

Wine tourism activities as facilitators of relationship quality in wine sector

Atividades de **enoturismo** como **facilitadoras da qualidade da relação** na indústria do vinho

NAMÉRCIO CUNHA * [namercio@gmail.com]

SANDRA LOUREIRO ** [sandramloureiro@netcabo.pt]

Abstract | This study aims to explore how wine producers and distributors and wine producers describe the organizational social capabilities they develop, as a facilitating facet of Relationship Quality (RQ). Therefore, we conducted and analysed 44 in-depth interview among members of top managers of wine producers and wine distributors. Findings highlight the organizational capabilities, social events and the players' history as the core elements to develop an interactive relationship quality among stakeholders.

Keywords | Relationship quality, organizational social capabilities, relational interdependence, wine tourism, wine sector

Resumo | Este estudo pretende explorar a forma como os distribuidores e produtores de vinho descrevem as capacidades sociais organizacionais que eles desenvolvem, como uma faceta facilitadora da Relação Qualidade (RQ). Deste modo, levámos a cabo e analisámos 44 entrevistas entre os gestores de topo de produtores e distribuidores de vinho. Os resultados destacam as capacidades organizacionais, eventos sociais e história dos participantes como os elementos fundamentais para desenvolver/melhorar a qualidade da relação interativa entre as partes interessadas.

Palavras-chave | Qualidade da relação, capacidades sociais organizacionais, interdependência relacional, enoturismo, sector do vinho

* **Doutor em Marketing e estratégia** pela Universidade de Aveiro e consultor

** **Doutora em Marketing e Comércio internacional** (Universidade de Extremadura e acreditado pela Universidade Nova de Lisboa), professor auxiliar com agregação, Instituto Universitário de Lisboa (ISCTE-IUL) and Business Research Unit (BRU/UNIDE)

1. Introduction

New strategic approaches are crucial to being competitive in a global market, which goes beyond the traditional marketing instruments. Nowadays, good raw materials, financial resources, the best production and sales methods and products with the best quality do not seem to be enough.

What might have been unthinkable a few decades ago is now a critical need for business competitiveness. Currently, the market promotes a global supply which ensures the quality of goods and/or services and also requires, from all players in the supply chain, a faster, more efficient and differentiated response. In the midst of aggressive offers that could arise from any part of the world, building a sustainable business exchange requires producing and offering added value in order to sustain the market position (Nyaga & Whipple, 2011).

This reality stresses the awareness for the reciprocal and symmetric interdependence of organizations to have access to expert know-how and resources, therefore complementing its internal competencies and increasing its competitive performance (e.g., Dyer & Singh, 1998; Hammervoll, 2012; Hennig-Thurau & Klee, 1997; Kim, Park, Ryoo & Park 2010; Walter, Muller, Helfert & Ritter, 2003; De Wulf, Odekerken-Schröder & Iacobucci, 2001; Zacharia, Nix & Lusch, 2011). Indeed, exchange relationship management is regarded as one of the most important strategic resource that is critical for business company success (Hammervoll, 2012; Johnson, 1999; Powers & Reagan, 2007; Smith, 1998; De Wulf et al., 2001). Hence, it is not a surprise that producers, distributors, retailers, customers and even competitors join forces to co-create value solutions. Establishing, and retaining appropriate exchange relationships, and developing quality relationships results in superior and distinct advantages for both partners (e.g., Cannon, Doney, Mullen & Petersen, 2010; Gummesson, 1997; Hammervoll, 2012; Jap, Manolis & Weitz, 1999; Johnson, 1999; Nyaga &

Whipple, 2011; Rauyruen & Miller, 2007; Vargo & Lusch, 2004; Wagner, Eggert & Lindemann, 2010; Zacharia et al., 2011).

Following this appeal for research on relationship quality among stakeholders, the current study aims to explore how distributors and wine producers describe the organisational social capabilities they develop as a facilitating facet of Relationship Quality (RQ). The wine sector and enotourism are selected as a field of research because this sector has unique features which have not as yet been deeply studied and could explain management specificities. Moreover, we may point out three main reasons: In order to carry out our intention, the wine sector was chosen for three main reasons:

- i) Portugal is an old wine country full of tradition and heritage;
- ii) The wine sector has not been deeply analysed and studied in previous research;
- iii) This sector plays an important role in the national economy, and the recognition of the quality of the work carried out in this sector is being acclaimed internationally.

2. Theoretical Background

In 21th Century the production of high quality wine is an important factor but not sufficient enough to be competitive. The strategy of marketing management is facing new challenges that require shifting our attention from tangible dimensions of the business relationship towards intangible (Cunha, Loureiro & Rego, 2015).

As an example of such intangible factors is the "wine tourism", which is defined as visits to vineyards, wineries, wine festivals and wine events for grape wine tasting and/or experiencing the attributes of a grape wine region (Hall, Sharples,

Cambourne & Macionis, 2000). The “wine tourism” is a marketing opportunity for producers to sell their products, directly to consumers, but also to educate them (Getz & Brown, 2006). According to Yoo, Saliba, MacDonald, Prenzler, and Ryan (2013), many studies have revealed the potential health benefits of wine, contributing, at the same time, to a better perception of wine as a healthy product.

Portugal has several wine regions such as Douro, Vinho Verde or Alentejo that are becoming more recognized internally and abroad. Hall and Mitchell (2002) use the term “touristic terroir” to describe the combination of physical, cultural and natural environments that give to each region its distinctive appeal as a destination for wine consumers. This idea is stressed by the well-known, international magazine *Wine Spectator* (August 31, 1997) which eloquently noted: “As anybody who loves wines knows, the regions where the finest wine is made are special places, even magical”.

Wine producers and their relationships with distributors are enrolled in understanding how to achieve and maintain a high level of customer satisfaction. Understanding how to develop relationship strategies that go beyond traditional marketing and help to strengthen the RQ with the customer and therefore develop, in a consistently way, loyalty and profits (Cunha et al., 2015).

In the wine sector, the distributor is an important player who greatly influences the retail of bottled wine and consequently the consumer. Moreover, producers and distributors may work together by focusing on their customers and improving the relationship they have with them (Crosby, Evans & Cowles, 1990).

The willingness and the ability to create effective long-term relationships with positive results for both partners is a core asset studied by researchers in order to better explore and understand the concept of Relationship Quality (RQ) (Athanasopoulou, 2009; Bobot, 2011).

Based on a systematic literature review, it was

possible to find significant gaps in RQ topic research:

First, the lack of studies on the relationship dyadic. The previous studies tend to analyse the relationship only from the point of view of one part of the relationship, the seller or the buyer. Therefore, new studies are demanding that consider the perspective of all parties involved in a relationship in order to accurately grasp the nature of the relationship;

Second, in the few studies that address several different aspects of the relationship between two partners in a business context, for example, that of Athanasopoulou (2009), and other more recent studies analysed in systematic literature review, it was not possible to effectively find the major constructs related to RQ in a dyadic relationship;

Third, there is a lack of identification of the relevance of organizational social capabilities to the RQ in a dyadic relationship.

In this vein, the research purpose of the current research is to explore how wine producers and distributors describe the organizational social capabilities they develop, and also which aspects they most value.

3. Methodology

We conducted a qualitative research using emphasized the in-depth interview process, taking into consideration all criteria of an exploratory study and a qualitative approach. This approach is more researcher-dependent than quantitative approaches, in which researchers interpret the data to extract its meaning and converts it into information (Zikmund & Babin, 2010). To Aaker, Kumar, Day, and Leone (2010, p. 162) “The basic assumption behind qualitative methods is that an individual’s organization of a relatively unstructured stimulus indicates the person’s basic perceptions of the phenomenon and his or her reaction to

it.”

A total of eleven relationships were analysed, which are developed among members of top managers of wine producers and wine distributors. Wine companies were contacted in order to obtain the final sample of 22 distributor and 22 producer participants.

All of the in-depth interviews were transcribed by the interviewer to ensure its reliability (Oliveira, 2012). After this procedure, we sifted the data through a cyclical process in which data interpretation, coding, and conceptualizing occurred simultaneously, “albeit at different rates of progress” (Lindlof, 1995, p. 215; Rego, Cunha, & Polónia, 2015). We dedicated time and attention to analysing the responses of each interview, which allowed us to identify the major themes/categories related to the research topic. Then, the emerging categories were used to code the data interviews. On occasions in which the themes/categories were unable to code some data clearly, a data reanalysis was carried out. This process could be considered finished when the “dialogue” between data and the themes/categories became clear and interpretations were stabilized. This process of category creation is based on the Grounded Theory which requires the researcher to actively interpret the raw data and code constructs that emerge from the respondent data as signifiers, parts, properties, or instances of other coded constructs (Batra, Ahuvia & Bagozzi, 2012).

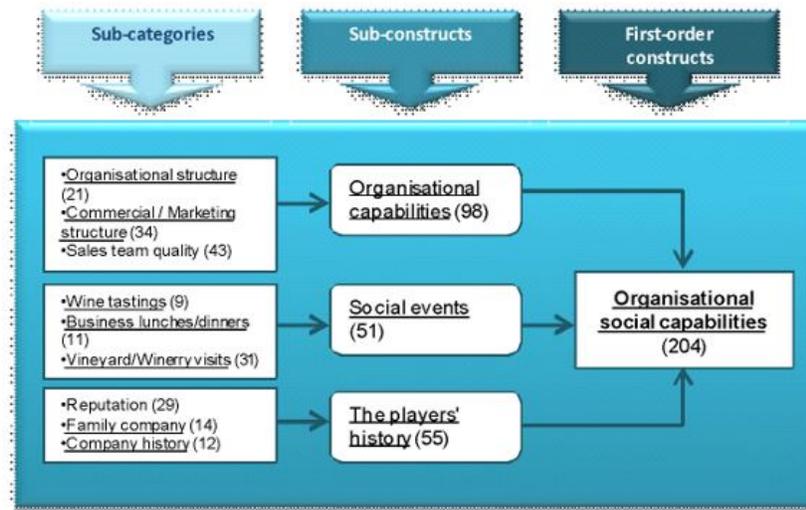
The range of categories that emerge from the

cyclical process was hierarchically organized in different levels of abstractness (Batra et al., 2012; Shaver, Schwartz, Kirson & O’Connor, 1987), using a semiotic clustering process, also described as the Gioia methodology (Gioia, Corley, & Hamilton, 2012), that was used to analyse data and build meaning. For the hierarchy of categories, researchers try to find coded constructs that can best be subsumed under a single higher-level category (Batra et al., 2012; Gioia et al., 2012). The data gathered by the transcriptions were processed through the application of specialized software (WEBQDA) to develop the content analysis.

4. Findings

The main findings reveal that the following aspects (constructs) are the most cited by the participants: Relational Interdependence, Communication Capabilities, Organizational Social Capabilities, Partnership, and Trust.

Organizational Social Capabilities facilitators of Relationship Quality (RQ) of the business relationship under development: relying on competent organizational and professional structures, knowing how to communicate relevant social events that promote the producer’s brand and increases the partner’s focus, as well as the significance of the partner’s history. This construct is a new insight since we cannot find it in the RQ literature (see figure 1).



Notes: The number of references in each theme is indicated; The themes that are underlined are potential new constructs in relation to the literature review.

Figure 1 - Sub-categories of the first-order construct Organizational Social Capabilities

Source: own construction.

5. Conclusion and further research

The current exploratory study gives light to a new construct: Organizational Social Capabilities. The meaning highlights the importance of: the companies operate with a competent professionals and strongly operational commercial and marketing structure; it has a high reputation in the market with a history and/or a family heritage to tell; and also the company organizes social events in order to develop relationships and share information about new wine products.

Those moments can be created through wine tasting, wine dinners or, whenever possible, thorough visits to producers' vineyards and wineries. These events may happen among distributors and producers, but also with tourists, particularly senior tourists. The wine social moments also allow presenting the heritage and the history of Portuguese wine, its properties and how has evolved. In this vein, wine tourism emerges as a mechanism

that contributes to co-create wine regions, in general, and new wine products, in particularly. Managers of rural lodgings and wine producers should be more pro-actives in developing these social events in order to engage tourists and other players to the wine products.

Regarding future research, several suggestions are proposed:

- i) Analyse specific sub-constructs of the Organizational Social Capabilities construct to get more knowledge about this construct.
- ii) Expand upon our study for the analysis of international relationships between exporting and importing wine companies. It would also be interesting to replicate the study in other countries.
- iii) Identify "wine tourism" activities with more relevance to promoting wine regions to national and international consumers.

iv) Additional research should explore the features of the Portuguese and international wine tourists and their expectations related to Portuguese wine regions.

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