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## **Wine Branding: Why is it Important for Boutique Wine Sector Growth in Turkey?**

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**Abstract:** Turkey has a very long history of vineyard cultivation and wine production. There are a lot of wine producers in Turkey. Some of them are established companies and most of them are boutique vineyards. There is a big opportunity for boutique wine companies to provide innovative branding. Wine Industry, focusing on brands are fragmented in-half. To introduce them to the emotional-mind, to how consumers really make purchasing decisions. A brand is the most valuable piece of real estate in the world located in someone's brain. Consequently, Turkish boutique wine sector continually has to assess the changing nature world wine markets and respond to emerging new opportunities and threats also. So, it is believed that this study will contribute to explore wine branding's important for the boutique wine in Turkey.

**Keywords:** Boutique wine, branding, marketing strategies, vineyards

## **Introduction**

Thanks to its favorable climatic conditions and good soil, a wide variety of grapes can be grown in Turkey. According to the latest Food and Agriculture Organization (FAO) data, Turkey ranks the sixth in world grape production after Italy, France, the USA, Spain and China. Although vineyards are spread over the country, production is mainly concentrated in the Aegean, Mediterranean, and Central Anatolian regions.

Possessing a rich variety of grapes, Turkey offers a potential of growing around 1,250 varieties. Although Turkey has traditionally specialized in producing table grapes and raisins, there are 34 kinds of wine grapes, 22 of which are valuable native varieties. Most of the Turkish wines are made from native wine grape varieties. Turkish wine producers also use native grapes in combination with European varieties to create high quality wines with a new taste for the world wine market. The producers in the sector continually increase their wine production capacity and invest in modern technologies. Besides the large wine producing companies, there are also nearly 300 small producers located in Central Anatolia, Thrace region of Marmara and Aegean region. Total wine capacity of the sector is about 120 million liters. Wine producing companies are mostly located in the Marmara-Thrace regions, the Aegean and Central Anatolian regions, especially in Tekirdag, Nevşehir, Izmir and Denizli provinces, although vineyards are spread over the whole country. Wine varieties are widely diversified and improved in quality. The market for wine expands in Turkey as more varieties and better-quality wines become available.

As a result of the increase in the quality of wine, many Turkish brands have been awarded gold medals in international competitions. There are also many wine producers of established companies and mostly boutique vineyards. Doluca is an old company and has been around for three generations, beginning its journey with a small bottling plant in Galata, Istanbul around 1926, and now presenting over 40 different wines. Kavaklıdere was founded in 1929 in Ankara as a family company with over 645 hectares of vineyards in seven different areas in Anatolia. Decades of control over alcohol sales came to an end in 2003 when the state monopoly 'Tekel' was privatised, and since then, investments in wine production sector have multiplied. The biggest boutique brands are Melen, Umurbey, Arcadia, Suvla, Barbare and Urla among many others.

## **Boutique Wine Sector Marketing and Growth Strategy in Turkey**

Boutique wine companies have a big opportunity to provide new brandings for wine sector. Wine Industry, focusing on brands that have been fragmented in-half. To introduce them to the emotional-mind, to how consumers really make purchasing decisions. Wineries have all relied on selling a lifestyle brand of luxury, then they focused on green marketing or discounting to satisfy the emotional brain of consumers. These strategies were certainly successful during the '90's and 00's. But while consumer needs continue to evolve, wineries stood still. The luxury & green messages have become generic and cliché like.

The market strategies of boutique vineyards have focused on product quality, and many of them are local actors. There are several ways to look at growth and marketing strategy (Zou and Stan, 1998).

Wine industry marketing strategies often differ from other industries because of the romantic and emotional ties that consumers have with wine and the wineries they visit (Beery and Trela, 2015).

There are three keys to create an effective and successful brand for boutique winery marketing:

- **Produce a quality product.** Simple as this sounds, it is the most important part of a successful marketing campaign.

- **Create an engaging story about your winery.** Because wine consumers are often passionate about wineries they have visited and enjoyed, they want to know more about the people and the vineyards that create the wines they love. That is why it is so important to create an exciting and compelling story to share with fans of the winery or brand. Your story should answer the following questions:

- What is this winery passionate about?
- Why was this winery founded?
- What people were involved in the creation of this winery and its wine?
- Who is the winemaker and what makes him or her special?
- What makes this winery different from other wineries?

- **Have an ongoing Internet presence, especially through social media outlets** such as wine blogs, Facebook, and Twitter. According to the Wine Market Council's annual consumer survey, the majority of wine drinkers get their wine information through the Internet; 65% of consumers who drink wine at least once a week (Vino California 2012). Obviously, an Internet presence is vital to marketing wineries.

### **How to Get Started in Boutique Wine Sector to Establish Brand Position?**

Firstly, do a standard SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) on your winery to establish brand position compared to your competition. Prioritize each of these items.

Next, think about story platforms that might work and with whom specifically your stories will resonate.

Think of people and stories as interchangeable, in the sense that your target customers' needs. Your stories and brand should be related personally to them and fulfil their needs.

Look around for examples of stories from other wineries for inspiration. It has been found that ninety percent of boutique winery haven't completed a branding or re-branding exercise. Almost all of boutique winery are marketing the same way — logos, websites, photos of vineyards and bottles, email newsletters, social media, festivals and events. Without a clear brand strategy and message, how are you really different than the other 90 percent of “small family, boutique, premium producers” in the marketplace?

### **Branding Exercises in Boutique Wine Sector**

Branding exercises are important. Absence of a clear sense of your winery's identity, position and target customer is equivalent to start a meeting or conversation without introduction. Without doing the difficult brand identity work (essence, philosophy, position, point of difference, brand promise and proof, and the stories to

support these), you are communicating without point of reference and your messaging may not resonate; in fact, may not connect with anyone at all.

A brand is the most valuable piece of real estate in the world, which is located in someone's brain. In contrast to this, how the wine sector has been "branding" its products, and the only conclusion it has been that instead of investing in this piece of real estate in consumers' brains, it has only built great walls between its brands and consumers. Coca Cola, Nike and Facebook are all examples of brands that have a place in consumers' brains. No wine brand has this powerful privilege yet.

Brand Management has 7 steps in boutique wine sector. Once you have completed all of these steps you will know your target market, competitors, and company goals; your points of differentiation from your competitors; what your brand means to your customers; your marketing strategies, with an action plan with dates, responsibilities, and budget.

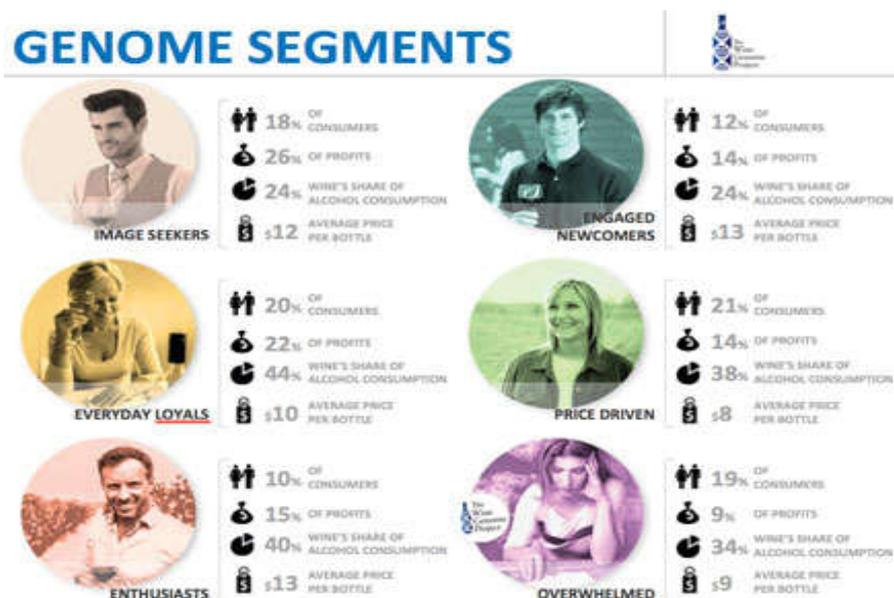
The steps are ([www.winemarketingpros.com/category/winery-marketing/](http://www.winemarketingpros.com/category/winery-marketing/)):

1. *Understand your customers*
2. *Analyze your competitors and look at your company goals, personalities, and stories*
3. *Choose your niche and Create your brand*
4. *Review the marketing mix or 5 Ps*
5. *Create your marketing plan*
6. *Review*

### **Understand your consumers**

A well-designed database makes it much easier to find, analyse and use customer information to improve the service you offer. The three main ways to understand your customers so you can deliver top-class customer service, improve loyalty and get great recommendations.

For example, to understand your consumers: There are the 6 types of wine buyers: Enthusiasts, Image Seekers, Savvy Shoppers, Traditionalists, Satisfied Sippers and Overwhelmed. What kind of customers do you have from these groups?



1. *Overwhelmed*

- By number of choices
- Like to drink wine, but don't know what to buy
- May select by wine label design
- Want easy to understand info in retail
- Open to advice, but frustrated if no one is in the wine section to help
- If confused, won't buy anything

2. *Image Seekers*

- Status symbol
- Are just discovering wine
- Have basic wine knowledge
- Like to be the first to try new wine
- Open to innovative packaging
- Prefer Merlot
- Check restaurant wine lists online and research scores
- Millennials and Males

3. *Enthusiast*

- Entertain at home with friends
- Consider themselves knowledgeable about wine
- Like to browse wine sections at stores
- Live in cosmopolitan centers, affluent suburban spreads or country setting
- Influenced by wine ratings and scores
- 47% buy wine in 1.5L as “everyday wine” to supplement their “weekend

wine”

4. *Everyday Loyal*

- Like wine from established wineries
- Prefer to entertain at home
- Wine makes occasion more formal
- When I find a brand I like, I stick with it
- Wine is part of my regular routine

5. *Price Driven*

- I believe you can buy good wine without spending a lot
- Price is top consideration
- Shop in a variety of stores to find the best deals
- Use coupons & know what's on sale ahead of time
- Typically buy a glass of the house wine when dining out, due to the value

6. *Engaged Newcomers*

- Don't know much about wine, just like to drink it
- Young = Millennials
- Wine is part of socializing
- Interested in learning more about wine

**Analyze your competitors and look at your company goals, personalities, and stories**

For example; Thrace wine region accounts for 13.6% of all the wine produced in Turkey, and has the most elegant and balanced wines in the country

(<http://www.blackseatourism.org>). Each region with boutique wine producers have their own distinct terroir and have fantastic diversity in vineyards.

The wineries for each region on Thrace are as follows:

**Tekirdag:** Chateau Nuzun, Barel Vineyards, Barbare Vineyards, Umurbey Vineyards

**Sarköy:** Melen Vineyards, Gulor Vineyards, Chateau Kalpak

**Gelibolu:** Gali Vineyards, Suvla Vineyards,

**Kirklareli:** Chamlija Vineyards, Arcadia Vineyards, Vino Dessera Vineyards

- **Vino Dessera:** Vino Dessera is a family owned winery in Kirklareli and started as a dowry project. They started planting in 2000 with Merlot, Cabernet Sauvignon and continued with Barbera, Sangiovese, Narince, Muscat, Shiraz, and Cabernet Franc. (<https://www.winerist.com/wineries/thrace/vino-dessera>).

- **Arcadia Vineyards:** Arcadia Vineyards is a very special place located in Kirklareli. They have been in operation since 2000, when they persuaded a French specialist to get involved. Today, Arcadia produces a range of white, rose and red wines, in small quantities, with the emphasis on nuance and vitality. Varieties planted include Sauvignon Gris, an ancient and low-yielding clone of Sauvignon Blanc. Arcadia is the first winery in Turkey to cultivate this variety. (<http://www.arcadiavineyards.com>).

- **Camlija:** All the vineyards (currently 85 hectares under vine) are located in Kirklareli Province. The Bulgarian name of Kirklareli was Lozengrad, which means "The city of Vines". (<http://www.chamlijawine.com/vineyardeng.html>).

- **Chateau Nuzun:** They have only red and rose wines from Cabernet Sauvignon, Merlot, Syrah, Pinot Noir, Zinfandel and Öküzgözü grapes. Their 2009 wine has become a legend due to a hail storm which effected all over the vineyard; and they had to make only one wine from all remaining grapes ([www.chateounuzun.com](http://www.chateounuzun.com)).

- **Barel Vineyards:** Barel is a small boutique winery located 10km from Tekirdag city. Barel was established in 2010 and they produce their wines from Cabernet Sauvignon, Merlot, Syrah, Cabernet Franc and Chardonnay using modern techniques. ([www.barelvineyards.com](http://www.barelvineyards.com)).

- **Umurbey Winery:** They have opened a wine bar in Tekirdag city center on the main road in front of the seashore, where they sell Umurbey wines. They have Cabernet Sauvignon, Merlot, Syrah, Chardonnay, Sauvignon Blanc and Semillon grapes ([www.umurbeyvineyards.com](http://www.umurbeyvineyards.com)).

- **Barbare Vineyards:** Barbare Vineyards is situated on a small hill between the villages of Barbaros and Yazir in the Thrace region, which is near to the Sea of Marmara. Barbare Vineyards focus on organic, biodynamic and sustainable viticulture and produce Cabernet Sauvignon, Merlot, Syrah, Grenache and Mourvedre grapes. The first production was realized in 2007, and in April 2011 Barbare wines were introduced to consumers. (<https://sarapatolyesi.net>; [www.barbarewines.com](http://www.barbarewines.com)).

- **Melen:** Melen winery in Hosköy is located on the sea side. Since the main form of transport in this area used to be by sea, the wines would be put in large barrels and on the beach lifted aboard ships (<http://www.melenwinery.com/saraphanemiz-en.asp>).

- **Gulor:** The first boutique wine producer in Turkey, which introduced the international grapes to the country. Güuor was founded in 1993 and owns 20 hectares of vineyard located at Sarköy, Tekirdag (<http://www.winesofturkey.org/gulor>).
- **Chateau Kalpak:** The winery is in Sarköy, Tekirdag. They established the main vineyard of the chateau in 2006 with varieties imported from France. A state of the art gravity-fed winery was built in 2010 within the vineyard for the production of the “chateau wine” (<http://www.thewinehousewarwick.com/chateau-kalpak.html>).
- **Gali Winery:** Gali Vineyards has a unique location, surrounded by the Aegean and Marmara seas, the Dardanelles, and the Gulf of Saros. Both the winery and wine cellar are constructed with local stones, and the architecture allows for a “gravitaire” way of winemaking without using pumps. The name Gali means precious, valuable, beyond its limits. Seventy-eight percent of the vineyards are of three selected clones of Merlot, and the remaining 22% are Cabernet Franc and Cabernet Sauvignon varieties(<https://www.winerist.com/blog>).
- **Suvla:** Vineyards of Suvla, named “Bozokbağ” are 80 hectares and are located in Eceabat, by the Canakkale Strait (Dardanelles) on the historical Peninsula of Gallipoli. Vineyards have a wide variety of vines. Reds are Cabernet Sauvignon, Merlot, Syrah, Cabernet Franc, Grenache Noir, Petite Verdot. The whites are Chardonnay, Sauvignon Blanc, Rosanne and Marsanne. Vineyards are under the certification of ‘Good Agriculture Practice – GAP’ (<http://www.winesofturkey.org/suvla-winery>).
- **Arda Winery:** Arda Winery is the first boutique winery in Edirne, a historic town in the center of Thrace. The winery was built using stone and fired brick is surrounded by Cabernet Sauvignon and Merlot grapes. (<https://www.vivino.com/wine-news/onthe-historical-thrace-wine-route-6-wineries-to-visit>).

### ***Choose your niche and Create your brand***

A key part of professional brand management is deciding on your niche or your particular group of customers. Once you’ve done this you want other potential customers in your niche seeing people like them (or people they aspire to be) drinking your premium wine. If it’s more an older sophisticated drinker then think about what sort of place that is versus a young single merchant banker. Any images of people you use also need to reflect this sort of person.

For example; I primary will be focused on the Luxury Enthusiast customer segment as well as Enthusiasts, Luxury Image Seekers and Image Seekers.

### ***Review the marketing mix or 4 Ps***

Customers’ image of a brand is prompted by some key drivers, descriptions of which have been moulded into words that start with “P”. They could be considered a good check of your brand activity and drive your marketing activities. They are known as the “marketing mix”. You can also look at using these to describe how you will deliver your brand to your customers in a shorthand brand plan.

These drivers are: *Product, Price, Place and Perception.*

#### ***Product***

Boutique wine producers can differentiate their products with regional branding and add value to their products. The most important external cues for American consumers are the brand, the country and the region. (Atkins ve Johnson 2010).

While the brand is very important for consumers in Brazil and China, it is not very important in Germany (Goodman and etc. 2008). Brands affect consumers' price and image perceptions (Heslop, Cray, and Armenakyan, (2010)). Label style, brand and flavor determine the taste of consumers. (Mueller and Szolnoki 2010).

If you haven't got the product right all your branding effort will be in vain. However we're not just talking about the intensity of flavour, complexity, balance, texture and length of flavour. We're talking about the bottle, the label, the closure, and cases. Different customers groups will prefer different levels of quality and premium cues.

#### *Price*

The simplest indicator of quality to a consumer – if not always the most accurate! Given your cost base you need to be priced in the premium category, the choice is just how premium. In an occasion where a customer wants to impress others a middling priced bottle on the wine list may not cut it.

#### *Place*

“The right people at the right place drinking the right product” and “On Premise builds brands” are two key phrases you'll hear from professional alcohol beverage industry brand managers (McGechan B., 2017). For premium brands it's absolutely key to their brand development.

For mainstream popular brands other drivers are arguably more important including high profile advertising and the general visibility around a region including billboards and signage. But that's more for a large mainstream brand to be worried about than a premium Pinot Noir brand. Indeed, advertising can signal to consumers that you're not an exclusive and special brand but just another mainstream brand for the masses.

This sort of occasion could well be one where the consumer is showing how discerning they are. Regardless a bottle of your premium wine on the table will be associated with an experience important to your customers and will hopefully prompt them to purchase your wine brand again.

Distributors are key in assisting you with this. They should have a good understanding of precincts (clusters of bars and restaurants) and whether they are, for example, flashier or more foody. When you go through your target market ask them to identify what establishments have what sort of people. If they fit your target market then add them to your distributor listing objectives.

#### *Perception (Promotion)*

Following, the perception strategies of boutique wineries are of vital importance. Currently, consumers are only being informed about boutique wines only through tourism agents and/or some brochures delivered at the wineries. It is obvious that such an effort is not sufficient. Several boutique wines even lack national awareness and are only known to local citizens. Boutique wine businesses can't afford advertising in Turkey. However direct marketing, internet sales, events, donations, PR and cellar door sales are affordable and effective. There are some great examples of wine, food, and music events where people can have a great time and associate that with your brand. It's then up to you to use direct marketing, your website, point of sale stands, trade hosting and cellar door promotion to let your target market know.

### **Create your marketing plan**

A marketing plan is a plan that outlines your full marketing strategy for the coming year. It will include who you are marketing to, how you will market to them, and the strategies you will use to connect with customers and attract sales. The goal of the marketing plan is to outline how you will present your products and services to your target market.

A Marketing Plan have four parts (<https://www.wikihow.com>)

1. Conducting a Situation Analysis
2. Researching Your Strengths and Weaknesses
3. Brainstorming Your Marketing Plan
4. Writing Your Marketing Plan

### **Review**

As brand management is reviewed in stages that your brand is defined by a customer's overall perception of your business. A brand building process can transform your business from a small player into a successful competitor. So, you'll discover that your customers will develop a deeper level of trust for your brand, and be more likely to purchase what you are selling.

### **Conclusion**

Turkey had a continual increase in varieties of wine during the last decade, showing particularly strong growth since 1990s. Many markets are becoming global in scope, and national boundaries are giving way to global pressures. The domestic market is expected to rise to higher levels, at a 5% annual rate in the near future, primarily relating to quality wines; in the long run, however a remarkable change should not be expected. Boutique Wine firms at wine marketing programs to meet the specific needs of these regional and global targets also have to be established. None of boutique wine brands produced in the village possess an adequate level of brand image, nor awareness nationwide. The distribution of the wines is at best, problematic. Finally, and most importantly, the promotion and its accompanying communications strategies are still at their infancy.

As a result of the fact that, the rise in exports proves to be the only way out. Wine firms must have business marketing research done. Business marketing research (market potential and sales forecasting, competitor intelligence etc) provides the data necessary to evaluate performance and to plan wine marketing strategies.

There is a ban on advertising for alcoholic beverages in Turkey. A strong brand purpose fast-tracks brand equity growth, which is what influences a consumer to purchase a specific brand and even to pay more for it. This is a crucial point for the boutique wine sector to understand. A strong purposeful brand is a prerequisite for value growth!

Finally, an incisive and positive contribution can be made by the state through a more effective and integrated policy on boutique vineyards. Besides, the wine branding is opportunity for the Turkey boutique wine sector growth. Consequently, Turkish wine sector continually has to assess the changing nature world wine markets and respond to emerging new opportunities and threats also.

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