

Adapting the wine producers' offers in Muntenia Oltenia to the new market trends

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Abstract: *The process of transformation that affects the world wine industry is also felt at the level of the Romanian market. The article aims to address two of the directions this market evolves in. The aim of the paper is to outline the extent to which wine cellars know and use the biodynamic cultivation and vinification techniques and to measure their willingness to practice enotourism as a wine promotion measure. After a short presentation of the general context of the Romanian wine industry and of the latest developments in this sector, the author analyzes of the results of a qualitative research carried out with seven wine producers in the Muntenia Oltenia area. The results of the research allow sketching some proposals that are in line with the trends on the international wine market and that contribute to the increase of the sales of Romanian producers'.*

Key-words: *wine industry, enotourism, biodynamics, promotion, qualitative research*

1. Introducere

In the wine industry, biodynamic certification involves the observance of rules on growing and vinification that can be stricter than organic alone, for example, less use of cooper sulphate per hectare, and the requirement for natural yeasts for fermentation. With biodynamics, the homeopathic preparations used on the compost and on the vines represent the key, and the vineyard must strive to be as self-sustaining as possible, with minimal external inputs. The planets' influence on the growing season and on vineyard and winery operations is also taken into account (www.biodivin.com).

Wine cellars in Romania begin to understand that only by adapting the offer to new market requirements can guarantee business development. The recent trends in the market are manifestedly growing, especially in the case of the external demand for the biodynamic wine and by attracting more local consumers by practicing enotourism as a way to promote wines.

Enotourism or wine tourism involves guided visits to wine cellars, the presentation of the technological process, wine tasting and, possibly, walks in the

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vineyard (www.trendshrb.ro). Enotourism and other related forms of tourism, such as culinary tourism, can facilitate and strengthen knowledge about the visited destinations, local customs, completing thus the travel experience (Băltescu, C.A., 2016). Understanding the potential of enotourism for the wine industry is essential, as this segment offers added value to wine consumers, by facilitating the proximity to and understanding of the winemaking process, of the importance of people in this process, and of the elements that define quality wine.

2. The general context of the Romanian wine industry

With a production of about 5 million hectoliters in 2016, Romania ranks sixth in Europe and 13th in the world. The world's first places are taken by Italy, which produced ten times more than Romania, followed by France, Spain, the USA, South Africa, Chile, Argentina, Germany, Portugal and Russia which produced a similar volume of wine to our country.

Nevertheless, Romania, ranking fifth in Europe in terms of vineyards cultivated area, with 184 thousand hectares, produces less wine than other countries that cultivate smaller areas, e.g. Germany whose cultivated area covers 102 thousands ha. This is due on the one hand to the lower yields per hectare obtained by the Romanian producers, and on the other hand to the fact that significant areas of the whole viticultural area of the country are more cultivated with hybrid vines (HPD) and less with noble varieties. The hybrid vines come from the crossing of two species or different American varieties and they are called direct producers because they live and multiply by their own roots. These vines are resistant to filoxera, they are cheap, easy to obtain and plant, they require low maintenance costs, but they have a number of downsides because they have low productivity, resulting in poorly alcoholic wines, with high acidity, hard to preserve, which rarely can be ripened and kept for long, with typical naphthalene flavor and taste and with a concentration of methyl alcohol several times higher than in the wines from noble grapes.

If in Europe the average for the areas cultivated with quality grapes is 84%, in Romania it is only 28%. Romania is in the top of the European ranking on the area planted with hybrid vineyards, 72%, ahead of Bulgaria, where 38% of the area is destined to table grapes and Portugal, ranking 3rd with 12% (Eurostat). In all the other European countries that produce wine, over 90% of the area is cultivated with grapes for quality wines. A cause of this phenomenon is the fact that although a large quantity is produced on a large surface, this area is divided into tiny properties, many of them being owned by individuals. Thus, one of the characteristics of the Romanian wine industry is the fragmentation of the areas cultivated with wine grapes. At the level of 2015, 36%, representing more than a third of Europe's vine growers were in Romania, namely 0.9 million wine-growing properties out of a total

of 2.4 million. The average surface of these properties is the smallest in the EU, the average being of 0.2 hectares (Eurostat).

As for the regulations, the difference between the two categories of wines, the table and the quality ones obtained from noble varieties, is given by whether or not the certificates are held. In the European sense, quality wines are only those that have a Controlled Origin Naming (CON) or Geographical Indication (GI). The wines that have these qualifications certify that their belonging to certain recommended or authorized varieties in each region, the compliance with the provisions referring to the harvest size per hectare, the yield allowed when pressing the grapes, the authorized enological treatments, and the conditions related to the traceability of products. Contrarily, in the case of table wines, they are not obliged to comply with most of the conditions imposed on wines with CON or GI, but only to comply with a minimal set of legal conditions, namely, to be produced exclusively from grapes and to be produced in compliance with the legislation.

3. Recent developments in the wine industry

The two approaches to vineyard and winemaking culture, the 'old world' one that interprets wine as a product of the earth it comes from and it values mainly its cultural side, by generating the diversity of tastes and the 'new world' approach found in countries such as Australia, Chile, Argentina that interpret almost exclusively the wine as an economic product that must be tasty and at the most competitive cost, coexist in Romania. The important Romanian producers strive to equalize the economic performances of the new world, but there are many small wine cellars that stick to the idea of an old world (www.vinul.ro).

Lately, in the wine industry in Romania, the small viticulturists working in the family, with medieval techniques, producing wine without taking into account winemaking protocols, have made place for the modern wine cellars and vineyard cultures that have the latest technology, while working with highly qualified viticulturists and enologists.

The Romanian wine industry is characterized each year by the emergence of new producers who try to gain from the market shares of the old producers, the traditional ones on the market, who have to rethink their strategies and to reposition their portfolios. Starting from the idea that reducing costs should have a significant effect of the new technologies in all industries as well as in retail, it is worth to investigate the possibility that the latter might actually constitute the basis of a new facette of the cost leadership generic strategy (Drumea, 2015).

The diversification and the refining consumer claims have prompted the manufacturers to make a sustained effort in order to increase the quality of the products on the market with a view to meeting the demand for the ever-growing premium segment. To achieve the quality required by society is necessary to identify

the customer requirements and expectations (Madar, A., 2016). The increase in quality was possible by both the investments in wine cellars, in vineyards and by hiring highly experienced winemakers, and by accessing European funds for conversion, funds that were used for replanting several tens of thousands of hectares of vine. Sustainable competitive advantage is achieved when producers develop strategies that main competitors have not developed and have not applied (Todor, R., 2014).

In the wine industry has increased the interest of producers and retailers to give importance to the brand of the product. The aesthetic concept of the brand must take into account the existence of a sensorial complex, causing a manifestation of approval or rejection of every individual's aesthetic sense, by emotional effect triggered by the act of buying and consumption (Neacşu, N.A., 2015).

4. Research methodology

The research was of a qualitative nature and it aimed at identifying the opinions of the managers of wine producing companies in Muntenia Oltenia with respect to the importance given to the biodynamic wine and to the measurement of their willingness to engage in the practice of enotourism in order to develop the business.

From the multitude of techniques specific to qualitative marketing research, the semi-direct or semistructured in-depth interview method was chosen (Brătucu and Brătucu, 2016). In this respect, 7 interviews were conducted with the managers of wine-producing companies in the wine-growing region of Muntenia Oltenia, aiming at an in-depth knowledge of their opinions.

The main objectives of the research were to identify the opinions of managers of wine producing companies in Muntenia Oltenia with respect to the implementation of the concept of wine tourism as well as to the approach and the practice of the new biodynamic wine making technologies that allow to adapt the producers' offer to the new consumer trends manifested on the market.

The main hypotheses that the qualitative marketing research was based on are:

- The Romanian wine producers know the biodynamic methods of grape cultivation and wine-making applied in the world wine industry.
- The managers of wine-producing companies use bio-dynamic techniques of wine cultivation and production.
- The viticultural producers consider profitable to get involved in the development of enotourism.

In order to meet the objectives proposed for this research, in line with the requirements imposed by the specialized theory and practice, a questionnaire for the selection of potential respondents and an interview guide were developed.

When developing the selection questionnaire, the elaboration of some questions that would allow the inclusion of representative respondents in the research in order to

obtain the information necessary to meet the objectives, namely managers of wine-producing wine-cellars in Muntenia Oltenia was given importance to. In the selection questionnaire, a factual question regarding the length of the viticultural producer's existence on the Romanian market was introduced, as well as a question about the seniority of the respondent as a manager of the unit he represents. The selected managers and the companies they represent are in Table 1:

The interviewee	Position within the wine growing company	Name of the wineproducer	Producer category	Seniority on the Romanian market
Manager 1	General manager	Amfiteatru Vitis	Small producers	1 year
Manager 2	General manager	DAVINO	Small/ middle size producers	13 years
Manager 3	General manager	Licorna Winehouse	Small producers	5 years
Manager 4	General manager	Domeniile Săhăteni	Middle size producers	13 years
Manager 5	General manager	LACERTA	Middle size producers	5 years
Manager 6	General manager	S.E.R.V.E. Ceptura	Middle size producers	15 years
Manager 7	General manager	Domeniile Tohani	Big producers	26 years

** The names of the interviewed managers were not mentioned in order to preserve the confidentiality of their identity*

Table 1. *The identification data of the interviewed managers*

The interview guide was structured on two topics with the purpose of quantifying the managers' opinions about:

1. Practicing enotourism as a way to promote wines and increase sales.
2. The knowledge and use of biodynamic technologies in the wine industry in order to adapt the wine producers' offer to the new market requirements.

The semidirect in-depth interview was conducted on the basis of the above theme at the premises of the wine producers where the selected managers operate. The obtained answers were recorded by using a recorder and were stored in electronic files. Afterwards, these files were transcribed, that information being subjected to a qualitative primary data processing technique called content analysis.

5. Results and discussions

In this section the results of the content analysis resulting from the in-depth interviews conducted with the managers of the wine producing companies are synthetically presented.

5.1. Practicing eco-tourism as a means to promote wines and increase sales

As for the category of targeted clients, most of the managers consider enotourism to be a niche one which addresses a certain category of people, with a certain financial, cultural and educational level. Although it is perceived as a way to promote wine sales, this sector, which has experienced a yearly increase, equally needs promotion.

If the profile of the producers who include such tourist services in their offer are taken into account, the managers are of the opinion that enotourism is practiced more by small and medium-sized wine cellar that need more direct promotion to the end consumer, wine tourism helping them to better emphasize the characteristics of the wine, the identity of local varieties, but also to increase their sales as the wine cellars have their own stores, while large producers rely more on promotion to distributors.

With regard to the collaboration between producers in the field of enotourism, the managers have indicated that there are only individual initiatives to promote wine tourism without having implemented joint projects.

The majority of the interviewed managers place special emphasis on organizing tastings, but none of the producers can offer tourists complete facilities because they do not have a tourist complex, some of them do not even have accommodation or dining facilities.

5.2. The Knowledge and use of biodynamic technologies in the wine industry in order to adapt the wine producers' offer to the new requirements on the market

According to some of the managers who participated in the in-depth interview, the fact that the Romanian vineyard estate still owns many old plantations, cultivated with hybrid vineyards may be an advantage from the perspective of the biodynamic farming because they include directly producing hybrids (DPH) that can be improved in the context of organic and biodynamic viticulture. In a biodynamic context, these plantations require far fewer treatments than the other varieties. While experimental batches are cultivated in Sicily, Romania already has these plantations, which is an advantage because it is easier to make determinations of older plantations compared to new plantations.

As for the use of biodynamic techniques all interviewed managers have referred to the fact that some wineries that use biodynamic methods in all or part of the vineyards are not certified at all. This is a personal choice. There are also those who are using or trialling, biodynamic methods in their vineyard that just use EU organic certification. But only a very small proportion of the certified organic producers can be considered fully biodynamic.

6. Conclusions and proposals

The wine producers in Muntenia Oltenia know the biodynamic techniques of grape growing and vinification and most of them have used these technologies, even if only in experimental lots. Many proponents of biodynamism claim that biodynamic wine is better than organic wine, that the wine produced by biodynamic methods shows clearer, brighter fruit and stronger terroir character. The vines and vineyards are healthier, but as for the final bottled wine, it will come down to the skill of the winemaker and vinification methods used.

The research shows that although the wine cellars in the Muntenia Oltenia area do not offer common tourist packages, they have understood that it is much more advantageous to cooperate in the promotion of the local wine varieties, to promote themselves and to use together the food and the specificity of the area.

The proposal addressed to wine growers refers to the creation of a wider concept, of a wine road in the area that should encourage diversity, a project by which the tourist is given the opportunity to have an experience that should allow him to gain benefit of all the services, not just tasting. This would be possible by a collaboration between wine cellars because they do not all have accommodation or restaurants.

At the same time, it would be useful to set up within each wine tourist tour a tourism department will should deal with the promotion of services, the organization of tours, the cooperation with national and international tourism agencies and that should employ specialized personnel by types of activities: organization of tastings, private events, corporate tourism.

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