Characteristics of strong territorial brands: The case of champagne

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ABSTRACT

While most brands belong to individual enterprises, some brands are collective and based in a single territory. This paper, based on qualitative research, examines the characteristics of these territorial brands using the case study of the wines of Champagne in France. Employing a series of primary data sets and past studies the paper first explores the nature of the territorial brand (including its overarching nature and emergent development), then develops an analysis of the preconditions for strong territorial brands. The proposition is that these include a specific type of brand manager, a definite willingness to co-operate, a common mythology and local engagement. The paper considers goods that are inseparable from their origin whereas prior literature focuses only on services of this type. This paper also provides insights for marketers of territorial products in terms of how to ensure their success both in local and global markets as well as how to leverage the origin appropriately.

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1. Introduction

Most brands are the property of a single company, or of a group of companies with a common ownership. However, there are exceptions where a number of independent enterprises may share a brand. These kinds of brand tend to originate from a single place or territory from which it is impossible to separate them and which offers a group of competing organizations a collective, overarching brand identity. In effect this creates a form of double or two-tier branding structure, so that the individual enterprises benefit both from their separate brand identities and also from the collective brand, termed here, because of its intimate relationship with the place of origin, the territorial brand. Scotch whisky, Quebec maple syrup, and Carrara marble all fit into this category. Such products are not created through consumer orientation; rather, a production orientation results, as core characteristics of the product depend on the environment.

Consequently, the current paper explores the notion of unique, geographically-bound territorial brands in contrast with the operation of traditional, corporate brands. In so doing, the research sheds light on the characteristics associated with the effective marketing of a territorial brand in a competitive global marketplace. The case study methodology considers in detail the management of champagne (the wine) and Champagne (the region). The success of the champagne industry over the last 65 years makes it an interesting means of examining the territorial brand. Through a series of qualitative insights, the notions of the territorial brand begin to emerge.

2. Types of place brand

2.1. Country brands

The most basic product place branding is the identification of country of origin (COO). The dimensions of COO can affect brands in multiple ways—where the product is designed, where it is made, where it is assembled all impact on place brand perceptions (Chao, 1993, 2001). For example, Lury (2004) notes that Swatch watches are definably Swiss—even the name combines the product and the COO. Yet COO is not invariably a brand in its own right, and researchers tend to view it as a cue (Steenkamp, 1989).

Products can have explicit COO cues (e.g. Made in France) as they can have implicit origin cues (e.g. packaging image, language), often portrayed by the brand (Leclerc, Schmitt, & Dubé, 1994; Usunier, 2011). Additionally, brands can be perceived as having COO, even if they are erroneously linked to the real origin of the product—for example “Italian-style” (Samiee, Shimp, & Sharma, 2005). Corporate brands can have perceived origins which are different from their true production origin (Thakor & Kohli, 1996), whereas pure territorial brands interlock with their place of origin.

2.2. Regional brands

Regional or local brands are based in one area, such as localized beers (Van Ittersum, Candel, & Meuleenberg, 2003). The advantages associated with a region of origin are likely to pertain also to a territorial brand. Van Ittersum et al. (2003) comment that region of origin is particularly important as a cue for high added-value products (where the human rather than the environmental aspects of the regional link are
significant). However, regional branding can be a fragile concept to exploit, especially when the region is unknown or when negative impressions of the region already exist (Cayla & Eckhardt, 2007). The use of regional branding must also consider the numerous actors (i.e., big and small brands) within a region, as they operate independently but collectively shape consumers’ perceptions of the region (Ikuta, Yukawa, & Hamasaki, 2007).

Consumers may associate a region with a brand cognitively, but the brand can move anywhere so that collective membership under a regional name does not define all regional brands, nor do they necessarily originate from that region. Kraft can make Philadelphia cream cheese in Montreal with no difference in taste than if made in Philadelphia. Consumers associate the region with the brand cognitively, but the company could relocate anywhere.

2.3. The characteristics of a territorial brand

For a territorial brand to exist, there are two preconditions which must be met. The most obvious is the natural link to place. This link results in something that nowhere else can produce (unlike a regional brand), so a uniqueness or irreproducibility based on a specific place is an essential component of the product (Cross, Plantinga, & Stavins, 2011). The second characteristic of the territorial brand is that it is overarching; thus it appears to encompass all the proprietary brands in the territory. Each brand that includes the territorial reference in its own brand name or on its label cannot opt out of the overarching territorial brand itself. Classic examples are tourism destinations, which build tourist attachment (Lee, Hong, & Sun, 2013; Orth et al., 2012). The use of the territorial brand name is directly related to the place of origin—so that Brie cheese comes from the locality of Brie in the Paris Basin. In consequence, territorial brands often seek legal recognition or protection in order to distinguish themselves from other similar products without a specific link to a place (Van den Luns, Van Ittersum, De Cicco, & Loseby, 2001). For clarity, Fig. 1 outlines the differences between country, regional and territorial brands.

Additionally, two other propositions characterize the evolution and structure of the territorial brand. The first is that amongst all the economic actors underneath the umbrella of this brand, no single proprietary brand is overwhelmingly dominant; if that were to occur, the dominant proprietary brand would probably usurp the position of the territorial brand. The second proposition is that no-one deliberately creates a territorial brand but rather that it evolves over time (Ballantyne, 2011). This evolution may be very long term (350 years in the case of champagne) or shorter, as in the development of the Otago wine region (Charters & Mitchell, 2011). Nevertheless, this brand exists because of the co-creation of a number of disparate actors.

2.4. Champagne and the development of its territorial brand

Champagne is an interesting and complex example of a successful territorial brand. The region covers a clearly defined wine producing area in the northeast of France with a specific business context. Ninety percent of all the grapes used to make the wine are grown by 15,000 small growers whose land holdings average a mere two hectares. However, large “houses” (the term for the big companies managing the well-known brands such as Moët et Chandon, Veuve Clicquot, and Pommery) make two-thirds of all the wine; the houses therefore rely on the growers for raw material. In addition to the major houses, there are another 5000 small producers of champagne—mainly growers who make limited volumes for the domestic market. A multifaceted, localized social and economic equilibrium is required to ensure that the houses have access to grapes. This protects the economic position of the growers and balances competition for consumers between various industry players. Until the global financial crisis in 2008 champagne had maintained a consistent success record and other than a minor blip in the post-millennial era it saw a continuous rise in production and sales from 1994 to 2007.

Additionally, the territorial brand, champagne—a type of intellectual property—has a form of legal personality of its own. Within the European system of Protected Designation of Origin (PDO) champagne is an appellation contrôlée wine; regulations prescribe acceptable production processes (including the types of grapes used and the way they are grown) and determine the geographic limits of the brand. As well as being a PDO, a wine region such as Champagne benefits from the international recognition of intellectual property rights (Barham, 2003). In consequence of the legal protection obtained from the European Commission, no other wine, sparkling or still, may carry the name champagne (with a few exceptions in Russia and the USA).

3. Research method

The aim of this paper is to understand the nature of the territorial brand, and to support its conceptualization with empirical, qualitative data. Given that the intention is to offer a new way of understanding place-based brands, a case study approach is appropriate, offering a range of insights into the way such brand operates, and allowing the extrapolation of various theoretical constructs. This has been adopted in other studies which examine the nature of brands (e.g. Payne, Storbacka, Frow, & Knox, 2009), and regional development (Hojman & Hunter-Jones, 2012), particularly when it is important to expand our theoretical understanding (Tynan, McKechnie, & Chhuon, 2010).

This research in this case study includes projects examining consumers’ engagement with wine, and a number of interviews with consumers in the United Kingdom and Australia as well as with those involved in production, business and marketing in France generally, and champagne specifically. Data obtained over three discrete research projects featuring 13 focus groups and 54 interviews have fed into this research process, but many other more informal interactions (involving individual and group meetings, committees, public events and presentations) have also informed its development. Additionally, since 1997 a great deal of more informally-gathered information was collected from a wide variety of sources, including the owners and managers of champagne houses, marketing managers, a number of grape growers, and representatives of producer co-operatives. Thus a series of field notes of comments and observations of behavior over the period of the researchers’ interactions with the region were used.

The interpretation of the data and the process of obtaining and evaluating findings in the study is the result of a grounded approach (Pettigrew, 2000). This approach is different from a traditional grounded theory perspective (Glaser & Strauss, 1967) because it does not exclude the possibility of a partial literature review in advance of data collection.

![Fig. 1. The relationship of varying types of place brand.](image-url)
(inevitably very hard to achieve in an area where the researchers have expertise) and because it does not invariably build a series of categories with a core category which is used to link everything in an overarching theoretical explanation. Rather the grounded method involves a more flexible phenomenological approach to the process of theory development.

The process of data analysis comes from an extended period of reading and rereading, listening and re-listening, alongside a continuous engagement with the data that stimulates a constant comparative analysis and reanalysis. This engagement in turn develops analytic categories (Janesick, 1994) which themselves inform and refine later data collection; this refinement then helps to add plausibility to ideas as they arise (Huberman & Miles, 1994). Additionally, potential negative instances to the data and the categories are actively sought (Douglas, 1985: 49f.).

Given the qualitative nature of an approach, which builds on a series of comments, anecdotes and personal perspectives from key actors in the region, the data collection process is dependable and traceable (Walldorf & Belk, 1989). The units of analysis are based on (1) the transcripts of interviews and focus groups and (2) a series of field notes maintained by one of the authors over a period of more than ten years relating the other interactions that provided data for the study. The transcripts and notes were analyzed and the results are presented below.

4. The prerequisites of a strong territorial brand

As with all brands, a strong territorial brand needs a consistent position, a clear identity and a defined personality (Aaker, 1996), and one can suggest that to have effective destination branding it is necessary to control four aspects: product, organization, symbol and persona (Konecnik & Go, 2008). Our data reveal four additional components that seem especially important for an effective territorial brand. These relate to the split nature of the territorial and the proprietary brands, and the need for cohesion between them and comprise: (1) an effective and sensitive brand manager; (2) a willingness amongst rivals to co-operate to maintain the territorial brand; (3) a common story which offers a collective focus for the individual enterprises and; (4) local engagement. In order to highlight these four dimensions, excerpts from the field notes and interview transcripts are used within each section outlined below.

4.1. An effective brand manager

The functions of a territorial brand manager mirror those of a proprietary brand, and focus particularly on the volume of supply, the quality guarantee, protecting the brand’s reputation, general promotion of the product and engaging in research and development. For champagne the Comité interprofessionnel du vin de Champagne (CIVC) acts as the territorial brand manager, and it has wide powers of a quasi-governmental nature which are legally enforceable, to ensure the effective management of the brand.

The CIVC uses its regulatory powers to control the flow of product onto the market in line with current demand. The CIVC has powers to (for instance) control production volume at each vintage, and even to block the release of wine onto the market, so that it has to remain in the producers’ cellars until a future date when consumers are more ready to buy. Thus it counters dilution of the territorial brand due to over-supply (Daniel Lorson, Director of Communication, CIVC, personal communication 8th June 2005).

Second, the territorial brand manager must oversee and improve product quality for all producers in the region. Brand managers may have no immediate control over how local providers actually deliver the brand promise (Pike, 2005). Thus additionally regulatory powers are often used to preserve a minimum level of product quality, ensuring that the overall territorial brand reputation does not deteriorate, and that “good” producers do not suffer as a result of those who produce a lower quality product. Consequently in Champagne the CIVC sets rules which seek to guarantee product quality, including restrictions on grape variety, pruning methods and aging periods in the cellars. The quality guarantee also includes a downstream quality evaluation responsibility. The CIVC has the ability to obtain wines from retailers, conduct a chemical and tasting analysis, and demand that producers improve quality if the wine is not considered to be of an acceptable standard (Daniel Lorson, Director of Communication, CIVC, personal communication 8th June 2005).

Third, the brand manager has the job of defending the name of the overarching territorial brand. By doing this it prevents counterfeiters from inundating the market and diluting the value of the brand (Nia & Zaichkowsky, 2000). This legitimacy helps establish the real from the fake, both in terms of the product and for users (Ouwersloot & Odekerken-Schröder, 2008). In Champagne, the CIVC originates around 800 court cases each year to prevent abusive trading, taking action to prevent any enterprise outside the region using the territorial name to promote a product—whether sparkling wine or otherwise—which uses its name (Jean-Luc Barbier, Chief Executive, CIVC, personal communication 21st July 2008). In furtherance of this it has also pursued agreements (via the European Union) to ensure that producers in countries such as Australia and South Africa do not claim that their sparkling wines are “Champagne”. Famously, in 1993 the CIVC even sued Yves St. Laurent for producing a perfume called “champagne”, with a court judgment that ensured the product’s withdrawal from the market. The role and powers of the CIVC may seem extraordinary and probably it is the strongest territorial brand manager in the world. However, the CIVC’s function can be set into relief by considering what happens if there is a non-existent or very weak organization in that role.

Fourth, the manager may have a role in the general promotion of the territorial product. In particular, for origin-based goods maintaining an external awareness of product quality is important in order to solidify the value of the origin (Schamel, 2006). The CIVC has established offices in its ten key world markets plus China, India and Russia to monitor progress and promote the product generally.

Finally, consider the role of research and development. R&D may be something more generally left to the proprietary brands, but an argument occurs that all producers should share some technical advances for producers to ensure the quality of the overall offer. In Champagne, the CIVC has experimental vineyards and a small wine production facility to sustain this function. For instance, sustainable viticulture is one area of recent research activity that the CIVC encourages in its quest for quality, so that, for instance, over 50% of all vineyard treatments are now acceptable to organic organizations (Arnaud Descotes, CIVC, personal communication 8th June 2005).

The territorial brand manager ensures the success of the territorial brand by managing all the stakeholders and making certain that there is a common vision for the overarching brand. Sharing brand values amongst a group of sub-regional brand owners has a democratic dimension that helps develop a sense of joint ownership (Wetzel, 2006), and it is important that all, large and small, feel that they benefit from participation in this (Hojman & Hunter-Jones, 2012). Consequently, although a territorial brand manager such as the CIVC has substantial powers, they only exist as long as the key players within the territory continue to acknowledge its usefulness and to perceive its legitimacy. The recent application for designation of the champagne vineyards as a UNESCO World Heritage Site managed by the region but launched and substantially funded by the CIVC is undoubtedly an excellent form of promotion, yet it also engages many key local actors, thus providing a useful integrative function by focusing many minds on a single common goal and ensuring that they remain committed to the overall vision of the territorial brand.

4.2. Co-operation

In the context of the corporate brand, Kay (2006) has suggested that strong brands only exist when firms associate their individual products
“to activities that create meaningful associations or representations of the firm” (2006 p. 754), activities which may relate very closely to brand values. Such is the case for territorial brands because their strength depends on the willingness of the individual brand owners to link their products to it, and particularly when they all express the same values and value to the consumer. A common recognition of the relationship of the brand to a definable, immutable place may help in this regard; ignoring such a physical point of connection is hard to do as is the emotional and marketing strength of a reputable, named territory.

Issues of co-operation tie the territorial brand into two other current themes in business thought: clustering (Porter, 1998, 2003) and co-opetition (Nalebuff & Brandenburger, 1997). Indeed, Porter (1998) used the Californian wine industry as an example of how clusters can work effectively, interlocking growers, wine producers, suppliers and consultancy in a single effective region, something also demonstrated with wine production in South Australia (Aylward & Glynn, 2006). Crucial, according to Porter (1998), for the effective development of a cluster is the interaction of both co-operation and competition. This interaction maintains vigor and information-based advantage for the cluster as a whole, although overall effectiveness must result from the quality of all the enterprises in the region. The case of knowledge transfer within a region particularly supports this conclusion (Lee et al., 2013). Thus, territorial brands become co-operative (Gnyawali, He, & Madhavan, 2008; Zineldin, 2004). However, much analysis of co-operation has focused solely on business-to-business cohesion, whereas a successful territorial brand is as much about collective reputation and the consumer’s response to the brand.

Consequently, as champagne is predicated on being the best sparkling wine in the world and a marker for success and celebration (Beverland, 2004), its high perceived quality can only be maintained if the overwhelming majority of individual brands work to sustain that perception. Despite occasional negative comments from critics about some brands, professionals generally accept that the overall product justifies its reputation, and scrutiny produces improvements in underperforming brands. Thus, as two leading British wine experts have said:

The best champagne has a combination of freshness, richness, delicacy and raciness, and a gently stimulating strength that no sparkling wine from anywhere else has yet achieved. [Johnson & Robinson, 2005 p. 78]

The sociological perspective of conventions theory suggests that key actors in a region can reach and maintain enduring agreements by justifying a series of social controls (Barham, 2003). In Champagne this aspect of the territorial brand is, however, tenuous. If one or more major players decided to coast on their quality reputation (an event which economic theory would predict (Landon & Smith, 1998)) then others could suffer with no means of redress, other than informal pressure.

As a result, problems arise for a territorial brand if proprietary brands begin to feel that they are more important than the brand itself. However, to the present time this situation has not occurred in Champagne—all key players are convinced that they gain more from membership than they lose by surrendering some autonomy and also, in part, due to the moderating effect of the CIVC.

The key players recognize a need to cooperate to maintain the image of quality. Thus, the CIVC produces a publication noting, “Champagne is a unique wine in the world, and a prestigious appellation” and goes on to add that it is “a reference point for all the producers and consumers who favor ... quality” (CIVC, n.d. pp. 3.9). This commitment to quality is not merely for public consumption, but to maintain the producers’ commitment to excellence, and is regularly reflected in the promotional material emanating from the producers themselves, as a quick tour of the websites of leading brands reveals.

4.3. A common mythology and a respect for rituals

The support given to a territorial brand manager and the finely-balanced inter-business co-operation necessary to maintain the brand’s reputation gain coherence and meaning from a commonly shared mythology; this is a series of stories which emphasize the individual brand’s integration into the territorial whole, and the evolutionary success of that brand. From regional and brand histories, texts and symbols can become important markers for consumers, allowing them to perceive value (Muniz & O’Guinn, 2001). As the brand manager encourages a rigorous quality offer, and ensures the promotion of the territorial brand, myths pave the way for specific, integrative rituals related to the territorial product. Rituals are important to producers in that they help authenticate the user of the product as well as the product being used (Muniz & O’Guinn, 2001). By adhering to the brand mythology and participating in the rituals associated with the territorial product, affinity and loyalty toward the product increases (McAlexander, Kim, & Roberts, 2003). The tradition of sabring a bottle; removing the cork by taking off the top of the bottle with a sharp rap from the back of a sword is a ritual that exists only for champagne. This ritual is promoted by a number of producers: one, Champagne Canard Duchene, uses a pair of crossed swords as its logo in homage to the process.

For territorial brands, there are two forms of interrelated mythology; the first is internal and provides cohesive organization, vision and management and is the mythology behind the brand. The second is external (e.g. historical/physical), used for marketing and attracting consumers and which is the mythology of the brand. Ultimately the common mythology together with the clearly defined brand identity gives a shared vision of what all the companies together are doing. Territorial products are thus seen to be an interpretation of place so that consequently the land acquires its own personality (Vaudour, 2002). As a result a territorial brand collectively uses its physical attributes to justify and endorse the distinctiveness and the quality of the product. The land becomes philosophical or mystical, which in turn becomes a marketing device (Charters, 2006).

The First World War was fought out in Champagne. Both houses and growers together faced the depression of the interwar years. They also shared in the common campaign to prevent external wine producers passing off other sparkling wines as champagne, or to stop those who used the name for different products. These factors provide a sense of a common struggle and a shared history, which creates a mythology of triumph over disaster, of where they have come from and a vision of where they will be going.

We are the grandchildren of poverty; our soil, our resources are poor. We are rich because of our co-operative, the CIVC, the rules which protect us. We don't forget that. [(Grapegrower, personal communication 23rd May 2007)]

Thus, the myth asserts that ultimately the territorial brand (via its brand manager, and its legal form, the appellation contrôlée system) has made the producers prosperous in the last few decades. This mythology is very much one for internal consumption cementing coherence in vision between otherwise competing actors in the region and hiding internal dissent. Indeed, to the extent that it has its origins in conflict and it is the mythology behind the territorial brand, regional actors often deliberately hide it from consumers.

An instance will help to exemplify how the external mythology operates in Champagne. A common story surrounds the importance of women, and particularly widows, in the history of the wine. Veuve Clicquot (literally, “the Widow Clicquot”), Pommery, Bollinger and a co-operative, Veuve Devaux, all share this story. Paradoxically, given the patriarchal nature of French business in the 19th century and of the wine industry specifically, this idiosyncrasy has permeated much of the culture of champagne (Guy, 1997). This use of a shared myth
underpins external symbolic meaning—in this case the idea that champagne is a women’s drink (Guy, 1997).

Champagne is a wine of legend. The entire history of the Veuve Clicquot House is marked by mythical wines, all of which respect the demand for quality that was the force that drove Madame Clicquot. [(Champagne Veuve Clicquot web site–http://www.veuve-clicquot.com/)]

4.4. Local engagement

For most territorial brands the ability to respond to changing consumer needs is restricted. Stakeholders within the territorial brand must thus create value for consumers via unique, invariable features stemming from the local context. In order to create this value, they must work together. Issues of trust have been noted as one of the key factors around successful coopetition (Zineldin, 2004) and it is possible that the social dimension of a territorial brand tends to enhance such a level of trust, a point suggested by Fenstersreifer and Rastoin (2010). Because territorial brands are inseparable from their place of origin, the individual brand owners are situated in a social and community context, rather than a merely economic one. The stakeholders of a territorial brand must work together; what Porter (1998) terms “social glue” is a necessity. Territorial brands extend the idea of mutual economic dependence (Porter, 1998), into a form of mutual social dependence. Further, this cohesion seems to provide the boundaries within which acceptable business behavior can take place, and the social penalties for inappropriate economic activity, partly because of the mediating role of the territorial brand manager, but also because one cannot escape one’s economic neighbors within the social environment.

Growers in Champagne are not merely suppliers of grapes but live in the same region as the owners and managers of the houses, with its political and cultural context—perhaps even in the same town or village. The activity of major exporters is co-existent with the wider economic well being of the region, which in turn has an impact on the social health of the many communities within Champagne. The comments of one grower are significant in this respect. During a visit he noted that as well as making wine he sold some of his grapes to a well-known house based in the same town—but without a formal contract. The point was made to him with no contract he could easily sell to another house who would offer him more money for his grapes. “But,” he responded, “Why would I? [The House] is good for our village, it creates jobs here and it is good for our reputation. I’m happy to sell my grapes to them—rather than make a little extra money by selling to someone else” (personal communication, 23rd July 2008).

Part of the power of a strong individual brand comes from recognition of the life of suppliers and contractors that goes beyond mere social niceties but encompasses engagement with their communities. Termed shared consciousness in the consumer brand community literature (Shouten & McAlexander, 1995), this notion of engagement relates the sharing of common feelings, affinities and preferences, and the creation of subcultures surrounding products. For territorial brands, common objectives that fuel actions are just as likely to be present so that it is no coincidence that in Champagne many brand owners or managers (from both houses and the growers) are or have been mayors of their towns and villages, or are active in community or charitable work in the area. For example, following the widespread damage to Reims cathedral in the First World War the champagne industry sponsored a substantial stained glass window which links not just biblical themes of wine with pictures of production methods but also with the names of the most important champagne producing villages in the region.

5. Discussion and conclusions

5.1. Contributions to marketing theory

This article has defined the parameters of the territorial brand and suggested the criteria which are the antecedents of one that is successful, including a determination amongst key actors to co-operate, underpinned by a shared mythology and a commitment to the region, and managed by a strong brand manager. For clarity this analysis appears as a visual in Table 1. Not every territorial brand can benefit from an entity to protect its identity like the CIVC in Champagne and this exploration has been based on an example of one of the strongest and most effectively managed territorial brands in the world. However, this model has been used deliberately as it gives the greatest insight into the antecedents of a strong territorial brand. The territorial brand is particularly appropriate to the concept of resource-advantage (R-A) theory (Hunt & Morgan, 1995). Resources that are valued can lead to a competitive advantage. However unlike traditional R-A theory, we propose that coopetition within a place can leverage a resource, enhancing competitive advantage on the market for all concerned firms. It is embedded ties within the origin that lead to trust and cooperation and these “social ties... are nested in a broader competitive framework” (Luo, Slotegraaf, & Pan, 2006, p. 68), the framework of the territorial brand.

An interesting conundrum is what happens if this social glue breaks down, which in turn could affect trust. If the largest companies separate from the region, moving ownership and management away, such a change would reduce the focus of the brand manager on the social context of production and perhaps impair the common vision. In turn this could threaten territorial reputation, production cohesion and the acceptance of the common mythology. Thus the social context of a territorial brand may be particularly important for maintaining its power and its longevity (Vargo & Lusch, 2004).

This examination of a territorially branded good confirms certain aspects of existing research into destination branding for services, and the study reinforces the comments of Koncnek and Go (2008) about the product (and particularly maintaining quality), symbolic meaning, organization (which is evidently very important) and personality. However, one could also suggest that the addition of a shared mythology and local engagement are essential. Further, as Cai (2002) suggests, the territorial brand is more powerful than any of the individual brands. This study also underlines that a territorial brand is more focused and precise than a regional or national brand and is also much more than merely a cue to quality, being intertwined with the very nature of the product.

Table 1

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<th>Characteristics of the territorial brand</th>
<th>Prerequisites for success</th>
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<td>Indissoluble link to place</td>
<td>A common mythology and respect for ritual</td>
<td>Protection of the brand</td>
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<td>External: cohesion</td>
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Summary of conclusions.
Finally the notion of the territorial brand is relevant to current ideas about stakeholders and their importance in maintaining the value of a firm or a brand. The ability to capture and build upon organizational and community resources can lead to market success, especially when uniqueness of a region is a central selling proposition (Elaydi & McLaughlin, 2012). By respecting the community that is in place, regional brands can leverage numerous features such as path dependencies to create inimitable strategies that are valued by consumers (Beverland, Lindgreen, & Vink, 2008).

5.2. Contributions to marketing practice

Place-based brands offer resource-advantage to producers by attracting and engaging consumer loyalty (Orth et al., 2012). The consequence is that they need to be effectively managed. The CEO of one champagne company said a few years ago “I measure the success of our champagne like this. If our champagne is successful, then it is because all champagne is successful” (domain owner, personal communication, 2nd August 2007). This neatly summarizes the value of a strong territorial brand for producers, and the close interrelationship between the territorial and the proprietary. Recognition of the idea of a territorial brand and the conditions for managing it effectively are of concern to a range of food, place and tourism industries, and these businesses need to understand what they must do to make it work, as is already clear in the context of PDOs (Van den Lans et al., 2001).

Firms within territorial brands must carefully manage the quality of their inputs and outputs, since cohesion is a collective and individual key success factor. In consequence, territorial brands should maintain open communication with competitors and, if not already in place, at the very least create collective trademarks in order increase their value. Individual territorial brands may seek to uncover a common mythology stemming from their historical development and core production issues. A shared sense of triumph over challenges and perhaps the perception of a common enemy seem to be an advantage in this context helping to generate an unusual degree of cooperation between competing brands. If the history of the place is recent, the focus should be on discovery and pioneers. If the history of the place is rich and dates back many centuries, selecting reoccurring themes that most producers share are more appropriate. Alternatively, producers of territorial products may also wish to brand their products collectively in terms of packaging. All champagne producers use the same bottle shape, which is distinct from other wine producing regions in the France; it is also a shape that instantly evokes sparkling wine. It thus offers an immediate contrast from other forms of place brand; this, however, is speculative and deserves further consideration. What is evident from this study is that the territorial brand is distinctive from other place brands by the ties which bind the key players and their need to work together. Additionally, the territorial brand can, when well established, be a very powerful actor in a regional economy.

References


