

**How can France stay a leader in the global wine industry
in face of competition from the New World?**

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INTRODUCTION

With a reputation and an international recognition, the French wine has grown since its inception to bring the taste of the world's experts. The French wine market enjoys a privileged position in the global industry. The French are both the largest consumer and exporter of wine.

And for the French economy, it is also clear that the wine production plays a vital and a significant place in French agriculture.

This is because the French wine harvest is estimated at more than 60 million hectoliters per year and allows France to be ranked as number one among all wine producing countries in the world.

With a total of 9 billion euros (59 billion) in 2000, the value of wine production also represents 14% of the value of the French agricultural production, which ranks second in national production after cereals (10 billion euros).

And in 2002, France was the source of the production of 50 million hectoliters of wine on 257,800,000 global market, making it the largest producer in volume. (Source of information: www.senat.fr)

More than a third of the production is exported globally. Because of the importance of products and exported to France certainly holds the first place in the wine trade globally.

But it is clear that actually, the first place occupied by France is seriously threatened by the rise of new producers, those of the "New World."

Are included in the New World: South Africa, Argentina, Bolivia, Brazil, Chile, Peru, Uruguay, Australia and New Zealand.

Many countries have been able to offer a price relatively cheaper than French price's wines, and have been able to diversify the taste of wine to the delight of consumers, and that subject their production systems to more flexible than the laws of French.

Examples of strategies that have earned them a significant market share, or 18% of the global market, thus have made lower the exports of French wine, and that since the early 2000s.

These have their own management strategies, different from those of French producers on certain points. Competition is fierce, some consumers attach and cannot do without the tastes of French wines, but some are more attracted by these New World wines.

But what is certain is that the advent of these productions of the New World are a major issue of trade of French wine, and is a factor that may determine the future of the French wine trade.

And in this race competition, everyone is allowed to adopt its own strategy, but the ultimate goal is the conquest of the consumers.

Also, it is precisely in the context of this race to conquer the consumer that there is the problem of this study: "How can France stay a leader in the global wine industry in the face of competition from the New World"?

We cannot deny that the strategy adopted by the New World is a success because the led them to the conquest of a large proportion of consumers, what were these strategies? What strategies should adopt the French producers to deal with this competition?

These are questions that attempt to answer this analysis.

To carry out this analysis, the study will focus around three main points.

The first part is devoted to the theoretical study and presentation of the subject. The second part will be the conceptual and the contextual analysis of the market wine. The third part will determine what is and what should be the strategies of French producers in front of those of the New World.

I - Theoretical studies and presentation of the subject

A - State of the art

The topic will be the subject of this study concerns specifically the comparative study of strategies for production of French wines against those of the New World.

Two key players in the global wine market, which has different strategies, all of which seem adapted to global competitive market. Although it is also important to note that producers must revise some points of their production systems to be up to the new demands of the market and consumers.

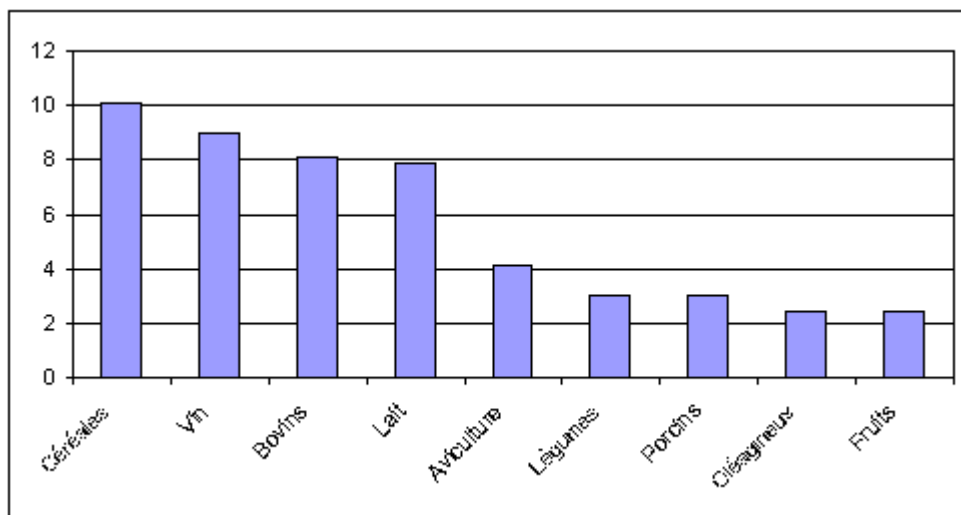
Indeed, the advent of these new producers on the wine market must be an operative change in French production companies. There are strategies that are outdated, which must be rejected, and new strategies must necessarily be put in place to meet new needs, and deal effectively with competition. Competition that has become even more "wild" in the wake of the globalization of trade, taking integration of all producers to a single market, open worldwide.

It is also acknowledged that the company is an entity that lives, and that necessarily makes changes, which is not stable. Instability, transfer, integration of new visions are part of the life of a company.

So that all the elements that make up this company, whose main production systems must adapt to this change, so always keep the purpose of the company throughout these changes: make profits remain competitive on the market.

The graph below¹ shows the importance of French wine production in the general system production.

A place that must be maintained as this wine production is an essential element based agricultural economy in France.



B – Problematic

The problem that arises, that is to say, the initial question that will guide the discussions in this study is as follows:

"How the French wine producers should face competition in front of the wine producers of the New World?"

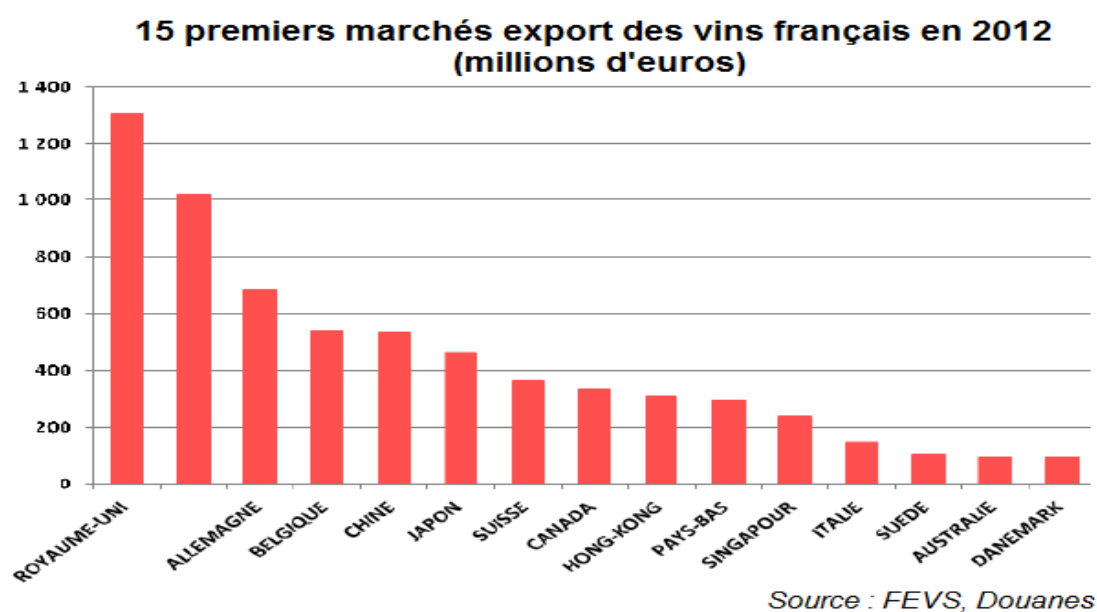
Indeed, it is in this study to take a census of the strategies of New World producers and those of French producers, and then determine what should be these strategies French production to be up to the competition. Because these are two producers that dominate the wine market in the world.

¹ Source: SCEES available on the website of the French senate
<http://www.senat.fr/rap/r01-349/r01-3493.html>

French wine is now circulating around the world, the following graph shows that. So that strategies must be adapted to these interventions more multidimensional.

Top 15 export markets for French wines in 2012

(in millions of euros)



C - Working hypotheses

The following three hypotheses will guide the thoughts and remain to demonstrate in this study.

-France is a country with great potential in terms of wine production

-Globalization has involved the insertion of France in the vast competitive global market, and has exposed to competition from the New World

-France must update its production strategies in order to deal effectively with the new realities of the global wine market.

D - Selection and interest of the subject

1 - Select the subject: knowledge of the strategic position held by the French production in the world wine market

It is clear and undisputed that France currently holds an important place in the wine trade, not only in the French domestic trade, but even globally. France is presented as a major factor in determining the needs and sales on the world market.

This site owned by France is mainly due to production strategies it has implemented since even the first wine marketing: the desire for taste, which strongly appeals to consumers spread across the world.

The French wine exports represented in 2000 a volume of 14.8 million hectoliters in the amount of 5.44 billion euros (35.7 billion). This is equivalent to the sale by of 103 France Airbus or 499 TGV trains. With these figures, exports of French wine were the primary sources of the surplus in the trade balance.

Also, although currently, the New World conquered and captivated many consumers, it has not erased the strategic position of France on the wine market. Many consumers have not yet ceased to focus on typical French productions.

The knowing of this strategic position, and the maintain of this position of France in the world wine trade based realization of this study.

2 - Interest Thread: to update the French's strategies in wine production

In fact, the treatment of this subject can identify production strategies that were used by France to establish its reputation in the wine trade. This study will determine the same time the fact that these strategies are outdated with the rise of competition.

So that the final value of this study is to make recommendations regarding the need to update the production strategies of French wine producers.

E - Research Objectives

Taking into account the general environment of the wine trade, contextual framework of the study, the goals and interests of the realization of this thesis are threefold:

- Give a deeper and clearer approach to the distribution of wine markets between France and the New World,
- Determine the production strategies of these two world leaders in the wine business, which helped them to establish their reputation,
- Making suggestions and recommendations on what should be the strategies of French producers to maintain first place in the wine trade.

F - Research Methodology

✓ documentary Compilation

The memory could not be developed without extensive research, including reading several documents explaining the principles on which rests the wine trade, the general framework for the exercise of the wine trade.

These documents have been obtained by two main sources:

-Internet: e-books, and analytical reports are now available online on the internet. And especially the question of the French wine trade, and that relating to the rise of the New World, continue to know the extent even now, the internet sources are those most updated to base the analysis.

-Library: there are nevertheless bibliographic sources and works that are not available online for issue of protection of intellectual property, or because of the age of the book, then I am part of their research in libraries where I was able to meet with many interesting books that explicitly dealt history strategies of production and marketing of French wines.

✓ Contact with exporters of French wines

-The contributions of these direct contacts

Certainly, after the documentary compilations, I've acquired some knowledge, and I understand how the production and marketing of wines in France work. I could also make a comparative approach with the strategies adopted by the New World.

But this knowledge could be improved in contact with real wine exporters, who are experienced in the field and have more knowledge about the world wine market.

I then realized that the readings and documentary research will give us visions of purely theoretical analysis, but the practical realities cannot be seen by direct contact with people who work in the field.

Also, the theoretical knowledge and practical realities associated with the specifics in statements by interviewees are the basis for the development of this thesis.

And with such a method of research, I think that I have developed a memory tracing the theoretical principles, taking into account the practical realities faced by the hotel industry in welcoming the new concept of sustainable development.

Also, in the context of these contacts, I conducted interviews with these individuals to gather information.

-The type of interview chosen was the semi-directive interview.

The semi-structured interview was specially chosen among many other research methodologies because it collects qualitative results, while putting the interviewee in the possibility of developing and guiding his assertions, thanks to freedom action that is offered during the interview.

This is because unlike the structured interview, semi-structured interview does not lock the speech of the interviewee in predefined questions, or in a closed environment.

The questionnaires were not worded closed to achieve a certain freedom of expression and reflection in the interviewee. So that more information about Singapore and investment opportunities have been collected during these interviews.

During these interviews, I found that it was an important and interesting time for preparing a service that defined the main outline discussion guide, an outline of the topic could thus be integrated in the discourse over the interviewee. The interview in a semi structured interview is more lively and authentic statements.

Concerning the conduct of the interview, the semi-structured interview will begin by the standards of unstructured interviews. It will give the interviewee a set point more or less vague, without specifying the expected response.

Thus the interviewee presents its ideas on the basis of the set point by following its own logic and its own reasoning. This will be only at the end of the first exhibition of ideas that opinions of the interviewee are reformulated to form the desired response.

II - Conceptual and contextual studies: Analysis of the general context of the development of the global wine companies

A - A globalized world market

The study of the general context of the development of the wine business is important in the sense that the wine market cannot grow outside of this context, it is inseparable from it, and all the changes in this context must also lead to changes all the intervention strategies within the context.

Indeed, it is recognized that the company is an entity that lives and that necessarily makes changes, which is not stable.

Instability, transfer, integration of new visions are part of the life of a company. This is because the company is in an environment that also makes changes. The company in question here is the winery.

So that all the elements that make up this company, whose main action strategies and production must adapt to this change, and the changing environment, in order to always keep the purpose of the company at throughout these changes: make profits remain competitive on the market.

A market that is now globalized, which is characterized by the rise of new wine producers, who are the New World.

1 - Definition of the globalization

In economic terms, this process of globalization results in the internationalization of all trade and transactions related thereto.

It is thus highly correlated with trade liberalization, taking economic integration, that is to say, a kind of adherence to global trade standards.

This liberalization is not only goods and services but also capital, men, ideals and technology circulate freely on the worldwide market, which makes the various countries of the world inter them in the process production and marketing.

According to Henri Bartoli, an economics professor at the University of Paris-I: "What is" globalized ", tends to be governed by a set of rules as all organized is a" system ".

So that at the end of this globalization, global producers will no longer be confronted with their own internal markets, but will face a market of international standard. This implies an opening of trade and increased competition.

2 - The effects of the globalization

✓ The global trade openness and economic integration

Indeed, by the globalization of trade, the integration in the leading global competitive market does not require any acceptance or ratification, but is an automatic right and that the country likes it or not, it undergoes automatically without the need for prior consent.

So that the French producers, whether they wanted to or not, were included in the right major global market, where competition is also at an international level.

✓ Free competition

Free competition is the basic principle of globalization. Indeed, it is a system in which firms interact within which these regulate themselves the law of supply and demand, without any supreme authority can come to intervene.

So, for example, in the wine trade, there is no more supreme entity in regulating the prices or the offers, all the producers are free to propose their deems, and can adopt all the strategy that they judge necessary to challenge its competitors.

✓ The need to adapt to new emerging competition rules

Indeed, these are the principles and processes of globalization that have made global competition is tougher and therefore more "wild". And it is clear that the wine business is not immune to the effects of globalization

This new business, more competitive environment, and is therefore more difficult to manage, that have commercial actors in the wine trade, are facing new competition rules. The areas are the same, so that stakeholders are increasingly numerous, a phenomenon that is reflected by the fact that bids are higher than the demand.

A situation that is difficult to manage, control and calls for new intervention strategies new contextual conditions.

Also, the French producers, who have long been alone in the big world wine market, have set new challenges, which leads them to adopt appropriate behavior.

B - The rise of new producers

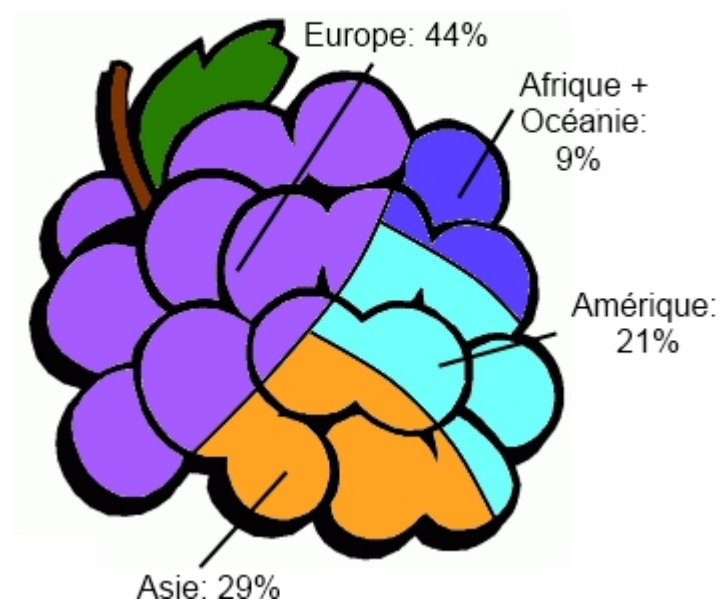
1 - Study of the distribution of the market between French and new

Producers

It must be noted that, since the entry of the New World in the production of wine, the markets are also divided between the Old World and the New World.

Repartition of the wine's producers in 2011 (Europe : 44%, Africa : 9%, America :21%, Asia : 20%)

Répartition production mondiale de vin 2011



The diagram above shows the level of distribution of the wine production. Even if Europe still holds the first place in this production, its share of production is significantly affected by the entrance of the New World on the market.

Europe still holds, in the year 2011, more than 60% of the total world production of wine. A percentage point that means a total defeat, although much less than the capacity of European wine production before the year 2011: 73%.

The reason for this decline in European production is that a large part of the market is monopolized by emerging competitors: America (19% in 2011), Asia (5.5% in 2011, against 3.5 % in 2001), Oceania (5%) and Africa (4%)

So that the global wine market is characterized by a real increase in the number and the number of producers.

However, before the increase in the number of producers, the market has not expanded. The graph below shows that the global wine consumption tends to stagnate.

Evolution of the consumption of the win between 2005 and 2011.



[tentchev consulting](#). Source des données : Euromonitor.

Also, this situation leads to the fact that bids are significantly higher than the market demands. The market is thus also divided between the two producers: the Old World and the New World.

2 - Strategies for Success

Under this procedure the two protagonists in the same market, it is clear that both the Old World, the New World experience a success.

This is because, France, leader in the field of wine production since always, has not yet given way to the New World producers, despite the recognition of the decline in production.

Similarly, the intervention of the New World on the wine market is a success because more and more consumers are beginning to take an interest in his productions.

So that each of these players has its own strategies, all equally effective in the context of this intervention in a particular global market.

Strategy success of the Old Continent

-The efficiency of customer loyalty:

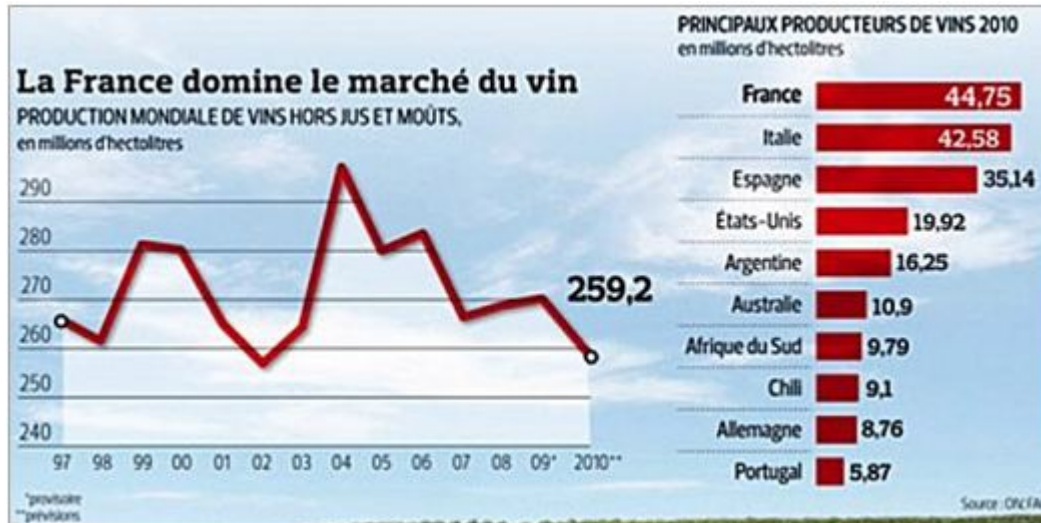
It is found that around the world there are loyal customers to French wines, which are attached to them. This is the main reason why the French wine knows yet, even today, a significant return in the French trade balance.

-The protection of the internal market:

France has decided to opt for the protection of the domestic market, so that other competitors do not come to disturb. So that the French wine market is monopolized by only the French productions.

What is already a strategic action since the French wine market is very important, given that France, in addition to being the largest exporter of wine, is both a major consumer.

The graph below shows the distribution of the diagram (Source: IMS, provisional figures for 2010, Vinexpo). And as part of this distribution, it is noticed that France occupies a prominent place in the wine market.



Strategy success of the New World: Innovation and Innovation Management

Indeed, in the words of La Rousse Dictionary, innovation is defined as "the introduction into the production process and / or sale of a product, equipment or a new process."

David Teece gives a more precise definition of innovation by stating that: "Innovation is the successful commercialization of a novelty."

In the history of innovation, there are four broad categories of innovation:

- The product innovations is to provide consumers and customers new products that have never before existed before
- Process innovations or "process innovation" that is to present an existing product but under most improved methods of use
- Marketing innovations of presenting an existing product in new, more attractive and more strategic commercial advertisements
- The organizational innovations involves internal reorganization the company will affect its market intervention.

But in the case of the New World, it is rather a marketing innovation.

This is because, of course, the wine has already existed for years, but the New World brought innovation to the consumption of wine, and that by offering new tastes, new purchasing conditions (existence now of good wines at low prices), new conditions of production of wines.

These innovations made by the countries of the New World innovations that have been well managed by those countries which have been the source of its success.

Indeed, the launch of innovative products ever designed for specific purposes and actors are often inspired by a desire for improvement, including: an increase in productivity, an increase in market share, a conquest and customer loyalty...

Also, innovations are important points in the development of a business, so it is important to develop strategies to support these innovations so that they actually contribute to the development of the business is the management of change. The company in question here is the winery.

The management of innovation is the act of putting in place the necessary elements to contribute to the success of an innovation.

In change management, the main task is to conduct a strategic analysis of the market, to anticipate risks and to predict the outcome of the launch of an innovation, this task is accomplished at the exploration phase " innovation. "

And in the case of the New World, it was found that these innovations have been well managed.

3 – Constataion of the phenomenon of "deconsumption"

At the last show Wine Expo in France, the findings have been advanced.

Indeed, the first observation was revealed is the net overall decline in global consumption of alcohol, and that over the last twenty years.

If earlier the global wine consumption follows a very slow evolution of about 1% per year, an increase that is not very significant, but which is nevertheless regular and seem to decrease, since the decline in global wine consumption .

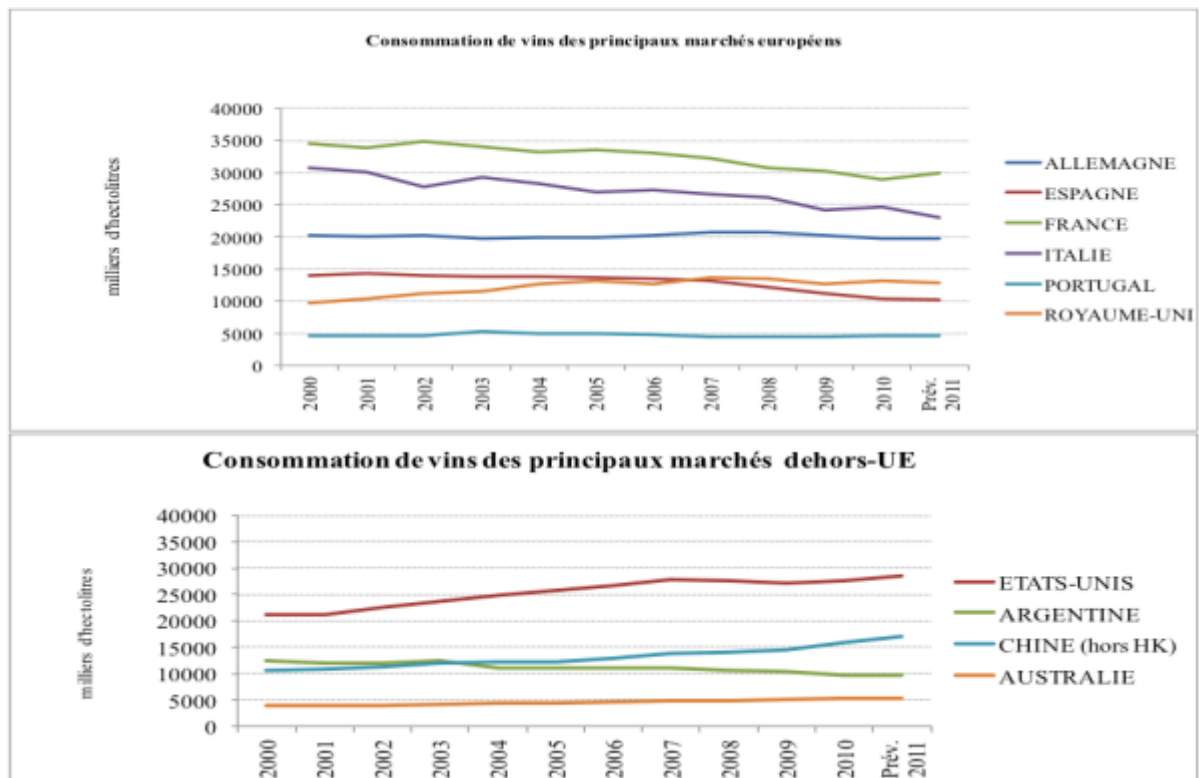
The second observation lies in the pattern of consumption of wine.

While previously this drink is consumed regularly and a daily basis, it is noted that at present, it is taken only as occasional.

This change in wine consumption is not found only in French consumers but in all global consumers, even in the New World, new wine producers.

Many new consumer trends which greatly affect the market structure.

The European and outside the European market level, this deconsumption translates as follows: (source: <http://buller.over-blog.com>)



Also, it is only the United States and Argentina as consumption increases, and, in Europe, there is a slight decline in wine consumption.

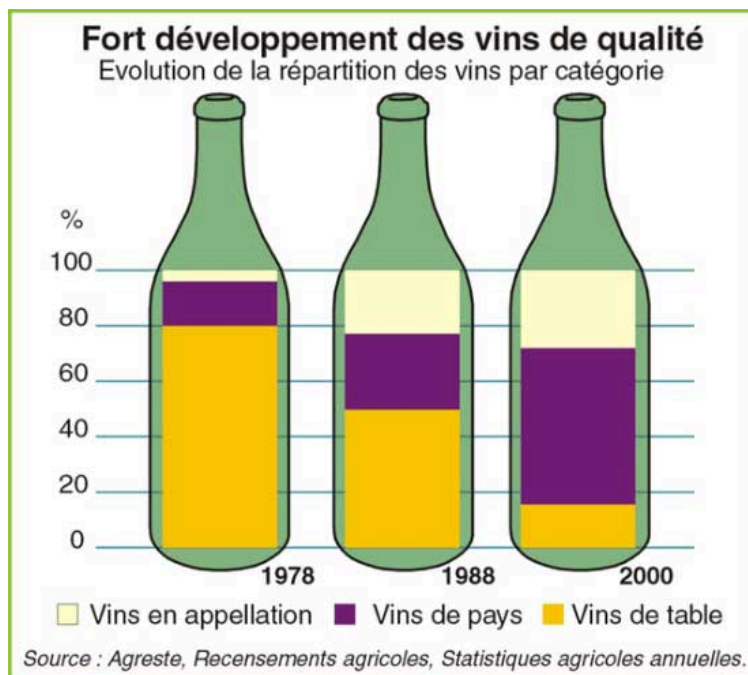
D - Changing consumption patterns: the connection to the "wine country" and the development of quality wines

It is found that if in the past, consumers were connected with the wine consumer, currently, they rather look for wines, that is to say, quality wines.

Indeed, each country is recognized by consumers for a particular wine, consumers looking for the specialty of each producer as they are today in search of quality wines.

The report of the following INSEE (available at: <http://www.insee.fr>) shows the evolution of the method of wine consumption.

Strong development of quality wines



PARTIAL CONCLUSION: Synthesis global context and perspective for the future of the wine market

Also, the global wine market, once dominated by the French production, is now divided between France and the New World.

Consumers have recently changed their habits of wine, but next to all these changes, the production of wine in France is a key export trade balance.

And it is also true that, for the New World, the participation in the global wine market is an opportunity to support their economies, given the market share captured by these countries.

Each country has its intervention strategies on the market, but it must also be noted that each producer has its own customers. The needs are many and heterogeneous effect, and each producer has its own peculiarities which connects to its customers and their loyalty.

For example, some countries (like the United States, the United Kingdom but also in Germany, which are in fact the top three exporters of wine) have preferences for prestige wine which is the Champagne wine, which connects to a particular producer: the Old Continent which is renowned for the quality and unique taste of its champagnes.

So that, for champagne, the Old Continent is not competed, which means that in the context of competition, everyone has their own customers, the market is divided equally between the first two competitors.

Also, countries are competitors, but they each have their own specialties, depending on the region or country of intervention, which relate to consumers in those countries or regions.

So, for example, red wine is a specialty of South American productions, and white wine specialty of South Africa, as represented more than half of its production. French producers, meanwhile, are mainly known for their champagnes, as specified above.

But what can be seen at the moment is that respect for the area of responsibility of other producers is increasingly lost. In other words, all the producers are trying to specialize in all areas in order to intervene in the market of the other producers.

For example, in the case of South specializes in the marketing of white wines Africa it is found growing red wine production in the country. This reflects a desire for the country to regain control of the South American competition.

Such diversification of production in many producers is now possible because over the years of production, producers have gained a better understanding of the vine further and exploit this knowledge to launch new products.

All this leads us to affirm that yes, the competition in the wine market is really existing.

III - Practical Analysis: The strategies of French producers to those of the New World

A - Study of the Management of the success of French wine production

1 - At the presentation of the offer

Omnipresence to consumers (eg websites, evenemential communications)

More and more companies currently use effective communication tools to ensure sales. These communication tools are currently considered as an effective communication strategy, the events currently stands as essential among all the conditions of effectiveness of a company.

-The event communication

As the case of French wines, are always detected, at least annually, events related to wine (eg fairs Wine Expo held annually).

And that in order to get closer to consumers by giving them more knowledge to the field of wine and recent developments.

In other words, these event-communications are implemented in a primary goal of familiarizing consumers with the wine business, and then in wine consumption, a guarantee of loyalty producers.

Also, for French wine producers, it is mainly the event communication is used as the main communication strategy. This is a communication technique that has proven effective with many companies, and is then adopted at an international level, even in the field of wine.

Indeed, the event communication is a communication tool that is based on event-creations internally or externally.

It caters to the general public, depending on the size of the communication and is intended to advertise a brand, a brand or a company. This is a rather special form of communication because it does not rely primarily on the communications media, but on the organization of events (seminars, exhibitions ...).

And it is also clear that these events can take place in different locations, and may take different names depending on the type of event to which is attached the communication shows, trade shows, promotional tours, ...

And for some companies "All opportunities are good" when it comes to conquer the audience, build customer loyalty.

But what is important to note is that all these communications, and all these events are ultimately performed in a predominantly commercial purposes. Thus it is important to determine that companies in the business of selling wine realize such events in order to reap profits, increase their reputations, their turnover.

Indeed, under these event-communications companies may use different media.

Is currently the most widely used internet source, a current source to everyone.

-The omnipresence in internet sources

This is now possible because the current level of IT business development nowadays is high, and ICT are at hand for many customers and consumers.

Thus the presence of web sites, online sales are run by French wine producers, who want to be closer to customers and have the ambition to facilitate trade and transactions with these consumers.

So, for example, customers who are located in remote regions can easily provide Bordeaux wines, conducting online orders, and obtaining immediate delivery, and this via the website of the producers.

This system demonstrates how important it is to always be in the minds and the lives of consumers, it is the system that builds strength of the French sale.

-Marketing

In this system, the strategy is to cause the application of the proposal offers.

In other words, the need to consume wine is not always spontaneous among consumers, but through media advertisements, internet presences that producers awaken and arouse the need.

This is a new strategy to win the customer is being adopted by French producers, and that seems to be effective before the recognition of the phenomenon of "deconsumption." This is because the desire of consumers is awake, and they won for new productions.

Indeed, this phenomenon deconsumption exposes all global wine producers a production crisis, customers, the main capital is the turnovers, do not consume enough wine turn yesterday.

Also, the implementation of a new strategy that revives and revitalizes the desire and the need to consume turns out to be crucial.

Producers, French in particular were faced with the need to implement deep strategic reorganization, advocating close, board, improved customer relations, which has a favorable wind blowing on the evolution of selling wine France.

Diversification of the offers

France has a favorable historical position. Indeed, the production of wine is not new to France, if this is the case for emerging New World.

Old World wines are very popular around the world, and have a very positive image of both the quantitative criterion (diverse wines) and qualitatively.

France is the most experienced in the vineyard because has a greater variety of wines.

And for that, there are even traditional production methods that New World countries are unable to reproduce. It is found that in the countries of southern Europe, such as France, Spain and Italy, the traditional methods in the cultivation of the vine are still rooted in the minds of producers who have know ancestral, yet unknown to other competing producers, which allows the development of both unique wines (wines of Champagne in France, for example) and diversified.

French producers are still bound by their consumers by "typically French wines," which are highly diversified.

This possibility of diversification of production is only possible by the provision of varieties.

2 - In Production

System diversification of the production

Indeed, each country of France has expertise that is typically recognized him, and that makes the difference of its wines compared to other countries.

This is the system the diversification of production: France does not produce only one type of wine, but is universally recognized for several types, depending on the region of origin of the wine.

Also in France, the names of the wines are different, as their tastes, according to Region of origin.

And in France there are currently more than 450 different names, and that's what makes this country the undisputed ambassador of diversity (and even if the country is mostly recognized worldwide for Champagne Wines, a unique taste which could still be challenged by the producers of the New World).

But before this great diversity, regulations within the European Union classifies these different wines from different appellations into two distinct categories:

- quality wines (Quality Wines Produced in Determined Region) and
- Table Wines

But in France, the three main categories are:

- Appellations d'Origine (AOC)
- Delimited Wines of Superior Quality (VDQS)
- Vin de Pays, which are table wines.

consequences of this system

This system diversification of production rather positive impact on the international sale French wine:

- Expansion of the categories of consumers

While consumers of French wines are classified into several categories, these categories are numerous.

This is because each category will match consumer. What makes the system diversification wines allowed France to meet different needs in wine, and so gain a lot more consumers.

- Affirmation of the uniqueness and specificity of French wine production

It must be noted that this system offers diversification is typical of French productions. Competitors, such as the New World, have opted for the simplified system offers, and offer consumers a fairly limited number of wines.

3 - At the market

The overprotection of the internal market

It is found that despite the phenomenon of globalization, which should lead to trade liberalization and free movement of goods, the wine market within the France is not yet ready to welcome new producers Other than french.

The competition is virtually nonexistent, and settled only between regional producers and not global. In other words, the New World producers do not have access to the French domestic market, which is of great importance.

And protection of the French domestic market (over 30% of global consumption of wine) that France still holds the first place in the distribution of wine in the world.

Shyness face of the opening

And it is also clear that concentrate to the satisfaction of internal tenders, French producers have a certain shyness at the opening.

In other words, French wines are not yet sufficiently present in the world.

This leads to the conclusion that French wine producers are not yet fully integrated into globalization. The French wine production is still withdrawn and presents great difficulties to adapt to the global opening.

4 - Summary of the strengths and weaknesses of the managerial system of the French wine production : application of the SWOT analysis

Presentation of the method of SWOT analysis

The SWOT analysis has been specially selected for use in this study, and for various reasons, mainly related to its effectiveness.

In fact, the SWOT (Strengths - Weaknesses - Opportunities - Threats) SWOT (- Weaknesses - Strengths Opportunities Threats) analysis is a tool for strategic analysis. This method of analysis provides a comparative study strengths and weaknesses, opportunities and threats for a production system.

Such comparative studies and main objective is to identify a development strategy adapted to the environment, in addition to identifying flaws, strengths, opportunities and threats to the production system.

The interest of the SWOT analysis is that it takes into account both internal and external factors of the production environment, in the determination of development strategies and progress especially suitable for specific productions.

Once the SWOT analysis, the strengths and weaknesses (internal factors), as well as opportunities and threats (external factors) must be clearly defined.

So that the production system as a whole, as well as its international environmental context are evaluated. And that to establish ultimately the strategic priorities and project progress proper and adequate to current data from the production system.

SWOT analysis allows an analysis of several factors and elements before making out an assessment that is closest accuracy. These elements are mainly: strengths, weaknesses, threats and opportunities.

-Study of forces: forces consist mainly of positives internally controlled by the establishment, and can serve as a basis for the future of the institution

-Study weaknesses: Unlike strengths, weaknesses are negative points in the production system. But note that even if they are weak, they are among the elements that underpin the rationale for this particular production.

-Study Opportunities: Opportunities are doors that are open to the outside level, they include the strategic actions that can be taken in which the production system can emerge victorious, given its capacity, that is to say its strengths and weaknesses.

Study threats: Threats are negative aspects of the environmental context in which the institution, they are materialized by external limitations or obstacles that may stand against the development of strategic objectives of the production system studied. They are thus factors that do not depend on the willingness of producers but they must be faced as an actor at the international level.

Application of the method of analysis to the case of French wine production

-The forces of French wine production:

- The diversity of offerings
- The presence of consumer
- State subsidies to producers of wines (which allows them to renew their production systems and develop their industry to be competitive on the world market)

-The weaknesses of the French wine production

- Complexity of tenders (alleged to French producers)
- overcapacity resulting in a devaluation of the price of wine

-The opportunities of French wine production

- Globalization (if globalization is used, it will allow French productions to acquire a global label)

-Threats of French wine production

- Evin Law
- The establishment of quotas for alcohol production (a form of limitation of production, within the framework of the fight against the use of alcohol)
- The decline in the purchasing power of consumers before the crisis
- The international anti alcohol lobby is powerful enough
- Emergence of new producers: the New World

B - Managerial strategies of New World producers

In recent years, the wine market has seen real changes with the emergence of new market entrants, namely the new New World producers.

New competitors seem very competitive and seem to hold the key global market, knowing realize the needs of new types of consumers also emerging.

Besides the producers of the old continent, the New World also have specific intervention strategies on the market that have based their power.

Even if they cannot even beat the current producers of the Old Continent, it is true to say that their first market integration has been a success, given the market share that is already captured in the moment.

1 - In terms of communication: A strong presence with consumers

While wine is the drink of all ages, people around the world have continued to consume, but it must be clear that at present, this mode of consumption has changed.

In recent years, consumption of wine, but in the same way yesterday.

And it is clear that the New World, in its productions, strongly light of these new requirements.

This adaptation offers new applications was one of the strategies for success in the New World. Unlike the Old World producers have continued to occur, with little consideration of these new consumption patterns emerging.

And before this strong presence among consumers, it is also clear that the production of the new world are calculated.

2 - Production "calculated"

standardization of the tastes of wine and standardization system: adapting to new patterns of consumption

For fifteen years, a new type of consumer has emerged on the world wine market. Indeed, if the requests were always different and heterogeneous, have become increasingly homogeneous. This means that consumers nowadays are looking more different tastes, but unique taste and quality.

Consumers today want to drink wine, but rather are "newbies", that is to say they are beginners and do not know all the diversification of wine appellations (eg, those consumers are unable to choose between the 450 types of wines by the French).

So they will quickly turn to the New World wines, which are not complex, but are just classified by type of grape.

In this sense, the New World wines go closer to consumers for new beginners to learn how to consume wine.

As Mr Patrice Bourdier, Sales Manager of the famous wine merchant Nicolas said: *"The New World wines have an educational role. They help people to enter the world of wine. Consumers can then go upmarket and evolve according to their knowledge"*

So that new consumers in recent years no longer seek the quantity and diversification, but rely mostly on the quality of wines that are available to them, even if they are standard.

And interventions of the New World on the market coincide with these new consumer expectations, and that the system of standardization of tastes of wine thrown on the market,

they were able to produce a typical wine that met all the tastes of all consumers around the world, regardless of the time of taking the wine.

To drink the new world's wine, the consumers do not need to be experts to detect the quality wine.

And this was one of the first success strategies of these new producers: the products offered even unique taste, have coincided with expectations of all consumers.

A major New World producers explicitly spread its production strategy by stating that:

"We want to tell all the wine of France that the expansion and development of our vineyards through the absolute need to be attentive to the needs of our customers whether they are at home with their families, with friends on the terrace of a cafe, to lunch at the restaurant in the evening at the cocktail hour, the holidays, they are pushing their shopping cart in a supermarket, in a wine in the basement of a producer in the cellar of a wine cooperative, under the arches of a prestigious castle or beams of a field of renown, they are in Lille, Marseille, Brest, London, London, Tokyo, New York, they are on a plane, by train, a ferry, a cruise ship or a holiday "(Jacques Berthomeau" Cap 2010, the French Wine Challenge).

Unlike the French who thought that the multicultural aspect of wine consumption calls for diversified production, New World producers have attempted to establish a standard wine, one taste, but that will seduce all these consumers.

And indeed, it was found that it is the whole world was captivated by the new wine of the New World. The standard flavor is woody and fruity taste, which are found in all New World

wines, but strongly attracted all types of consumers from the most inexperienced to the experienced.

For consumers looking for quality, taste, the New World wines, easy to drink, meet their requirements and expectations.

Impact of the standardization of taste

This presentation of a single standard wine but highly appreciated taste had two major consequences for the producers of the New World:

-A system of less complex production which means that the taste is to produce unique wines are produced according to standard as unique, which further facilitates the production and reduces the costs of production. This will also lead to another consequence:

-The proposal wines with an highly competitive prices: production systems are not complicated than in French, it is certain that the cost of production will be cheaper than New World wines once landed on the market will also , compared to French wines.

-An expansion of the market share by a universal target consumers tastes of New World wines know no barriers or borders, but were appreciated by all consumers, spread across the world.

Looking for a cheap labor

The search for cheap labor is also a strategy of New World producers in the sense that the production of wines at lower costs enable them to offer wines at competitive prices on the market.

✓ The inexpensive production systems

The system of standardization of production helped implement systems inexpensive production, which is always in the mind can offer quality wines at lower cost.

3 - At the market

Integration with competitive game (competitive price, value for money)

It is found that before the phenomenon of globalization of the market, which means opening up the market to a global level and increased competition, it is found that New World producers integrate well with this new phenomenon, and seem out winner.

They found the trick and strategies to beat their competitors first French producers, offering wines at highly competitive prices and offering wines a better taste.

✓ Innovation and exchange

The advent of new producers on the market have radically changed the way wine consumption.

They brought a new impetus to consumption mode: now, the wine is accessible to all social classes (competitive price), and it is possible to taste good wine without the expertise of many wines (standardization of taste).

Attract new customers and increase competition

These features and innovations which have been exposed, producers of the New World have attracted new customers, which has long since abandoned the consumption of wine.

Thus, women and youth, has long abandoned the wine were so impressed by the value for money and have now become new customers of these new producers who have been able to

offer deals wines quality at low prices, something that the french producers were not able to do.

4 - Flexible legislation

In fact, one of the most important strategies that founded the success of New World wines is linked to flexible production methods associated with such a flexible legislation.

Indeed, the New World producers do not use the same methods that French wine producers: their legislation allows them to replace the natural aging in barrels by adding wood chips in wine.

A method of vinification which is strictly prohibited by French law, then it could provide many benefits to producers of the New World.

It allowed these producers to lessen the cost of production, because they no longer had to buy the barrels to age the wine naturally, wines that have significant impacts on production costs. Wood chips cost a far less expensive than barrels.

This is already a great point of difference between France and the New World in terms of wine production, and is felt on prices when selling the finished products on the market.

C - The French production in front of the production of the New World

1 - State of competition

The completion of this study intervention strategies of the two main competitors in the wine market can now determine: Who is the most efficient? Which is increasingly confronted with obstacles? Who has the greatest growth opportunities?

Indeed, for two competing producers, the barriers are not the same as development opportunities.

But it is clear that even though France still holds the largest market share in the wine trade at the present time, the New World promises a lot in terms of business development.

Competition is fierce, and it is currently recognized that the position of France is seriously threatened by the emergence of these new producers. As for the Old Continent, a formal adaptation of production systems to the contextual realities is required.

2 - Recommendation for the company and the French wine industry

SWOT analysis of intervention strategies of French producers in the global wine market has detected the strengths and weaknesses of these strategies.

But it will be from these strengths and weaknesses will be formulated recommendations addressed to French production system:

-From the list of strengths, it should answer the following questions: How to maximize strengths? How to use force to take advantage of opportunities? How to use forces to reduce threats?

-From the list of weaknesses: How to minimize the weaknesses? How to correct weaknesses in seizing opportunities? How to minimize the weaknesses and threats?

Also, the recommendations to be sent to French producers are:

The need to strengthen the reliability and readability offers

It is time for the French producers to give a better view of their offerings to consumers neophytes, who are more numerous on the market.

While diversification is useful for the French already have a better understanding of wine, but that diversification is a locking element for consumers in other countries, which are far from being experts in the consumption of wine, and lost in the multiplicity of names and non categorization offers.

Producers must also seize this new type of consumer, to increase its sphere of intervention, and they must give consumers the opportunity to be among the diversity of appellations of origin. Just as New World producers who rely on the brand rather than the appellations of origin.

A need for responsiveness to market needs

French producers have continued to produce the same types of wine for several years, of course, it is a strategy for the conservation of traditional production methods, and maintain customer share related to these methods, but it is also both a sign of not opening new and emerging needs.

Also, at present, an awareness of the need for change is needed.

It is time for the French producers realize that they evolve in a changing environment, and they must necessarily adapt to the new contextual realities.

In fact, consumers now need a new taste, need to know new types of wines, and it should not be overlooked by French producers, who want to be competitive and want to capture the maximum share of global market.

Towards a need for increased competitiveness and export of French know-how

French producers seem to focus on the French domestic market, and seem to be shy at the beginning, while the external market is an interesting market.

Thus France should establish strategies of export of the French wines in the rest of the world.

But before that, it is first necessary to establish production corresponding to the expectations of consumers, who are both able to be up to the competition with the production of the New World.

To make this possible, producers must first develop a plan for long-term development of the French wine industry based on objective previously studied.

Towards an easing of regulations need varietals

It must be noted that the rigor of the French legislation varieties, namely the prohibition of the use of wood chips in the winemaking process, is an important element blocking the competitiveness of French wines on the world market , because this process is allowed in all countries of the New World.

This not only affects the taste of French wine (because the use of this method allowed the New World to develop a taste now highly appreciated by global consumers), but also the price (using barrels in the aging process Natural is a fairly expensive system for French producers, who are thus obliged to show a more expensive than the New World producers) final price.

Also, an easing of regulations on these varieties would not it to be expected? Would that in wines of medium and low-end country, in order to align production to the New World.

However, the ban on wood chips in the prestigious wines will make the difference of French wines compared to the New World.

What is important to note is that the admission of the use of wood chips should be only partial, to show the integration of French productions with global practices, while maintaining the characteristics of French wines.

CONCLUSION

The implementation of this memory has contribute to a deeper understanding of the global wine market. It helps to understand that the strategic position of France in the trade and distribution of wine is seriously threatened by the emergence of new powers which are the New World wine.

A New World which have made a "star entrance" on the market, as has cornered all the attention of consumers. This is because it will be the first producer that has come closer to customers by being responsive to their needs and expectations.

The woody and fruity taste, the main characteristic of wines from the New World was a success.

Unlike France, which has opted to diversify its offerings, the New World broke the routine business by offering a standardized supply. This allowed the women and children, beginners, access to wine consumption, which now requires more knowledge of all types of wine to access a quality wine.

Various strategies have been adopted by the New World producers, all of which have contributed to their rise and which allowed them to capture a greater share of the world market.

So successful that now threatens France. Also, the country must think about a reform of the system and its production strategy. Contextual changes, namely increased competition, market globalization, changing consumer expectations, must also be an agent of change for French productions, in order to adapt to these new realities.

But it is clear that in almost all areas of production, where competition is fierce, competitors have introduced new forms of competition: the rallying and partnership. This is because, it was found that in the business world, the development of a partnership, even between competitors.

Is this partnership relationship conceivable between the Old World and the New World?

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