



<http://www.diva-portal.org>

This is a report published by *American Association of Wine Economists AAWE*.

Citation for the original published report:

Rytkönen, P., Vigerland, L., & Borg, E. A. (2019). *Georgia Tells its Story: Wine Marketing Through Storytelling*. New York: American Association Of Wine Economists. (AAWE Working Paper; 240)

N.B. When citing this work, cite the original published report.

Permanent link to this version:

<http://urn.kb.se/resolve?urn=urn:nbn:se:sh:diva-38141>



AMERICAN ASSOCIATION OF WINE ECONOMISTS

AAWE WORKING PAPER
No. 240
Business

GEORGIA TELLS ITS STORY: WINE MARKETING THROUGH STORYTELLING

Paulina Rytkönen, Lars Vigerland,
and Erik Borg

May 2019

www.wine-economics.org

AAWE Working Papers are circulated for discussion and comment purposes. They have not been subject to a peer review process. The views expressed herein are those of the author(s) and do not necessarily reflect the views of the American Association of Wine Economists AAWE.

© 2019 by the author(s). All rights reserved. Short sections of text, not to exceed two paragraphs, may be quoted without explicit permission provided that full credit, including © notice, is given to the source.

Georgia Tells its Story: Wine Marketing Through Storytelling

Paulina Rytönen*, paulina.rytkonen@sh.se
Lars Vigerland, lars.vigerland@sh.se
Erik Borg, erik.borg@sh.se

Department of Business Studies,
School of Social Sciences,
Södertörn University, Sweden.

Abstract

Storytelling is a powerful marketing tool. It represents a form of content marketing that appeals to the imagination of the consumer. We have studied the use of storytelling by Georgian wine makers. As a wine country, the former Soviet republic of Georgia has a compelling story to tell. The country represents the cradle of wine and has an unbroken 8000 year old history of wine production. In addition to the story of the origin of Georgian wine, the country is still producing wine in a tradition that dates from the antiquity. The Qvevry production method is still in use in Georgia and produces wine with a very characteristic taste. Furthermore, some of the vineyards in Georgia has a long history and is related to historical buildings often depicted on the label of the wine bottle. Finally, the grapes are originally from Georgia and has been grown here for thousands of years. We have followed four vineyards and their history in order to depict how storytelling is used the wine industry in Georgia.

Key words: Georgia, Storytelling, Vintages, Wine Marketing

Introduction

Georgia has a story to tell though its wine making in the Caucasus region. The country can trace its wine production that represents a continuous agricultural activity for the past 8000 years. Wine making was originally developed in the Black Sea region, and the former Soviet Republic of Georgia has seen wine making continuously within its borders for the entire period. The slogan: 8000 vintages was developed by the Georgian wine industry. Other countries have made similar claims, but they have seen border changes and alterations in the naming of regions.

The methods used today in wine making in Georgia dates to the Antique period of wine production. In addition to this long history, the different wine grower can point to a more recent history of wine making which dates to the 18th and 19th century. These traditions add to the stories that the wine represents and display in the global wine market. We adopt a storytelling perspective in our narrative approach to the marketing of Georgian wine. We have made on site visits in Georgia and sampled wine to investigate what kind of stories that are displayed on the bottles. An on-site investigation of wine cellars and wine growers are included in our study.

The main questions to be answered in this article are: Which are the main components in the story telling of the Georgian wine industry? How is storytelling used to meet the market goals of the industry's and individual companies? How is storytelling molded in various communication channels, such as bottle labels, home pages and films?

The study behind this article was outlined as a classical case study using triangulation and a mixed methods approach (Cresswell, et al., 2013; Yin, 2009). The case study approach has a methodological advantage since it facilitates in-depth study of a population or phenomena, in this case, storytelling. It is also appropriate if triangulation of methods and sources is necessary. In this study, the case study approach will help us combine various sources and methods to go deeper into the study of storytelling and the analysis of written and visual sources. We will implement a classic discourse analysis by studying: 1) What is the topic of the stories used by companies/industry?; 2) How are topics described?; 3) What is presented as truth? 4) Which subject propositions are put forward? And, 5) What is omitted in the stories? (Gee, 2014). Such questions and topics are at the center of story-telling studies

(Delgado Ballester and Fernandez Sabiote, 2016; Mora and Livat, 2013). The sources for the discourse analysis are advertising material, films and wine labels.

We have also conducted in-depth interviews with key-stakeholders at the ministry of agriculture, employees in wine firms, including a start-up, and we have also conducted some field visits to vineyards in three different regions. The interviews have been analyzed using phenomenography to identify the nuances and differences in interpretation and visualization of in the answers provided by informants. It will be useful to help us understand why and in which way storytelling is used and communicated (Åkerlind, 2012). Results from interviews will be complemented with storytelling captures in special wine shops and restaurants.

Telling stories and story telling

According to Snowden (1999), the ability to tell stories and use these stories to create purposeful meaning and context is an old skill, maybe as old as mankind itself. In our capacity as humans, we all share stories which are embedded in our respective cultural contexts. These stories might include elements which raise our interest, that create excitement but that might also mediate knowledge. Some examples are stories from the bible, fables (e.g. the turtle and the rabbit), but there are also modern urban myths (Snowden, 1999).

In business research the study of storytelling is not new, but it has gained momentum during the last decades. This increasing interest responds to the emergence of content marketing as a new tool used by business to reach the targeted market in a media landscape in which the intended consumers are flooded with new information each day. Thus, content marketing has become a powerful tool to educate, mediate knowledge and create brand loyalty within B2B, B2C and businesses sometimes engage their consumers in content creation by finding

solutions for C2C interaction. In contrast to advertising (e.g. communicating brand content), storytelling as a part of content marketing aims at creating value through useful, relevant, immediate and urgent content (Pulizzi, 2012).

Studies of storytelling look for attributes related to the brand/company/product (Hjelmgren, 2016), Nation/geography/place (Garcia, 2018) production process/technology/knowhow (Yong-Sook & Woo-Jin, 2014) and consumer attributes/emotions/desires/ (Merchant, et al. 2010). Systematization of a storytelling study can also be conducted departing from cultural markers, metaphors and the consolidation of intellectual assets (Snowden, 1999). In the search for evidence within storytelling research, scholars propose for example the use and analysis of written and web-based sources using categories, such as *Construction/main features of the story, dimensions, elements and diffusion channels/sharing* (see for example Markowska & Lopez Vega, 2018; Yong-Sook & Woo-Jin, 2015).

Yong-Sook & Woo-Jin (2015) argue that alcohol is strongly interwoven with the history of countries and their culture. The links between alcoholic beverage and culture are expressed through myths, traditions, celebrations and rituals, such as funerals, weddings and baptism (Yong-Sook & Woo-Jin, 2015). The wine industry is governed by a strong tradition of institutions and industry norms which are wide spread at global level. In addition, quite concrete wine making skills, know-how and technologies, but also of subjective interpretations/descriptions of taste and quality are important elements in the industry (Markowska & Lopez Vega, 2018). Just by looking at the homepage of wine companies, or by reading wine labels words such as “passion” and “love” for winemaking, “history” and “tradition” of industry and firms, as well as the “terroir”, “climate” and “soils” of specific territories, seem all to be common aspects of the global story of wine. The common

denominator of wine stories is that they all refer to passions, territories and traditions in well-known wine countries in the “old world” and the “new world”.

Marketing, trademarks, brands, geographical indications and storytelling are all entrepreneurial tools used in the wine industry to achieve differentiation in the market (Johansson, A. W. 2004; Larsson, et al. 2012)

Creating brand value, increasing income at firm level and relating to consumers in current countries and to create consumer relations when entering a new market are some of the reasons why wine firms engage in storytelling and content marketing. Some examples are Australia’s stories related to early settlers, Chilean stories about the relationship between winemakers and independence and French stories based on place-chateaux-quality (Mora & Livat, 2013). Consumers know current wine stories of the old and new world too well. But which strategies can wine companies adopt and what stories can companies tell when they are neither old, or new world? In this article we will analyze the storytelling strategies of Georgian wine companies departing from the narrative, the history, know-how/production, the artefacts and emotions mediated in the stories.

Storytelling can be considered as what has been called: content marketing (Kee and Yazdanifard 2015). Customers choose what information to receive and what story content to believe (Hipwell and Reeves 2013). A story represents a personalized message with a marketing content that is relevant to the receiver of the message (O’Reilly 2014). Content marketing in the form of storytelling is increasing as it can be viewed to have a higher impact on customers. It can be argued that human memory is story based (Shank 1990). A story can represent an augmented value proposition. The value of a product or service is increasing as

the customer is aware of personalized information about the producer and can relate to the augmented value of the product or service (Gilliam et al 2013). A story can communicate a large amount of information in a readily accepted manner (Shank 1990).

Stories

Our results show that the most essential story in the Georgian presentation of its wine culture is its 8000 year old wine history, not only suggesting, but also arguing that Georgia is the “cradle of wine”. Archeological findings have proven that Georgia has produced wine for the last 8000 years. According to the storytelling, wine making was invented on the east shores of the Black Sea. Georgia tells this story by calling it its 8000 vintages. While vast amount of historical research concludes that neighbouring countries (especially Armenia and Azerbaijan) also made wine for the same period of time, it is according to the Georgian wine industry, Georgia and its people who have produced wine for 8000 years.

In line with the former the second element highlights Georgia as being Noah’s ark of viticulture with 525 endemic grape varieties, 40 of which are today used in commercial production. Some of the most known varieties are Saperavi and Rkatsiteli. Grape varieties are also connected to wine regions, such as Kakheti. Each region has in turn its own historical and archaeological sites and its own stories and traditions.

The third element in the Georgian wine history is the making of traditional Qvevri wine. This is the antique method of making wine which involves large clay vessels that are buried underground and labour intensive handling of the maceration process saying that “we touch fire grape juice, shell residues, etc. during the first fermentation round the clock for about three weeks”. The vessels are sealed for several months after the initial fermentation has taken

place. This wine acquires a taste with a hint of clay minerals. This traditional wine has gained a market share within the former Soviet Union and is sought after among the independent post-Soviet states.

The fourth element has a strong connection to religious beliefs. Wine as a finished product is often referred to as a miracle of god. When clay vessels are sealed “what happens in the Qvevri is a secret between the vessel and god”. Monks, priests and believers pray for the success of the fermentation process. And, every year when the clay vessels are opened especially important guests are invited for the occasion. This is described as “one can note that a miracle once again happened”. Vines are also connected to the cross of Christianity in Georgia. According to the legend Saint Nino, the first preacher of Christianity in Georgia who according to the legend created her cross from grapevine stems and entwined the stems with her own hair.



Photo: Saint Nino's Cross

Source: By Paata Vardanashvili from Tbilisi, Georgia - saint Nino's Grapevine cross, CC BY 2.0, <https://commons.wikimedia.org/w/index.php?curid=1923196>

The fifth element of wine storytelling is the presentation of the Georgian land and its agriculture. There are two major wine regions: the western and the eastern regions.

Traditional Qvevri wine making is established in both regions, but the western regions are producing more of the semi dry and sweet wines that has been popular in Russia. In the East two main grapes dominate production the red Saperavi and the white Rkatsiteli. In addition, there are also many other local grape varieties. During the Soviet times grapes that yielded larger harvests were preferred and quantity of grapes were preferred over quality. In later years the quality of grape varieties has been emphasised by Georgian wine producers and several more grape varieties has come into fashion.

The sixth element is the way in which wine is consumed. All informants concluded that drinking is a social activity connected with the eating of good Georgian cuisine under a strict set of social rules. The drinking is directed by a toast master who keeps speech and shares words, leads the participants into songs and honors the host. The toast master is always a man and most often of old age. The toast master is an ancient tradition and archeological findings support that they have been around for at least two millenia. Parties can go on for many hours, therefore plenty of food is required. Some of the most typical dishes are at wine parties are Khinkali, Kachapuri, Chaqapuli, Georgian bean pot, et cetera.



Photo: Georgian toast master.

Source: Rytönen, 2018. Museum of history and anthropology, Tbilisi.

Vineyards

In our quest for vineyards and wineries that tell the Georgian story of winemaking we have conducted in-depth interviews with representatives from four different wine companies. The first is called Chateau Mukhrani a winehouse that started its winemaking in 1878. The vineyard has been owned by the old royal family, the Bagrationi, a family that to this day has claim on a royal throne in Georgia. The Bagrationi family is one of the oldest royal families in Europe. It is this connection, and the fact that the vineyard has a castle like building on its estate, they therefore denominate their wine as Chateau wine. Chateau Mukhrani attracts busloads of tourists who tour the main building and production facilities. Visitors are told the

old history of the Bagrationi family and the traditional and modern ways that wine is made by.

The second vineyard is Badagoni winehouse. This is a much newer wine producer that was started by investors in 2006 in the Kakheti region which is a region in the heart of Georgian winemaking. Badagoni uses the most modern techniques to make wine and has attracted an Italian enologist Dr. Donato Lanati to assist in the development and production of wine. Dr. Donato has been listed among the world's top five enologists by the magazine Wine Enthusiasts. Grapes are harvested from all of Kakheti's micro-zones to produce high quality Georgian wine. Badagoni is situated near the Alaverdi monastery which the company has helped restore to its former glory. The monastery has produced wine since the 9th century. The connection between Badagoni and Alaverdi adds an historical dimension to the Badagoni vineyard.

A third story is presented by the Prince Alexander Chavchavadze Tsinandali Estate (Tsinandali). Chavchavadze was born in 1786 and is considered as the father of modern Georgian winemaking. Tsinandali is situated in the cradle of classical Georgian wine making where the first bottled wines were produced. They have a collection of wine bottles from 1841 (Saperavi grape). The vineyard has its own wine history museum with its Princely Oenothèque. The collection includes in addition to Tsinandali Saperavi, bottles of Chateau Lafitte, Chateau d'Yquem and other legendary 19th Century wines.

Our fourth storyteller is the Corporation Georgian Wine which was established in 1999 in the Tsinandali village (Telavi region, Eastern Georgia). The company exports wines to countries like Ukraine, Kazakhstan, Belarus, Estonia, Latvia, Lithuania, China, Japan and Russia and

produces 16 different types of wine under 12 of its own brands. The company has an innovative label which you can scan with a smartphone and directs you to Youtube and Georgian songs with English subtitles. The wine and the songs promotes the image of Georgia in the export markets as well as in Georgia. Post-Soviet countries are especially receptive to Georgian wine traditions as they have a long tradition of drinking Georgian wine.

Concluding Remarks

Storytelling represents a very useful tool for marketing wine. Our minds are tuned to the reception of stories. We remember, appreciate and retell stories all the time. A product connected with a story represent an augmented product. The product becomes more than just a thing, it is a part of a greater context. When consuming you become part of a larger web of a story being told and retold. People like to know more about what they are consuming. We are conscious about what we consume and how it impacts the surroundings. Not least has the concern for the environment had an impact on consumer consciousness. This is important when marketing organic wines which is a rapidly expanding market even in Georgia. Telling the story about how the wine is made and its role in the long history of winemaking is a compelling way of marketing wine which more and more wine makers are discovering. We have discovered how this works in Georgia. Our analysis represent compelling evidence of the role of storytelling in the wine industry.

References

- Delgado Ballester, E. and Fernandez Sabiote, E. 2016. Once upon a brand: Storytelling practices by Spanish brands. *Spanish Journal of Marketing*, Volume 20, Issue 2, pp 115-131.
- Gee, J. 2014. Unified Discourse Analysis. Language, Reality, Virtual Worlds and Video Games, London: Routledge, doi: <https://doi.org/10.4324/9781315774459>
- Garcia, C. 2018. The Power of Myths and Storytelling in Nation Building: The Campaign for the Independence of Catalonia from Spain (2012-2015), *Canadian Journal of Communication*, Vol 43, No 2. Doi: <https://doi.org/10.22230/cjc.2018v43n2a3226>
- Gilliam, D.A.; Flaherty, K.E. and Rayburn, S.W. 2014. The Dimensions of Storytelling by Retail Salespeople, *The International Review of Retail, Distribution and Consumer Research*, 24, 2, 231-241.
- Hipwell, K. and Reeves, M. 2013. Hoe to Use Content to Grip Your Audience, *Journal of Brand Strategy*, 2, 1, 63-75.
- Hjemgren, D. 2016. Creating a compelling brand meaning by orchestrating stories: The case of Scandinavia's largest department store, *Journal of Retailing and Consumer Services*, Vol 32, pp. 201-217. <https://doi.org/10.1016/j.jretconser.2016.06.015>
- Larsson, M., Lönnborg, M. & Winroth, K. 2012. Entreprenörskap och varumärken: en introduktion, in Larsson, Lönnborg & Winroth (eds) Entreprenörskap och varumärken, Gidlunds Förlag.
- Markowska, M. and Lopez Vega, H. 2018. Entrepreneurial storytelling: Winepreneurs as crafters of regional identity stories, *The International Journal of Entrepreneurship and Innovation*, Vol 19 (4), pp. 282-297.

- Merchant, A., Ford, J. B. & Sargeant, A. 2010. Charitable organizations' storytelling influence on donors' emotions and intentions, *Journal of Business Research*, Vol 63, Issue 7, pp754-762. Doi: <https://doi.org/10.1016/j.jbusres.2009.05.013>
- Mora, P. and Livat, F. 2013. Does storytelling add value to Bordeaux wines, *Wine Economics and Policy*, Vol 2, Issue 1, pp. 3-10.
- Michael D. Fetters, M. D., Curry, L. A. & Cresswell, J. W. 2013. Achieving Integration in Mixed Methods Designs—Principles and Practices, *Health Services Research*, <https://doi.org/10.1111/1475-6773.12117>
- O'Reilly, L. 2014. Huffington Post CEO on Native Adds, Content Personalisation and UK Plans, *Marketing Week*, 3.
- Pulizzi, J. 2012. The rise of storytelling as the new marketing, *Publising Research Quarterly* Volume 28, Issue 2, pp 116–123. <https://doi.org/10.1007/s12109-012-9264-5>
- Shank R.C. 1990. *Tell Me a Story: A new look at real and artificial intelligence*, New York: Scribner.
- Snowden, D. 1999. Story telling: an old skill in a new context. *Business Information Review*, 16(1), 30–37. <https://doi.org/10.1177/0266382994237045>
- Yin, R. K. 2009. *Case study research: Design and methods (applied social research methods)*, London Singapore: Sage.
- Åkerlind, G. 2012. Variation and commonality in phenomenographic research methods, *Higher Education, Research & Development*, Volume 31, 2012 - Issue 1: 30th Anniversary Issue.
- Wong An Kee, A. and Yazdanifard, R. 2015. The Review of Content Marketing as a New Trend in Marketing Practices, *International Journal of Management and Economics*, 2, 9, 1055-1064.

Yong-sook, L. & Woo-jin S. 2015. Marketing tradition-bound products through storytelling:
a case study of a Japanese sake brewery, *Service Business*, Volume 9, Issue 2, pp.
281-295.