

Comparison of local and global wines, France

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Introduction

Comparison between local and global chains in France and Switzerland

- Pair of global chains :
 - PGI Wine sold in bulk to wholesalers-bottlers, then to Swiss SM
 - PDO Wine sold in bottle to Swiss specialized traders and shops
- Pair of local chains :
 - Bottles of Wine sold at the winegrower cellar
 - Bottles of wine sold to local (Montpellier) restaurant

Criteria of distinction between local and global wines

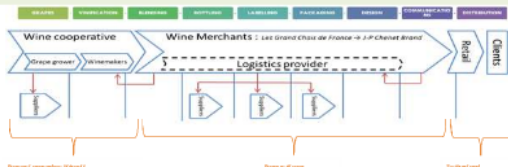
KEY-DIMENSION	LOCAL	GLOBAL	
PHYSICAL, GEOGRAPHICAL DISTANCE BETWEEN PRODUCERS AND CONSUMERS	Production, process bottling and distribution in Languedoc, Montpellier area.	Production, process in L-R, bottling in Alsace and distribution in bottle in Switzerland	Production, process, bottling in Languedoc-Roussillon and distribution in Switzerland
ORGANIZATIONAL MODEL AND MANAGEMENT OF THE SUPPLY CHAIN	Production model: Family and large scale domains making wine on farm Direct sell at the cellar	Production model: Grape-growers, cooperatives, federated marketing coop ONE intermediary between producer and consumer	Production model: Large scale domains with employees making wine on farm
PRODUCT QUALITY LINK WITH TERRITORY	hillside and PDO Languedoc	plain; PGI Pays d'Oc	Hillside; PDO/AOC Languedoc (& organic wine)
MODE OF HANDLING	Bottle	Bulk	Bottle

Case studies: local and global wine chains in France

Languedoc is the first french vineyard : 12,5 millions of hectolitres ; 18 000 Grape-growers, 211 wine cooperative s, 2700 private domains

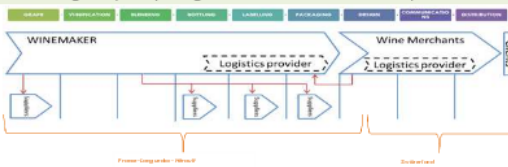
Bulk basic wine in global chain

- 71% of PGI wine production sold in bulk by cooperatives
- Supply chains driven by the international trader-bottler "Grand Chais de France" who purchases wine in bulk and develops its own trademark "J-P Chenet". Distribution of bottled wine in Swiss supermarket



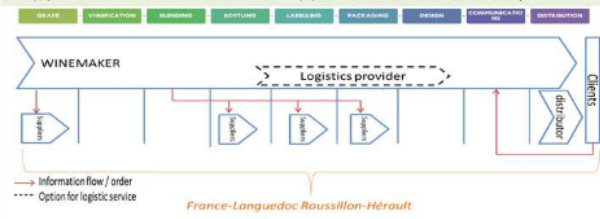
Bottled quality wine in global chain

- 40% of PDO wine directly exported by private domains and small cooperative. Supply chains co-driven by producers, and specialized traders for large scale export.
- Marketing on quality image, link with "Terroir". Interprofession strategy

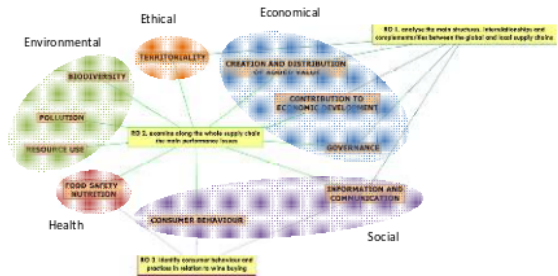


The local chain in Montpellier agglomeration

- Family domain developing wine tourism
- Less than 20% of regional wine volume directly sold on the local market
- Embeddness in territory : Local vine varieties and resources
- (1) Local consumers and tourists + (2) Restaurants and wine shop



Research Objectives



Method: Attributes and Indicators

ATTRIBUTE	PROPOSED INDICATOR	STAGE RELEVANCE	DATA SOURCE
CONSUMER BEHAVIOUR	Taste of preference (palatability)		
	Convenience	consumer	Secondary data
	Willingness to pay		
	Criteria of purchase		
INFORMATION AND COMMUNICATION	Product Labelling	All stages	experts secondary data
	Communication along the chain		
	Reflective and shared learning	Production stage-consumption	
	Availability of information	consumer	
FOOD SAFETY / NUTRITION	Food safety standards and controls	All stages	
	Biological, chemical and physical hazards		
	Beneficial nutrients	consumer	Expert secondary data
	Artificial additive		
RESSOURCE USE	Water Use Practices	All stages	Interviews secondary data, LCA database
	Energy Use practices		
	Material Use practices		
BIODIVERSITY	Soiland nutrients management practices agro-biodiversity		
	Species Conservation practices	All stages	Interviews
POLLUTION	Land management practices		
	GHG emissions	All stages	Interviews LCA database
	GHG Reduction Target		Interviews secondary data
	Public Health	Producers and consumers	
	Soil acidification	Production and transformation stages	Interviews experts
	Water Pollution Prevention Practices		
GOVERNANCE	condition to market entry and expansion		Interviews
	price decision making	Production-trade-distribution	Experts secondary data
	Platform for decision making		
	fraud management within the chain		
CREATION AND DISTRIBUTION OF ADDED VALUE	Net Income		Interviews secondary data
	Gross added Value	Production stages	
	Wage Level		
CONTRIBUTION TO ECONOMIC DEVELOPMENT	Yields	All stages	Interviews secondary data
	distribution of added value across the chain		
	Economic Productivity	Production and packaging stages	
	Resource optimization		
	Fiscal Commitment	All stages	Interviews
TERRITORIALITY	Contribution to employment		
	Builds human capital		
	Social cohesion and Conviviality	Producers, consumers, local actors	Interviews

Data collection - methodological tasks

- Stakeholders identification
- 10 attribute and 43 indicators selected (6 new indicators)
- Primary data: previous works + complementary interviews (direct semi-structured interviews or indirect by phone)
- Secondary data: analyse sources, constitution of ad hoc data base
- Participatory Checklist Method (PCM) : Working group of experts to discuss, benchmark indicators and aggregate attributes

State of research

- To complete data collection with stakeholders interviews
- To organize workshop (December)
- Review and encoding of secondary data
- Analysis of results