

## What drives and determines competitiveness and sustainability in small to medium-sized Australian wineries?

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### Introduction

Over the past 15 years the Australian wine industry has demonstrated remarkable growth in overseas markets. As a result Australia is now the 4<sup>th</sup> largest wine exporter in the world, exporting more than 700 million liters annually to over 100 countries. However, this remarkable success story has not been achieved without cost. Due to the fact that Australian wine predominantly represented entry level wines in overseas markets, it gained an unfortunate reputation for being a cheap everyday commodity notwithstanding the benefits of greater market share and a global presence in a short period of time (Aylward & Clements 2008; Robinson, 2009; Kesmodel 2009). But as competition from wine producers in other countries increasingly intensified, a volume-oriented approach targeting a mass market was no longer viable as an export strategy for Australia. Instead, a more value-oriented approach, that is, creating low-volume but high-value brands through limited high-end distribution, has been acknowledged as a new key strategy in the Australian wine industry while continuing to promote high-volume products through existing distribution channels (Euromonitor International 2005). In addition, tapping into underdeveloped wine markets, specifically in Asia with existing products at higher price points is recognised as another effective way to achieve sustainable growth (AWBC 2007). This paper intends to argue that Small to Medium Enterprises (SMEs) are better positioned than large wine conglomerates in creating low-volume but high-value brands through limited high-end distribution: but only if they are able to successfully leverage 'distinctive capabilities' to create a competitive advantage in the marketplace.

Currently, 2,532 companies that commercially sell wines in Australia are listed in *The Australian and New Zealand Wine Industry Directory 2012*. The majority (over 90%) are small family-owned firms that crush 500 tonnes or less of grapes per year. Therefore, it is vital to address the unique characteristics and challenges of these SMEs in order to build a sustainable business model to ensure long-term growth of the Australian wine industry

both domestically and internationally. Hence, the main purpose of this paper is to explore the following question: What drives and determines competitiveness and sustainability in small to medium-sized Australian wineries. I propose to undertake this research by utilising a resource-based view (RBV) of strategy management (see: Prahalad & Hamel, 1990, Barney 1991), in particular, John Kay's (1993) 'distinctive capabilities' framework.

RBV has been widely used in examining the performance of firms in various industries; however, little work has been done in examining the applicability of the framework to SMEs in the wine industry. The wine industry by nature represents an agricultural industry with the addition of manufacturing (winemaking), bottling, market development, and distribution. Because of its complex nature, the wine industry requires a very long-term vision and commitment. Identifying capabilities embedded in these enterprises and leveraging their capabilities through cultivating and nurturing long-term relationships with both internal and external stakeholders will be required for a sustainable growth of the industry.

This paper has been organised into four main sections. The first section outlines a brief review of RBV which views firms' internal resources and capabilities as determinants of an organisation's performance and sustainability. The second section provides a discussion of the methodology used in this paper. The third section compares and contrasts how three SMEs successfully leverage their 'distinctive capabilities' to create a sustainable competitive advantage. The fourth section provides discussion of findings and suggestions for future research. This report is a part of the research project funded by the Faculty of Economics, MeijiGakuin University. A brief review of the RBV of firms' strategic management will be provided next.

### **The resource-based view of firms' strategic management**

The 'resource-based view' approach gained its popularity in the early 1990s (see: Prahalad & Hamel, 1990, Barney 1991). RBV sees a firm as a bundle of resources and emphasises that the way these resources are combined and applied within a firm can create a 'sustainable competitive advantage' that is not easily duplicable or surpassed by its competitors. Resources are categorised as tangible and intangible. Tangible resources include physical, financial and human assets. Intangible resources include intellectual and/or technological resources and reputation. Technological resources include the organisation's ability to innovate and the promptness with which innovation takes place. In the knowledge-based economy, a tacit knowledge that is shared and learnt by people in the organisation and is embedded in organisational culture is increasingly viewed as an important resource of competitive

advantage. For example, the reputation and goodwill of the organisation is a valuable organisational resource as it takes time to build but can be easily damaged. In order for a firm to have competencies in the marketplace, the firm needs to find a way to efficiently coordinate and organise these resources. Prahalad & Hamel (1991) use the term 'core competencies' to refer to the activities in which the firm can achieve a sustainable competitive advantage whereas Kay (1993) uses the term 'distinctive capabilities' as the sources of the firm's sustainable competitive advantage.

Kay (1993) views an organisation as a collection of capabilities, and argues that the success of an organisation is determined by those of their capabilities that are 'distinctive'. Moreover, Kay points out that an outstanding organisation derives its strength from a distinctive structure of relationships with various stakeholders such as customers, employees and suppliers. The stability and continuity in these relationships is essential for creating social and commercial values. 'Distinctive capabilities' are often embedded in an organisation and therefore cannot be easily copied or imitated by its competitors. Three important sources of 'distinctive capabilities' through which a company can achieve a sustainable competitive advantage include: architecture, reputation, and innovation.

Architecture refers to a structure of relational contacts with its employees, customers, suppliers and a group of collaborative firms which a firm may network with. Reputation can be built over time through firm's reliable relationships such as excellent customer services and consistency in quality of product offering. Innovation in management and technology allows an organisation to be distinctive in the marketplace; however, in order to create a sustainable competitive advantage, a firm needs to engage in constant innovation and development that is supported by its organisational architecture. Thus, a distinctive collection of both internal and

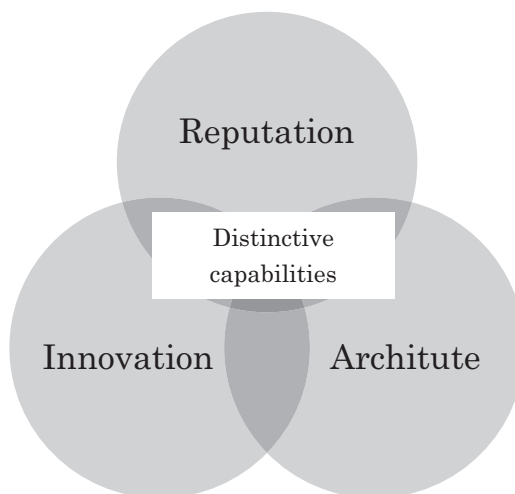


Figure 1: Distinctive capabilities of strategy (adapted from Walters 2003)

external relationships that are developed and nurtured for a long period of time would help firms to achieve a competitive advantage (see Figure1 below).

As mentioned earlier, the wine industry largely represents an agricultural industry in nature and thereby requires a very long-term vision and commitment. For organisations that belong to such an industry, the stability and continuity in relationships with internal and external stakeholders is hypothesised to be essential for creating added values. Thus, Kay's framework of 'distinctive capabilities' of strategy is employed in this study to explore drivers and determiners of competitiveness and sustainability of small to medium-sized Australian wine producers. In the following section, the methodology employed in this study will be articulated and discussed.

## Methodology

The interviews were undertaken as follows: 1) in Victoria interviews were conducted at four wineries in Bendigo and one winery in the King Valley region, between the 13th and 16th of August 2011; and 2) in Queensland interviews were conducted at two wineries in the Granite Belt Region, between the 29th of March and 3rd of April 2012. The cases were selected from *The Australian and New Zealand Wine Industry Directory 2011*. Due to the significant difficulty encountered in identifying appropriate and willing respondents and the widespread location of selected cases, only a limited number of wineries were able to be identified within the Australian wine industry. Finding willing respondents was time consuming as in many cases interviews were only agreed to if a positive referral was given from another wine producer. As a result of this process, the investigator has learnt the importance of spending a considerable amount of time building trust with each respondent in a closely-knit wine community. One limitation of this research involves a small number of cases with an exploratory focus; however, findings will provide some insight into the sources of a competitive advantage pertaining to small and medium sized wineries that may have been overlooked.

In each case, semi-structured, in-depth interviews (recorded) were conducted with the marketing and/or management decision makers to identify an understanding of the pertinent research issues. Due to their in-depth nature, each of the interviews can be classified as a single case study (Yin, 2003). The investigator travelled to conduct interviews with them.

Upon the completion of the interview, the investigator asked the interviewees to fill in a questionnaire containing questions concerning 1) what they perceived as strengths of the firm, 2) what they perceived as key success factors and 3) the anticipated factors for future success.

In this paper, three companies were selected that demonstrate unique characteristics in

terms of how they leverage their 'distinctive capabilities' to achieve a sustainable competitive advantage. All three companies are family-owned; however they are different in size and scale of production. The information was supplemented by publically available resources including industry reports and company websites. In the following section, three cases are presented with findings concerning 'distinctive capabilities' that create a competitive advantage for each firm.

## Findings

### Case 1: Alpha

Alpha was established in 1889 in Victoria. It is one of the oldest, family-owned wineries in Australia prospering over five generations. The firm sources grapes from its own vineyards that are located within a 50km radius of the headquarters and also from recently acquired vineyards in Tasmania. This enables the firm to offer a wide range of products in terms of varieties and wine styles to both domestic and international markets. Wines are exported to over 30 countries in which the largest markets are the UK and New Zealand. The firm employs over 300 people and produces more than 1 million cases annually.

#### 1-1: Reputation-Brand sovereignty as a family heritage

The firm places great importance on its family heritage and traditions that are deep-rooted in its organisational culture and sees them as a source of the firm's 'distinctive capabilities'. This can be illustrated by the following statement from the marketing manager:

*"The important thing is there has been no change to the vision of the company, what we stand for, how we operate and culture [over the years].... The culture of the company is really the culture of the [founding] family and there is no difference between [our] brand and the family. The brand and the family really have the same values- very unpretentious, very innovative".*

The founder incorporated its family name into a company name, which has been passed on through generations along with their family values for over 100 years. This demonstrates that the founding family members take great pride in their business and their product offering. The strong identification of family heritage with its brand was reinforced in 2003 when the firm released a new flagship range of super-premium wines that were named after the winemaker's wife of an earlier generation. Thus, for Alpha, family heritage plays an essential role in creating and embracing a distinctive corporate and brand sovereignty which is continuously being expressed in organisational practices. This is one of their 'distinctive capabilities' which cannot

be easily transferred or imitated by other firms.

### 1-2: Leveraging reputation through internal relationships

While the family heritage is greatly valued, Alpha makes sure that non-family members with expertise and knowledge in certain areas are brought into the company and gets them involved in decision-making in order to be flexible and innovative. At the same time, the firm is very clear in communicating its vision and goals to all employees. As stressed by the firm's executive director, a loyal and engaged workforce is regarded as one of the most important characteristics of the firm's competencies. Thus, tacit organisational knowledge that is shared by a loyal and engaged workforce creates a distinctive value in Alpha.

### 1-3: Leveraging reputation through cellar door experience

Cellar door experience is seen as an effective way for the promotion and sales of high-value brands through limited high-end distribution. In Victoria, 75.5% of all wineries have a cellar door facility (*The Australian New Zealand Wine Industry Directory 2012*). The benefits of having cellar door sales include: distribution at a low marginal cost, the development of brand equity, and a chance to add value to their product by sharing a 'story' with their customers about the uniqueness and qualities inherent in each wine.

Alpha strongly believes that a firm can build customer loyalty and enhance its reputation through cellar door sales as illustrated by the following quote:

*"The best way to sell your product is the principle of the cellar door; face to face, glass in the hand, get your potential customers to taste, understand and hear the story. ....what has to be done is to take the cellar door across the nation and then across the world..."* (quoted in Dunstan, 1999, p.174).

At Alpha, customers are provided an opportunity to explore new wine varieties and styles including limited release of new varieties, experimental batches and optimum aged wines that are only available at the cellar door. The question that arises is: How can the winery tell the story to international customers who are unable or unlikely to visit its cellar door? One way to do this is by organising a number of tasting events which include participating in food and wine markets and then persuading repeated customers who come to the events or markets to taste their wines on a regular basis. Another way being suggested by the marketing manager is the effective use of a website that *"tells everything about the family, the vineyards and the latest vintages available"* (in Dunstan, 1999, p.175). Wine club membership of Alpha is currently only available to Australian residents; however, it is another effective way to promote high-value brands through a loyal customer base.

#### **1-4: Leveraging reputation through industry leadership and networking**

Alpha is highly respected in the wine community and was complimented by a number of people encountered during the interview processes. They constantly provided complimentary comments on the founding family about their personalities and contributions to the community. In fact, several people used the term '*unpretentious*' in describing the family which is also a core corporate value of Alpha. Clearly, Alpha has attained its reputation in the community through developing dedicated relationships with other wineries and industry leadership. Alpha is an active member of Australia's First Families of Wine, that is, an alliance of 12 multi-generation family-owned wineries, with a long history, having committed to export and environmental best-practice and producing iconic wines. The alliance members are active promoters of raising the profile of Australian wine in the international arena; showcasing a representative of Australia's premium and super premium wines; and highlighting the quality and diversity of Australian wine. Thus, the firm sees that networking with other firms in the industry is a valuable way of raising the firm's reputation as well as the reputation of Australian wines. Being a member of the alliance also enables the firm to exercise strong market influence.

#### **1-5: Innovation within a traditional organisation**

Whereas Alpha is identified with its family heritage and history, it is also acknowledged for having an innovative spirit. The firm has been at the forefront of experimenting with different grape varieties and winemaking processes. A good example of this is the opening of an experimental mini-winery in 1989 where winemakers could experiment with new grape varieties and wine styles and conduct research on viticulture and winemaking practices. A wide range of varieties available as a result of innovation provide Alpha a competitive edge in export markets; because it allows Alpha to cater products for different tastes and preferences. Alpha is continuously inspired to be innovative in viticulture and winemaking and innovation itself is cultivated within the organisation. Alpha has tradition, but it does not behave as a traditional company which makes Alpha distinctive.

#### **Case2: Beta**

Beta is the oldest family-owned winery in Queensland and was established in 1930. Of the 64 wine regions in Australia, Queensland has only two, one of which is the Granite Belt region where the winery is located. The winery was originally established by Italian migrants who came to settle in the region in the early 1900's as the place was suitable for growing grapes and stone fruits which the Italians were renowned for. Given that around a half of

the population in the region is of Italian descent, the winery and the surrounding region still display distinct Italian characteristics, for example providing authentic Italian food, quality wines and even hosting an opera event. Currently the third generation of the founding family is actively involved in management of the winery where 11 people are employed. The winery crushes around 350 tonnes of grapes and produces between 10,000 and 19,999 cases. Beta is exporting to Taiwan.

## **2-1: Reputation- Brand integrity blending regional flavor with family history**

Beta places a very strong emphasis on brand identity and good will, and traditional products. Given that the winery is a small boutique winery it focuses on producing wines that represent the flavor of the region blending this with the history of their four generations. The vines are carefully grown and managed by the second generation of the founder who is very enthusiastic about viticulture and winemaking. According to the client relations and marketing manager, what they value the most is the products' integrity which has a strong linkage with the family and region as is illustrated by the statement below:

*"We only use grapes from our vineyards, which makes us so special..... [this] gives you the product integrity. That's what we work on and people appreciate the fact that they can come here and know that our wines are all made here and our grapes are all grown here".*

The client relations and marketing manager points out that as a small family-owned winery, Beta offers not only a good quality product, but it also offers added value to the products as seen from the statement below:

*"It is important for any small wineries to have stories to share. For big companies, it is all about prices and the bottom line. We cannot compete with that. For the price our customers pay for our products, they are getting our story, our services, and more from us. Wine is not a commodity. Our wine is more important to us than selling it for the cheapest price we can. It comes with a lot more than that".*

Thus, Beta's Italian heritage and the strong attachment to the region and community is a 'distinctive capability' that is very difficult to copy. Whereas Beta is open to every opportunity coming along, it is not willing to compromise the quality and/or lower the prices of the products for the sake of a new market entry.

## **2-2: Leveraging internal relationships- a tight knit small family firm**

The interviewee stressed that being a small family-owned firm itself is a competitive advantage in the wine industry. This is because the nature of the industry is, *"just so family-*



*oriented, or it has a potential to be. If you've got children who want to carry on, it has so much scope as a business".* Again, it is the nature of the industry which requires a long-term commitment and vision which will be relatively easy to manage as a family.

### **2-3: Leveraging reputation through face-to-face interaction**

According to the client relations and marketing manager, the sales generated through its cellar door and wine club accounted for around 80% of the total sales. Beta's cellar door has a very friendly and warm atmosphere which makes customers feel as if they were a part of the BIG Beta family. Similar to Alpha, Beta places great emphasis on developing loyal and ongoing customers through face-to-face interaction. Beta is actively taking the cellar door experience within and around Queensland by offering tastings during Queensland events (such as home shows) to customers who might then be encouraged to visit the cellar door and become loyal customers.

### **2-4: Leveraging reputation through external relationships**

The winery believes that the firm's strength is derived from a good relationship with local communities. In fact, the winery is very active in promoting the wine industry and the region by organising events that attract a large number of tourists and encouraging them to return. It is also actively involved with local and regional wine and tourism committees. By using these external channels, the firm is creating market influence and acceptance and building good will in the local community. Additionally, the firm changed its name in 1980s with a reference to the region which demonstrated to the local community the firm's strong regional commitment.

Currently, the firm has only one importer in Taiwan with whom it has cultivated a good and trusting relationship over the past 10 years. Whilst the winery is open to new market opportunities, they are happy to wait until they find another customer (importer) who truly appreciates and values what Beta offers. According to the client relations and marketing manager, being a smaller, family-oriented winery itself is a 'distinctive capability' which can be transferred into a competitive advantage given that it enables the firm to have greater flexibility and promptness in responding to customers' needs and to provide better services to them both internationally and domestically. Thus, a continuous relationship with external stakeholders is a key to building a solid reputation for Beta.

### **2-5: Innovation through tapping into the tourism sector**

The owner and winemaker of Beta is willing to experiment with new varieties that are suited to regional conditions. However, as previously stated they are proud of their traditions

and authenticity in winemaking. Therefore, innovation in the Beta winery is not so much about the winemaking process or investing in new technology but more about the firm's ability to strategically identify itself as a part of the tourism cluster. The winery has been very successful in this regard and has won the Queensland tourism awards five times out of the six times they entered. The client relations and marketing manager stated that:

*"We are not in it for the glory of being a winery but we are in it for the business of making money for our family and to make tourists happy, and to give them a good time as an attraction. [Being a winery] is not just about winning medals and being on certain lists".*

Beta in fact has a number of award winning wines yet, the above statement summarises the fundamental value that is shared within the family and with their customers. Beta hosts events to attract large numbers of people to the region including an opera in the vineyard and charity dinners that help enhance the local profile. Moreover, Beta is very aware that being represented on tourism committees for the region and developing and maintaining good relationships with journalists will enhance their reputation.

The firm's website, states that *"Beta is a winery for ALL tourists"*. The winery (and the surrounding region) attracts intra-state customers as a weekend getaway as well as capturing interstate and independent international travelers who are travelling around Australia in camper vans. The client relations and marketing manager at Beta did not hesitate to say:

*"Because we are so tourism-oriented, I guess that is what we focus on and how we promote and market our business is to tourists".*

Thus, Beta's reputation is leveraged through continuous relationships with the local community and the broader community beyond the region.

### **Case 3: Delta**

Delta is the largest winery in Queensland and is renowned for its successful business model since its establishment in 2000. It combines a winery, vineyard and an award winning restaurant. Delta also offers tours, wine tastings, cellar door wine sales, weddings and corporate functions. Delta employs around 60 full-time staff and 70 part-time staff. It is privately owned by a single family who are involved in a diversified range of businesses including property development and data processing as well as managing the winery. In terms of tonnes of grapes crushed annually, Delta's capacity ranges between 1,000 and 2,499 which come from their own three vineyards. Delta demonstrates quite different characteristics from the first two cases and is successfully tapping into a niche premier market overseas including China and Japan.

### **3-1: Reputation gained through winning medals**

Given that Delta is a relatively young winery, it lacks the story that compliments and/or reinforces the products it offers. Unlike Beta, Delta is keen on enhancing its domestic and international reputation by winning medals. As the marketing manager explains:

*“In terms of the wine itself, we use a very traditional wine making method, but mixed with new technology that produces the greatest consistency in quality and great products”.*

His statement was substantiated by the fact that the winery had received over 620 national and international medals by 2012. This, in part, assisted them with entering into a premier market in Japan and establishing a partnership with a major Chinese distributor. Delta uses multiple strategies in cultivating customer relations to enhance its reputation. A more detailed explanation of these strategies is outlined below.

Delta describes their core competences as the firm's long-term relationships with its business partner and seeking and embracing new business ideas and business methods. It places relatively less emphasis on traditional products given that the firm is relatively new to the industry.

### **3-2: Leveraging reputation through wine education**

Delta believes that providing consumer education at the point of sales creates a distinctive advantage. Delta employs Japanese and Chinese speaking nationals residing in Australia and places them at duty free shops, as well as its own cellar door to interact with customers. Internationally, Delta is sending their winemakers to key influential outlets and restaurants to conduct a series of wine education programmes through food and wine matching. This programme has been implemented in China, where the wine market is expanding yet undeveloped. By utilising these strategies, Delta can effectively leverage its reputation through customer relations. Delta also uses its website as a tool to educate its customers and provide detailed information about the winemaking process.

### **3-3: Leveraging reputation through external relations**

Similar to Beta, Delta recognises the importance of tapping into the tourism cluster. But it uses a quite different strategy from Beta with greater international focus. Delta has employed the following strategy to tap into the Japanese market: 1) Developing a good relationship with Duty Free Shops targeting Japanese tourists coming to Australia; 2) Setting up its own warehouses in Japan for home-delivery services; 3) Employing Japanese nationals residing in Australia to educate Japanese travelers about their wines at the point of sale (both at DFOs

and cellar door); 3) Cultivating a good partnership with a Japanese importer/distributor through the existing relationships with the local Japanese staff; 5) Moving the logistics and home-delivery services to the Japanese partner; 6) Seeking and creating more direct market opportunities, i.e. establishing a wine club with the partner by combining its own customer database with that of the partner's.

As illustrated above, finding unique routes to market a product that are not cluttered with competitors and then cultivating them through the firm's long-term relationships with its business partner translate their resources into 'distinctive capabilities'. By building and combining customer databases from Australian and from Japan, Delta can educate members about: *"what Delta can do, what Delta can offer, what is unique about Delta's product offering and what put Delta in line with French wines etc"* (the marketing manager).

### **3-4: Innovation in eco-friendly wine production**

Delta uses state of art technology to produce consistent quality of product. It also invests in the latest technologies and innovations to achieve environmentally sustainable wine production including energy conservation, waste recycling and minimising water usage. For example, it is experimenting with low carbon bottling materials such as PET (recyclable plastics) as an alternative to glass. One of Delta's key successes, as noted on their website, has been their ability to significantly reduce dependence on mains water. This is an important achievement since water shortage is a major challenge in an arid country like Australia. Delta's leadership in addressing and overcoming these challenges definitely enhances its profile.

## **Discussion and conclusion**

This paper has sought to examine and analyse; what drives and determines competitiveness and sustainability in small to medium-sized Australian wineries. To conduct this analysis three Australian small to medium-sized wineries demonstrating 'distinctive capabilities' were examined using the Kay's framework. By analysing the three different wineries it has been possible to identify the unique firm-specific capabilities or 'distinctive capabilities' embedded in each enterprise. The analysis has also shown how these 'distinctive capabilities' have been leveraged by each of the three wineries to create a competitive advantage in the marketplace.

Though the vision and core values of each winery may vary; they each ensure that their unique set of 'distinctive capabilities' is leveraged through cultivating and nurturing long-term relationships with both internal and external stakeholders. Alpha has achieved this

leveraging by accentuating its core value of 'family heritage' with innovation in winemaking and production. The core value and vision prospering over five generations that is deeply embedded in the organisational culture is shared with every member of the organisation, its customers, and the wine community. Alpha demonstrates strong leadership in raising the profile of Australian wines by leveraging its 'family heritage'. Beta has achieved it leveraging by combining its family heritage with wine tourism. Beta's active involvement in wine tourism enables it to create market influence and build good will in the local community. Delta has achieved this leveraging by combining marketing and technological innovation in wine production. Although Delta is a relatively young firm, it is aware of the importance of cultivating and nurturing internal and external long-term relationships. Delta has sought to achieve this through customer relations, consumer education and an on-going partnership with a Japanese distributor. Sharing the core values and establishing trust with international partners is an important factor to achieve a sustainable competitive advantage.

A sustainable competitive advantage is also achieved by establishing trust and sharing core values with customers. In all three cases this paper has shown that cellar door and quasi cellar door experience is a good way to develop a firm's reputation through close contacts with their customers. This is where family-owned wineries have an advantage over wine conglomerates because at the cellar door, winery employees can share their tacit knowledge and add value to the product. Multi-generation family firms naturally possess a capability that is unique; however as demonstrated by the three cases, it needs to be integrated into other capabilities to make it become distinctive.

Another way of improving the profile of smaller Australian wineries in the market place is by establishing linkages with another industry sector, such as tourism. This is exemplified by the two cases from Queensland. The Queensland government has also recognised the economic benefit arising from wine tourism, and set up a state-of-the-art \$8.5 million education and training facility in the heart of the Queensland wine region. Queensland wineries such as Beta and Delta exploit this opportunity by using wine-tourism as a platform for their market entry strategies.

Due to the rapidly changing nature of market conditions in the Australian wine industry, the question of how each firm utilises its capabilities in facilitating market entry and sustainable growth is increasingly important. Tapping into underdeveloped wine markets, specifically in Asia is recognised as an effective way to achieve sustainable growth. To raise the profile of and expand wine exports from smaller Australian wineries to the Asian market, further study is required to help determine: a) How smaller wineries can bypass wholesalers and linkup directly with international partners who understand their core values and work

collaboratively to achieve sustainable success in export: b) How small to medium sized Australian wineries can convey their brand identity effectively to international customers particularly those in East Asian countries like Japan, South Korea, China and Taiwan where English is not commonly spoken: c) How small Australian wineries can market their wines to a niche market of select customers who appreciate the value of boutique Australian wines. This study would ideally be conducted in collaboration with family owned wineries from multiple wine regions and aim to develop effective strategies to improve sustainable competitive advantage and map out possible future opportunities in Asia for the Australia wine industry.

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Appendix A:

Case code	Year established	Family Owned/ managed	Number of employees	Tonnes crushed	Wine is made on site	Export markets	Position of Interviewee	Cellar door sales	Wine club	Restaurant cafe
Alpha	1889	<input checked="" type="checkbox"/>	320 (FE*)	10,000-19,999	<input checked="" type="checkbox"/>	New Zealand UK Asia	Marketing director (Executive Director for survey)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Beta	1930	<input checked="" type="checkbox"/>	8 (F*) 3 (P*)	250-499	<input checked="" type="checkbox"/>	Taiwan (Canada in the past)	Client relations & marketing manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Delta	2000	<input checked="" type="checkbox"/>	60 (f) 70 (P)	1,000-2,499	<input checked="" type="checkbox"/>	China, HK, Taiwan, Japan Switzerland	Marketing manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Note: \* FE refers to fulltime-equivalent employees, F refers to full-time employees, P refers to part-time employees.