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EXPLORING THE TACTICAL IMPLEMENTATION OF RELATIONSHIP MARKETING

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ABSTRACT

Few studies have examined the content and implementation of relationship marketing programs at a tactical level. This article reports on four sets of multiple case studies conducted in the Australian and New Zealand wine sectors. Using in-depth interviews with wineries, distributors, retailers, and other influence markets, we argue that firms need to place emphasis on both relational and transactional elements of marketing, although this would differ depending on firm size and strategy. The implications for small, medium-sized, and large businesses are explored and suggest that the implementation of relationship marketing strategies will be influenced both by the market and firm context.

INTRODUCTION

Relationship marketing has moved rapidly to the forefront of both academic marketing research and practice to such an extent that many refer to it as the new paradigm for theory and practice (Fournier, Dobscha, and Mick 1998; Grönroos 1994; Gummesson 1999). Since the early 1980s, it has been argued that marketing programs have changed focus from short-term transactions (4Ps marketing) to long-term relationships because of dramatic changes in marketing's context such as physical distance, time, markets, and competition (Day 2000; Morgan and Hunt 1994; Sheth and Sisodia 1999). The two approaches have been compared and contrasted in Table 1.

Take in Table 1 about here

A number of researchers have stated that relationship marketing is an effective way of achieving competitive advantage in international markets (Sheth 2001), and in creating a unique selling proposition or point of differentiation (Cravens 1998; Piercy 1998). Relationship marketing also plays a critical part in developing a market orientation (Hunt 2000; Narver and Slater 1990). Despite this, concerns have emerged over the lack of conceptual clarity about what relationships mean in a commercial context (Price and Arnould 1998). To date, there have been few empirical investigations into what constitutes relationship marketing and how relationship marketing strategies may be implemented in a practical setting (Marketing Science Institute 1999; Webster 2000). This suggests that further exploration of the tactical aspects of relationship marketing, and the moderating roles of firm and environmental contexts, is required.

Population ecologists (Swaminathan and Delacroix 1991) argue that competitive rivalry intensifies, as the carrying capacity of a particular market niche falls. In their view, an increase in the number of competitors forces firms to seek new sources of competitive advantage to avoid failure. To do so, firms need to respond to market changes, but can do so in a multitude of ways – a general response undertaken by the population as a whole (the need to increase quality, or to build brands), and in a firm-specific way (that provides the basis of differentiation). The carrying capacity of a market niche, as well as the number of possible variations or sources of advantage available in the industry, will temper the source of advantage according to Swaminathan and Delacroix (1991). Despite highlighting the importance of a strong strategic focus (whether it be niche, cost competitiveness, or differentiation), these authors provide little information on how firms go about creating

sources of advantage at a tactical level. Their findings do lend weight to the idea, though, that both firm and environmental contexts will moderate the implementation of marketing strategies.

The role of this research is to gain a greater understanding of the implementation of relationship marketing practices at a tactical level. This indicates the need for an in-depth examination of such practices within a single industry where relationships are a notable part of developing a competitive advantage (Price and Arnould 1998; Yin 1994). Single-industry studies are also useful for identifying universal organizational patterns and processes (Baum, Locke, and Smith 2001). The need to understand the content, roles, and boundaries of relationship marketing strategies implies the need for an interpretative design that retains the complexity of market relationships (Lewin and Johnston 1997; Price and Arnould 1998). The present article reports on four multiple studies that explored elements of relationship marketing practices and implementation by the Australian and New Zealand wine sectors. Some authors have contended that the recent international success of Australian and New Zealand producers have been due to their adoption of relationship marketing strategies, particularly throughout the supply chain (Batt and Wilson 2000; Lindgreen 2001). A recent report on the global wine trade has also highlighted retailers' desires to create stronger relationships with fewer suppliers of strongly branded products (Gene, Heijbroek, Lagerwerf, and Wazir 1999), which suggests that the implementation of any strategy in this market will involve blending relational and transactional marketing approaches.

METHODOLOGY

Information on the sample for the four studies is provided in Table 2 (the sample can be counted as representative of all aspects of the industry, with the exception of the grape-growing sector and consumers). The first study was conducted in 1998 when the first author contacted a number of wineries, distributors, and other influence markets to gain an understanding of the changes in marketing strategy and practice in the New Zealand wine sector. Based upon this research, it was found that wine consumers were influenced by wineries, national and regional wine industry bodies, distributors and retailers, and other influence markets such as wine writers. This gives support to relationship marketing models such as the one suggested by Peck *et al.* (1999). Our research revealed a number of key relationship factors and also provided a snapshot of the interdependency of the wine market. Figure 1 highlights the key actors in the wine market and has been used to guide the sampling procedure for future studies.

Take in Figure 1 about here

The second study was carried out in 1999 by the second author. This involved conducting nine case studies of New Zealand wineries. To correlate data from the wineries, each case study sought to investigate marketing practices at a dyadic level, which meant that both the wineries and, where possible, their overseas distributors were interviewed. The first author conducted a third study in 2000 taking in a more in-depth (than in 1998) group of interviewees with a wider sample across Australia and New Zealand. Previous interviewees were followed up, and new interviewees were interviewed. At this stage, both authors compared their findings and decided on a protocol for the fourth study, which included data

collection among distributors and influence markets in Australia. This was conducted in the first four months of 2001.

Take in Table 2 about here

In total, the authors conducted 115 interviews across 56 wineries, 31 distributors / retailers, and 27 other influence markets in three countries over a four-year period. On average, each interview lasted for two hours. In all the studies, questions were standardized around a number of topics relating to marketing including general market trends; changes in distribution, consumer behaviour, and marketing strategy; and the effectiveness of strategies. Questions were kept deliberately broad to allow interviewees as much freedom in their answers as possible. Cases were transcribed from tape and edited, with both authors conducting the analysis. The authors also consulted a number of secondary sources including reports held by individual wineries, as well as relevant articles on the wine sector in the business and popular press. Some examples included *Liquor Licensee*, *Wine Magazine*, *The New Zealand Herald*, and *The Australian and New Zealand Wine Industry Journal*) and industry-related conferences (see, for example, Blair *et al.* 1999). In total, over 200 such publications were reviewed spanning a ten-year period.

Our intent in analysing across four sets of data was to allow (but not force) themes to recur and retain the different timbre represented in the different data sets. Each step informed the next step; thus, our understanding of relationships was emergent and iterative (Price and Arnould 1998). For example, issues identified in the first study were examined in more depth in the second, while the findings from the third study were explored more explicitly in the fourth study. The changing nature of the wine trade in the last four years also enabled us to

identify changes in relationship strategies. For example, one distributor / retailer demanded that wineries gain endorsements from show results and wine writers in 1998, but by 2000 had stated that this was no longer enough, as consumers had become wary of such endorsements.

The analysis of interview data was carried out in two stages: within-case analysis, involving write-ups of each case, and cross-case analysis, involving searches for cross-case patterns (Miles and Huberman 1994). Overall, the volume of data was condensed through coding and memoing, as well as in the activities of finding themes, clusters, and patterns. The coding consisted of summarizing the data by pulling together themes and identifying patterns based upon a coding scheme developed after both researchers coded the data separately (Miles and Huberman 1994). Following this, an initial report was written and sent to each participant for review. This process, and the use of multiple sources of evidence, helped improve the validity of the research (Yin 1994).

FINDINGS AND DISCUSSION

Summaries of the main findings are provided in Table 3 and Figure 2. Before proceeding, it should be mentioned that codes in brackets following quotes identify the source of the quote and the country. For example, (W NZ) means that the quote came from a New Zealand winery. (W A) identifies an Australian winery. (D/R) stands for distribution / retailing while (I) means influence market.

Consistent with the view that the strategic and tactical nature of marketing had changed due to changes in the marketing environment, there was a general belief that wineries needed to form closer market relationships than they had done in the past. One of the biggest drivers of this

came from changes in distribution and retail channels (Geene, Heijbroek, Lagerwerf, and Wazir 1999). This affected all wineries regardless of size. The following marketing manager stated:

As recently as nine years ago, there were fewer retail liquor licences and wine producers than there are now. In those days, the industry had a much stronger production focus. What we produced probably influenced how we marketed the products and the relationship we had with our customers. I was working as a retailer, and representatives would come to me with deals based around price. I'd make decisions on price and then I'd stop. Now, it seems to be that customers need a stronger relationship with the suppliers and producers, and assistance from them, to take the product through the stores and out to their customers. Price points are still important, but other promotional activity and endorsement are very, very important. (W NZ)

Insert Table 3 about here

The number of possible sources of advantage in the wine industry is high and includes: grape varietal, region of origin, vineyard, history, brand, winemaker, wine style, and relationship-based advantages. Therefore, there is no reason that firms that develop well-focused strategies will fail due to increased competition (Swaminathan and Delacroix 1991). The data suggests that wineries of different sizes need to develop different sources of advantage, and implement their marketing strategies in different ways. And, according to industry research (Ruthven 1999), there are a number of structural levels in the wine market that roughly correspond to Porter's strategies of cost leadership, differentiation, and niche focus, with the addition of an

ultra niche or ‘exotic player’ (corresponding to less than one per cent of the wineries’ target market). This is highlighted in the following quotes from two different niche players:

We are moving from 30,000 cases to 60,000. We won’t go beyond that. If you produce 100,000 cases in New Zealand you’re in no-mans-land. You have to go to half a million cases, and you have to change the whole operation really. We are not in the business of competing with [large local producers] or on an international basis with [large Australian producers]. (W NZ)

We certainly think that we put more effort into a premium wine production than most other companies, particularly companies our size. We have substantial volumes of very up-market wines, probably more than anyone else in New Zealand. We have big volumes of very high quality expensive wines in New Zealand. It makes a different marketing task for us because it is a very small segment of the market and we obviously have to be taking quite a lot of that segment in the market. (W NZ)

This same winery was a strong supporter of relationship-based programs to enhance their brand. The need to develop a strategic focus that includes relationships is reflected in the following quote from the winery’s chief executive officer:

With my particular brand, I appeal to about five per cent of the wine drinking population of New Zealand. A potential market of 36,000 people! I currently export 54 per cent of my production. I’ll go to 80 per cent over the next four years. I will do that by positioning my product in the international marketplace with

restaurants and retailers who share my vision. I don't think a company like mine, which is small and niche-focused, can ever be everyman's wine. I've got no desire to be everyman's wine. I don't want to be in every restaurant in the world. I have a vision and it's very simple: it's (a) to be the best winery of my type in the world; and (b) to have my wines served at the best restaurant in every major capital city of the world. (W NZ)

Analysis revealed that wineries were pursuing five different objectives: (1) to acquire new customers, (2) to retain existing customers, (3) to be product driven, (4) to be market driven, and (5) to build and develop the brand. For example, product-driven wineries would focus on operational issues: how to grow and harvest the grapes, and how to produce the best quality wine from those grapes. Because of that, production-planning processes were of key interest. Market-driven wineries would examine how they could accommodate the needs and wants of consumers. This is not to say, however, that product-driven wineries would not be marketing oriented, or that managers of market-driven wineries did not aim for high quality products. What it means is that some wineries are concentrating more on product issues than market issues, and *vice versa*, but that they all have elements of each approach (which supports the claims of Brodie *et al.* 1997), as evidenced in the following quote:

[You] have to have good quality ... [We] are ... committed to premium quality grapes ... [The managing director] came to realise that our pricing is based on the understanding of the market. So [the pricing] is more market driven. [The winery is] producing [a] very high-quality product ... and [listens] to ... the market. (W NZ)

The above quote came from a winery that openly admitted it did not like dealing with distributors or being involved in the selling of its product. Recognising that its strength lay in production and brand building, the company formed a relationship with a larger winery that had their own distribution arm. This production-focused winery provides its partner with marketing support and a marketing budget, while the partner takes care of the operational side of selling the product. This suggests that firms with a well-identified set of competencies can outsource much of the tactical elements of relationship marketing by forming networks with complementary providers.

Rationalisation in retail channels has also caused wineries to change their relationship strategy at a tactical level. A number of wineries emphasised the importance of forming multiple relationships with buyers at different levels in each organisation. One sales manager for a medium-sized New Zealand winery stated:

Before, if we were dealing with stores, the owner's decision would count for everything. But now we must deal at a much higher level because the people running these chains of stores set everything in motion, and we have to make sure that we've got a good relationship with the group buyer or else nothing happens. But we've still got to go further down the line and strike up a relationship with the people that operate the stores. Otherwise, what you arrange at the top level doesn't flow through, and nothing much happens. (W NZ)

Developing a clear distribution strategy was seen as one way of ensuring competitive positioning. Wineries that failed to understand the chances of channel conflict, could risk

losing customers and market share due to macro changes at a retail and distribution level. The owner of an established niche winery in Australia stated:

We don't sell to many supermarkets or big chains. That has been conscious decision, which has worked in our favour because all those large chains have merged and are rationalising their range. A lot of small wineries selling to them are going to have that avenue cut off and the first thing they are going to do is to go back to the independent retailers and say, 'I need you to sell some wine' and the retailer may say, 'Well, you used to sell it to [chain name] who used to under cut me by A\$1 a bottle every week, so why should I take your stock now?' (W A)

The need to pay greater attention to both relationship building throughout the supply chain and brand building is highlighted in Figure 2, which shows that wineries of all sizes must engage in push strategies, as well as pull strategies. The former strategies would provide distributors with the material they need to sell wine to customers. The latter strategies would help create consumer awareness of the brand, which assists retailers to sell the product.

Take in Figure 2 about here

Any mismatch between seller and buyer's strategies will result in dissatisfaction. In the 'free rider' case, the winery practices relationship marketing, but the customer desires transactional marketing. For example, a winery may put a lot of effort into product support and forming relationships with buyers, but not invest resources in brand building and awareness programs that will bring consumers into the store looking for the wine. Failure to support a relationship often means that agents or distributors place greater emphasis on other brands that they carry,

even if they have a close emotional attachment to the brand or winery. One specialist Australian distributor stated:

I really believe in what [winery name] is trying to do. The owner has a great history, so you know he will produce high quality wine if the season is good. However, he gives us so little support. His wines are expensive and come from an unproven area that has a marginal climate. While the first vintage was great, subsequent vintages have been variable, and the quality does not justify the price. I'd like to put more effort into the brand, but he gives me a small allocation and refuses to visit the Melbourne and Sydney markets at all. The norm is twice a year, yet he does nothing. It's just easier to work with other brands that help me sell the product. (D/R A)

The arrows on Figure 2 indicate that wineries in this situation need to place greater emphasis on transactional marketing. The general approach is best reflected by the demands of New Zealand largest liquor buyer:

First and foremost, I want to know what their marketing plan is. Secondly, I want to know why they have picked a particular price point. I have my reasons for putting things in at certain price points so I want to know if they have really researched the market. Then I want to see a marketing plan. I want to know what their above the line spend on marketing will be so that I know they are doing something to make our consumers aware of the product. Are they in touch with wine writers? Have they got anything going in periodical magazines? Are they

putting it in wine shows? We'll do nothing. It's not a retailer's job to talk about an individual's product. That is something they have got to do. (D/R NZ)

In the 'hostage' situation, the winery may undertake mass marketing but do little to support the product in store, and form few relationships with retailers and distributors. For example:

If you think that your focus on the relationship and market ends with the order, you're dead. You need to follow through to find out where it will be stored, what will happen to your wine, where will it go, how it will be marketed. You must plan and you must retain ownership right through to the end consumer regardless of what country you export to. (W NZ)

In this case, large- or medium-sized wineries may be creating brand awareness so that many retailers feel they have to carry the brand. But without a supportive relationship these retailers may feel little attachment or involvement with the brand, and could, therefore, look to replace it when another comparable brand emerges. For example, a large Australian wine group, with a strong brand in the New Zealand market (Liquor Licensee 2001) found that while many retailers felt compelled to carry the brand, they had little emotional attachment to the brand and, therefore, used it as a loss leader (selling it at a third of its usual retail price). The following comment by the buyer of the largest specialist liquor chain in New Zealand reflects this:

We see companies that have no marketing and sales support. If the product isn't selling, when they go back to sell some more wine they'll find the wine in the bargain bin being sold at half price. Certainly the manager doesn't want any more.

He's had no support, no point of sale, nobody doing any tastings, and no information on how to sell it. It's so important that somebody knows what to do with the wine once they've actually produced it. (D/R NZ)

Wineries in this situation will need to place greater emphasis on relationship approaches (see arrows in Figure 2). This will involve both changes in the companies' systems and the way they approach their distributors. For example:

We are implementing a whole bunch of systems and guidelines into our partnerships with overseas distributors to ensure that they do operate effectively and both sides have a clear understanding of the mutual objectives and the obligations that each party has to the other. (W NZ)

I think that you have to be completely transparent in your value chain. There's no point trying to keep the cost of production a secret. If you're going to have a relationship with one of those guys it has got to be profitable for both sides. Therefore, you need to be totally open about margins. (W NZ)

The need for more product support, as well as non-price based means of differentiation, is supported by both the influencers, distributors / retailers, and a number of wineries. More specifically, the interviewees identified a number of successful practices by which to implement relationship strategies. Among the most popular ones was using the winemaker to build a relationship between the brand and the customer. This would take the form of wine tastings and more formal winemaker dinners. A small Australia winery stated:

We go out and do a lot of public tastings, which are also very effective. We go and talk to wine groups, and we make ourselves very readily available for any wine club and that also pays. Our Melbourne agent twice a year has a trade day with the winemakers there and that's very successful. I fail to understand this, but it's a fact of life: bottle shops and restaurateurs respond to talking to the winemaker, not the wine owner or the sales person. You can walk in and be talking to the people in the bottle shop and they don't seem at all interested until you say, 'I'm the winemaker' and you can see their facial expressions and their body language totally change. Suddenly they're interested in what you've got to say and nine times out of ten, as the wine maker, you'll get space on their wine list or on the shelf. (W A)

However, there were cases of small wineries that argued they did little marketing, and that they were focused solely on producing very high quality wine, which was sold through a mailing list, as well as one or two selected retailers. These wineries did little by way of marketing other than to discuss the quality of the vintage. For example, the owner of an elite winery stated:

I don't really do any marketing. Next year, I'll charge NZ\$100 for my Pinot Noir in export markets, and I'll get it. I aim to make New Zealand's most expensive Gewürztraminer. I get more for this wine than many do for their Chardonnay. People don't complain. In most cases, they ring me up and ask me to send them anything I have. If they aren't happy, there are plenty of people wanting to get onto the mailing list that will buy. (W NZ)

This winery did increase prices each year, and made sure that it managed the perception of quality among the specialist wine media, usually by trying to keep the brand exclusive and hard to get. Despite the owner's claims that he undertook no marketing, he did put a great deal of effort into building both the brand and relationships through a mailing list. Due to increased demand, the owner removes people from the mailing list if they fail to purchase every year. He has also limited the number of people on the list, and has reduced the amount of wine people can buy, so that every member of the list can purchase some wine. This last change was as a result of complaints from overseas customers who, due to mail delays, would miss out on the wine available (wine had previously been sold on a first-come, first-served basis). Once again, this indicates that relationship-marketing strategies take different forms for different channels, and that smaller wineries may undertake different relationship marketing strategies than their larger counterparts. Other wineries echoed this belief:

I don't think that our marketing is particularly sophisticated or clever ... The key feature of ours is that we are in networks ... I would switch on the network [when trying to locate a new distributor]. We have found that we virtually don't have to move outside of the networks that we are in. (W NZ)

This particular winery does not move outside the network. For example, when it wants to develop a new wine market it will ask its current importers to signal to their colleagues in the new wine market that the vineyard is available for distribution. A formal interview and evaluation process will then take place during which the vineyard will confer with the existing importers.

Overall, the findings show that current marketing practice in the wine industry involves both traditional marketing (for example, the price and quality of the products) and relational elements (such as relationships, interactions, and networks with suppliers, customers, employees, and other influence markets). The selection of distribution channels needs to be viewed more strategically, which, admittedly, is difficult in times of reduced shelf space and increased competition. However, failure to think strategically about distribution may result in brand failure or channel conflict. Given the demands of distributors and retailers, wineries would be best advised to place greater focus on issues of supply chain management, which of necessity involves both relational and transaction elements (Christopher 1996).

CONCLUSIONS

One implication of the research findings is that managers should consider the quality of their relationships with suppliers, customers, employees, and other important markets as a means of ensuring customer retention and value creation. The cultivation of relationships, supported by market-based programs will provide firms with a differential advantage that will be difficult for others to imitate. The findings also suggest that it is important for firms in competitive markets to form relationships, and be part of networks. However, there is still a need to understand more about how firms practically manage being embedded in multiple relationships and networks. It is suggested that future research examine how firms can build competitive advantage in this regard. For example, how does a firm compete and co-operate within relationships and networks? It is likely that entry into one network may preclude entry into another (for example, there was some evidence that retailers were demanding that wineries sell their wine exclusively through their chain). Information technology now links companies and their suppliers, distributors, resellers, and customers into networks of

relationships and interactions throughout an industry's entire value system. The use of information technology to manage relationships and implement a relationship-based strategy should be examined.

The need for all firms, regardless of size, to engage in brand building and advertising, means that wineries need to invest greater resources into market research to identify the needs of their target markets. The examination of where relationship strategies should be adopted also warrants further research. Finally, the choice of strategy does not come down to trade-offs between relationship and transactional approaches. It is clear from our findings that firms must develop strategies that create value, and this includes the use of both marketing approaches.

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Table 1. Attributes of marketing exchanges, characterised as transactional and relational respectively

Attribute	Transactional marketing exchange	Relational marketing exchange
Actors	The buyer has a generic need while the seller has a generic offer	The buyer has a particular need and the seller has a unique offer
Nature of marketing exchange	The products or services are standardised	The products or services are customised
Interaction between actors	The interaction between actors are characterised in terms of power, conflict, and control	The interaction between actors are characterised in terms of trust, commitment, and co-operation
Duration of marketing exchange	The duration of marketing exchanges is independent and discrete	The duration of marketing exchanges is an on-going series of episodes
Structural attributes of market place	The structural attributes of market place is characterised as an anonymous and efficient market	The structural attributes of market place is characterised in terms of numerous networks
Marketing approach	4Ps marketing (also known as the marketing mix)	Marketing through relationships, networks, and interactions

Table 2. Number and description of interviewees

Year	Australian wineries	New Zealand wineries ¹	Distributors / retailers	Other influence markets ²
1998 ^a		Category 1: 5 [5] Category 2: 6 [6] Category 3: 4 [4]	4 [4]	Wine Institute of New Zealand: 2 [2] Grape growers: 1 [1] Writers: 1 [1]
1999 ^b		Category 1: 5 [5] Category 2: 2 [2] Category 3: 2 [2]	3 [3]	Wine Institute of New Zealand 1 [1] Writers: 1 [1]
2000 ^c	Private: 9 [10] Public: 4 [8]	Category 1: 13 [15] ³ Category 2: 10 [17] ⁴ Category 3: 2 [2] ⁵	4 [4]	Regional associations: 4 [4] Writers: 4 ⁶ [4]
2001 ^d			20 [20]	Writers: 15 [15]
Total	13 [18]	49 ⁷ [58]	31 [31]	27 ⁷ [28]

Notes: Of note: The total number of interviews is shown in each column in brackets. Numbers not in brackets represent the total number of cases (often, more than one interview was carried out per case). (1) In New Zealand, wineries are categorised after their annual sales volume. Category 1 wineries do not exceed 200,000 litres; Category 2 wineries produce between 200,000 and 2,000,000 litres; and Category 3 wineries exceed 2,000,000 litres. (2) Other influence markets include grape growers and wine writers, as well as national and regional wine industry bodies. (3) Two of these wineries had been interviewed in 1998, and in one case the personal had changed. (4) Two of these wineries had been interviewed in 1998: In one case the personal had changed, and in both cases the number of personal interviewed had increased. (5) These two wineries had been interviewed in 1998, but the personal interviewed in 2000 were different. (6) Only one of the original 1998 writers was re-interviewed, which explains why the total in this column is 27 rather than 28. (7) Total has been adjusted to take into account interviews with same person over the period 1998-2000. (a) In New Zealand. (b) In New Zealand and Britain. (c) In Australia and New Zealand. (d) In Australia.

Table 3. Key themes and text examples from the studies, with frequency (F) counts

Theme	Text examples	Winery	D/R	Influence
Macro changes	Changes in market environment is driving need to form relationships	44	35	25
Tactics: Push strategies	Need continual supply at steady prices	40	28	14
	Increase frequencies of visits	28	30	8
	Marketing is more than sales support	26	30	11
	Distributors / retailers as partners	27	26	8
	Rely on fewer distributors / retailers	22	28	6
	Targeting price points	19	30	15
	Stack shelves, provide POS material	18	20	5
	Tailor approach to needs of each distributor / retailer	19	29	15
	Special dinners, hosting distributors / retailers, wine writers, etc.	19	19	13
	Rely on distributors for (all) marketing	14	15	9
	Invest in own distribution arrangements	7	4	2
Tactics: Pull strategies	Regional promotion	33	10	15
	Need to create demand with advertising	30	23	12
	Internet	25	20	16
	Gain strategic fit with distribution partner	23	29	11
	Marketing directly to customers to create demand for product at retail	19	7	3
	Use medals and shows to create demand	22	22	6
	Develop new products to create interest	16	24	16
	Endorsements no longer enough to differentiate product	15	25	18
	Reduce number of price tiers	14	22	17
	Increase quality	20	27	11
	Understand your customer segments	13	29	11
	Cannot rest on past success	9	24	16
Benefits	Relationship protects brand	26	30	11

Note: Frequency counts refer to key themes for each interview. They are not counts in the sense that the authors counted the themes in the data. Rather they are reflective of the entire interview, i.e. a theme. (1) Where a

participant was interviewed twice over the period 1998-2000, their views have been counted only once. In all cases the views had not changed substantially for the period.

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