

Sanja Jelić Milković
Josip Juraj Strossmayer University of Osijek
Faculty of Agrobiotechnical Sciences Osijek
Vladimira Preloga 1,
31000 Osijek, Croatia
sanja.jelic@fazos.hr
Phone: +38531554803

UDK: 339.138:663.25] (497.54)
Preliminary communication

Received: January 15, 2019
Accepted for publishing: January 29, 2019

This work is licensed under a
Creative Commons Attribution-
NonCommercial-NoDerivatives 4.0
International License



MARKET ORIENTATION AND ENTREPRENEURIAL EFFECT OF WINEMAKERS

ABSTRACT

The method of interviews was used to conduct a case study whose objective was to determine the market orientation and entrepreneurial effect of four winemakers in Osijek-Baranja and Vukovar-Srijem Counties. The study showed that the four interviewed winemakers did not have a marketing orientation in the sense of the marketing budget and capacity or in the sense of market orientation. Even though the winemakers are aware of the importance of using marketing in the modern world, their inadequate knowledge of marketing and the absence of a marketing department make them mostly sales-oriented. If the winemakers wish to be competitive in the Croatian and international markets and compete against European winemakers, they must increase their market orientation and turn their sales orientation into marketing.

Keywords: Wine, market orientation, entrepreneurial effect, Croatia

1. Introduction

In recent decades, changes in the consumers' way of life and changes in food products on the one hand and increased globalisation of the market on the other have had a significant impact on the wine sector, modifying the production, marketing and distribution of products (Castellini et al., 2014). The global wine market faces fundamental changes that affect wine production and consumption (OIV Statistical Report on World Vitiviculture¹; Kalazić et al., 2010; Pomarici et al., 2017). Wine consumers in developed countries have reduced their per capita wine consumption in favour of other alcoholic beverages, unlike consumers in "new" winemaker countries (Argentina, Chile, Australia, New Zealand, USA, South Africa), who have increased their consumption (OIV Statistical Report on World Vitiviculture). Wines from other regions of the world,

which consumers find highly attractive in terms of quality and price, are now available on the European market, formerly the largest wine producer and consumer (Vrdoljak, 2009)². The Croatian wine market is characterised by a large number of operators and by the fierce competition between large and small winemakers as well as between locally produced and imported wines (Kalazić et al., 2010). According to Vrdoljak (2009) and Kalazić et al. (2010), there are 1,032 registered winemakers in Croatia. The ten largest have a combined market share of 70% and the remaining 1,000 small winemakers hold 10% of the market. The average vineyard surface in Croatia is below 1 ha. About 14% of winemakers have a vineyard surface of up to 10 ha, and only 25 winemakers have a vineyard surface above 50 ha. Vrdoljak (2009) underlines the high price of wine, especially in the category of quality wines, as the

biggest problem of the wine industry. According to Milat (2005), to be able to compete in the European market, Croatian winemakers must increase their share of premium wines to 10-20%. The fierce competition between Croatian and foreign winemakers and large and small Croatian winemakers in the Croatian wine market is the reason why Croatian winegrowers need a marketing approach to survive in the market (Kalazić et al., 2010). Modern winemakers are “forced” to diversify their products to attract as many buyers as possible and to stand out among other wine brands. Marketing is a process that starts with the idea of a need and ends with the feeling that the customer has had their wishes fulfilled. Traditionally, it is divided into four components (product, price, distribution, promotion) and its ultimate objective is to satisfy the needs of both the buyer and the producer (Samardžija et al., 2017). The objective of this paper is to determine the extent of market orientation of the winemakers and their use of marketing in their daily business.

2. Review of past studies

2.1 Viticulture and viniculture in the Republic of Croatia

Viticulture and viniculture are strategic industries of special importance for the Republic of Croatia, especially in the coastal regions and in Northwest

Croatia. The disappearance of the grapevine leads to the abandonment of the last remaining rural homes. It is the Government’s stand that the grapevine must be returned to the areas where it used to be cultivated, which spanned nearly 200,000 ha of land (Milat, 2005). In spite of small vineyard surface areas and small wine production volumes in comparison with the international market, wine is unquestionably a strategic agricultural and food product for the Republic of Croatia (Alpeza et al., 2014). The data in Table 1 for the period 2012-2016 show that areas under vine, yield, and wine production in hectolitres are all on a decline in Croatia. In this five-year period, wine production decreased by as much as 70 percent in comparison with 2012. Another alarming revelation is that yield decreased in the same period from 6.4 ha/t in 2012 and 6.9 ha/t in 2013 to 5.3 ha/t in 2016. These statistics correspond to the study by Alpeza et al. (2014), who also found that the areas under vine and production volumes were decreasing in the leading European countries and worldwide under the influence of production conditions and climate conditions, which have been particularly difficult in recent years and have continued to influence a downward trend in production. Wine consumption in Croatia 2012-2016 decreased from 1,293 thousand hectolitres to 760 thousand hectolitres (Table 1).

Table 1 Wine and grape production in Croatia 2012-2016

Year	Wine ('000 hl)	Total vineyard surface area (ha)	Production total (t)	Yield (ha/t)	Wine consumption (million hl)
2012	1,293	29,237	187,550	6.4	1.4
2013	1,249	26,100	181,096	6.9	1.4
2014	842	26,164	134,941	5.2	1.2
2015	992	25,587	154,227	6.0	1.1
2016	760	23,400	123,651	5.3	1.2

Source: Statistical Yearbook of the Republic of Croatia 2017, pp. 260 and 266, OIV Statistical Report on World Vitivini-culture 2017, p. 13³

Wine production worldwide decreased by 1.1% in 2016 (241 million hl) compared to 2012 (244 million hl) (OIV Statistical Report on World Vitivini-culture). “New” winemaker countries (Argentina, Chile, Australia, New Zealand, USA, South Africa) have the opposite situation, having increased their wine production in recent years. Accordingly, the

global increase in production is not asymmetrical to the global increase in demand, which leads to fierce competition in the global wine market (OIV Statistical Report on World Vitivini-culture, Pomarici et al., 2017 and Kalazić et al., 2010). The latest sources indicate that the surfaces under vine in Croatia, registered in the Vineyards Register in the

ARKOD (PAAFRD)⁴ system on 31 December 2017, amounted to 19,670.73 ha. According to the information from the Vineyards Registry, the majority of agricultural producers in Croatia have between 0.1 and 5 ha of vineyards. Croatia has over a hundred wineries with capacities above 1,000 hl. Accordingly, Milat (2005) states that about 20 leading wineries account for over 80 percent of the total turnover and that Croatia needs 10,000 wine growers with vineyard surface of 2-10 ha, while wineries must serve the function of grape production. According to Kalazić et al. (2010), 84 percent winegrowers have less than 1 ha of vineyards, whereas a minimum of 3 ha is required for profitable wine production. Croatia exports around 3 million litres of wine per year, but it imports three times as much. Wine production must be increased substantially to neutralise imports, which are objectively continually increasing. Competitive production is the only way to counter wine imports, in particular in the categories of quality and table wines (Milat, 2005). The Republic of Croatia is an interesting market for an ever-increasing number of exporters; on the other hand, it has excellent wine export potential, especially in small-series quality and premium wines for so-called “boutique wineries” (Alpeza et al., 2014).

2.2 Wine marketing

The higher the degree of processing of a product and the closer the product is to the consumer, as it is the case with wine, the greater the importance of marketing (Leko Šimić, 2002). Modern winemakers are “forced” to diversify their products to attract as many buyers as possible and to stand out among other wine brands (Samardžija et al., 2017). Marketing plays several significant roles in modern economy: it helps bridge the gap between the producers’ and the consumers’ needs, it helps the producers better understand the consumers’ requirements, and it allows the producers to decide what, when and how to produce for the market (Leko Šimić, 2002; Samardžija et al., 2017). In spite of the obvious globalisation process and the emphasis on the tastes and preferences of the consumers, the number of products with a high level of adaptation, in particular food products, that are being produced and sold is higher today (Kalazić et al., 2010). The marketing segment is therefore very important in food marketing. Marketing allows the consumers to learn about the offer and to get the products they seek and want at the desired time

in the desired place under acceptable conditions (Leko Šimić, 2002).

Even though wine is counted among food products, it is also an alcoholic beverage. Accordingly, there are legal regulations governing the advertising of wine. It is regulated by the Ordinance on the advertising of wines, based on the Wine Act of 2004 (Official Gazette No. 96/03)⁵. Under the Ordinance, advertising of wine is prohibited in Croatia in facilities engaging in healthcare or educational activities and events and in their surrounding premises, as well as in printed and electronic publications and TV programmes primarily designed for juveniles. In comparison, most EU member states enforce stricter and more systematic alcohol policies that also include wine. In Croatia, this policy applies primarily to wine advertising and distribution.

Croatia has hundreds of years of tradition in the grape and wine production industry. The high level of winemaker know-how and expertise, the positive climate conditions for wine production and the freedom of import result in a high level of wine offer in the Croatian market. All stakeholders in the market are working to maximize their product and their marketing mix in order to improve their communication with the customers in the conditions described above (Samardžija et al., 2017). Considering such high-quality offer potential, one would expect the customers to remain loyal to one winemaker in the long term. However, winemakers must invest continuous efforts in maintaining the consumers’ focus on their product. Consumers must be given a reason to seek out a wine made by a specific winemaker, a wine that inspires emotions in them and a wine they identify with through its “story” (Kristić, 2012). According to Meler and Horvat (2018), the so-called segmented approach must be applied in meeting consumers’ needs, considering that consumers are not homogeneous, but heterogeneous and have widely diversified needs and motives. Once the market segments are identified, winemakers need to diversify their production programmes to the extent that will allow them to meet the wine consumers’ needs in terms of both quality and quantity in each of the identified and chosen market segments (Meler, Horvat, 2018). Market segmentation facilitates the choice of communication resources and market research allows winemakers to anticipate and monitor the trends in the market (Samardžija et al., 2017). The concept of marketing is often identified with the basic compo-

ment of promotion. Promotion, however, accounts for only a quarter of the total marketing mix. Its purpose is to improve the communication between producers and consumers, inspiring interest in the product in order to encourage consumers to buy (Markovina et al., 2004). Wine marketing has been covered by a number of studies. Traditionally, we could discuss the 4P elements of the marketing mix (product, place, price, promotion). However, wine marketing is much more complex because wine is a very complex product (Hall, Mitchell, 2008).

According to a survey by Castellini et al. (2014), 33 percent of 708 Italian winemakers encompassed in the survey use wholesalers and exporters as their sales channels. Modern retail does not play the leading role at the moment, and direct sales are rather important. This sales method is justified by low production volumes and it is desirable in the production launch phase because it allows producers to maintain sales at low prices and establish contact with the consumers (Castellini et al., 2014). However, the survey surprisingly showed that the internet was used very little as a communication tool and that wine tastings and guided tours were the producers' key promotion tools. Gil and Sanches (1997) identify the price, production location and vintage as the most important factors affecting consumers' preferences. The choice of the most significant distribution channel is very important (Szabó, Szolnoki, 2002). According to Szabó, continuous use of marketing tools, including market research and follow-up communication and feedback from the consumers, is also important.

The study by Kristić et al. (2012) leads us to the conclusion that Croatian winemakers, in addition to the other elements of the marketing mix, can take advantage of the fact that the respondents consider the origin of the wine (if it is imported or locally produced) when making their purchase, and that they perceive Croatian wines as superior in quality to imported wines. This can be viewed as a competitive advantage in taking on the aggressive and cheaper imported competition.

3. Methodology

The paper uses the data and the results of studies by authors who explored similar topics, obtained through the use of available relevant and recent reference works dealing with this paper's research subject. The interview method was used to collect

primary data for the study. The study was conducted in June 2018. The interview questions were divided into two content groups: valuation of external and internal factors in the examination of market orientation and entrepreneurial effect of winemakers. The case study encompassed a total of four winemakers from the Osijek-Baranja and Vukovar-Srijem Counties. Two bigger winemakers (vineyard surface of 513 ha and 990 ha, respectively) and two smaller winemakers (vineyard surface of around 20 ha) from the above counties were encompassed in the study. Open and closed questions were used in the interview. The questions regarding the respondents' perception of their market orientation and entrepreneurial effects were measured using the 5-point Likert scale. Quantitative analysis was used as the analysis method. Secondary sources of information from the Croatian Bureau of Statistics and the Croatian Institute of Viticulture and Enology were used as well in data collection.

4. Results and discussion

The case study encompassed four winemakers from the Osijek-Baranja and Vukovar-Srijem Counties. Interviews were conducted with winemakers from the above counties for the purposes of this study. The questionnaire consisted of three sections. The first section comprised the valuation of the external factors for the agricultural operators at the existing level of market know-how and operations. The second part comprised the valuation of internal factors: position and organisation of the marketing sector, investigation of marketing budgets, capacities, orientation and the financial and marketing performances of the operator. The final questions comprised data about the agricultural operator itself (size, ownership structure, type of operation and revenue). The case study encompassed two larger winemakers, one from the Osijek-Baranja and one from the Vukovar-Srijem County, with vineyard surface of 513 ha and 990 ha, respectively, as well as two smaller winemakers with vineyard surface of 20 ha from the same counties. The larger winemaker from the Osijek-Baranja County has the structure of a limited liability company and has 513 ha of vineyards, 88 percent of which are leased (concessions). In terms of its number of employees, it is a medium-sized company with 60 full-time employees and 60 seasonal employees. This economic operator generates a revenue of 50-100 million HRK a year, same as the winemaker from the Vukovar-Srijem County.

These two were among the five largest Croatian winemakers in 2017 and held a substantial market share in the Republic of Croatia. The second larger economic operator is based in the Vukovar-Srijem County and has the structure of a joint-stock company. In terms of its number of employees (250), it is a medium-sized company. This company is the proprietor of 350 ha of vineyards and has grape purchase agreements for another 640 ha. The smaller winemaker in the Osijek-Baranja County is registered as a family farm and has 21 ha of vineyards (which it owns). In terms of its number of employees, it is a micro company with 2 full-time employees and 10 seasonal employees. This winemaker gener-

ates an annual revenue of under 10 million HRK, same as the other small winery, which is based in the Vukovar-Srijem County. According to its structure, the winemaker from the Vukovar-Srijem County is a sole proprietorship registered for the agricultural activity of grape growing and processing, with 20 ha of vineyards that are the company's property. This company is also a micro company with three employees. The objective of the case study was to determine if the winemakers were market-oriented and to what extent they used marketing in their business. We also wanted to establish if there was a difference in the application of marketing strategies depending on the size of the winemaker.

Table 2 Evaluation of external business factors by winemakers encompassed in the case study

External business factors	Mean value
Suppliers	4.5
Society	4.4
Customers	4.1
Technological environment	3.9
Trade	3.4
Government and political environment	3.3
Competition	2.6

Evaluation on a scale of 1 to 5, where 1 means don't agree, and 5 means completely agree.

Source: Authors' calculations

The questions asking the respondents to assess the external business factors were structured in the form of a Likert scale, asking the respondents to answer to what extent they agreed with the statements (1 - completely disagree, 5- completely agree). As shown in Table 2, the average rating of the question about the government and political environment was 3.3 (neither agree nor disagree with the statement). However, all respondents agree that the government bodies are too bureaucratic, the average rating of this question being 2.5. They also agree (average rating of 3.5) that the applicable regulations governing their business are adequate. The economic operators gave the technological environment an average rating of 3.9. As far as suppliers and customers are concerned, the respondents gave the highest average ratings (4.5 and 4.1, respectively) in these categories, agreeing that they had long-standing cooperation and fair business relations with their suppliers and customers, as well

as that their number of regular customers increased over the past two years. The economic operators encompassed in the study also believe that the entire Croatian society is heading in a good direction and that consumers prefer local wines to imported wines. Their average rating of the society factor was 4.4. When valuating external factors such as competition and trade, the winemakers gave the competition an average rating of 2.6 and trade an average rating of 3.4, which means that they agree with the statements that the retail networks' product quality requirements are too high and that producers have a hard time getting access to retail networks (Table 2).

The second part of the interview concerned the companies' internal factors: position and organisation of the marketing sector, marketing budgets and capacities. The interview results for the sample encompassed in the study showed that the existing marketing know-how in the companies was inad-

equate. Among the four interviewed winemakers, only one, the larger winemaker from the Vukovar-Srijem County, has a marketing department and employs a person trained in marketing, unlike the other three winemakers, who have an employee in charge of marketing, but this person has no formal marketing education. Among the interviewed winemakers, two specified experience and specialized reference works as the source of their marketing know-how. Two winemakers (the larger winemaker from the Vukovar-Srijem County and the smaller winemaker from the Osijek-Baranja County) specified formal education as the source of their marketing know-how. Among four inter-

viewed agricultural operators, only one had a formal marketing department and an employee with marketing training. In the other three agricultural operators, the sales department is in charge of marketing and marketing activities are under direct control of the general management or the owner in smaller economic operators. In terms of marketing organisation, Meler and Horvat (2018) underline that marketing should be at a higher organisational level than sales because sales is one of the activities or a subfunction of marketing, and marketing and sales absolutely cannot be at the same organisational level.

Table 3 Evaluation of market orientation and entrepreneurial effect of winemakers encompassed in the case study

Internal business factors	Mean value
Market orientation	4.2
Customer orientation	4.2
Consumer satisfaction	4.2
Financial success	3.9
Marketing capacities	3.6
Marketing strategy	3.5
Marketing budgets	3.3

Evaluation on a scale of 1 to 5, where 1 means don't agree, and 5 means completely agree.

Source: Authors' calculations

Table 3 shows that winemakers encompassed in the case study gave the statements related to market orientation, customer orientation and consumer satisfaction the highest average rating of 4.2, which means that they consider the statements related to the above internal business factors very important. The average rating of the replies to the questions regarding financial success is 3.9. The four winemakers encompassed in the study gave the lowest rating to the statements in the areas of new product development and perceived successfulness in comparison with their competitors (3.3). In terms of fulfilment of financial and sales targets, the four interviewed winemakers believe their overall business result, product quality and ability to retain existing customers are the same as their competitors'

and that their employee turnover is lower than at their counterparts.

The average rating of the importance of marketing strategies for the winemakers is 3.5 (Table 3). They gave higher average ratings to statements regarding new product development, price, quality, wide product range and introduction of new brands to the market, which they identified as important (4.1). However, the rating is much lower when it comes to efforts invested in raising the bar in promotional activities, exploitation of production capacities, and business plan development (2.8).

The case study also showed that the four interviewed winemakers believed that there was no difference in marketing budgets between them and

their competitors, giving them an average rating of 3.3 (Table 3). Furthermore, in statements regarding marketing budgets, the respondents gave the highest average ratings to the statements regarding good contacts with the key accounts (4.5), contacts with suppliers (4.1) and provision of high-level services to consumers (4.0). On the other side of the spectrum were the statements about the existence of a developed cost control system (3.0), the existence of a developed marketing information system (3.0), market access through strategic alliances and partnerships (2.3) and development of common technology with strategic partners (1.9).

In terms of their marketing capacities, it is interesting that the average rating was 3.6 (Table 3), which indicates that the winemakers believe they have an advantage over their competitors. Accordingly, the statements regarding the understanding of consumers' requirements (4.5 percent), good contacts with customers (4.4) and suppliers (4.3) and management of distribution channel members (4.3) proved the most important. The marketing capacities pertaining to financial management, marketing management, product development skills and design skills, as well as common involvement and common goals with partners, received the lowest average rating of 3.4. According to the study by Meler and Horvat (2018), economic operators should cooperate with one another and network in order to maintain stability and decrease competition within their environment. The winemakers also gave a high average rating (4.2) to market orientation, customer orientation and consumer satisfaction.

The above results correspond to the results obtained by Leko Šimić and Štimac (2013), who studied the marketing orientation of 60 food companies in Croatia, and found statistically significant correlations between the existence of a person responsible for marketing and the number of employees (the more employees a company has, the higher the probability that it will have a marketing department and an employee responsible for marketing; in smaller companies, marketing department is often a part of the sales department). Spawton (1990) states that marketing planning and choice of marketing strategy are very important for winemakers, whether they are small boutique wine manufacturers or large wineries, as factors such as pricing, communication mix, advertising, wine branding, market positioning and choice of distribution channels can ensure higher profits for winemakers. That state-

ment is confirmed by the findings of the study by Leko Šimić and Štimac (2013). The authors found that companies that had a marketing department that was independent of and not integrated into the sales department had a much higher net income.

The study shows that winemakers are not market-oriented in the sense of carrying out marketing activities or in the sense of marketing behaviour. Accordingly, Moulton and Lapsley (2001) state that winemakers should be primarily market-oriented because market orientation is an important marketing strategy, since winemakers deal with wine sales by encountering primarily distributors, wholesalers and retailers, and only then customers. This corresponds to the findings of the study by Skuras and Vakrou (2002), who state that winemakers can help increase the price of their product by using marketing strategies. It would be illusory to expect smaller winemakers to be able to organise a marketing business function. However, it is important that they understand marketing and its purpose and that they start thinking in marketing terms. Bigger winemakers are also facing difficulties in using marketing. Producers believe that marketing is not applicable in their operations and that it is enough to include public relations, key accounts relations, planning and development in their operations. Other winemakers are too small or believe that it would be too expensive to hire a marketing specialist. For this reason, Meler and Horvat (2018) believe that vertical and horizontal networking of winemakers is necessary to achieve the common marketing goals.

On the basis of the interviews with the four winemakers, an analysis of winemakers was made founded on macroeconomic criteria (this pertains to the winemakers' perception of the government and political environment, technological and market criteria, and social and demographic characteristics of the interviewed winemakers). All four winemakers agree that the authorities are too bureaucratic and that the current political system does not establish favourable conditions for the development of entrepreneurial activities (the small winemakers ranked the social and political environment particularly low). Winemakers from the Vukovar-Srijem County have a more positive stand on the government, political and technological environment than the winemakers from the Osijek-Baranja County. The analysis found the interviewed winemakers to be insufficiently market-oriented and to be more focused on the technology of grape and wine pro-

duction. Even though the two larger winemakers from both counties have the capacities to conduct market research as well as competitiveness and customer research because they are among the leading winemakers in Croatia, they do not conduct such research at all or do not conduct it sufficiently.

The data obtained by qualitative analysis of the interviews with the four winemakers with respect to the sociological and demographic characteristics show that winemaking is still a man's business: out of the four interviewed winemakers, only one is a woman, and their average age is over 40. All four interviewed winemakers have higher education, but only two of them (the larger winemaker from the Vukovar-Srijem County and the smaller winemaker from the Osijek-Baranja County) have formal education in marketing. The two smaller wineries from the Osijek-Baranja and Vukovar-Srijem Counties employ only their immediate family members, which means that the winemakers serve as owners, managers and technologists. This corroborates the findings of Čengić et al. (2013)⁶, whose survey conducted among the winemakers of the Požega-Slavonija County led them to the same conclusion. Furthermore, the authors claim that the type of multiple jobs and management roles in small farms and companies is a special feature that makes it much more difficult to plan their business, develop a market strategy, develop their marketing and improve their sales. In the interviews with winemakers, we chose winemakers for whom wine sales is their sole source of income. This means that their business and family livelihood depend on market trends. Three out of the four interviewed winemakers are planning to increase their surfaces under vine, expand their product range, and improve their product quality. The two small winemakers and the bigger winemaker from the Osijek-Baranja County are selling their wines in the Croatian market only. Only the larger winemaker from the Vukovar-Srijem County is export-oriented and recognised in the international market. A positive aspect is that all four interviewed winemakers said that they expected to increase their wine exports to foreign markets in the next five years. However, to make this possible, the winemakers need a specific business and marketing strategy. They also need to increase their market orientation and to turn their sales orientation into marketing.

5. Conclusion

The wine industry has become more competitive than ever before. With an annual wine production of 36 billion bottles worldwide and with more than a million different wine labels, the winemakers are struggling to stand out and secure a position in the market. The Croatian and the European wine markets are characterized by a large number of competitors and fierce competition among the winemakers. Croatian winemakers need a marketing approach that will make them competitive in the market. This study identified the use and the role of marketing among winemakers in Osijek-Baranja and Vukovar-Srijem Counties. The main conclusion of the study is that the interviewed winemakers are not market-oriented, especially in terms of making marketing plans and conducting research about their competitors. Most of the marketing activities performed by the interviewed economic operators are undertaken on an operating rather than on a strategic level, as evidenced by the position and the role of their marketing departments. Among the four interviewed winemakers, only the larger winemaker from the Vukovar-Srijem County has a marketing department independent of its sales department and employs a person with a high-level formal marketing education. In contrast, the remaining three winemakers have no marketing departments and believe that the marketing department should be a part of the sales department. Most of their marketing knowledge comes from experience, participation in industry conferences or specialised reference books. We may conclude from our research that the size of the economic operator is not a decisive factor with respect to marketing orientation. Accordingly, the absence of marketing departments and inadequate knowledge of marketing make winemaking exclusively sales-oriented, and such orientation creates restrictions inhibiting further development of production. If winemakers want to be competitive in the Croatian and international market and compete with the European winemakers, they must increase their market orientation and turn their sales orientation into marketing.

REFERENCES

1. Alpeza, I., Prša, I., Mihaljević, B. (2014), "Vinogradarstvo i vinarstvo Republike Hrvatske u okviru svijeta", *Glasnik zaštite bilja*, Vol. 37, No. 4, pp. 6-13.
2. Castellini, A., Mauracher, C., Procidano, I., Sacchi, G. (2014), "Italian market of organic wine: A survey on production system characteristics and marketing strategies", *Wine Economic and Policy*, Vol. 3, No. 2, pp. 71-80.
3. Gil, J. M., Sánchez, M. (1997), "Consumer preferences for wine attributes: A conjoint approach", *British Food Journal*, Vol. 99, No. 1, pp. 3-11.
4. Hall, M., Mitchell, R. (2008). *Wine Marketing: A practical guide*. Oxford: Elsevier Ltd.
5. Kalazić, Z., Leko-Šimić, M., Horvat, J. (2010), "Wine market segmentation in continental Croatia", *Journal of Food Products Marketing*, Vol. 16, No. 3, pp. 325-335.
6. Kristić, J. (2012), "Students' attitudes towards the influence of promotional mix on wine purchasing decisions", *Ekonomski vjesnik: Review of Contemporary Entrepreneurship, Business, and Economic Issues*, Vol. 25, No. 1, pp. 98-105.
7. Kristić, J., Sudarić, T., Lončarić, R. (2012), "Zemlja podrijetla vina kao determinirajući čimbenik pri odlučivanju o kupnji", in Pospišil, M. (Ed.), *47th Croatian and 7th International Symposium on Agriculture*, University of Zagreb, Faculty of Agriculture, Opatija, pp. 198-201.
8. Leko Šimić, M. (2002). *Marketing hrane*. Osijek: Faculty of Economics in Osijek.
9. Leko Šimić, M., Štimac, H. (2013), "Marketing Orientation of Croatian Food Industry", *The Journal of Ege University Faculty of Agriculture, Special Issue Vol. 1*, pp. 315-320.
10. Markovina, J., Kovačić, D., Radman, M. (2004), "Uključenost pri donošenju kupovnih odluka – primjer tri prehrambena proizvoda", *Journal of Central European Agriculture*, Vol. 5, No. 3, pp. 151-159.
11. Meler, M., Horvat, Đ. (2018). *Marketing vina u teoriji i primjeni*. Zagreb: Edukator d.o.o.
12. Milat, V. (2005), "Stanje u vinogradarstvu i vinarstvu Republike Hrvatske", *Glasnik zaštite bilja*, Vol. 28, No. 6, pp. 5-15.
13. Moulton, K., Lapsley, J. (2001). *Successful Wine Marketing*. Boston: Springer Science Business LLC.
14. Pomarici, E., Lerro, M., Chrysochou, P., Vecchio, R., Krystallis, A. (2017), "One size does (obviously not) fit all: Using product attributes for wine market segmentation", *Wine Economics and Policy*, Vol. 6, No. 2, pp. 98-106.
15. Samardžija, L., Soukup, D., Kuzmanović, S. (2017), "Analysis of buying habits – wine segment", *International Journal – VALLIS AUREA*, Vol. 3, No. 2, pp. 103-110.
16. Skuras, D., Vakrou, A. (2002), "Consumers' willingness to pay for origin labelled wine: A Greek case study", *British Food Journal*, Vol. 104, No. 11, pp. 898-912.
17. Spawton, T. (1990), "Marketing Planning for Wine", *International Journal of Wine Marketing*, Vol. 2, No. 2, pp. 2-49.
18. Szabó, Z., Szolnoki, G. (2002), "Different ways to consumers for Hungarian wine producers", in *Proceedings of International PhD Students Conference MendelNet 2002/3*, Mendel University in Brno, Brno, pp. 295-300.
19. Szabó, Z. (2018), "Event Marketing – The Driver of Wine Culture", *Management Studies*, Vol. 6, No. 2, pp. 121-126.

ENDNOTES

- 1 OIV Statistical Report on World Vitiviniculture (2017), "World Vitiviniculture Situation", available at: <http://www.oiv.int/public/medias/5479/oiv-en-bilan-2017.pdf> (Accessed on: June, 11, 2018)
- 2 Vrdoljak, J. (2009), "Borba do posljednje kapi vina", Privredni vjesnik, available at: <https://dugirat.com/novosti/76-gospodarstvo/10138-Borba-do-posljednje-kapi-vina-v15-10138> (Accessed on: June 11, 2018)
- 3 Croatian Bureau of Statistics (2017), "Statistical Yearbook of the Republic of Croatia 2017", available at: https://www.dzs.hr/Hrv_Eng/ljetopis/2017/sljh2017.pdf (Accessed on: May, 18, 2018)
- 4 Paying Agency for Agriculture, Fisheries and Rural Development (PAAFRD) (2018), "Data from the vineyard registry for 2017", available at: <https://www.apprrr.hr/registri/> (Accessed on: June, 4, 2018)
- 5 Ordinance on the advertising of wines with a protected geographic indication and fruit wines (Official Gazette No. 96/03), available at: https://narodne-novine.nn.hr/clanci/sluzbeni/2004_07_105_2055.html (Accessed on: June 4, 2018)
- 6 Čengić, D., Tomljenović, R., Boranić-Živoder, S. (2013), "Vinari Požeško-slavonske županije i izazovi europskoga tržišta", Institut društvenih znanosti Ivo Pilar, Zagreb, January-March 2013.

Sanja Jelić Milković

TRŽIŠNA ORIJENTACIJA I PODUZETNIČKI UČINAK VINARA

SAŽETAK

Provedena je studija slučaja putem intervjua s ciljem utvrđivanja tržišne orijentacije i poduzetničkog učinka četiri proizvođača vina u Osječko-baranjskoj i Vukovarsko-srijemskoj županiji. Provedeno istraživanje pokazalo je da kod četiri intervjuirana proizvođača vina ne postoji marketinška orijentacija, niti u smislu marketinških sredstava i sposobnosti proizvođača niti u smislu tržišne orijentacije. Iako proizvođači znaju koliko je primjena marketinga danas značajna, neadekvatno znanje o marketingu kojim raspolažu i nepostojanje marketinškog odjela čine ih uglavnom orijentiranima na prodaju. Ukoliko proizvođači žele biti konkurentni na domaćem i međunarodnom tržištu i konkurirati europskim proizvođačima vina, neophodno je da se više orijentiraju tržišno i prodajnu orijentaciju pretvore u marketing.

Ključne riječi: vino, tržišna orijentacija, poduzetnički učinak, Republika Hrvatska