

**KBA-B2-MGT-002-E-L-BOD**

**MANAGEMENT APPLIED TO REGIONAL INDUSTRIES**

**“Wine Business in Bordeaux”**

*(limited to 48 students)*

**Semester 2, 2020 - 2021**

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<b>HEURES DE BUREAU</b>	Lundi 14-18

<b>EVALUATIONS / DOCUMENTS TO SUBMIT</b>	<b>RESPONSIBLE PROFESSORS</b>	<b>SUBMISSION DEADLINES</b>	<b>%</b>
Course assessment on wine business for different types of companies <i>(individual evaluation under the teamwork/ report &amp; presentation)</i>	<i>TBC+ BE</i>	<i>TBC</i>	30%
Case study “Export strategies for Bordeaux wine businesses” <i>(teamwork, report and in-class presentation)</i>	<i>LM</i>	<i>TBC</i>	30%
Individual online exam (QMC + assignment)	<i>TBC</i>	<i>TBC</i>	40%

**Kedge Business School et ses professeurs vous encouragent à considérer vos Pro-Acts, vos missions entreprises et vos stages comme des occasions privilégiées pour l’application des réflexions, des théories, des concepts et des outils présentés durant ce cours**

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

### INTRODUCTION ET OBJECTIFS

#### *Course Purpose and Objectives*

This course aims at introducing students to the key industries for the Aquitaine region internationally recognized as a cradle of high quality wines. The objectives of the course include:

- Understand the importance and weight of such an industry in the economic development of the region;
- Understand the managerial issues and challenges facing the companies evolving in their environment
- Learn about the major managerial issues and challenges facing wine companies with visits in situ of a couple of wineries. This module will help the students to develop analytical skills and improve their knowledge of the wine sector.

#### *Course contribution to program objectives*

##### **KB1. Understanding management foundations**

After completing the course, the students will:

- Observe managerial and management techniques when visiting companies and working on the case studies;
- Be able to analyze the issues of production, distribution and service in wine sector
- Find effective solutions of wine companies management problems ( e.g. production techniques, export strategies, the generic issues of distribution and logistics)

##### **KB3. Enhance Knowledge of self and personal development**

Following this course, the students will have a better understanding of the environment they evolve during their studies in France, and have a greater knowledge of the impact of local industries through local companies, products and services.

##### **KB4. Develop a sense of responsible management**

All industries including the wine industry, have adopted (more or less) responsible management practices. The certification of High Environmental Value is put in place in Bordeaux region, which has introduced a unique in France collective approach of Environmental Management System (SME) in wine sector.

Visits and discussions with guest speakers will give the students a chance to materialize such responsible management, its advantages, drawbacks and challenges.

#### *Course Contribution to application of Critical Thinking*

The course assignments will give students the opportunity to better reflect and think about managerial solutions and apply critical thinking process.

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

### Course Description

The course is composed of several distinct topics (sessions), covering various aspects of the wine industries.

Key topics of this course are:

1. Understanding the business of wine et key elements of wine management
2. Learning about local (Bordeaux) wine business: size, AOP system, history, structure and actors. Analyzing different distribution models and markets for Bordeaux wine business.
3. Observing major issues and challenges through visits and case studies
4. Analysis of different wine categories vs different export markets
5. The impact of global warming, production costs changes, consumption trends, e-commerce in wine sector
6. Identifying the values of competitive advantage impacts managerial issues in the sector and from implementing different strategies for different Bordeaux wine producers.
7. Learning to implement integrated approach to build a sustainable wine business

### Course Structure and Planning

Session	Type <sup>1</sup>	Theme	Duration	Lecturer <sup>2</sup>	Modality <sup>3</sup>	Date
1	C+GW	Introduction into the business of wine. Wine markets: production and consumption trends.	3h	TBC	Dist	14/01 11h30 - 15h30
2	C	French wine industry (history, AOP system), and specificity of the Bordeaux wine ...	3h	TBC	Dist	21/01 11h30 - 15h30
3	C	Bordeaux wine industry structure and actors of wine supply chain: wine growers, wine producers, brokers, merchants, distributors...	3h	BE	Dist	26/01 15h45 - 17h15
4	C+V	Companies' visits/ Wine export in Bordeaux - different strategies for different Bordeaux wine producers.	3h	TBC (Section 1) LM (Section 2)	Visit (TBC) FtF (LM)	10/02 15h45 - 17h15
5	C+V	Companies' visits/ Wine export in Bordeaux - different strategies for different Bordeaux wine producers.	3h	LM (Section 1) TBC (Section 2)	Visit (TBC) FtF (LM)	22/02 15h45 - 17h15
6	C+GW	Analysing different distribution models and	3h	BE	Dist	03/03 15h45

<sup>1</sup> C= cours ; GW= groupwork; V= visit (could be replaced by wine tasting at school or by a virtual tour depending on the government restrictions imposed because of the sanitary situation);

<sup>2</sup> BE= Bruno EYNARD; LM = Luc MONNEREAU; TBC= Tatiana BOUZDINE-CHAMEEVA)

<sup>3</sup> FtF = face-to face mode; D/Dist = online synchronous mode;

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

		markets for Bordeaux wine business.				- 17h15
7	C+GW	Managerial decisions in wine sector and from implementing. <i>Case Study "Kirwan" Introduction</i>	3h	LM	Dist	10/03 15h45 - 17h15
8	GW +C	<b>Team presentations: case study Kirwan analysis.</b>	3h	LM	FtF	19/03 8h 00 - 11h15
9	C+GW	Challenges of wine business in Bordeaux. <i>In-class teamwork and consulting for the final case study "Challenges of the future Bordeaux wine business development"</i>	3h	BE	Dist	24/03 15h45 - 17h15
10	GW +IW	<b>Team presentations: case study Bordeaux wine regions challenges. Final Synthesis Individual Exam</b>	1h30  1h30	TBC	FtF	08/04 11h30 - 15h30

### **Books of references/ Reading (at the KEDGE BS Media center)**

There is no dedicated textbook for the course. You can consult the following books:

GILINSKY A. (2015) "Crafting Sustainable Wine Businesses" Palgrave

ROUZET E., SEGUIN G.(2014) Management de l'entreprise vitivinicole. Pratiques & Outils. Dunod,

### **Websites:**

The following two websites would give you a greater understanding of the Bordeaux wine regions:

- <http://www.bordeaux.com/uk> you could register at the CIVB newsletter
- <http://academyofwinebusiness.com/>
- <http://www.larvi.com/english>
- DATAMONITOR, «Industry Profile, Wine in France », Distribution,
- EUROMONITOR, «International, Country by Sector, Wine France », FRANCEAGRIMER, N° 168, pp. 1-64
- OIV, 2018GLOBAL ECONOMIC VITIVINICULTURE DATA, at <http://www.oiv.int/oiv/cms/index?lang=en>

### **Additional reading:**

1. Bouzdine- Chameeva T., Tesson P., Jaegler A. (2019) " Value Co-creation in Wine Logistics: The Case of DARTESS", *IEEE Engineering Management Review*, Vol 47, Issue 1, pp. 115- 125. Online ISSN: 1937-4178 Digital Object Identifier: 10.1109/EMR.2019.2898631
2. Bouzdine-Chameeva T., C. Faugere, P. Mora (2015) "Branding winery tourism destination - Bordeaux case", in Kuyho Lee (dir.), *Strategic Winery Tourism & Management*, Waretown (USA): Apple Academic Press Inc. (Advances in Hospitality & Tourism), 328 p.
3. Bouzdine-Chameeva T., Ph. Barbe (2014) "Will Joining Crus Bourgeois Wine Alliance Improve Quality and Sales: In Vino VERITAS?" In P. Mora (Eds): "Wine Business Case Studies : 13 cases from the Real World of Wine Business Management" The Wine Appreciation Guild, USA.
4. Cohen J., Lockshin L., Sharp B., (2011) " A Better Understanding of the Structure of a Wine Market Using the Attribute of Variety". *International Journal of Business & Globalisation*,
5. Corsi A., Lockshin L., Mueller S., (2011). "Competition between and competition within: the strategic positioning of competing countries in key export markets". At <http://academyofwinebusiness.com/>

Teaching notes and numerous articles will be available online.

**MANAGEMENT APPLIED TO REGIONAL INDUSTRIES**  
**CONTENU DU COURS**

SESSIONS	THEMES	PRELIMINARY READINGS and ASSESSMENTS
1	Introduction into the business of wine	Read Articles 6; 7 (from supplementary readings)
2	Specificity of the Bordeaux wine industry - size, AOP system, history. Learning about the industry structure and actors of wine supply chain: wine growers, wine producers, brokers, merchants, distributors...	Read Articles 1; 2; 3; 8 ( from supplementary readings) Rouzet, Seguin ( 2014) – chapters 1-3
3	Analysing different distribution models and markets for Bordeaux wine business.	Read Articles 5; 12; (from supplementary readings)
4	Different strategies for different Bordeaux wine producers. Analysis of different wine categories vs different export markets production, logistics, on the product quality.	Read Articles 6; 11 ( from supplementary readings)
5	Companies visits. Key elements of wine management: “Push” and “Pull” approach in wine production. Value analysis.	Read Articles 1; 4 (from supplementary readings)
6	Values and competitive advantages of managerial decisions in wine sector and from implementing. <i>Case Study Introduction</i>	Read Articles 1; 9; 10 from supplementary readings) Case study to be provided in-class
7	<b><i>Team presentations, evaluation and case study analysis.</i></b>	Work in teams on the case study assignment
8	Challenges of wine business in Bordeaux: global warming impacts, eco-innovations, sustainable practices certifications, etc <i>In-class teamwork and consulting for the final case study “Challenges of the future Bordeaux wine business development”</i>	Gilinsky (201) , Chapter 1-5 Articles 10 (supplementary readings) Case study to be provided in-class Read
9	<b><i>Team presentations, evaluation.</i></b> <b><i>Final Synthesis</i></b> <b><i>Exam (QCM)</i></b>	Work in teams on the Assignment. Course notes

# MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

## DEMARCHE PEDAGOGIQUE/ METHODES D'ENSEIGNEMENT

### **TEACHING METHODOLOGY**

#### ***A Word of Advice***

The course is designed to give you a greater understanding of the economic environment you will live in during your French study experience, mostly in Bordeaux. In that geographical area, wine is part of the cultural and economic landscape. Other industries are also well established in both regions (food, fragrance, high tech, etc). Focusing on the wine industry will give you a chance to approach the managerial issues and challenges facing various enterprises. In the meantime, your curiosity is an important component of your regional experience.

#### ***Organization des sessions***

The format of this course includes lectures, case studies, company visits, videos, webinars, in-class teamwork. Each session will be organized in a different way in order to get as much as attention as possible from the group.

Discussions of relevant on-the-job experiences with managers working in wine industry is an important part of this course. Make sure you read the documents that are provided and do your part of the work to learn as much as you can of the guest speakers and the visits.

#### ***Individual Evaluation***

The final individual evaluation, which counts for 40% of the total grade, is composed of the two parts:

- Questions with multiple choice
- Individual assignment on one managerial aspect or challenge facing a company evolving in wine industry based on the case studies done in class

The work is online, it is timed and can only be accessed once; so, be ready to complete the assessment in its entirety once it is entered.

#### ***Group work and collective evaluation***

There are two case studies in the class which will serve as a group assignment: one presented by Pr. Tatiana Bouzdine – Chameeva together with Mr Bruno Eynard ( “The 4 Chateaux “ case) and another one to be given by Luc Monnereau (“Kirwan” case). These are real business cases developed and published by the course lecturers that are proposed for teamwork and then be presented by teams and discussed in class. They are specially designed to allow students to apply many of the concepts learned during the course.

The ideal team size is four (maximum five) students coming from different horizons and with different cultural backgrounds. Each team works on a crucial managerial decision implementing tools and techniques learnt within the course. Students are required to prepare a professional presentation and short managerial report for each case.

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

### EVALUATION OF STUDENT PERFORMANCE

DELIVERABLE	RESPONSIBLE PROFESSORS	%
<u>Group assessment</u> on the case study "Export strategies for Bordeaux wine businesses" (report + in-class presentation)	<i>LM</i>	30%
<u>Group assessment</u> on wine business for different types of companies "The 4 Chateaux" case (report and presentation)	<i>TBC+ BE</i>	30%
<u>Individual exam</u> type QMC including an assignment on one of the managerial issues based on the group assessment "The 4 Chateaux" (see above)	<i>TBC+ BE</i>	40%

### Methods Used to Evaluate Student Performance

#### Individual Assessments (50%)

Assessment type	Level Reached		
	Below requirements	Meeting requirements	Exceeds requirements
	05/20 ≤ mark ≤ 09/20	Meets Requirements (10/20 ≤ mark ≤ 14/20)	Exceeds Requirements (15/20 ≤ mark ≤ 19/20)
QMC	N/A	N/A	N/A
2- page essay	Issues and challenges not identified Recommendations Infeasible or inadequate justification	Issues and challenges identified Recommendations justified and convincing	Issues and challenges identified + additional insights Recommendations justified and convincing + creative solution(s) with justifications.

#### Collective Assessments (50%)

Criteria	Level Reached		
	Below requirements	Meeting requirements	Exceeds requirements
	05/20 ≤ mark ≤ 09/20	Meets Requirements (10/20 ≤ mark ≤ 14/20)	Exceeds Requirements (15/20 ≤ mark ≤ 19/20)
Identify issues and challenges	Not identified , not defined	Identified and defined	+accurate and various definitions
Use relative management tools	Doesn't use the appropriate tool or model. Fails to incorporate the actions of others tools	Uses the appropriate tool or model and incorporates the actions of others	+propose additional observations and value analysis
Arguments	Not convincing	Justified and convincing	+discussed in several context
Recommendations	Infeasible or inadequate justification	Feasible alternative analysis with justification for primary stakeholders	+creative solution with justifications for all relevant stakeholders

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

**The written reports** on case studies should not exceed ten (10) pages each. The appropriate style for this report is business formal (this means, for example, that terms of art and acronyms should be used as little as possible). They must be professionally prepared and organized; should be written in paragraph style, and organized using headings and sub-headings

Grading of the written report will be based on the following general criteria:

- |  |     |
|--|-----|
| ▪ The coherence of the report –contents' appropriateness and quality | 50% |
| ▪ The knowledge of the tools and their adequate application          | 30% |
| ▪ The quality of the submitted report (grammar, style, presentation) | 20% |

As occurs in many group settings in organizations, there will be the opportunity of a pair review performance evaluation of the team members at the termination stage of the project. This evaluation will be formal and confidential. The course instructor will formally weight the evaluations when assigning grades to individual group members. This means that not all team members might receive the same grade for the project.



## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

### LECTURERS:



**Dr. Tatiana BOUZDINE-CHAMEEVA** is a Senior Professor at the Operations Management and IS department in KEDGE Business School – Bordeaux. She holds a Ph.D. in Applied Mathematics from Moscow State University complemented by the two habilitation thesis – in IS and in management sciences. She pursues research in the field of decisions and performance, publishes in top journals such as Decision Sciences, Journal of Operational Research Society, Journal of Retailing, etc. During the last 10 years she focuses on wine businesses and strategic decisions in the wine sector. She has authored case studies on the wine and spirits and on tourism industry (for France, Japan, Italy, Russia...).



**Bruno EYNARD** possesses strong experience in wine business. Being an agricultural engineer (a diploma from Bordeaux University) he started as a cellar master, worked as a Technical director and for more than eight years hold the position of a General Director of Château LAGRANGE (Grand Cru Classé en 1855) at Saint-Julien region in Bordeaux. During long-standing career, he worked with different actors of the wine supply chain – with wine growers, wine producers, wine merchants and wine brokers, distributors and importers all over the world. His possesses strong expertise in policy analysis and in the role of different actors in wine chain. Bruno Eynard was elected into the Board of Directors of the Union of Grands Crus and the Union of Grands Crus Classés 1855.



**Luc MONNEREAU** holds a Master Degree in Management and Administration of Companies at the IAE Bordeaux and works as a consultant for the wine sector. He has held various positions in France and abroad in the wine trade. Wine salesman, Sommelier, Export Manager, Commercial Director and Export Sales Director, his professional experience in the wine world is wide and diversified. Marketing and commercial profile, with a multicultural influence, he participates at the evolution of companies that wish to turn to the international business. Luc Monnereau masters the techniques of operational management of companies and gives consultancy to small and middle size business units.

## MANAGEMENT APPLIED TO REGIONAL INDUSTRIES

### ACADEMIC FRAUD

#### **Definition**

Academic fraud is a breach of ethics.

*“Is achieved using unfair means or deception, to obtain material or undue moral advantage, or with the intent to avoid the enforcement of laws”. (Translated from the original source: Dictionnaire Juridique des Lois, 2010, available at: [www.dictionnaire-juridique.com/definition/fraude/php](http://www.dictionnaire-juridique.com/definition/fraude/php))*

Plagiarism consists of attributing authorship by (partial or total) copying, imitation or misappropriation.

The act of fraud is committed by one or more students/participants when they:

- appropriate written or oral work to themselves when they are not the author (in whole or in part) of the work, by omitting any references or quotations to the author or to the owner of the work;
- present any data that has been falsified or invented in any way;
- use the identity of the author, attributing the contents of and/or a resource to him/her, but without explicitly mentioning that they are not the author;
- appropriate the creative work of someone else and present it as their own;
- acquire excerpts of texts, images, results etc. from external sources by including them in their own work without mentioning the origins of the excerpts;
- summarise the original idea of an author by expressing it in their own words but omit quoting the source;
- cheat in an academic evaluation.

Plagiarism can occur in:

- an academic article or book;
- an exercise or a case study;
- a study or a report;
- a dissertation or a thesis;
- any document of which the student/participant is not, but purports to be the author.

#### **Sanctions**

Any student/participant having committed academic fraud, or having participated in it, will be sanctioned by the professor in charge of the course. The professor can apply 1<sup>st</sup> and 2<sup>nd</sup> level sanctions (detailed below). The professor will send a copy of the sanction to the student's/participant's programme. The student/participant will be informed/and or convoked by the programme director (or his/her representative) to a hearing prior to the possible convening of the Kedge Business School Disciplinary Council. In the case of a hearing of the Disciplinary Council, they can decide to apply 3<sup>rd</sup> and 4<sup>th</sup> level of sanctions.

Any student/participant guilty of academic fraud will receive one of the following sanctions:

☒☒ Applied by the professor in charge of the course, Kedge Business School faculty member (1<sup>st</sup> and 2<sup>nd</sup> level):

- A grade of zero for the work concerned and a formal warning;
- A grade of zero for the course or module concerned and a formal warning.
- Applied by Kedge Business School's Disciplinary Council (3<sup>rd</sup> and 4<sup>th</sup> level):
- Suspension from the programme for one or two semesters;
- Exclusion from the programme.

N.B.: Plagiarism within a partner institution can result in these sanctions being applied by Kedge Business School, notwithstanding partner's decision.