers' perspective, terroir is a complex concept with multiple facets, whose relative importance changes depending on the context in which its social construction takes place and the role of institutional actors in the improvement of place image and reputation.

Key words: terroir, differentiation, wine producers, place of origin

1. INTRODUCTION

In recent decades the global wine market has become more and more crowded and customers have now plenty of choice along with a huge amount of information to make their purchase decision. In this changing scenario, product differentiation emerges as a key marketing strategy to distinguish the company's offering from the plethora of competitors (Porter, 1980). A number of dimensions can be used in order to add meaningful and valued differences to a company's products. Specifically, along with physical product features traditionally used to differentiate a company's products from competitors, many alternative perspectives have emerged highlighting the relevance of a marginal differentiation based on psychological and symbolic elements (Kotler and Armstrong, 2001). Indeed, as noted by Solomon (1983), products possess symbolic qualities that are often the determinants of customer's evaluation and choice; therefore, several perceptual dimensions can be used by firms in addition to physical and tangible product attributes in order to address the challenges of differentiation.

As a complex product whose consumption is strongly affected by customer's experiential sphere, wine offers to producers several differentiation tools relying both on physical and symbolic dimensions. In this direction, place of origin emerges as a crucial element on which to build a sustainable competitive advantage, since it not only gives unique tangible characteristics to wine, but as an indicator of quality it also generates subjective outcomes that are able to drive consumers' preferences and choice behaviors. As highlighted by the flourishing literature on wine consumption behavior (Lockshin et al., 1997; Orth et al., 2005; Charters and Pettigrew, 2006; Lockshin et al., 2006), a higher level of consumers' knowledge generally determines a higher level of involvement. More specifically, since the reputation of a place is commonly associated with the presumed quality of its wines, geographic origin takes on a central importance among those extrinsic cues that consumers rely on when evaluating a product (Johnson and Bruwer, 2007a).

The growing importance gained by the link existing between a wine and its land of origin (Thode and Maskulka, 1998) determined a renewed interest towards "terroir", a well-known concept originated in France in the middle of the 19th century and used still today to link products, especially agricultural ones, to a specific place (Spielmann and Gélinas-Chebat, 2012). In the last years, a relevant amount of studies in the broad field of wine research contributed to uncover the multiple dimensions of the "terroir" concept, including not only the environmental conditions in which grapes are grown, but also all the human factors which directly or indirectly play an influence on the characteristics of "terroir wines" (Morlat, 1989; Vaudour, 2001, 2002; Deloire et al., 2005; Charters, 2006; Fort and Fort, 2006; Van Leewen and Seguin, 2006; Spielmann and Charters, 2013). Nevertheless, a considerable ambiguity still persists around the concept of terroir that, despite the extensive use made of this term in the wine business field, to date does not have a clear definition common to the various user groups (Spielmann and Gélinat-Chebat, 2012). Since many scholars emphasized the complex nature of terroir as a social construct resulting from interactions and communication flows among different user categories (Ballantyne, 2011), more empirical efforts are needed in order to investigate in depth the perceptions and interpretations of those subjects that are likely to influence the link between a wine and the place it originates from.

Therefore, the present paper explores the concept of terroir by focusing on wine producers'

perspective, with the main aim of understanding which values they associate to it as well as whether and how they use it for marketing their products and building a competitive advantage. To this aim, we realized a cross-case analysis based on two wine areas respectively located in France and Italy, in search for elements able to shed light on wine producers' notion of terroir as a tool for gaining a successful positioning within consumers' minds, relying on the comparative brand strength of a specific place. Indeed, even if the examined producers are all located in two of the Old World countries where the wine quality system based on territorial characteristics originally developed, the analyzed areas are both not recognized as top wine regions compared to other national ones (such as Bordeaux or Bourgogne in France and Chianti or Barolo in Italy). As noted by Johnson and Bruwer (2007), regions within a country also have a significant influence on quality perceptions among consumers, therefore a perfect consciousness of the terroir potentialities is strictly due by wine producers in order to attract consumers' attention. Based on this, our study provides a clear understanding of wine producers' point of view but also highlights the role of local wine associations and policy makers in the creation and valorization of place image through terroir.

2. THEORETICAL BACKGROUND

The concept of "terroir" captured the power of a quality land that has been recently rediscovered as an important tool for assigning uniqueness to local products. Quite difficult to translate in languages other than French, terroir has gained central relevance in the wine literature, even if its definition is still characterized by a considerable ambiguity. In the field of viticulture, terroir has been defined as «a region which is related to a particular area with a distinct quality of grapes and their wines» (Vaudour, 2002). Such definition encapsulates the many facets of terroir that goes far beyond the physical environment in which the grapes are grown as it also includes the social and cultural features emerging from the human intervention required to express the quality of a specific place (Spielmann and Gèlinas-Chebat, 2012).

The multidimensional nature of terroir is widely recognized in numerous studies, that generally describe this concept as the result of the interactions taking place among several factors. Vaudour (2002) expressed the central core of the terroir notion in terms of uniqueness, origin, persistence, specificity and personality and related such characteristics to the facets of "nutriment", "space", "slogan" and "conscience", respectively representing the agronomical and technological land properties, the socio-economic context, the ethnological, sociological and cultural meanings of a geographical place and the most recent aspects related to marketing, advertising and identity. The same study also highlighted the main difficulties related to the spatial modeling of terroir-units along with the importance of geographical information systems (GIS), which play a significant role in defining precisely scale of analysis, otherwise ranging from local to broader areas. Similarly, Deloire et al. (2005) focused on technical and practical elements of terroir, along with functional aspects related to this concept, but also highlighted the importance of adapting viticultural practices and winemaking techniques to specific terroirs, depending on the products desired by the market. Another perspective, also falling in the field of viticulture, is offered by Van Leewen and Seguin (2006), who emphasized that the difficulty to study terroir on a scientific base is mainly due to the large number of factors involved, encompassing not only climate, soil and cultivar but also human

factors, such as history and socio-economics along with viticultural and oenological techniques, since no vineyard would exist in nature without mankind activities.

Other studies focused on the relationship between labels of origin and terroir, drawing attention on the legal protection mechanisms available for wines produced in specific areas and with specific grape varieties, following precise production systems (Barham, 2003). In this perspective, labels of origin such as the French system of “*Appellation d’Origine Contrôlée*” (French top wine quality denomination) and the *geographical indication* system appear as an application of the terroir concept, aimed not only to guarantee and communicate the complete traceability of agricultural products typical of specific places but also to promote innovative forms of rural development.

In a managerial perspective, terroir earned notable research attention and its multidimensional nature was conceptually described in several interesting contributions (Charters, 2006; Fort and Fort, 2006) highlighting the interdependence of environmental and human factors in the construction of a regional brand image that is mainly the result of a social construction process (Charters, 2010; Ballantyne, 2011). In the last years, significant empirical evidence was provided regarding terroir as a wine choice factor. A valuable contribution in this direction was offered by Johnson and Bruwer (2007), which empirically proved the existence of a relationship between regional brand image of selected California wine areas and consumers’ quality perceptions. Later on (2010), the two authors examined the relationship between different levels of place-based marketing strategies implemented by Californian wineries and consumers’ behavior. Likewise, the recent work by Spielmann and Charter (2013) was aimed to empirically test the multidimensional nature of terroir and its relationship with authenticity.

As previously mentioned, despite the considerable amount of academic work realized to investigate the meaning of terroir and its impact on consumers’ dynamics, less empirical research has been devoted to provide a clear definition of the concept, encompassing the different perspectives of others actors influencing its construction. Yet, a fundamental contribution in this sense has been recently given by Spielmann and Gélinas-Chebat (2012), that carried out an empirical investigation of the French wine industry, aimed at examining the definition of terroir based on the perspectives of different users of the term (such as producers, vendors, high and low involvement consumers) and uncovering perceptual differences in the meanings they attribute to it. As stated by the authors, their research was just the first empirical step in defining the complex concept of terroir, whose complete and congruent understanding is still missing though strictly necessary to define effective and coordinated strategies for marketing wines which have their profound roots in the place of origin. Specifically, empirical works focused on an in-depth understanding of the meaning that wine producers give to terroir is to a large extent still lacking, even if many authors recognized their central role in shaping the human component of the concept through their know-how, “savoir-faire”, traditions and social relationships (Vaudour, 2002).

Our work addresses this research need, trying to identify and clarify the gray areas of wine producers’ interpretation of terroir in two distinct wine areas, in order to gain useful insights on how to use the concept for consolidating and communicating the uniqueness of a place, in collaboration with all the local actors interested to its success.

3. METHOD

In order to reach the main aims of this research, we used a multiple case-study approach (Eisenhardt, 1989; Yin, 1994), with an in-depth analysis of several wineries both in the Pic Saint-Loup area, in France, and the Sannio Valley, in Italy. The selection of wineries to be included in this study followed the main criterion of ease of access to them. Prior research experience and our personal networks allowed us to identify 15 wineries in the Sannio Valley and 11 wineries in the Pic Saint-Loup area available to be included in the study. In order to highlight similarities and dissonances through the cases and to support the understanding of the phenomenon, we tried to identify wineries of different typologies, concerning their age, size and performance. Table 1 provides a brief description of the analyzed wineries in the Sannio Valley and Table 2 of those in the Pic Saint-Loup area.

We used both primary and secondary data for the case study research. Primary data were collected through direct observation and, above all, through semi-structured interviews with owners and managers. We conducted face-to-face interviews that were recorded and transcribed. Then, we conducted shorter follow-up interviews by phone and email to clarify and validate issues. A shared protocol interview was used to assure that all the topics relevant to the aims of the research were thoroughly covered in both the cases. It was not a real questionnaire, but just an outline of orienting questions focused on entrepreneurs' perceptions about terroir, firms' marketing strategies and collective activities to foster local wineries' competitiveness. Considering the inductive nature of the study, such topics were discussed in a random order and unplanned topics emerged during the discussions. The interviews in the Pic Saint-Loup area lasted from 60 to 90 minutes. On the whole, transcripts were about 82 pages of text in length. The interviews in the Sannio Valley lasted from 35 to 80 minutes. In this case, transcripts were about 88 pages of text in length.

Additional and secondary information were collected through internal documents provided by the firms (reports, institutional presentations and so on) and through the firms' websites. More information about the area and the collective actions undertaken over the years by the wine producers and/or the policymakers were collected through the websites of local institutions and organizations (e.g. the Municipality of the single towns, the trade associations and wine unions, like "Sannio Consorzio Tutela Vini" or "Les Vignerons du Pic Saint Loup" and so on).

We used the transcriptions of the in-depth interviews and the other secondary data, beside the notes taken during the visits, in order to describe the perceptions about terroir, its actual role in the marketing strategies of the wineries and the potentialities it may have for their future competitiveness. In order to do that, after all the text had been transcribed we iteratively cycled through the data, aiming at classifying and coding them. Then a cross-case analysis allowed us to identify similarities and dissonances.

Tab. 1 – Description of the analyzed wineries in the Sannio Valley

Name	Town	Established	Bottles	Number of references	Top product lines
<i>Aia dei Colombi</i>	GuardiaSanframondi	2002	60,000	6	<i>Vignasuprema - Colle dell'Aia</i>
<i>Antica Masseria Venditti</i>	Castelvenere	1595	60,000	8	<i>Bacàlat - Bosco Caldaia</i>
<i>Cantina del Taburno</i>	Foglianise	1972	1,000,000	20	<i>Bue Apis</i>
<i>Cantina di Solopaca</i>	Solopaca	1966	2,000,000	53	<i>Selezione Oro</i>
<i>Cooperativa La Guardiense</i>	Guardia Sanframondi	1960	3,000,000	22	<i>Janare Cru</i>
<i>Corte Normanna</i>	Guardia Sanframondi	1984	100,000	7	<i>Tre Pietre</i>
<i>Fattoria Ciabrelli</i>	Castelvenere	1976	40,000	5	<i>Jenn'emois - Alexia</i>
<i>Fontanavecchia</i>	Torrecooso	1953	180,000	13	<i>Grave Mora - Facetus</i>
<i>La Fortezza</i>	Torrecooso	2010	350,000	16	<i>Linea Classica</i>
<i>La Vinicola Del Vecchio</i>	Telese Terme	1950	1,000,000	10	<i>Linea Tiffany</i>
<i>Ocone</i>	Ponte	1910	250,000	16	<i>Oca Bianca - Anastasi</i>
<i>Torre a Oriente</i>	Torrecooso	2006	40,000	7	<i>Biancuzita - U' Barone</i>
<i>Torre Varano</i>	Torrecooso	1912	200,000	25	<i>36+6</i>
<i>Wartalia</i>	Guardia Sanframondi	2004	200,000	14	<i>Guardiolo Rosso</i>

Tab. 2 – Description of the analyzed wineries in the Pic Saint Loup area

Name	Town	Established	Ha	Number of references	Top product lines
<i>Château La Roque</i>	Fontanes	1985	42	7	<i>Prestige, En garde !</i>
<i>Château Lavabre</i>	Claret	1995	30	4	<i>Château Lavabre</i>
<i>Mas Bruguière</i>	Valflaunès	1974	20	6	<i>Le septième</i>
<i>Château Lascaux</i>	Vacquières	1984	84	12	<i>Les secrets</i>
<i>Domaine de l'Hortus</i>	Valflaunès	1976	65	5	<i>Grande Cuvée</i>
<i>Château Valcyre</i>	Valflaunès	1995	19	12	<i>"Confit" de generations</i>
<i>Clos des Augustins</i>	Saint-Mathieu de Trévièrs	2000	20	4	<i>Ainé</i>
<i>Coopérative de St-Mathieu</i>	Saint-Mathieu de Trévièrs	1950	940	6	<i>L'Or du Pic</i>
<i>Château Fontanès</i>	Fontanès	2004	4	2	<i>Château Fontanès</i>
<i>Mas Clavel</i>	Assas	1986	33	8	<i>Le marteau</i>
<i>Mas de Jon</i>	Fontanès	2005	12	4	<i>Apparté</i>

4. KEY FINDINGS

4.1 The case of Sannio Valley

The historical-geographical region originally inhabited by the Samnites occupied a wide area in the south of Italy, close to the Apennines. Today, Sannio Valley mainly coincides with the inner part of Campania region lying between the slopes of Taburno mountain and the Titerno river, in the province of Benevento. The pleasant hills dominating the area are mainly covered with olive trees and vineyards that represent the most important agricultural productions. Indeed, with more than 10,000 hectares of cultivated vineyards, around one million hectoliters of wine representing 40 per cent of annual regional production and more than 7,900 winegrowers (including over 100 producers), Sannio represents the most relevant wine area of Campania region despite its relatively limited dimensions.

The favorable conditions of soil and climate along with a secular tradition in wine-growing and the recent progresses achieved in the production techniques confer to Sannio wines unique

flavors and aromas, whose excellence is expressed by the most important typical grape varieties: Aglianico and Falanghina. But the rich wine heritage of Sannio Valley, whose origins date back to Roman times, also includes other grape varieties such as Piediroso, Coda di Volpe, Sommarello, Cerreto, Malvasia or Fiano. These vines are at the heart of the cultural and social identity of Sannio Valley, whose economy is also closely focused on wine production.

Collective actions

Despite the noble origins of vineyards cultivated in the Sannio area since ancient times, local winegrowers had to fight hard to shake off an image associated with the quantity rather than quality of local wines. Nevertheless, in recent decades there has been a turnaround and local producers have significantly raised the quality of their wines with a profound impact on consumers' perceptions.

A decisive step in this path towards quality was marked starting from the early 80s' by the recognition of "geographic denominations" for Sannio wines that were produced in compliance with specific rules concerning winegrowing areas and grape varieties. A further boost to this process was determined in 1999 by the creation of the "Sannio Consorzio Tutela Vini", a consortium including today more than 400 members between winegrowers and producers, that gave a fundamental contribution to the protection and recognition of the following labels of origin approved by the national committee: *Aglianico del Taburno DOCG (Denominazione di origine controllata e garantita)*; *Falanghina del Sannio DOC (Denominazione di origine controllata)*; *Sannio DOC (Denominazione di origine controllata)* and *Benevento IGT (Indicazione geografica territoriale)*. The *DOC* appellations, only recently reduced to two in order to guarantee a more immediate recognition of the Sannio Valley as place of origin of typical quality wines, are further divided into smaller subzones such as *Guardiolo*, *Solopaca*, *Sant'Agata de' Goti* and *Taburno*. As a tool for guaranteeing and communicating wine authenticity and traceability, labels of origin represented for several local wineries an important opportunity to move from price-based competition to effective differentiation strategies. In this regard, one of Sannio producers stated «At that time, we decided to focus on the *Solopaca DOP* that today is a *Sannio DOC*, *Solopaca subzone*, thank goodness this bottle gave us great satisfaction [...] We have always strongly believed in this product that was our first label of origin and still today we are negotiating for another 30 hectares in the *Solopaca subzone* [...] Our customers are very loyal to our brand, that they closely associate with the *Solopaca geographic denomination*». Just as in the mentioned case, local wineries marketing strategies are mainly aimed to promote the individual brand along with the geographic denomination that usually appears on the bottle's label. Excluding three big cooperatives that overall put together nearly 2,500 winegrowers and in the last years have driven the technological progress of the area, the Sannio wine industry is mainly made up of small producers operating according to an individualistic logic. One of the interviewed producers was quite clear on this point: «Personally I'm pretty happy with the results of my activity, since we keep our customers, we don't lose them. I cannot judge our results with reference to our competitors, because I don't know what they do [...] I make my proposal to the market and communicate what I want to be, I don't care about the competitors, each of us makes what he or she thinks is most appropriate for his or her business, then customers have to make their choice». Therefore, despite the

efforts of the consortium, the labels of origin represent a tool for protecting the uniqueness of local wines and ensure their traceability rather than the basis of a collective strategy aimed at promoting single producers under a common brand and building a stronger reputation for the whole area. The necessity to involve all the local actors in a common project aimed at promoting a dynamic, competitive and sustainable viticulture is at the heart of the Memorandum of Understanding recently signed by 13 Municipalities of the Sannio Valley, the Chamber of Commerce of Benevento, the National Centre for Researches (CNR) and the National Association of Wine Towns. The Memorandum is part of the territorial and landscape planning taking place in the involved municipalities, where the protection and valorization of historic vines, wine landscape and rural environment represent the key issues for the implementation of an effective strategy of local development. The ambitious purpose of the project is to coordinate the efforts of all the local stakeholders for the creation of the *Sannio Wine Valley*, through a complete viticultural zoning. Such a complex process, that at the moment has been realized in only one of the considered municipalities, should lead to the scientific identification of specific “zones” that are best suited to specific grape varieties. In this sense, terroir becomes a central element of landscape safeguard, that is in turn an essential precondition for the reputation of the place and consequently of the local wines. The protection and valorization of the rural landscape is widely required by almost all the local producers, one of whom complained: «No need to have a beautiful cellar or to organize a nice “School of Taste” if the roads are badly maintained or abusive huts are in the neighboring property [...] So let’s start with breaking down these old and ugly huts, that represent the only difference between our area and Tuscany, for example. Well, I think that our hills are even better!». Nevertheless, the same entrepreneur admitted: «I really would like to believe that they will realize what they are promising, but I can’t [...] I hope I’m wrong, I would be really happy to be wrong». Similarly, another entrepreneur observed: «If these activities were realized as they are planned in the project, it would be great; but the problem is that local institutions are normally too low because of bureaucracy [...] So the effects of these interventions are normally uncertain, the gap between the business world and the public sector is still too large». On the other hand, some of the interviewed entrepreneurs seemed quite enthusiastic about the project: «I’m quite sure that the project will have a positive impact on wine business, since it will give us the opportunity to differentiate terroirs in different zones of the whole area». In the same direction, another entrepreneur tried to imagine the potentialities of a common strategy: «We should think that who comes to us does not come just to our winery, they come to the Sannio Valley [...] Our *friends* that are in areas luckier than ours – let’s say they are not luckier but they were able to organize themselves before than us – sell their products not because of their individual brands but mainly because of the land of origin. Chianti Classico is sold simply because it is *Chianti Classico* [...] Thanks to the “Consorzio di Tutela” we are finally realizing the importance of going on the market with a collective brand, that is we are finally realizing the importance of territory, of a unique DOC».

Perceptions about terroir and its actual exploitation

As previously mentioned, in the case of Sannio Valley the link between wines and place of origin is mainly represented by the system of appellations approved by the national committee

and protected by the local consortium. Nevertheless, the concept of terroir has recently – in comparison with other Italian wine regions – started to exert a certain charm among local producers, who attributed different and sometimes incongruent meanings to this term. Our study revealed that all the producers recognize the importance of environmental factors in determining the specificity of terroir, with some of them focusing almost exclusively on physical characteristics. For example, one of the entrepreneurs described terroir as «the set of factors that determine the quality of a wine in terms of structure, aroma and acidity, such as soil composition, exposure, altitude». We also found that in many cases the term *terroir* is almost used as a synonym of territory and sometimes is a kind of tale used to describe the land's picture that entrepreneurs have in their mind: «The concept of terroir is the first thing, the mother of all things, if we didn't have this territory, even this wind that sometimes bothers us, there would not have been any chances for our economy [...] If you stop on the Telesina road during spring or summer and you look at our territory, beyond the river, you can appreciate a wonderful landscape made of vineyards, colors and imagines whose real value can be understood only if you are closely linked to this place». The role of human factors in determining the identity of terroir was pointed out only in some cases; for example, an entrepreneur observed: «What is done in the vineyard encapsulates in a moment all that the concept of terroir represents as well as all that actually characterizes the products and links them to the place of origin». Similarly, another producer stated: «clearly the hand of man is also very important, the hand of man has to carry on the story that has always been told about a territory, not simply copying it but trying to keep all the good that traditions may offer».

Even if our analysis highlighted the existence of a deep link between wine producers and their land, few collective actions have been carried out on their own initiative to improve the reputation of the whole area and consequently consumers' perceptions about the identity of local products. Indeed, place-based strategies generally fell from local institutions and wine or tourism unions and only a limited number of producers, particularly the biggest local cooperatives, concretely contributed to the productive qualification of the place. Nevertheless, the need for common strategies aimed at improving the reputation of the area towards different categories of external stakeholders has been widely recognized in our interviews. On this point, one of the producers maintained: «we are working on special projects aimed to improve wine quality along with the reputation of Sannio as a top wine region [...] if we were in Tuscany, in the Langhe area or in another place with a higher reputation some of our wines would cost more than 70 euros». Pointing out that selling wines also means selling the land they come from and vice versa, another entrepreneur stated: «I strongly believe that a link with the territory is necessary to sell wines, my wines tell a lot about the territory they are from, they have a special “footprint”, that “footprint” that each winegrower has to give to his/her wines.»

4.2 The case of Pic Saint-Loup

The Pic Saint-Loup area is located in Languedoc-Roussillon region, in the south of France, 30 km from the Mediterranean coast. The mountain Pic Saint-Loup dominates the skyline, while the vegetation, well suited to summer draughts, is made up of various typical Mediterranean essences. Analysis of climatic factors has proven that these contribute to the particular character of the wines and have a significant impact on the wines' aromas and taste. The

uniqueness climate of Pic Saint-Loup remains based on sufficient winter rainfall combined in a hollow dip which provides favorable moderate drought quality. During the grapes maturation cycle, the temperature variations are very important, particularly in summer where days are warm and nights are cool. These variations are a definitive advantage in the preservation of the finesse and freshness of the fruit. At the same time, the wines express themselves through the individual character of the soils: hard limestone, soft limestone, conglomerates, dolomites, fallen river or cryoclastic limestone, marl. Therefore, the original climate and soil influence wines and facilitate their differentiation. As stated by one of the interviewed entrepreneur «A winemaker from Pic Saint-Loup can be recognized by the specific identity of his wine, to which each natural element contributes». The Pic Saint-Loup grape varieties reflect the region's push for quality. Over the past thirty years, the vineyards have been virtually all replanted with three main grape varieties: Syrah, Grenache and Mourvèdre.

Collective actions

Since the end of the 19th century, thanks to the replanting of vineyards destroyed by phylloxera and the rise of cooperatives, the region gradually moved towards monoculture, and the Pic Saint-Loup wines started to be consumed outside their production area. A critical event was the foundation of the "Wine Union" in 1931, with the clear definition of the production area allowed to use a "VDQS" French label (wines of superior quality), ratified in 1955. This area initially included six towns; three towns joined in 1955; four other in 1966, up to thirteen, that is the current number of towns included in the defined denomination area. The union set out the conditions to obtain the "VDQS" label (including the grape varieties, the alcohol level and yield, the minimum vine age, the planting density). During the eighties, the "AOC" label, awarded by the INAO (French Institute of Origin Denomination), substituted the "VDQS".

In 1985, during the switching of VDQS terroirs to regional denomination of origin "AOC Coteaux du Languedoc", the INAO was asked the question of VDQS Pic Saint-Loup acceptance because of the lower quality of production. As noted by one of the interviewed producers: «Actually, we were the worst at that time because our terroir is colder and more humid. The dominant grape varieties were Carignan and Cinsault. There were inappropriate grape varieties. Since we changed the planting and we oriented to Syrah variety, there has been an enormous qualitative progress ». The challenge for some winemakers was simply to survive to the economic crisis. Therefore, they chose to pursue a collective strategy based on replanting and differentiating their wines by quality. As noted by one of the entrepreneurs: «At that time, the Pic Saint-Loup was not known as a top wine region. Beyond survival and sustainability, it was the search for the best possible individual economic performance that motivated many producers to join a collective strategy».

Therefore, there was a diffused opinion that the initiated collective strategy could have accelerated the qualitative rise process and the individual recognition of committed wine producers. This contributed to the creation of a human solidarity group that still characterizes this area. Here wine producers are not competitors or just neighbors, they are friends continuously and informally talking together about their wines. As stated by an entrepreneur: «Individualism has no future in grape-growing». Similarly, another one maintained: «Join together is necessary, particularly for addressing the export».

The collective strategy is rooted in the creation of the collective brand “Pic Saint-Loup” based on a strong qualitative differentiation. The collective brand can offer the market greater volumes and bring out the individual structures which support it. As stated by one of the interviewed wine producers: «These are small craft firms; therefore, they are normally unable to establish their name or their private brand and to create a brand awareness. They are inevitably led to collaborate and bring out a collective brand that will raise the volumes». Another one maintained: «We have something in common which is this land and this name, “Pic Saint-Loup”, and it is only going in the same direction that we will succeed». In order to foster this collective strategy, based on the creation of a collective brand, new and more strict rules were approved in 1994. The new production decree, which limits the geographical area and the prospective opportunistic behavior of structures who would not apply strict production rules, acts as a barrier to entry.

Thus, since 1994, winemakers of the Pic Saint-Loup area want to strictly reserve the brand to be used for wines produced in the thirteen historical towns. The decree leads to restrictive production conditions in comparison with the regional “Coteaux du Languedoc” denomination decree. The decree establishes production rules for distinguishing the Pic Saint-Loup wines. This policy aims to enhance the personality and the character of the area wines. The planting is also part of a qualitative priority. In the consumer spirit, the Pic Saint-Loup “terroir” is proposed as a “Cru”, a premium position, of the Languedoc-Roussillon region. As stated by wine producers: «We wanted to distinguish ourselves from the regional denomination Coteaux du Languedoc and become a real denomination»; «We joined our forces to make a hierarchy approach, to distinguish the Pic Saint-Loup as a “Cru” and a future denomination in comparison to the Coteaux du Languedoc denomination». The decree goal is to create original products, based on “terroir” characteristics and recognized as “terroir” products by consumers. According to a respondent, «the “terroir” name isn’t enough; the most important thing is the consumer choice».

The final point of such a collective strategy is, in fact, the creation of a great “AOC Pic Saint-Loup” denomination, undertaken in a spirit of solidarity and synergy. With this aim, at the end of 2001, the winemakers submitted to the INAO a request for Pic Saint-Loup to obtain an AOC in its own right. Having been approved by the INAO regional committee, the request still has not been approved by the national committee.

Perceptions about terroir and its actual exploitation

In this area, soil, climate, men and their knowledge come together to create a recognized and recognizable wine. Each wine producer, in his own domain, shares his “savoir-faire” with others in the group in the spirit of discovery and accomplishment. What emerges from the analysis of this case is a perception of the “terroir” as merely influenced by the economic and relational logic rather than by a climatic or soil definition. In this regard, it is possible to highlight that from the soil and climatic perspectives other towns in the area could be part of the future denomination Pic Saint-Loup. In fact, the INAO committee expressed the willingness to extend the current Pic Saint-Loup area by integrating also the town of Vacquières. But the winegrowers wish to retain the original geographical area traced by the 1994 decree. They prefer to lose the AOC denomination rather than lose the volume control and the wines quality.

In their view, control of the boundaries of the area represents a strong barrier to entry and can limit opportunistic behaviors. For instance, one of the interviewed producers stated: «There are several towns which want to integrate the Pic Saint-Loup area since we want to transform it into AOC. The problem is their investment in a quality policy more than their terroir. [...]. We are ready to drop the AOC if the INAO imposes these towns that we do not want».

Therefore, the reasons behind the terroir definition are merely economic and relational. As mentioned by one of the entrepreneurs: «There was a deliberate economic approach. We are free to initiate any kind of project since we did the first one all alone. We decided our strategy without any external influence, such as the one of regional institutions, and we never entered the game of political influences or local authorities. I am convinced that development cannot be imposed by external people; it should be carried by the local people». It is therefore evident that a local and endogenous logic, and not an institutional or exogenous logic, is dominant here. The definition of terroir, in the minds of all the producers, coincides with the area occupied by the communities that have decided to work together and grow together; it is not something just related to the geological and climatic characteristics of the area, but mostly to the delimitation of the economic benefits that can be derived from belonging to the joint project.

The economic benefits derive from the possibility offered to the wine producers in the terroir to stand out compared to other competitors of the region, reinforcing and highlighting their individual brand. During wine trade shows the Pic Saint-Loup winemakers are grouped within a collective stand and under an explicit streamer: «an exceptional terroir for united wine producers». The streamer is always accompanied by a photo of the winegrower members group. This collective efforts seem to be really effective for each of the participant. For instance, one of the entrepreneurs stated: «The name and collective strategy of the terroir is a promise to the people who in the future will be able to count on a regular job and substantial advantages». Again: «We are working on yields to enhance the positive effects of terroir. There is a real interest to stand out. In France we cannot struggle with volume production». In commercial terms, the terroir is used as an umbrella brand that values the individual brands. As noted by all the respondents, the success of this strategy is mainly due to the relational dynamics that have been created over time and to the ability to work together for a common goal. In their opinion, this is a capability that distinguishes this case compared to other areas. For instance, one entrepreneur observed: «The terroir is strictly linked to the competences of the men coming from this area. Pic Saint-Loup is inimitable in this direction. Its terroir is based on its strong identity. There are no other areas like this in the Languedoc-Roussillon region». In the same direction, another producer stated: «Success is more related to the men than to the terroir itself».

5. DISCUSSION

The comparative analysis of Sannio Valley and Pic Saint-Loup cases allowed us to examine in-depth wine producers' interpretation, perceptions and use of the terroir concept. Many interesting results emerged from the present study, which in our opinion adds to the extant knowledge about terroir in several ways.

First of all, the paper uncovers the definition of terroir focusing on producers, whose point of view to date has not been intensively investigated (Spielmann and Gélinas-Chebat, 2012).

Regarding this point, significant differences emerged between the two cases, even if both confirmed the power of terroir as a means for differentiating wines according to the specific characteristics of a place. Precisely, in the French case the concept of terroir is merely influenced by a relational logic initially required because of economic reasons, while environmental factors such as climate or soil are almost taken for granted. In this sense, Pic Saint-Loup producers act as crucial protagonists of the social construction of terroir (Ballantyne, 2011), thus contributing directly to the improvement of place reputation. Meanwhile, a collective marketing strategy is carried out through coordinated communication activities aimed at strengthening their individual brands under a common umbrella represented by terroir. Instead, in defining terroir producers from Sannio Valley emphasized the role of environmental factors, namely plant growing conditions and territory (Vaudour, 2002) as indelible imprints able to confer specificity and personality to the wines produced in specific areas. Human intervention was also mentioned by some entrepreneurs as a dimension of terroir mainly dealing with cultivation methods, history and traditions, nevertheless the relational logic characterizing terroir exploitation in the French case is almost lacking among Sannio small producers. Actually, the biggest local cooperatives have been recently putting significant efforts into the promotion of place-based marketing strategies. Furthermore, in this case a significant contribution in moving the local wine industry away from merely price-based competition was given by the formal recognition of labels of origin, also promoted by the local consortium that today protects four geographic denominations. Indeed, the appellations appearing on bottles labels are among the key factors of the differentiation strategy adopted by most of the examined producers. According to many of them, terroir may contribute to a further differentiation of typical productions by capturing the uniqueness of their origin through elements others than the objective parameters used for the attribution of geographic denominations. In this perspective, the recent initiatives of Sannio Valley institutional actors represent an ambitious attempt to redraw the whole area through a complete zoning able to take into account the specific vocation of all soils, in order to promote a sustainable rural development and all the correlated activities, including tourism. Moreover, considerable efforts have been made in the last period by the local consortium in order to emphasize, also through conferences, workshops and tastings, how different styles of wines can be obtained from the same grape variety grown on different types of terroir.

Based on these considerations, the scale of terroir (Vaudour, 2002) producers usually refer to also marks a significant difference between the two cases. Indeed, while in the Italian case denominations of origin represent the legal protection of different vines within Sannio area that can be even differentiated in smaller zones, in the French case the terroir is proposed as a single “Cru” of the Languedoc region, since a formal appellation is still missing.

In sum, our results show that in producers’ perspective terroir is a complex concept with multiple facets, whose relative importance changes depending on the context in which its social construction takes place. The prevalence of a relational logic underlying terroir definition and valorization for economic purposes is normally associated with a profound role of the human component, particularly producers themselves, in strengthening the link between wine and place of origin. Conversely, when collective initiatives generally fall from local institutions and associations, terroir is mostly defined in terms of space, that is territory, appellation and

landscape units are supposed to shape decisively the identity of a place and its wines.

6. CONCLUSIONS AND LIMITATIONS

This paper is part of the vibrant debate going on in wine literature about the terroir concept. As previously detailed, our work contributed to uncover the definition of terroir according to wine producers. Specifically, by using a cross-case analysis we highlighted the main differences and similarities occurring in the identification and exploitation of terroir as a mean of differentiation between two dynamic even if not top-level wine areas of France and Italy. Interesting insights about producers' perceptions of intervention needed by institutional local actors in order to use terroir as a tool for place reputation improvement are also provided.

This study is not without limitations. The main limitation is the inability to generalize results, mainly due to: 1) the bounded number and 2) the nature of case studies. As said before, all the examined firms operate respectively in two minor areas of France and Italy. Therefore, more studies are needed to explore the concept of terroir in various contexts, as New World countries.

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