

Abstract of Master Thesis Research

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1 Topic

Family Firm Identity in the Wine Industry: A Comparative Study in Italian, Australian and German Wineries

2 Supervisors of thesis research

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3 Theoretical background

In an increasingly competitive environment, a family firm has to be aware of its unique characteristics that may be leveraged to define a competitive advantage. Research carried out recently has identified family firms being oriented on the long-term to ensure business longevity, favouring the creation of enduring business relationships. However, there is no general concept in research on how aspects of “familiness” can be used to shape a competitive advantage. Another immanent tendency for small companies is the need to approach international markets in order to ensure the preservation of the firm’s performance and growth in the future. Facing these challenges, it is interesting how wineries do approach the process of globalisation. It is expected that particularly firms in new world wine producing countries do deal with this issue more successfully compared to companies in old world producing countries. Furthermore, it is worth to investigate whether internationalisation strategies can be supported by family ownership and the concept of familiness. According to [Cabrera-Suárez et al., 2011]¹, future research should focus on testing the diverse constructs related to familiness theoretically developed by [Sharma, 2008]. In particular, three dimensions of familiness have not yet been well explored by scholars [Cabrera-Suárez et al., 2011]: 1) the role of family values and quality of family relationships in developing a market-oriented culture; this may help small companies to develop a competitive advantage based on their intrinsic family foundation and consequently to allocate their resources more efficiently during the adaptation of the firm’s corporate strategy; 2) the importance of the quality of family relations and the relations to non-family managers and employees; this shall also identify

¹Bibliographic references have been reduced to a minimum and an overview of state of the art research has been excluded from this abstract to maintain succinctness. A detailed research proposal of the masters research project can be provided upon request.

methods implemented by the owner family to configure the firm's organisational hierarchy, in particular structural organisation is of interest when investigating how familiness in a company can be preserved over time as the firm develops further; 3) the specific features of a family that could help to develop a family-based brand identity and the management of the relationships with the customers. The comparison between wineries operating in different wine countries could enrich the knowledge about the organizational and strategic model adopted by family firms and shed new light on the ways through which familiness is promoted inside the business and communicated to stakeholders.

4 Objectives

The research objective is to study the identity of family firms in the wine industry and its influence on corporate strategies by comparing key family businesses in Italy, Australia and Germany. The study explores the following research questions: 1) Since family-owned wineries represent a deep-rooted business model in all wine producing countries, not only characterising the small business as often thought, it appears well worth to investigate in which ways family wineries take decisions: Are there differences between countries due to peculiarities in the structure of the wine industry? Main topics examined are: organisation, roles and management of staff; strategic planning; marketing management; communication strategy; brand identity strategy. 2) What are the components of familiness in wineries? Are familiness characteristics explicitly communicated to the stakeholders? Are there differences among the three analysed countries? Which tools and contents are preferred to communicate family identity? 3) Can familiness patterns be identified both in terms of business management and communication? 4) How can familiness be preserved and promoted among the family's succeeding generations?

5 Methodology

The research makes use of a qualitative and quantitative stage of the project. During the qualitative stage in-depth interviews with family members have been conducted among a preselected set of key family firms in one major wine region in each country. The interviews follow a semi-structured approach and are conducted in the native language of each country. The aim of this stage is to highlight 1) the strategic orientation of the firm; 2) the organisational structures; 3) the adopted communication patterns and 4) the definition of the family brand identity in each participating company. The interviews have been transcribed and evaluated to identify patterns among the sample of firms. In addition to the qualitative stage, a quantitative questionnaire has been elaborated based upon an extensive literature review of previously conducted studies. The questionnaire addresses the research questions which have been outlined in section 4 quantitatively.

6 Results

The research project outlines the influence of families in wineries and analyses its implications on marketing and communication strategies. The comparative analysis in three different countries aims to better understand the multidimensional concept of family in the wine industry. The analysis of collected information allows the study to outline the interconnection of different dimensions of familiness

in wineries, and the degree of awareness by the entrepreneurs and managers, with the marketing and communication strategies. The comparative analysis between these three wine producing countries is here developed for the first time in the wine industry to our knowledge. Research findings will contribute to carry out further analysis on how consumers evaluate wineries and their wines when the family dimensions of firm are explicitly communicated.

References

- [Cabrera-Suárez et al., 2011] Cabrera-Suárez, M. K., de la Cruz Déniz-Déniz, M., and Martín-Santana, J. D. (2011). Familiness and market orientation: A stakeholder approach. *Journal of Family Business Strategy*, 2(1):34–42.
- [Sharma, 2008] Sharma, P. (2008). Commentary: Familiness: Capital stocks and flows between family and business. *Entrepreneurship Theory and Practice*, 32(6):971–977.