



Exploring Entrepreneurial Marketing Efforts Of New Mexico Winemakers

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Abstract

New Mexico (NM) accounts for just 0.068% of the annual U.S. wine production (ATTTB report, 2011) but the southwestern state's folklore boasts the oldest winemaking history in the country. NM currently grows 127 varieties of grapes, produces over 700, 000 gallons of wine per year, and is home to approximately 42 wineries and tasting rooms (NM Wine Growers Association, 2012). Majority of NM wineries are small scale operations often founded by individual winemakers who face unique challenges. Although there is considerable coverage in the extant wine marketing literature about the wine business per se, there is limited research from the winemakers' perspectives. In particular, scholars have called for further research on smaller wineries to understand the producer's side of the business (Beverland, 2000; Richardson, 2004). Also, given the entrepreneurial nature of winemaking and the extensive marketing efforts undertaken to establish the uniqueness of wineries and wine labels, there is little knowledge about winemakers' entrepreneurial marketing (EM) efforts. The aim of this paper is therefore to explore the EM dimensions of NM winemakers.

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EXPLORING ENTREPRENEURIAL MARKETING EFFORTS OF NEW MEXICO WINEMAKERS

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New Mexico (NM) accounts for just 0.068% of the annual U.S. wine production (ATTTB report, 2011) but the southwestern state's folklore boasts the oldest winemaking history in the country. NM currently grows 127 varieties of grapes, produces over 700, 000 gallons of wine per year, and is home to approximately 42 wineries and tasting rooms (NM Wine Growers Association, 2012). Majority of NM wineries are small scale operations often founded by individual winemakers who face unique challenges. Although there is considerable coverage in the extant wine marketing literature about the wine business per se, there is limited research from the winemakers' perspectives. In particular, scholars have called for further research on smaller wineries to understand the producer's side of the business (Beverland, 2000; Richardson, 2004). Also, given the entrepreneurial nature of winemaking and the extensive marketing efforts undertaken to establish the uniqueness of wineries and wine labels, there is little knowledge about winemakers' entrepreneurial marketing (EM) efforts. The aim of this paper is therefore to explore the EM dimensions of NM winemakers.

We collected data through participant observation at NM wine festivals and in-depth interviews with seven NM winemakers. Interviews were conducted by one of the authors at participating wineries and/or tasting rooms. Each winemaker was interviewed at two separate occasions, with the first interview eliciting narratives about personal experiences related to winemaking and the second interview generating stories of entrepreneurial marketing efforts. Interviews were digitally recorded and immediately transcribed. Data analysis was performed independently by the three authors through iterative analysis and coding of data and revealed four emergent themes.

The 'spirit of the pioneer' theme revealed that for several of the participants, winemaking as a livelihood typically began with the acquisition of land for growing grapes. The desire to be independent, to be the master of one's destiny, was a common element across narratives. This trait aligns with the opportunity driven dimension of EM (where the individual possesses creative insights of identifying or creating previously unexplored opportunities (Morris et al., 2002)). In the second theme, 'survival of the fittest,' proactiveness emerges as a strong driver towards surviving in NM's fragmented wine region to achieve national name recognition. Several informants spoke of learning how to grow specific varieties suitable for the NM terroir through extensive trial and error that require years of hard work often accompanied by failures. Additionally, winemakers learn blending techniques to produce good quality wines, and participate in prominent wine festivals to prove their mettle and validate their winemaking skills are important proactive measures designed to showcase their pioneering efforts. Under the third theme 'customers know best,' we observed tensions as informants experienced conflicts between production constraints, consumer demands and personal philosophies. Some winemakers truly want to produce quality wine and improve their offering to consumers from year to year. They take pride in winning winetasting competitions and displaying their gold medals and awards in their tasting rooms. Others, realizing that many customers are not true wine connoisseurs compromised and produced wines with added sugar, fruit flavoring and other additives. They voiced personal dissatisfaction over these choices but cited marketplace demands and consumer ambivalence as reasons for making such disagreeable decisions. The last theme, 'resource leveraging through networking,' showcase the individual's (or firm's) acumen to make do with less, to seek out collaborative efforts such as borrowing, sharing and other means to work within one's limited means. As winemaking involves several operational levels requiring knowledge across multiple fields, we found that seeking out and utilizing resources within the network of winemakers is a very important EM dimension that yields results in other areas such as innovation, risk management and value creation processes. Passion, zeal and enthusiasm are believed to be at the heart of the EM concept. NM winemakers demonstrated these in every aspect of their everyday lives. Unlike other products and services where there may be an initial start-up period which goes onto steady operational processes with maturity and growth, winemaking is challenged with continuous uncertainties such as availability of steady customer flow, acquiring and managing finances, and maintaining a steady cash-flow. Hence, irrespective of the number of years in business, pursuing opportunities through proactiveness, innovativeness, minimizing risks through resource leveraging, and creating value through customer interaction are often carried out with the basic idea of survival, a concept that has been largely ignored in EM conceptualizations.

References available upon request.