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SOCIAL PARTNER CHARACTERISTICS AS FACILITADORES OF THE WINE CO-CREATION EXPERIENCES

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Resumo

Este estudio explora una perspectiva diádica de los productores y distribuidores de vino mediante la realización y el análisis de 44 entrevistas en profundidad entre los miembros de los altos directivos de los productores de vino y los distribuidores de vino. Ellos representaron 22 empresas y 11 relaciones de intercambio. Los datos recopilados por las entrevistas se procesaron a través de la aplicación de software especializado (WEBQDA) para desarrollar el análisis de contenido basado en la teoría fundamentada. Los hallazgos identifican Capacidades Sociales Personales y Capacidades Sociales Organizacionales como nuevos constructos de Características de Socio, empleados para describir la Calidad de Relación (RQ) entre dos jugadores importantes del mercado. Los principales hallazgos resaltan las características sociales personales y organizacionales como elementos centrales para desarrollar una relación de calidad interactiva entre las partes interesadas.

Palabras clave: Calidad de la relación; Características sociales personales; Características sociales organizacionales; Co-creación; Sector vitivinícola

Abstract

This study explores a dyadic perspective of wine producers and distributors using conducting and analysing 44 in-depth interviews among members of top managers of wine producers and wine distributors. They represented 22 companies and 11 exchange relationships. Data gathered by the interviews were processed through the application of specialized software (WEBQDA) to develop the content analysis based on the Grounded Theory. Findings identify Personal Social Capabilities and Organizational Social Capabilities as new constructs of Partner Characteristics, employed to describe the Relationship Quality (RQ) between two important players of the market. The main findings highlight Personal and Organizational Social Characteristics as core elements to develop an interactive relationship quality among stakeholders.

Keywords: Relationship Quality; Personal Social Characteristics; Organizational Social Characteristics; Co-creation; Wine sector.

1.Introduction

In a global market context, exchange relationship management is regarded as one of the most important strategic resources that is critical for business company success (De Wulf et al., 2001; Hammervoll, 2012; Johnson, 1999; Powers & Reagan, 2007). Hence, it is not a surprise that producers, distributors, retailers, customers and even competitors join forces to co-create value solutions.

With the business environment becoming more competitive with each passing day, a dyadic perspective of buyer-seller relations, or in other words supplier-customer, is increasing, thus raising awareness that for each partner to be successful, both should be concerned in joining/combining forces and working together in order to improve their joint performance and add value to their offers (Cannon et al., 2010). This means that the management practices implemented for one partner should be also perceived as effective and fair for the other partner (Arranz & de Arroyabe, 2012; Cook, Heiser, & Sengupta, 2011; De Wulf et al., 2001; Gruen & Shah, 2000; Kumar, Scheer, & Steenkamp, 1995; Terpend & Ashenbaum, 2012; Wagner et al., 2010; Zacharia et al., 2011). In sum, the success of a company can be influenced by the style of the relationship that is developed with other players (Anderson & Narus, 1990).

Following this appeal for research on Relationship Quality (RQ) among stakeholders, the current study aims to explore how distributors and wine producers describe the Personal and Organizational Social Capabilities as facilitating facets of RQ.

The wine sector is selected as a field of research because it has unique features which have not yet been deeply studied and could explain management specificities. Therefore, to carry out our intention, we will present three main reasons that explain why the wine sector was chosen: (i) Portugal is an old wine country full of tradition and heritage, “in which the wine culture has been flourishing for centuries” (Loureiro and Kaufmann, 2012); (ii) the wine sector has not been deeply analysed and studied in previous research; (iii) this sector plays an important role in the national economy, and the recognition of the quality of the work carried out in this sector is being acclaimed internationally.

This paper is organized as follows: after the introduction of our topic research, we present the theoretical background that supported this study. This is followed by a description of the methodology. The following sections discuss research findings from the empirical study and the implications for managers of this study are discussed. Finally, the limitations and new research directions are suggested.

2. Theoretical Background

Relationship marketing shifts the traditional concepts of short-term exchange and transactional marketing to a social psychology and interpersonal relationship (Fournier, 1998; Tsai, 2011). Grönroos (2011, p. 245) defines relationship marketing as “the process of establishing, maintaining and enhancing, and when necessary terminating relationships with customers for the benefit of all involved parties, through a process of making and keeping promises.”

Marketing shift its attention from the initial goods-dominant view, where tangible outputs were central, to a service-dominant view, in which the focus is on the intangible outputs and on the relationships. Service-Dominant Logic stresses that firms and customers jointly create value and build relationships. This approach also highlights that customer desires are ever-changing; consequently, firms must also change (Finney et al., 2011). Therefore, relationships marketing emerges as the core strategic element to be competitive in 21st Century. Athanasopoulou (2009) and Palmatier et al. (2006) maintain that within the field of relationship marketing, the concept of RQ promotes a development of a whole new stream that gains presence in the main marketing journals. This concept has been developed based on human relationship literature and relational marketing, and

it is used to predict dyadic consequences of established relationships by evaluating the partner's performance in its partnership role (Fournier, 1998).

Wine producers and their relationships with distributors are engaged in understanding how to achieve and maintain a high level of customer satisfaction. Understanding how to develop relationship strategies that go beyond traditional marketing and help to strengthen the RQ with the customer and for that reason develop, in a consistently way, loyalty and profits (Cunha et al., 2015).

In the wine sector, the distributor is an important player who greatly influences the retail of bottled wine and consequently the consumer. Moreover, producers and distributors may work together by focusing on their customers and improving the relationship they have with them.

The willingness and the ability to create effective long-term relationships with positive results for both partners is a core asset studied by researchers to better explore and understand the concept of RQ (Athanasopoulou, 2009; Bobot, 2011; Palmatier et al., 2006).

A systematic literature review allows us to find several gaps in literature. This process conducted used the data basis Web of Knowledge to search for the articles on RQ. The first selection shows a panel of 855 scientific articles. After applying various filters (read titles, abstract, consider journals in the ranking ABS 2015), it was possible to focus on the observation of RQ in 84 final articles. We find three main gaps:

First, the lack of studies on the relationship dyadic. The previous studies tend to analyse the relationship only from the point of view of one part of the relationship, the seller or the buyer. Therefore, new studies are demanding that the perspective of all parties involved in a relationship should be considered to accurately grasp the true nature of the relationship;

Second, in the few studies that address several different aspects of the relationship between two partners in a business context, for example, that of Athanasopoulou (2009), and other more recent studies analysed in the systematic literature review, it was not possible to effectively find the major constructs related to RQ in a dyadic relationship;

Third, there is a lack of identification of the relevance of the social capabilities to the RQ in a dyadic relationship.

Therefore, the research purpose of the current study is to explore how distributors and wine producers describe the Personal and the Organizational Social Capabilities, and also which aspects they most value.

3. Methodology

We conducted in-depth interview with wine industry professionals, taking into consideration all criteria of an exploratory study and a qualitative approach (Grounded Theory). In comparison to a quantitative approach, this one is more researcher-dependent in which the data is interpreted in order to extract its meaning and is converted into information (Zikmund and Babin, 2010). For Aaker et al. (2010, p. 162) "The basic assumption behind qualitative methods is that an individual's organization of a relatively unstructured stimulus indicates the person's basic perceptions of the phenomenon and his or her reaction to it."

A total of eleven relationships were analysed, which were developed among top managers of wine producing and distributing companies. These companies were contacted to get the final sample of 22 distributors and 22 producers interviewed.

All the in-depth interviews were transcribed by the interviewer to ensure its reliability (Oliveira, 2012). After this procedure, we sifted the data through a cyclical process in which data interpretation, coding, and conceptualizing occurred simultaneously, albeit at

different rates of progress (Rego et al., 2015). We dedicated time and attention to analysing the responses of each interview, which allowed us to identify the major themes/categories related to the research topic. Then, the emerging categories were used to code the data interviews. This process was finished when the “dialogue” between data and the themes/categories became clear and interpretations were stabilized. This process of category creation is based on the Grounded Theory (Batra et al., 2012). Data were processed through the WEBQDA software.

4. Results

Findings highlight Organizational and Personal Social Characteristics as core elements to develop an interactive relationship quality among stakeholders. The first underline the social characteristics of the companies involved, such as Organizational Capabilities, Social Events promoted by the company and its History. Yet, the wine Business Passion of the people participant in the relationship, their relationship with other players of the same sector and the capacity to transmit the Intangibilities related with the wine product. All these constructs are fundamental to co-create wine experiences between market players and with wine tourists. They are not sufficiently developed in the RQ literature, but they could characterize the quality of the relationship.

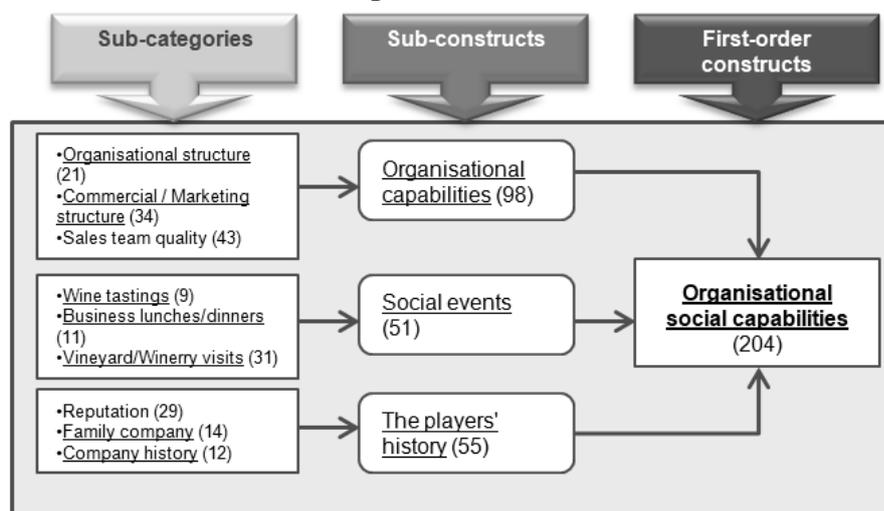
4.1 Organizational Social Capabilities

Relying on competent organizational and professional structures, knowing how to promote relevant social events that promote the producer’s brand and increases the partner’s focus, as well as the significance of the partner’s history, are Organizational Social Capabilities facilitators of RQ of the business relationship under development. This construct is not referred to in the RQ literature and it could characterize the quality of the relationship.

An example of sentences from the interviews: *“We, even though we are a company, which we like to call a family-run business, we are a company of families, which is a bit different. In other words, we are a highly professionalized organization, with a structure similar to that of any multinational in this sector, yet our owners are family businesses.”.*

By carrying out an in-depth analysis of the keywords that characterize the Organizational Social Capabilities construct, the following sub-construct were established: (a) Organisational Capability, (b) Social Events promoted by the partners and (c) the history of the partners.

Figure 1. Sub-categories of the first-order construct, Organisational Social Capabilities



Notes: In each theme, the number of references are indicated; the themes that are underlined are potential new constructs in relation to the literature review.

a) Organisational Capability

This construct is not sufficiently developed in the RQ literature. The understanding that the partner operates with well-defined routines, according to an implemented organisational structure, with an able and strongly operational commercial and marketing structure, and also with competent professionals, conveys trust and facilitates the commercial relationship between both parties. If both partners have able organisational structures, the partnership will operate better with greater likelihood of success for the commercial relationship between them.

Examples of sentences from interviews:

“When there is professionalism, from both organisations, and here we broaden it a little to what happens in the world of wine, to something that happens in the world of major consumption, when there is professionalism, there is clearly a good relationship,...”; *“Terroir-Producer, among the producers we have, is one that has a more professional structure, more defined, with commercial and marketing areas and with the different areas defined and with professionals. And so when it’s like that, and in the case of Wine Manager-Producer, it’s easier to work, because there’s more chance of things going well.”*

This sub-construct of the Organisational Social Capabilities construct is sub-divided into three other sub-categories: (i) Organisational Structure, (ii) Commercial / Marketing Structure and (iii) Sales Team Quality.

i) Organisational Structure

This sub-category is not sufficiently developed in the RQ literature. A company’s organisational structure is a facilitator of the quality of the relationship formed between partners. This takes place because it makes processes smoother, simplifies solutions and transmits security to the other party, because they know what they can count on. The firm’s organisational structure is a constant concern for those in charge, to be able to respond to the needs of their partner and the market in general.

Examples of sentences from interviews: *“And this is the philosophy we have to follow. Well, it’s like this, also in the producer, speaking about our case in particular, there were a lot of internal changes that made this relationship easier.”*; *“From the beginning of the year, everything is discussed, everything’s in line, we’re a machine, a perfectly oiled machine, very close to the producer, the market, the wholesalers and it’s already a very big operation.”*

ii) Commercial / Marketing Structure

This sub-category is not sufficiently developed in the RQ literature. Besides the firm’s organisational structure, as a whole, we noticed an emphasis on the need for the partner to have a well-structured commercial and marketing team, able to give support to the other party and also to be a source of gathering information in the market. This market follow-up occurs with the producer’s own teams supporting the distributor’s commercial teams. The distributor also needs to have a commercial and marketing team able to ensure the brand’s success in the market. This commercial capacity contributes to the high efficiency of commercial relations.

Examples of sentences from interviews: *“we ourselves are very present in the market, we ourselves have a commercial structure to follow the commercial structure of the distributors. I think that’s also very relevant. So as not to be a single voice, that feedback coming from the market is very important, various voices. That’s an advantage we have.”*; *“Because it wants to keep the brands always on top, and for that to happen it has very*

important back-up work. It's these sales promoters who help our salespeople to do business."

iii) Sales Team Quality

The producer hopes his wine will be worked on and be given value as a brand in the market. For that to happen, commercial teams must be experienced, having thorough knowledge and able to carry out differentiated work for the product. Therefore, the competences of commercial teams contribute greatly to the success of the objectives aimed for by both parties, and in turn, to the quality of the relationship formed.

Examples of sentences from interviews: *"Consistency and quality. Consistency in the accompaniment, consistency in the salesperson's work, in terms of accompaniment, persistence, giving information to the buyer."*; *"Select-Producer benefits, because it has a strong distributor, obviously. It has an excellent team, focused, going back many years, many years, very uniform, some years ago, the newest one has been with the company for eight years, so there isn't a constant rotation of people, which is very good, which is very good, for us too it's very good, there's a culture."*

b) Social Events

The creation of social moments in which both business partners can share information about the product, between themselves, or with other market players, is a facilitator of RQ. This is because it demonstrates the quality of the existing partner relationship and the commitment to the success of the goals aimed for. Those moments can be created through wine tasting, wine lunches or dinners or, whenever possible, through visits to producers' vineyards and wineries. The objective is to create links between participants in the commercial relationship.

Examples of sentences from interviews: *"That's why I told you it's extremely important to receive the distributors and the salespeople at Quinta Douro, because the Quinta's involvement is the first sign of creating an emotional connection to the place, to the brand."*; *"Very often, the distributors themselves hold some events. Particularly wine-gastronomic dinners to promote the brand with the end consumers. But it's always work done jointly."*

This sub-construct of the Organisational Social Capabilities construct is sub-divided in three other sub-categories: (i) Wine Tastings, (ii) Lunches and Dinners and (iii) Vineyard / Winery Visits. All these constructs are not developed in the RQ literature.

i) Wine Tastings

This is a type of event that producers recognize as being important for bringing the brand's players together and thereby promoting their connection to it. This work, often carried out jointly, allows the two sides to respond to common needs and demonstrates their involvement in the commercial relationship formed.

Examples of sentences from interviews: *"the company owner often goes to the Algarve to do tastings and, he's there all the time, because they like that."*; *"... that is, if I'm asked to go to an event of that kind, I make sure internally that things go well. And probably I'll even go and get, if I can, oenologists from the production, because it's important to "round up", 30, to 40 or 70 people, to make a big impact, with someone who really knows, knows what he's doing and often that relational is important here too."*

ii) Business Lunches and Dinners

The importance of these events is recognized by both partners in the business, be it lunches or dinners among themselves or with other market players. It is generally understood that the producer's participation is a bonus, due to the technical sustainability they bring to the product and the history they represent with regards to the product. Holding these actions jointly is a way of demonstrating to the market the strength and quality of their commercial relationship.

Examples of sentences from interviews: *"...Ana Almeida herself or the winemaker, very often, holds themed dinner parties or gastronomic dinners, to harmonize the food with the wine or with the salespeople that are present, so there's all this type of work done, to give training and at the same time create a connection between people, the product and the market."*; *"But we try, as much as possible, that the oenologists, now and again, appear together, as partners, with our distributors and they often go to the dinners organized by us at the clients' location, where there's the distributor or salesperson or even the owner of our distributors or of the restaurant, and then we take the oenologist to speak about the wine, to make a speech. We try, as much as possible, to involve our oenologists."*

iii) Vineyard / Winery Visits

When circumstances permit, visits to vineyards and wineries are events that provide memorable sensations for the participants. Knowing how to welcome and create memorable moments for visitors are opportunities to develop and deepen links with direct partners in the commercial relationship, and also with other market players. These events are valued by both producers and distributors and are seen to be essential in working on the producer's brand and strengthening the partnership in the eyes of the market.

Examples of sentences from interviews: *"...and our willingness to welcome people at Nova Quinta, as if they were in their own home. That ends up being some of the most positive factors that were focused on by the distributors. Because we also regularly welcome sales teams, because there's nothing better than sales teams visiting the estate, visiting the winery, tasting the wines with us, with the oenologist and understanding, really, where we are, what we do, and anyone coming to the Douro, will certainly never forget it."*; *"And so we also went to that estate, at the end of the day. It was two days, we were there for two or three days. And so, suddenly we arrive at the estate and there were 10 4x4s to pick us up. We get into the cars and they take us up the hill, to the top of Monte Oliveira, that's the estate, the whole hill was carved out of the slate, to plant the vines above the river. And we had, on the hilltop, we had a white table with wine glasses and with the wine served. It was the only thing there. He gave each of us a glass, we were about 40 people, he climbed up on some rocks, him and the family, and began speaking about the wine, there in that scenario. And I thought it was delightful, and after I commented on it to all my colleagues that the atmosphere he'd achieved in that scenario, with that performance, what it created with our sales team. That was worth more than 10 meetings of the normal kind."*

c) The Players' History

Family companies, with a family history going back generations, with consistent quality in their product, generate a reputation in the market that creates feelings of security and trust in the other party in the relationship. These characteristics are facilitators of RQ.

Examples of sentences from interviews: *"As I told you, these are companies that have been in the sector for a long time, they have a performance that has been consistent, always, since being more involved with distribution in the domestic market."*; *"They want to grow, they want to develop the business, but from a medium and long-term perspective, because all of them, as I said, are families and some are businesses going back generations."*

This sub-construct of the Organisational Social Capabilities construct is sub-divided in three other sub-categories: (i) Reputation, (ii) Family Company and (iii) Company History. These constructs are not enough developed in the RQ literature.

i) Reputation

Consistency of management and the respective reputation created in the market are facilitators of RQ, because they transmit security to the other party and make them believe

they are trustworthy partners to build a long-term commercial relationship with. The feeling that it is a project with growth potential, that it is here to stay for generations, with its own know-how, gives confidence to the other party in the commercial relationship.

Examples of sentences from interviews: *“They can sell with confidence. They can sell with confidence because they feel it’s a project that’s growing, it’s a project that concentrates continuously on quality and not just on projection, on presenting products that don’t have the due care in terms of presenting an image, in terms of product quality, in terms of price positioning.”*; *“For us, our supplier is very important and we have to know if he’s doing all right in the market, if it’s a company with a future,...”*

ii) Family Company

Companies with a family tradition covering generations transmit to the other partner security in the continuity of the relationship. This factor is valued, above all, by distributors as a facilitator of quality in the existing commercial relationship.

Examples of sentences from interviews: *“It’s a very simple case, because, the history of this company is very old, it’s lost in time, because it’s a family business and so it goes back many years.”*; *“Because we’re speaking about a business that has a component that’s very much family and tradition. There’s an ancient house, there’s a property with a fantastic view over the Douro valley, really, there’s a whole history where, it makes the relationship and the people’s presence important.”*

iii) Company History

The history created and told around the producing brand is a factor greatly valued by distributors. This is a dimension that facilitates the work of that same brand in the market, and consequently helps to attain the goals sought by the two partners in the commercial relationship.

Examples of sentences from interviews: *“How many brands would love to have the history we have around here, to have these gardens, this house to transmit this history. And sometimes we forget to transmit this to the outside world. ... Here there’s an immensely rich history, that can be told.”*; *“It’s much easier, for me, to sell GOLDOR products, which is a brand from the Douro, it’s the oldest house in terms of Port, it’s 375 years old, and so it has a very long history.”*

4.2 Personal Social Capabilities

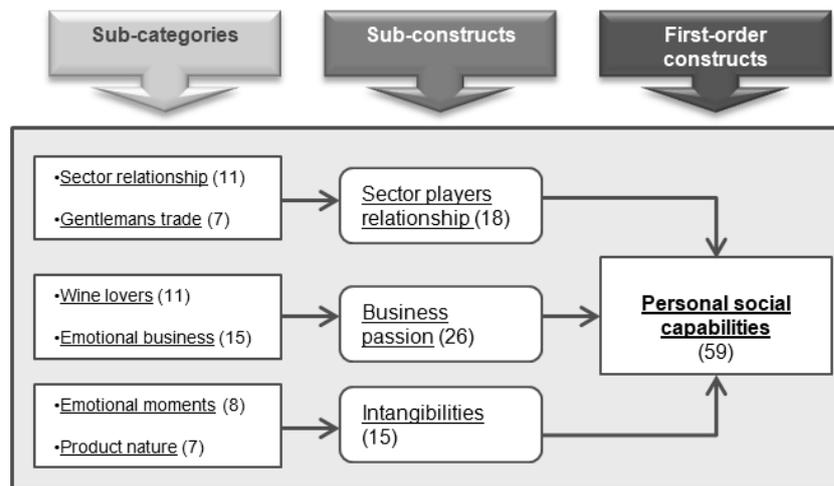
This is a sector where the “wine culture” is typical of the players. They all relate to one another around a common love of wine and the history it represents. The players of this business have a passion for the business, from which they are unlikely to be able to escape from because of all the social implications involved. All this performance focused on wine has to do with the intangibility of the product itself which leads to distinct, but just as interesting, interpretations by those that produce and represent the different brands.

Personal Social Capabilities is a construct not referred to in the literature. This competency of the participants is a characteristic that becomes a facilitator of the quality of the business relationship that develops.

An example of sentences from the interviews: *“Once again, wine is a very exciting and social area, it’s like no other I’ve worked before. It has nothing to do with detergents, nor Coca-Cola, it just doesn’t! It has to do with families, with history and with family and emotions.”*

Through a more refined analysis of the keywords that characterise the Personal Social Capabilities construct, we found the following sub-constructs: (a) Sector Players Relationship, (b) Business Passion and (c) Intangibilities. All these constructs are not mentioned in the RQ literature (see figure 2).

Figure 2. Sub-categories of the first-order construct, Personal Social Capabilities



Notes: In each theme, the number of references are indicated; the themes that are underlined are potential new constructs in relation to the literature review.

b) Sector Players Relationship

The relationship between the various players in the sector (producers; distributors; competitors) is characterised as healthy by the ease with which they share information and how they join together around common interests. There is the development of mutual connections that let commercial relations manage the share of distributors without them being seen negatively, but as a centre for value creation. In this way, the participants' sense of being and their social contact network with other players becomes a facilitator of RQ.

Examples of sentences from interviews: “...and it’s very unusual, afterwards, for people to leave the sector, because they know so many people, they know, so many relations are created and people end up going on for a long time, in the sector.”; “In Portugal, in the wine area, we also have various cases that are going very well. Douro Boys is a success and look, it’s a completely informal association, it doesn’t even have, there’s no formal structure. They’re five producers that get together, try to get the best deal and they’re from the same region, they’re direct competitors, of each other, they’re from the same region, but they feel that together, they can do things they could never do alone. So, there’s also Amigos da Baga, now, a group of companies from Bairrada that are also working on a project, already trying to follow a similar type of model.”

This sub-construct of the Personal Social Capabilities construct is sub-divided in two other sub-categories: (i) Sector Relationships and (ii) Gentleman’s Trade

i) Sector Relationships

One particularity of this sector is, without a doubt, the open and participative way in which all players are related, whether they are direct competitors or not. The participants in the sector all know each other and all understand that sharing information and joining forces around common interests makes them more competitive. This attitude facilitates the relationship between producers and distributors in that it allows the understanding that sometimes the latter work with several of their competitors, without it being damaging. On the contrary, it creates synergies that promote the objectives of all.

Examples of sentences from interviews: “I have, we have, today, I’m going to have lunch at Quinta do Encontro with a group that, that we have called the Bagas, which is comprised of women working in different wine producers of the region. So one comes from São João, another one from Luís Pato, from Aliança, another from Filipa Pato, and from somewhere else, I don’t know where, it’s like that.”; “I can even reveal that there are producers that aren’t distributed by CaveDistributor, with whom we have relations

for other reasons, or we even have associations in other areas, where this openness is complete.”

ii) Gentlemen’s trade

The spirit between business partners is a distinctive factor of the people participating in the commercial relationship. The way they socialize with business partners and other sector players, the way a new wine is presented, the relationship built, are particularities of the sector that contribute greatly to a high RQ in the commercial relationship developed.

Examples of sentences from interviews: *“Well, I’ve worked in several different areas and, in fact, none like this one gives rise to, probably due to the product itself, to the relationships. In fact, they say that wine is a gentleman’s trade, a gentleman’s business, and really the manner in which we behave, welcome, being able to have an impact, effectively, on our business partners, helps to make, not by itself, but it helps to make a big difference and make it, let’s say, a distinguishing factor. Besides the commercial investment, almost all have, or the biggest ones have, the good wines that nowadays nearly everyone has, but really it’s something extra. It really is a gentleman’s trade, no doubt about that.”*; *“And people end up feeling good and we have some get-togethers with our partners, I mean, it has nothing to do with work but, “let’s have lunch”, where six or seven producers get together and they all get on well.”*

c) **Business Passion**

Usually, it is argued that passion is a strong inclination or desire toward a self-defining activity that one likes (or loves), finds important, and in which one invests time and energy (Vallerand & Houlfort, 2003; Vallerand, Paquet, Philippe, & Charest, 2010).

The passion shown for wine is a factor that creates proximity between participants in the commercial relationship, and so it becomes a facilitator of RQ. This passion is often associated with family tradition and other times with socializing in the sector that promotes this striking feeling and makes it difficult for people to leave this milieu afterwards. Just as in a romance, we also believe that after passion comes the love that lets the relationship evolve through opportunities and difficulties, but always characterised by the partners’ commitment.

Examples of sentences from interviews: *“Because the wine sector is also very emotional, it transmits a lot of passion, or not. Why do I like wine? It’s very subjective! Well, the decision itself, it’s not just price, there’s subjectiveness. ‘I like this one, I don’t like that other one’.”*; *“Yes, this is a passionate business, isn’t it? This is a business that involves a lot of the people that are behind it.”*

This sub-construct of the Personal Social Capabilities construct is sub-divided in two other sub-categories: (i) Wine Lovers and (ii) Emotional Business.

i) Wine Lovers

Being present at conversations between participants in the wine sector is hearing descriptions being made by true wine-lovers, the sensations that the wine transmits and what it represents. We are speaking about people who really live the wine product as true loyal enthusiasts. This language, which seems more like a secret code specific to the wine culture, is a contribution to bringing commercial relationships closer and facilitates the existence of a high RQ.

Examples of sentences from interviews: *“Precisely because it’s a business of passions. It’s a business but, at the same time, it’s very relational. And then, for someone who likes contacting with the general public, with the consumer, in my case, with different cultures, it ends up having all this together.”*; *“...but the project that emerged is an investment more in the business aspect, but obviously everything is transformed into a passion, because nobody’s in wine to make money, because this is something I’ve been told often and I*

believe it ha! ha! To be in wine you need to have a great passion and if it goes well, you manage to make money from it.”.

ii) Emotional Business

Wine is a product laden with emotions that makes it different in terms of interpretations. The different meanings attributed by the participants in a commercial relationship distinguish them as opposed to cognitive variables such as price. This sharing of emotions often occurs in social contexts, such as wine lunches and dinners, which emphasize its facilitating character in obtaining high quality relations.

Examples of sentences from interviews: *“There’s a very emotional component, and so, more than ever, I think it’s an area where the business, where the emotions, the empathy and relationships count a lot, a lot really.”; “This about wines, the wine business is a family business, above all. It’s a business with faces. It’s a business with personal relationships with faces”.*

d) Intangibilities

In this sector, the product goes beyond its physical characteristics, being enriched and increasing greatly in value due to the intangible aspects associated with the soil (the “terroir”) from where it comes, its preparation, and with its history. Similarly, the emotional significance transmitted by the moment when we taste a wine also has an important bearing on how we interpret it. These intangibles are at the basis of never-ending conversations which, whether agreeing on the taste or not, are a reason for social sharing and distinguish the personalities involved in the commercial relationships.

Examples of sentences from interviews: *“That’s it, I think that wine, all products are demanding, but wine demands a bit more, because wine is something related with taste and taste is something that varies from one person to another.”; “In wine, some prefer Alentejo, some on the other hand like Douro more. Here, there’s a major emotional component, that’s to say, it’s not necessarily, probably to give you another example, in detergents, there doesn’t necessarily have to be the good and the bad. It depends a lot on emotions, on the sentiment and value each person gives. Wine can, probably, be good for me and not be so good for you, depending on your personal taste. It has that part of emotions and personal judgement, of subjectivity, and then it has a history, we manage to tell a history in relation to our articles, in relation to brands, the way they grew, the way the vines were planted, the soil, the vines quota, how often it’s watered, that’s to say, the part of wine tourism, also, we manage to capitalize on, our partners.”*

This sub-construct of the Personal Social Capabilities construct is sub-divided in two other sub-categories: (i) moments with emotion and (ii) nature of the product.

i) Emotional Moments

The emotional level of the moment when a product, such as wine, is experienced influences tastes and its interpretation. Those emotions that transmit intangibles associated with the product distinguish how people formulate an opinion on certain producer brands and those involved. This interpretative capacity differentiates people and helps to understand them, contributing to making the commercial relationship one of quality.

Examples of sentences from interviews: *“I remember that the first time he didn’t like the wine much. He tried it with me, then tried it again. That’s it, it must have been a good moment, at the right time, to be remembered forever. And wine has that component. A wine that’s remembered forever is like an experience. A good wine, linked to a good experience, so a person will always remember that wine positively. And with him, that’s how it was.”; “It’s more emotional. People identify drinks with a given moment of consumption. Some drinks are drunk with the family, some are drunk with friends, some*

are drunk in the morning, others at night, and others are drunk during the day. In the end, they're associated with moments."

ii) Product Nature

In this sector, the diversity of products is greatly characterised by particularities associated with the location, the soil (the "terroir") and their natural environment. This factor associated with differentiated interpretations, and influenced by personal taste, promotes an endless discussion about the content of bottles and the producers' brands. This discussion promotes proximity between the people involved in the commercial relationship and contributes towards RQ.

Examples of sentences from interviews: *"...the Douro Boys, they achieved that, they managed to take a product and within a product placed all the magic of the Douro. The whole thing, quality of life, the whole dream, all inside a bottle of wine and that was their greatest success."*; *"Because it's the essence of the wine, it reflects each year, the characteristics of the farming year. If it was cold, if it was hot, it can't always be the same, genuine wine isn't always the same. It has distinctive features, from the place where it was "born", but it has the variations of each year. It's what we love discussing, comparing harvests, etc. 'I like this one more, I like that one more'. That's what it is. And that disappears completely with industrialization."*

5. Conclusion and Implications

In a global world that easily replicates the similar resources that produce and offer goods and services, the mode how the players manage their business relationship could make the difference, and consequently ensure the sustainability of a successful business (Bobot, 2011; Chung et al., 2006; Nyaga et al., 2013; Smith, 1998; Van Bruggen et al., 2005).

This study allowed to us confront the theoretical concepts presents by the RQ literature with what really happens in a dyadic exchange relationship between companies. When we listened two participants in an exchange relationship, we contributed to understand which dimensions were considered relevant to the success of that relationship by both parties involved.

New first-order constructs were identified, which were not mentioned in the previous research such as: Organisational Social Capabilities and Personal Social Capabilities. These constructs could correspond to specificities of the wine sector.

For a deeper understanding of how the constructs could contribute to a high RQ, we developed a second screening process to analyse the data groups that formed the first-order constructs. This detailed observation allows us to identify two sub-dimensions levels. The analysis and comprehension of these results will enable us to measure the partner behaviour in an exchange relationship.

The current exploratory study gives light to new sub-constructs and sub-categories of the first-order constructs Personal and Organisational Social Characteristics. The first presents as new sub-constructs: the Sector Payers Relationship; the Business Passion; and the Intangibilities, and as news sub-categories: Sector Relationships; Gentlemans Trade; Wine Lovers; Emotional Business; Emotional Moments; and Product Nature.

The Organisational Social Characteristics first-order construct presents as new sub-constructs: Organisational Capabilities; Social Events; ant The Players History, and as new sub-categories: Organisational Structure; Commercial/Marketing Structure; Wine Tastings; Business Lunches/Dinners; Family Company and Company History.

These sub-constructs and sub-categories were revealed to be important to both producers and distributors. They stress its relevance as facilitators of RQ between business partners.

The meaning of Organisational Social Capabilities highlights the importance of: the companies that operate with a competent professionals and strongly operational

commercial and marketing structure; the influence of a high reputation in the market with a history and/or a family heritage to tell; and also the importance of the company organising social events in order to develop relationships and share information about new wine products.

Those moments can be created through wine tasting, wine dinners or, whenever possible, through visits to producers' vineyards and wineries. These events may happen among distributors and producers, but also with tourists, particularly senior tourists. The wine social moments also allow to present the heritage and the history of Portuguese wine, its properties and how has evolved. In this vein, wine tourism emerges as a mechanism that contributes to co-create wine regions, in general, and new wine products, in particular. Managers of rural lodgings and wine producers should be more proactive in developing these social events in order to engage tourists and other players to the wine products.

However, if it is critical the organisational competences, also it is essential the Personal Social Capabilities revealed by the professionals that intermediate the business relationship. It is fundamental that they reveal a true passion by this wine business, like real wine lovers that have a deep knowledge about the sector and that have capacity to transmit a big enthusiasm through the way how they promote the product and the brand. By other side, the professionals must develop good relationships with the other players of the sector, institutions, producers, distributors, critical and consumers. This positive perspective can contribute to a healthy market share in which the players promote synergies that will benefit all. Moreover, they must sustain their behaviour like a Gentleman trade with distinct manners on the treatment of the business partner. This is a distinguishing factor that helps to make a big difference in professional businesses with other companies, but also with final consumers that could taste the wines or just visit the wine cellar, the vineyard or the wine region.

Finally, these professionals must have the capacity to understand and to communicate the wine intangibilities that also were bottled with the liquid product and will be served in a glass to the final consumer. This required the capacity to create and transmit the emotionality of the moments when the customers consume wine. These good moments could be in a celebration, in a wine tasting or in a visit to the wine cellar.

Furthermore, the professionals involved in the wine sector could be characterized by the capacity to spend long hours by discussing the product nature that full fill a bottle of wine. Why? Because the product goes above the liquid and it is rich in history and terroir particularities. The nicest countryside views and the vineyards have the capacity to make anyone completely "overwhelmed."

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