Supply Chain Strategies in the Wine Sector: Case Studies in the Bordeaux Wine Region

Maria VELUDO, François DURRIEU (PhD), Bordeaux Ecole de Management
David NEWLANDS, IESEG, Lille

A “supply chain” encompasses all activities associated with the flow and transformation of goods (products and services) from the initial design stage through the early raw materials stage, and on to the ultimate customer (Hines, 2004). Supply chain strategies are required to manage the integration of these activities through improved supply chain relationships, in order to serve the customer, satisfy the final consumer, and ultimately to achieve competitive advantage (Hines, 2004). A heated debate continues over the need for tradeoffs in the design of supply chain strategies (Boyer and Lewis, 2002). For example, some call for product push strategies while others claim for market pull strategies (Randall, 2003). Yet, there is little empirical evidence for or against the need for tradeoffs in the wine sector (Spawton, 2005; Van Hoek, 1997). The purpose of this paper is to examine the supply chain strategies pursued by two organizations in the wine sector in the Bordeaux region and thus to contribute to a better understanding of the need for tradeoffs. For this study experiences and opinions were gathered through interviews. Our findings suggest that tradeoffs remain in the wine sector as within organizations there may be scope for different supply chain strategies (i.e. pull or push) focused upon different groups of customers.