

ABSTRACT

The Ph.D. thesis entitled "An integrated approach to the value creation process in the wine industry" set out to investigate how the value creation process is integrated throughout the wine supply chain. This scientific approach aimed at identifying the role of wine producers and distributors in their value creation process for the final consumer. It also examined the perception of the value of wine for the wine consumer so that this tri-dimensional approach could explain how value can be created for all players involved. To achieve the objective of this research, the thesis has been structured into six distinct chapters.

The first chapter entitled *Conceptual Delimitations on Marketing Integration and its Contribution to Value Creation* aims to provide the basis for this research on the integration of marketing elements in the supply chain and their contribution to the value creation process. The first part of the chapter highlighted the importance of the concept of value over time and explained the different notions of value in the light of the field in which it is found. Thus, in philosophy, Gewirth analyzed normative and meta-normative theories of value from the perspective of ethics while Dunn classified value from the perspective of a procedural analysis. Thus, **normative theories**, propose statements and make judgments about what should be in the sphere of values so that philosophers who embrace such theories make statements about what can be considered just, good, or moral behavior for an individual or a society. **Meta-normative theories of value** look at value but also at its evaluation. Adherents of these theories define what 'goodness' and value are, what it means when you say something is good or has value but also what criteria can be used to evaluate normative theories.

In economics, the concept of value has been around since ancient times, and the widespread use of the term value, or valuation, was encountered and used long before these concepts

were adopted in philosophy. Economics is mainly concerned with the problem of choice as a fundamental aspect of human behavior.

In economic thought, specialists have tried to explain the two meanings of value: use value and exchange value. The difference between use value (value) and exchange value (price) forms the basis of theories of value, theories that have been tried over the years to explain the basis for pricing all goods and services. At the same time, value theories have tried to explain when and how value arises for goods and services. For a better presentation of the concept of value in economics, it should be noted that, as with the social or behavioral sciences, economics can be divided into two branches: a branch of positive economics and a branch of normative economics where the concept of value can be perceived in different ways depending on the orientation of economists. For positive economics, the aim is to describe, exemplify and quantify all economic phenomena through an objective analysis of the economic context and to predict the decisions that consumers and producers make in relation to the allocation of resources. With regard to normative economics, attention is paid to the resource allocation decisions that should be made, taking into account prescriptions or recommendations based on personal value judgments.

When referring to the concept of value in economics, a special place is found in marketing, although there is heated debate as to whether this discipline can be considered a discipline in its own right or a core component of economics.

In Kotler's view, marketing has been regarded as "the science and art of persuading customers to buy" but he also states that, "marketing is the science and art of exploring, creating and delivering value to meet the needs of a target market in order to make a profit. Marketing identifies unmet needs and wants. It defines, measures, and quantifies target market size and profit potential.

At the same time, marketing identifies the segments of the market that the company could satisfy, and at the same time designs and promotes products and services appropriate to the identified consumers."

The value concept is one of the most complex, interesting, and fascinating concepts in economics, but at the same time, it is considered to be the basis of marketing activities. The term value is very abstract and reflects a polysemic nature because it has different meanings not only for consumers, researchers but also for practitioners.

The value concept is equally important for both economic entities and customers due to the relationship established between the two parties involved. Thus, for economic entities, Michael Porter has highlighted the one-sided role played by economic entities in the value creation process through the concept of the "value chain". Companies played the role of producers of value, while their customers played the role of consumers of value. Also from the perspective of economic entities, the literature states that, in general, companies wishing to differentiate themselves from other players in the market should use the concept of value proposition. The value proposition is a written statement that focuses all of an organization's market activities on identifying the critical elements of customers in their decision-making process regarding their interest in preferring and/or purchasing products offered by the company over products offered by competitors. With respect to the value proposition the researchers highlighted that for a company, competitive advantage and superior value flow can be achieved through an organization's unique ability to shape, reshape, configure, and reconfigure the goods offered to meet customer requirements.

The perception of quality and therefore value from a customer perspective can be seen by a company as a much more personal and in many cases even holistic view. Value for a customer is the result of a thorough evaluation of both the positive and negative parts of using a product or service. Customer value is also represented by the customer's perceived preference for particular products, the assessment of the attributes and performance of

those products, and the consequences of their use, which may facilitate or block the achievement of objectives in situations of use. Obviously, these evaluations can occur before or after the use of the product or service purchased. Regarding the concept of customer value, some authors have managed to simplify the previous definitions and have stated that customer value is what they receive (benefits, quality, value, and utility) after purchasing and using a product compared to what they pay for (price, cost, sacrifices) resulting in a certain attitude towards the product or an emotional connection with it. In the same vein, Kotler and Keller define customer perceived value as the difference between all the pluses and minuses associated with a specific offering (product or service) and other alternative offerings.

In analyzing different concepts of how the customer perceives value, it was noted that despite the large number of definitions that can be assigned to value (functional value, symbolic value, and emotional value) it would be easier to divide them into one of two universally accepted concepts of value: functional (utilitarian) value and non-functional (hedonic) value.

In the literature, researchers have described **utilitarian value** as "resulting from some kind of conscious pursuit of an intended consequence". In this context, this type of value is rational, cognitive, and pragmatic in nature and clearly integrates both aesthetic and functional aspects, taking into account the type of product purchased.

The hedonic value reflects to a very large extent the psychological value that the customer perceives towards the purchase process but also towards the product/service. Hedonic value can also have a positive influence on consumer behavior and can play a decisive role in making the customer loyal. When making purchasing decisions, consumers may look at the value a product or service can offer to help them cope with certain challenges in their lives.

Understanding the different types of valuation and how to use them when firms interact with consumers are valuable tools for marketers.

It is well known that utilitarian and hedonic values, directly and indirectly, influence future purchase intentions, but hedonic value has a much greater impact on consumer satisfaction than utilitarian value. In addition to the two basic classifications of the concept of value, Sheth, Newman, and Gross have managed to compress five dimensions related to the value perceived by consumers so that economic entities succeed in creating products and/or services designed to provide value through one or more directions. Thus, for functional value, utility is gained from a product's ability to possess functional, utilitarian, and physical attributes.

For **conditional value**, utility derives from the set of circumstances that a consumer has at the time they wish to purchase a product or service.

Social value is an important component and utility derives from the ability of the product or service to enhance the social self-concept.

The fourth dimension identified, **epistemic value**, is acquired in factors such as curiosity, removal of monotony, and desire for knowledge.

Finally, **emotional value** refers to the utility that derives from the feelings or emotional states that a product or service can generate for the consumer. All these five types of value identified in the theory have differentiated contributions and vary greatly from one context to another.

The simple version of the customer value concept is that individuals evaluate the perceived benefits of a product or service and then compare them to their perceived cost of purchasing that product or service. There is also a clear distinction in the literature between the concept of value and customer satisfaction but clearly, the perceived value of purchasing a product can have a huge impact on customer satisfaction. At the same time, satisfaction is mainly analyzed as a trade-off between consumer expectations and product performance. Consumer perception of value has been mentioned by several authors as a general notion and can be easily confused with customer satisfaction. However, the two notions are distinct

because consumer perceived value occurs at different stages of the purchase process including pre-purchase and satisfaction is universally accepted to occur as a post-purchase and post-use evaluation.

While value creation processes are traditionally located on the production and/or marketing side, current research highlights the role of the consumer in the value creation process. Dominant Service Logic (SDL) and consumer cultural theory have demonstrated a balanced customer-supplier centrality but at the same time provided the perfect framework for understanding value and/or value creation. Together both suppliers and consumers have the opportunity to create value by customizing 'co-produced' products. Co-creating value is a desirable object for any company as it can help organizations highlight the customer's point of view, improve the process of producing the product or service, and last but not least identify exactly what consumers would like. For the co-creation process, three very clear directions have been identified that should help companies but also consumers to provide as realistic a framework as possible for the concept:

- The process of creating value for the customer

If in a relationship between a company and its consumers, processes, resources, and practices are a priority for both the organization and the customer, another perspective is offered by the relationship between a company and another company where consumers through the processes they use are able to establish and manage the business and supplier relationships.

- The process of creating value for the supplier

This type of relationship involves the processes, resources, and practices the supplier uses to manage its relationships with consumers and other stakeholders.

- Interaction processes

This refers to the processes and practices of interaction and exchange that take place in the relationship between suppliers and consumers. Ideally, these processes and interactions should be managed professionally, creating the right environment for co-creation to occur.

In the last part of this chapter, models, and theories of integrating marketing elements into the supply chain were presented. Thus, in the last decade, the increased interest in the supply chain can be attributed to a number of factors such as globalization, which has created strategic opportunities for growth, global distribution, and production, increased competition on a global scale, but also trends towards time- and quality-based competition requiring a closer relationship and more visible coordination between the firm and its suppliers.

The supply chain has been considered an essential component of business processes including procurement and logistics. The supply chain is therefore based on the integration of processes belonging to the four areas: purchasing, product lifecycle management, supply chain planning (including inventory planning, asset maintenance, and company production lines), logistics (including transport and fleet management), and order management. The way a supply chain is managed is a major strategic issue for commercial or industrial enterprises and represents an important potential for creating value for the end customer in terms of service quality, performance, and responsiveness. Effective supply chain management is the context in which an important part of the company's profitability is contested by rationalizing supply chain costs or by focusing on new distribution channels. When establishing the structure of the supply chain, it is imperative to identify all members to be involved in the process. At this stage, those members that are of utmost importance to the organization should be prioritized and it is not recommended to integrate all types of members as this could make the network more complex and difficult to manage effectively.

Primary members are defined as those companies that carry out value-adding activities (operational and/or managerial) in processes designed to produce some type of satisfaction for some customers or target market. Secondary members, on the other hand, refer to companies that deliver resources, knowledge, and assets to the primary members of the supply chain. For example, secondary companies include those that rent trucks to the manufacturer, banks that lend certain amounts of money to a retailer, the owner of real estate that provides storage space, or companies that provide production equipment.

It also highlighted the most important integrated elements in the supply chain such as supply and demand and the role of marketing channels in the value creation process. The implementation of supply and demand integration requires the execution of a series of management processes oriented toward strategic planning (Langley, Novack, Gibson, & Coyle, 2021) and at the same time requires an accurate assessment of the resources an organization has in order to establish strategies and tactics that are highly correlated with demand as well as supply.

Marketing channels are the last part of the supply chain but are nevertheless seen as the engines that help deliver value to customers. Logistics, procurement, and operations serve as coordinated and integrated inputs highlighting their incorporation in the selection of key partners, linkages between activities, and connections between strategic resources to deliver value to target customers. As such, marketing channels cover various activities from the point of production of the product or service to its final consumption. The main purpose of a marketing channel is to create a connection between the organization responsible for producing a good or service and potential customers.

From the perspective of companies producing goods, four marketing channels can certainly be distinguished: (1) direct selling which refers to the direct sale of a product to the final consumer, (2) intermediary selling where products are manufactured at the point of origin but subsequently sold to customers by downstream intermediary firms such as brokers, en-

detail or wholesale firms, (3) dual distribution where manufacturers are interested in combining and using multiple channels to be able to sell products to final customers by being able to sell both to consumers and to wholesale and retail firms selling to customers through their own distribution networks, (4) visible reverse marketing where the product moves from the customer back to the manufacturer and such situations include recycling and recall.

In the second chapter entitled *Wine industry - specifics and possible approaches*, the global wine market was presented and the importance of this industry for the economy was established. In the first part of this chapter important information about the constituent elements of the market was presented to create the perfect context for the research. The concept of marketing together with concrete marketing activities is closely related to the economic context of the market, its nature, size, and mechanism of operation. In the marketing vision, the market requires in-depth knowledge of the market's size, structure, location, and capacity. From a marketing perspective, a highly visible approach is represented by market segmentation which is considered an extremely important tool that is used to select a target market in order to market a product/service using a marketing mix perfectly suited to economic conditions. When referring to the criteria used for market segmentation, two clear directions are observed: (1) when a single consumer characteristic such as age, gender, country of origin, or marital status is involved and (2) when a broader set of consumer characteristics such as a set of benefits sought when purchasing a product, a set of leisure activities undertaken and even a set of values related to the environment are involved.

Market segmentation has a number of benefits such as (1) it forces organizations to conduct a thorough analysis of their current positioning with a view to projecting the business into the future, (2) it provides the opportunity for organizations to think and rethink different approaches through the lens of consumer needs, (3) a better understanding of consumer differences which helps to improve the relationship between the organization's strengths

and current consumer needs, (4) the ability to target direct sales efforts to groups of consumers rather than individual consumers which would directly support marketing efforts. Subsequently, secondary data research aimed to identify the importance of the wine industry and described the features and characteristics of this primary industry. Among the most dynamic primary industries, the wine industry is a particularly interesting case in terms of regaining consumer interest, as latecomers to the international market have changed the way wine is produced, sold, and consumed and in this context, have challenged the position held by traditional wine producers.

The EU wine sector is considered the largest agricultural exporter in the EU. With annual exports worth €11.5 billion in 2018, the EU wine industry contributed a surplus of €8.5 billion to the EU economic balance. Thus, the agri-food industry can be seen as a sector with multiple opportunities that could grow through technological improvement. The global wine market is expected to grow from \$340.23 billion in 2021 to \$456.76 billion in 2028 at a CAGR of 4.30% over the forecast period. The quality of wines, technological advancements, and more advanced distribution networks will surely help the steady growth in demand for this noble beverage.

Another important factor that could support the growth of this industry is reflected in new consumer preferences and new trends that wine producers are considering. The largest wine markets are in Europe in countries such as France, Spain, Portugal, or Italy where per capita consumption is 35l of wine/person/year compared to 23.9l in Australia, 9.9l for the US, and 3.5l for China. In this context, it can be stated unequivocally that Europe remains the primary center of wine consumption with 58% of world production and 50% of the total value. The busiest markets are in the US, China, and France due to the large number of inhabitants, while the largest wine importers in the world are Germany, the US, and the UK where production is much lower than consumption.

The global wine market is characterized by dynamism but also by a number of factors that stimulate its development in line with the ever-changing needs of customers. Thus, the World Organisation of Vine and Wine has projected several trends that have influenced the future directions that wine producers are considering. *Substantial growth for fortified wines* but also for those infused with premium ingredients. *A growing demand from the Asia-Pacific area* where China is managing to dominate the market in the region and in this country, there is a huge demand for red wine and this is due to Chinese traditions that consider the colour red as very lucky. Thanks to this factor, China is one of the main markets for red wine consumption, competing directly with France and Italy. *The use of alternative packaging and the production of organic wines*. Regarding this aspect, the initial technical problems related to the freshness of wine have largely been overcome and aluminum cans are considered a perfect alternative, especially for young consumers. So far, the use of wine bottled in aluminum cans has proved to be very successful in the US and Brazilian markets where consumers seem to be more open to alternative forms of wine bottling. *Very high demand for rosé and sparkling wines*. Sparkling wine accounts for about 10% of the total amount of wine produced globally each year and Europe alone produces 80% of the world's production. *Rosé wine* is a category that has seen major growth and its rise is largely due to social media and France's glamorous history. The rosé segment of the market accounts for around 10% of world wine production, matching the size of the sparkling wine sector.

It is important to mention that wine is considered a versatile product and can be found both at the lower end of the alcoholic beverage markets and at the higher end where wines of exceptional quality can be found, so it is a product that is distinguished by a high degree of differentiation taking into account brand and price and which ultimately attracts consumers in all points of the market. Another characteristic of wine that makes it unusual, even unique in the world of globalized products is its close association with its place of origin or area of provenance. The place of origin is a key point used by marketers because it highlights the

history, the culture of that area, thus creating a story that inspires consumers to switch to different wines. The wine's place of origin is often associated with its quality and is therefore considered a key element in the process of product differentiation. The association of wine with the place of origin is embedded in the culture of wine consumption, a culture promoted by wine producers, marketers, and even journalists.

A unanimous opinion among wine specialists is that the different qualities of wines are closely linked to the name "terroir". Terroir has become a very powerful tool for classifying, distinguishing, and selling wine and is a distinctive element of the quality of wines perceived by the consumer.

In globalized markets, two competing geographical remedies can be distinguished at a basic level, namely (1) producers who adhere to the belief that a wine's place of origin is very important and (2) producers who do not use the concept of terroir explicitly and who tend to emphasize product consistency using modern winemaking techniques. In antithesis, in the first group of producers, those who consider the concept of terroir to be very important, often distinguish producers in small and medium-sized enterprises who use artisanal, traditional methods specifically used to highlight the individuality and uniqueness of wines and winemaking methods. The second group of producers for whom terroir is not a priority, use several types of grapes from different vineyards, and the resulting wines are not distinguished from year to year. Such a strategy is designed to develop consumer loyalty because it offers an accessible and reliable product that can be easily understood.

Next, this chapter presented the importance of segmenting markets in order to better understand consumers and to create wines closely related to the current needs of wine consumers. Thus, the literature has mentioned the following types of segmentation: (1) *geographic segmentation* which refers to dividing the market into different segments according to geographical area taking into account countries, cities, provinces and even postcodes as different countries may display certain wine preferences, (2) *demographic and*

socio-economic segmentation where demographic and socio-economic variables are considered the most popular as information is relatively easy to gather and measure, (3) *Behavioural segmentation* and in the wine industry the use of this type of segmentation provides wine producers with essential information on when wine is consumed, how often it is purchased or consumed and the psychological implications that lead the consumer to choose wine over other alcoholic beverages, (4) *psychographic segmentation* which, involved the use of AIO (attitudes, interests and opinions) methodology to provide the framework for presenting a more sophisticated description of consumers in the identified segments compared to the basic information that other types of segmentation would provide, (5) *segmentation through social media* where, several researchers studied the Instagram posts of people using the hashtag #winelovers and identified four different consumer segments based on their interaction with wine on social media, and (6) *segmentation through sustainability* where there was little interest in organic wines but wine enthusiasts were willing to pay more for such a wine.

In addition to segmentation modalities, this chapter has merged information on how to manage the supply chain in the wine industry. Thus, the supply chain in the wine industry is considered to be much more complex and much more difficult to manage and the research highlights that the supply chain in this industry is very different from the general supply chain in terms of six parameters: (1) raw material production, (2) finished product production, (3) packaging, (4) distribution, (5) consumption phase and (6) end of life. It can also be said with certainty that in the wine industry, the distribution chain is also influenced by seasonality and geographical conditions. Distribution in the wine industry can refer to direct sales from producer to consumer (either in person or using the Internet) but also to indirect sales where several major players are involved in forming specific marketing channels. In this respect, two clear directions of wine distribution were noted: (1) in the HoReCa segment where wine promotion is extremely important, and (2) in the Retail segment where wine

consumers can purchase a diverse range of wines but where there is no support at the time of purchase.

The last part of the chapter refers to marketing approaches used by wine producers amid constantly changing consumer preferences. For wineries, quality, wine reputation (both collective and private), and label are key elements for the marketing actions undertaken.

The third chapter entitled *Romanian wine industry - an analysis in a global and European context* aimed at a detailed presentation of this industry starting with a brief history of viticulture in Romania and continuing with the characteristics of this industry in Romania.

The most important moments in the history of Romanian viticulture refer to the period when phylloxera decimated the vineyards when, due to the epidemic, there were repercussions at the national level through the increase in wine prices, the large volume of important wines and the facilitation of beer consumption as an alternative to extremely expensive wine. Then there was the period of the installation of the communist regime when the Romanian government decided to set up organizations to increase the quantity of wine rather than its quality. During this time, the communist regime decided to eliminate all imported grape varieties and strictly use only local grapes, which had a negative impact on Romanian viticulture and also on the perception of the world's major players in the wine market regarding the poor quality wines that Romania exported. Subsequently, after the 1989 Revolution, many vineyards were retroceded and attempts were made to revive the wine industry, but it was only after 2007 that any significant progress was made in this direction.

The trigger for these changes was the possibility to access European funds through the National Support Plan and the Romanian wine sector absorbed 100% of these funds.

From the point of view of the characteristics of this industry, the geographical and climatic features that give our country a privileged status in terms of wine production were highlighted first of all. Romania has enjoyed over the years a long tradition associated with wine production and the areas cultivated with vines have covered considerable areas of our

country's territory. Over two decades, between 1863 and 1883, Romania managed to increase the area under vines from 100,000 hectares to 150,000 hectares, but with the outbreak of the phylloxera epidemic, the area under vines decreased.

Surprisingly, in 1900, Romania managed to own 152,000 hectares and in the interwar period the total area reached 220. 000 hectares. As far as contemporary viticulture is concerned, it should be noted that in 1972, Romania had 300 000 hectares of vines and after 1990 there was a drastic decrease in the area under vines and in 2004, Romania had 193 000 hectares under various grape varieties. Currently, according to the International Organisation of Vine and Wine, in 2021 Romania was ranked 10th in terms of areas under vines with 189,000 hectares. However, in the last 5 years, Romania has not invested in planting new vineyards but has preferred to use the 240 million euro obtained through the National Support Plan for the conversion of vineyards.

Also, Romania is the only country in the world where 72% of the vineyard area is not cultivated with quality wine grapes but with table wine grapes. This is a paradox because in most countries 90% of the vineyard area is cultivated with high-quality wine grapes. In this context, with more than 800,000 vineyards, Romania manages to exploit only 20% of the cultivated area to European standards. The reason why there are so many vineyards is due to the fact that these vineyards are extremely small in terms of surface area, with Romania's average being 0.2 hectares, while France is at the other end of the scale with 10.5 hectares.

An important feature of the Romanian wine industry highlights the age of vineyards, where 66% of the total area is over 30 years old and only 12% of the vines in Romania are younger than 3 years. As far as wine-growing regions are concerned, the literature presents 8 wine-growing regions: the Transylvanian foothills, the Moldavian hills, the hills of Muntenia and Oltenia, Crişana and Maramureş, the hills of Dobrogea, the Danube terraces and the wine-growing region of sands and other favorable soils in the south of the country.

Each of these areas is unique due to geographical and climatic conditions and soil characteristics, which is why the wines produced are different from one area to another.

In the second part of this chapter, the economic situation of the Romanian wine industry was presented in detail. In the global and European context, Romania, with a vast experience in wine production, has managed in recent years to rank 13th in the world and 6th in the European Union, producing on average 4.3 million hectolitres of wine. Although Romania is located near the northern limit of vine cultivation, with a perfect area for growing different grape varieties, not all wine-growing regions are equally productive, as climate and geography contribute to a large extent to the differentiation of the wine-growing regions in our country. Thus, the best-rated wine-growing regions in terms of wine production in Romania are (1) the hills of Moldavia, (2) the hills of Muntenia and Oltenia, and (3) the Transylvanian foothills.

Regarding wine consumption, Romania is ranked 14th in the world and 8th in Europe with an average consumption of 4 million hectolitres of wine in 2021, up 4.6% from the previous year. Also, our country recorded in 2021 an average consumption of 25 liters per capita up from previous years. If in 2011 21.3 liters of wine were consumed per consumer, this value increased relatively slightly until 2015 when 24.26 liters of wine were consumed per capita. Moreover, Romania is ranked third in Europe after Hungary and Bulgaria in terms of volume growth potential, which will be visible by the end of 2023.

Drinking wine is seen as a symbol of refinement and wealth but at the same time expresses a desirable social status and elegance. Wine consumption in Romania is primarily determined by the middle-aged and older population, more specifically people aged between 30 and 59, who represent more than 60% of all wine consumers in Romania. In addition, a slight gender difference in wine consumption was identified, with men consuming more wine than women. Wine consumption in Romania is also steadily increasing, with wine sales reaching 42.6 million liters in 2020, which represented an increase of 5.7% over the previous year.

Regarding the consumption habits of Romanians, it was noted that wine is usually consumed during meals which makes 80% of all wine consumed associated with food. When referring to consumers' preferences in terms of wine, it was highlighted that the consumption of red wine is predominant, with 30% of Romanians consuming it at least once a week. In addition to red wine, white wine is in second place in the ranking, 25% of which is consumed by Romanians, followed by rosé wine in third place, at a short distance (21%), which has continued to grow in recent years among the preferences of Romanians. However, according to the same survey, Romanians still prefer sweet and semi-sweet wines followed by dry wines. A study on Romanians' preferences when it comes to choosing a wine. A peculiarity of the study highlights the fact that when choosing a wine, the Romanian consumer prefers to go for wines from known vineyards, the color of the wine, and then the grape variety.

The last part of this chapter presented issues related to trade in Romania's wine industry. Romania's wine exports have increased significantly, but the percentage of exported wine is very small compared to the production in our country. Therefore, in 2021, Romania exported about 174 thousand hl worth 34 million euro, an increase of 10.7% compared to the previous year. It is interesting to note that most of the wines going for export are destined for Germany (28.%) and Great Britain (19%) and the most expensive Romanian wines are supplied to China (4%) and Japan (3%) as these countries do not have a tradition in wine production and represent an important source of income for our country.

Although 90% of wine consumers in Romania prefer wines produced in our country, Romania imported €63 million worth of wine in 2021.

The most important market from which Romania imports is represented by the Republic of Moldova with a percentage of 28% and the second most important source of wine is Italy with 23%.

The fourth chapter entitled *Research Methodology* provided important information on the rationale for the research but also on the stages of the research. This thesis was based on empirical research and was undertaken using secondary data (literature review) designed to be used for primary research data collection and analysis (research design and results). In order to obtain data and information relevant to the research objectives, the literature search involved the use of databases that are extremely important to the scientific community. Thus, platforms such as Web of Science, Emerald Insight, Springer, Elsevier, and many others provided the data and information needed to write the literature review. Keywords and key phrases were used on search engines to find appropriate aspects of the research related to the research aim and objectives. For the writing of this thesis, quantitative data collected through the use of the questionnaire was used to obtain data that could be analyzed in the form of statistics, graphs, and charts. Qualitative data quantified through the two types of interviews used were also obtained. These research methods were used in order to meet the objectives of the thesis and were structured as follows: For the qualitative research with wine producers, the primary aim was to *Identify methods of integrating the concept of value by Romanian wine producers*. For the second qualitative research which targeted wine distributors, the formulated aim was to *examine how wine distributors integrate the concept of value in the Romanian wine supply chain*. For the quantitative research involving Romanian wine consumers, the aim was to *critically analyze how Romanian wine consumers assess the value of wines*.

In the second part, the methodological aspects of the types of research carried out were summarised. Thus, the qualitative marketing research was based on the use of the interview which was carried out differently for the 12 Romanian wine producers and for the 10 Romanian distribution companies. The reason for using the interview was to explore the perspectives of wine producers and wine distributors on the value-creation process in the Romanian wine industry.

In doing so, two sets of interviews were created that included questions formulated based on the purpose, objectives, and themes identified in the literature. In-depth, semi-directive interviews were used to collect data, targeting interviewees for 30-40 minutes. All interviews were conducted face-to-face and were recorded with participants' consent. They were then analyzed using thematic analysis where themes and sub-themes were identified. All research findings were correlated with the literature

For the quantitative research, the instrument used for data collection was the questionnaire. It was created on the ZOHIO platform and the link was distributed online. The questionnaire used consisted of 24 questions investigating 93 variables. The sampling method used was non-random and the target audience had to be wine drinkers aged 18 years or older. In this context, 442 questionnaires were collected which were subsequently coded, entered and analyzed in SPSS IBM Statisc Tool version 26 and the results were presented in the form of charts, graphs, and tables.

In the last part of this chapter, the methodological limitations of the research were described. Although it was intended to collect two interviews from each wine-growing region, no interviews could be obtained from the Terasale Dunării wine-growing area. Also, in the Crişana and Maramureş area, due to the limited number of wineries, only one wine producer could be interviewed. Due to the lack of time for wine distributors, it was not possible to obtain interviews from several counties so that the results of the research could be extrapolated. Due to the use of a non-random technique for collecting questionnaires, it was not possible to create a representative sample for the whole country.

The fifth chapter entitled *Results and Discussion aimed at* presenting in detail the analyses carried out. For the qualitative research that targeted Romanian wine producers, thematic analysis was used and the data obtained from the answers collected from the interviews were carefully evaluated. Thus, ten themes and twenty sub-themes were outlined, which were analyzed and correlated with the literature.

Every wine producer is primarily interested in creating value for the final consumer. Following the analysis, it was found that the primary objective that wineries have in mind is to provide the consumer with a unique experience through wine consumption. Wine producers also specified that, "wine is a story, a history of a country" and that in the end, no matter what, wine, as a living organism, gives the consumer a memory, a pleasure, and last but not least an experience. Of note was the fact that all wine producers stressed that all these elements mentioned manage to be more visible and have a greater impact on HoReCa. This hedonic value, which each of the 12 respondents mentioned, can be a logical extension of all that is meant by the marketing and consumption of wine in hotels, bars, restaurants but also specialized shops. On the other hand, the utilitarian value derived from wine consumption is 100% predominant in supermarkets where the lack of interaction with the customer does not allow for the formation of a framework conducive to creating an experience. If for HoReCa, wine can have different connotations designed to give the consumer not only a glass of wine but also a story, a memory, or an experience in Retail the value of wine can be restricted according to 75% of respondents to the quality-price ratio. The most important aspects that are taken into account by a potential interested consumer would be the notoriety of the winery, the packaging, and the way the label looks. 10 of the 12 respondents added that on average a wine consumer does not spend more than 5 minutes in front of the wine rack.

In order to highlight how wineries manage to create value for the wines they produce, the most important directions have been identified, namely: positioning on the internal and external market, the competitive advantage of wineries, and product differentiation. Regarding the internal positioning, all 12 respondents highlighted the fact that the wine they represent is found in all distribution channels and this gives them the opportunity to gain more visibility. Also, 4 of the 12 producers constantly participate in wine fairs organized in Romania in order to have direct contact with the wine consumer.

Externally, 53% of the respondents revealed the importance of participating in international trade fairs where Romanian wines can be promoted but where, through established partnerships, the value of the wines can be considerably increased. Of the 12 producers interviewed, 7 specified that the presence at established international fairs such as the Düsseldorf or London fairs offers them the possibility of better penetration abroad, although without a country brand, as in the case of many renowned countries, they manage to achieve satisfactory results. Apart from attending these fairs, 10 of the respondents consider exporting a profitable way of gaining recognition for the wines they produce. The most important international markets for Romanian wines are the Asian markets, especially China and Japan, but also Canada and the USA. In conclusion, it was noted that the winery's age and size are closely linked to the actions taken to promote foreign markets and this becomes a priority only after they have managed to consolidate their position domestically.

Regarding product differentiation, the answers are generally different, which gives even more value to the Romanian wine industry in terms of the uniqueness of the cellars and the way they manage to remain imprinted in the memory of the wine consumer. Thus, two respondents specified that the quality-price ratio is fair while two others focused more on the high quality of the wines but also on the consistency in the quality produced. The wine-growing region as well as the microclimate were seen as competitive advantages by several wine producers while investment in technology was a key point of reference for the winery.

Finally, we wanted to examine the techniques used to promote the wines, and from the analysis of the interview it emerged that the wine brand is vital for an experience-based winery and this allows them to further differentiate their wine from other producers. Although none of them mentioned the wine brand as a competitive advantage, they all stressed its importance, especially those who have been in the industry for a long time and already enjoy a reputation. At the same time, younger wineries also want to strengthen the brand but this can be seen over time and is based on a consistency of quality.

A second technique used by winemakers is closely linked to terroir. The particularities of the wine-growing area, the geographical area and the climatic conditions could not be highlighted without experienced winemakers and oenologists, so there is a vital link between the place of origin and the quality of the wines produced. At the same time, the hallmarks of quality were highlighted by the 12 respondents who mentioned that DOC (controlled origin) wine-growing areas are extremely important both for the quality of the wine and for those who consume the wines produced in these wine-growing areas... "the consumer is always interested in the wine region and a DOC unquestionably increases the value of our wines".

As far as reputation is concerned, in the view of all wine producers, it plays a crucial role both in the way wineries are perceived and as a decision-making factor for the consumer. From the analysis of the answers received from the winery representatives, private reputation takes precedence over collective reputation, which means a low value of the wines internationally but not domestically. In other words, the reputation of wine is essential for certain market segments and wine producers rely on this marketing tool strictly at certain well-defined junctures.

Regarding the label of a bottle of wine, 50% of those interviewed said that it is extremely important in retail stores but totally insignificant in the HoReCa sector. Although every wine producer pays a lot of attention to the wine label because it sends a clear message from the winery, not all of them consider it a key element that helps to create value. Under these circumstances, two clear directions have been identified that wine producers consider when designing and promoting a bottle of wine: HoReCa and Retail, each contributing to value in different ways.

Regarding promotion channels, all respondents stated that the organization of wine events (tastings, presentations, and wine promotions) is very high on the agenda of Romanian wine producers. In addition to the traditional tastings organized in the HoReCa sector, producers consider that organizing such tastings at the producing wineries is much more beneficial and

has significantly higher chances of increasing the value of wines. As a result, wine producers are extremely active in their attempts to bring the consumer as close as possible, especially as the impact that such events have on the final consumer has been highlighted.

At the end of the interview, the role of distribution companies for wine producers was analyzed and the results showed that the wine producers interviewed mentioned that a distribution company is vital for any winery provided that the partnership is mutually beneficial. For example, depending on the size of the winery, there are several ways in which wine producers partner with distribution companies. So small and medium wineries prefer small and medium distribution companies to grow together. In antithesis, wineries with a long experience in wine production prefer to partner with large, well-known distribution companies because, due to the reputation of the wine, no additional efforts are needed to penetrate the local market.

The 12 respondents stressed the importance of distributors and noted that wines would not be sold in such large quantities without them, whether in the HoReCa or Retail segment.

For the qualitative research with Romanian wine distributors, thematic analysis was used to interpret the data obtained. First of all, it was intended to examine how distribution companies select their wine producers. In order to investigate how distribution companies select their partner wineries, several criteria emerged from the analyzed responses. It is essential to note that there is no single approach to establishing partnerships but that there can be two options; either the winery contacts the distribution company to sign a partnership or the distribution company contacts the wine producers. There is also no general rule that works in optimal parameters but there are several options that are taken into account in the selection process. Thus, four general criteria have been highlighted: (1) the quality of the wines which is a turning point for all distribution firms especially if there is consistency in ensuring the quality of the wines produced, (2) the notoriety of the wineries which surprisingly is not a relevant aspect for six of the 10 distributors interviewed, (3) the

quality-price ratio where seven out of the ten distributors considered this aspect extremely important but very closely related to the demands made by wine producers and (4) the sales potential of the wine and all ten distributors concluded that the sales potential of the wine is essential especially if the wine is in line with market trends and if there is the active involvement of the winery.

The value of wine to the distribution company is synonymous with passion, determination, and commitment. All 10 distributors supported this especially as the ultimate goal is to satisfy the wine consumer.

In conclusion, wine distributors are an important link in the wine distribution chain and can unquestionably increase the value of wines by partnering with distribution companies and using marketing strategies that are beneficial to both parties involved. It is the end consumer who can appreciate all the efforts of the distribution companies through their experiences, stories, and memorable memories. The HoReCa sector in particular is the target of wine distributors because this is where the value of wine can be quantified and where the most used ways of increasing the visibility of quality wines are found. Creating an educated consumer is the goal of both producers and consumers of wine.

For the quantitative research, the 442 questionnaires collected yielded interesting information which was then cross-checked with information obtained from wine producers and distributors. The results revealed that men consume more wine than women and the frequency is several times a week while women prefer to consume several times a month. Regarding the preferred wine-growing areas, women prefer wineries in the Crisana and Maramures Hills while men prefer those in Transylvania. Consumption of red wine continues to be in first place for both men and women, closely followed by white and rosé wine (especially for women).

Romanian consumers still prefer to buy their wines in supermarkets and to learn about wines by attending tastings and wine presentations. Moreover, at the time of purchase, the

packaging and label matter to a large extent, and the most relevant information on the front label refers to the name of the producer and the type of grape. For the back label, the origin of the wine, alcohol volume, and culinary associations are important sources of information. The analysis also showed that regardless of the budget allocated to the purchase of a bottle of wine, the place of origin, type of wine, and description of the wine are equally important. On the other hand, depending on the willingness to pay less or more than 100 lei for a bottle of wine, some information is more important and some less important.

It was also observed that for women the elements that most influence their perception of wine quality are: the origin of the wine and the grape variety. The least important are those related to packaging, wine distinctions, and place of purchase. On the other hand, for men, the most important elements were the origin of the wine, the grape variety, and the brand of the wine. On the opposite end, the least important elements influencing the perception of wine quality were wine distinctions, labels, and packaging. Wine represents a story, of curiosity, and is associated with relaxation and the pleasure of drinking wine. Furthermore, respondents value wine quality in terms of intrinsic factors such as aftertaste or aroma.

The last chapter of this thesis entitled Perception of Value from the Perspective of the actors involved in the distribution chain of the wine industry in Romania was able to synthesize all the information obtained from the critical analysis of secondary data and from the analysis of primary data obtained from wine producers, wine distributors, and wine consumers. The main aim of the research was to find ways of integrating value throughout the distribution chain, starting with wine producers, followed by wine distributors, and finally reaching wine consumers. In this way, it was possible to analyze and synthesize all the responses received and the concept of value has different connotations for each party.

From an economic perspective, wine production represents the most important value for producers in Romania especially because this industry is booming and generates substantial profits, promotes employment opportunities, and contributes to the economic growth of

areas known for wine growing. Wine, in essence, is perceived by them as a story, a tradition, a heritage that can be passed on from generation to generation, and its value is predominantly hedonic because of the experiences it offers, the memories it creates, and the emotions it evokes. The main priority for wine producers is to constantly satisfy consumers by creating top-quality wines.

For wine producers, the value of wines is represented by three essential factors: wine quality, place of origin, and terroir. The consistent quality of the wines produced represents the greatest value for a winery and this would not be possible without investment in technology and winery modernization. Moreover, working with internationally renowned winemakers has further contributed to the creation of value for wine producers. The value of wine is also perceived to be closely linked to microclimatic conditions but also to the geographical area, which in essence is a competitive advantage for wineries. The promotion of the values and traditions of the wine-growing area is found in the place of origin because they highlight the particularities of the wines produced. The use of local varieties in the wine-making process is considered to be extremely valuable due to Romania's traditions in wine production and their perpetuation helps to raise awareness of the wines on offer and thus increase the value of the wines both domestically and internationally. Reputation is the third element identified by wine producers as vital for creating value in wines. In Romania, private reputation predominates, which generally refers to the individual reputation of a wine producer or winery, unlike in other established countries where collective reputation is highly visible (it refers to the reputation of a wine region or appellation as a whole and reflects the overall quality, consistency and unique characteristics of the wines produced in that region).

Distribution companies are an important link in the wine supply chain. All wine producers mentioned that the possibility to enter into partnerships with distribution companies increases the visibility of wineries. Moreover, these partnerships share several essential aspects: (1) passion for wine, (2) mutual respect, (3) permanent support, and (4) constant

involvement. The distribution of wines is done both in the HoReCa and Retail channels and this contributes to the creation of value for the wines promoted. As with wine producers, HoReCa is the most sought-after for distribution because only in this market is there a real possibility of increasing the value of wine.

Importantly, these distribution companies are extremely involved in the wine promotion process, and partnerships with restaurants are not just to deliver wine but to create a memory and experience for the end consumer.

For wine drinkers, hedonic value is a concept often used to describe the pleasure or satisfaction wine drinkers experience in different situations. For them, hedonic value plays a significant role in their preferences, purchasing decisions, and overall enjoyment. Primarily, the gustatory and sensory aspects of wine are crucial components of hedonic value, and wine consumers, seek out flavors and textures that appeal to their personal preferences.

Factors such as sweetness, acidity, tannins, and complexity all contribute to the overall taste experience. Another aspect that has influenced the hedonic value for wine consumers is the perceived quality and origin of the wine. Furthermore, the context in which wine is consumed also contributes to the creation of hedonic value. Irrespective of consumer typologies, it has been observed that consumers often value the social and cultural aspects associated with wine consumption. Wine tastings, vineyard visits, and other wine events also provide opportunities for consumers to deepen their knowledge and understanding of wine.

Utility value reflects the overall assessment of functional benefits, which include quality services time saved, money saved, and several other physical attributes of the product. Perceived utility value can be assessed in terms of the functional characteristics of the product. Both intrinsic and extrinsic product attributes refer to those characteristics such as packaging color, label design, and wine aroma but also the environment in which the wine is consumed affects consumers' perception of the value offered by the wine.

Thus from this point of view, consumers are influenced by wine packaging which can provide a functional and experiential benefit to the product.

The results of the research were able to provide important information on the perception of value from the consumers' perspective but at the same time identified the most important characteristics of consumers according to where they purchase wine. Thus, two very clear directions were observed: wine purchase in the HoReCa industry and wine purchase in retail stores.

Therefore, the value creation process has an interesting path along the supply chain and the results of both qualitative and quantitative research add value to the Romanian wine industry.

The results of this research have revealed two directions in which the original contribution of this work stands out. *At the theoretical level*, although there are many studies on wine in the Romanian literature, from the point of view of its physical and chemical attributes, there is a limited number of marketing research on this product. Thus, this paper brings substantial value to the scientific community by synthesizing information from previous research plus the results obtained from interviews with wine producers and distributors as well as from the questionnaire completed by Romanian wine consumers. This paper has presented in a comprehensive manner the perspectives of the three parties involved highlighting how value is perceived and how it can be integrated into the wine supply chain. In addition, both wine producers and wine distributors in Romania by highlighting the most important elements that can support the value-creation process.

Operationally, the results are due to the mobilization of three distinct categories of respondents and this three-dimensional approach has allowed us to capitalize on all the responses by providing an overview of how value can be integrated into the supply chain. At the same time, this research, based on a socio-demographic analysis, provides insights from wine consumers that could help producers in the process of tailoring marketing actions

according to the characteristics of each targeted segment. Even though wine is consumed by both women and men, there are significant differences in the way they assess the value of wine, indicating a reconfiguration of how value is created and integrated into the distribution chain. For wine distributors, this research offers even more directions to approach so that they can succeed in promoting the right wine to the right people in the right place.