

# What is the impact of GI wines on territorial development? A qualitative study from two regions in France

## Abstract

One of the main goals in the establishment of Geographical Indications (GIs) for European agri-food products was to help fostering development in rural communities. Due to the cultural and economic importance of wine production in France, this paper aims to understand how wine GIs in the Quercy and Vendée regions (located in southwestern and northwestern France, respectively) may have influenced territorial socio-economic development. By conducting semi-structured interviews with local winemakers and institutional officers, and carrying out a qualitative analysis through the grounded theory model, preliminary results indicate that, in both cases, the wine GI has not completely met the expectations of producers in terms of economic development and opportunities. Instead, it is now considered by many a constraint that does not allow for entrepreneurial growth and opportunities.

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## SUMMARY

### Introduction

Since the 1990s, the European Union (EU) has implemented a quality scheme that employs Geographical Indications (GI) to safeguard the specificity of food and wine products originating from specific regions within its member states. France ranks as the EU member state with the second-largest number of GIs for both food and wine, preceded only by Italy. With respect to wines, there are 75 IGPs (*Indication géographique protégée*) and 363 AOCs (*Appellation d'origine contrôlée*). Additionally, France holds the title of the world's largest wine producing country as of 2023 (OIV, 2023).

For these reasons, it may be interesting to understand if there is an impact (and its magnitude) that wine production can have on a specific area, since another objective in the establishment of EU GIs was to help fostering development in rural communities. This is a question that other

researches have already tried to answer by analyzing different types of data, including qualitative ones. For example, Charters and Spielmann (2014) conducted interviews with producers from the Champagne region in France and Champagne consumers, to illustrate that the development of a territorial brand (such as GIs) is deeply intertwined with the characteristics of their region. Key elements such as effective brand management, cooperation among stakeholders, a commonly shared mythology, and local engagement are critical for the strength of a territorial brand. Moreover, coopetition is proposed as potentially enhancing the market competitiveness for all firms involved in the brand.

Therefore, this study aims to address the research question “What is the impact on territorial development of a GI wine?”, in particular regarding two AOC wine appellations in western France, the Coteaux-du-Quercy and Fiefs-Vendéens. These two producing areas were chosen because they share some similarities, thus enabling us to make a comparison. In particular, they both received the AOC status in 2011, and most wines produced are red ones. Moreover, they have a similar area planted with vineyards (around 290 hectares Coteaux-du-Quercy and 355 hectares Fiefs-Vendéens). We also chose these areas since they are not as well-known as other ones in the country (such as Champagne or Bordeaux, which rely on a way older history), so they allow us to better assess the potential benefits of a GI label on a territory.

We have also decided to use qualitative data, in order to understand from local producers if there has been a tangible socio-economic development in the area since the GI establishment and, if so, what is its perceived magnitude. We decided to involve the local winemakers because they best represent the link between the areas and their viticultural history and tradition, and we consider them the most qualified stakeholders to help us understand the evolution and changes that have taken place in these two regions, from both the producing and socio-economic perspectives. Qualitative methods have been employed in different studies regarding the development of wine-producing areas (Taplin, 2016; Vázquez Vicente et al., 2021). In addition, we wanted to understand how much of this development, in their opinion, can be attributed to the presence of the wine GI.

### **Data and research methodology**

For this work, we adopted a qualitative method research approach. Data collection was based on primary data sources, that is through semi-structured interviews, which were pre-arranged with the interviewees; every participant was aware that we were collecting data on wine and local development. We contacted all producers that produced GI wines in the two regions for both in-person and online interviews. We were able to interview 6 out of 14 producers from Coteaux-du-Quercy, and 7 out of 13 producers from Fiefs-Vendéens, for a total of 13 interviewees. This represents about half of the total producers in both appellations. Moreover, we interviewed two INAO (*Institut national de l'origine et de la qualité*) officers, to also have the perspective from representatives from the organization responsible for French appellations. Interviews took place between September 2023 and February 2024, and lasted between 20 and 50 minutes each; they were all digitally recorded and transcribed verbatim.



**Figure 1:** Map of the two French AOCs part of this work

Data analysis is based on so-called grounded theory, particularly as implemented by (Gioia et al., 2013), which is considered appropriate in order to understand the lived experiences of informants (Gehman et al., 2018). After listening and reading the interviews, by firstly applying open coding we can identify first-order concepts. Then, by looking at these concepts, we classify them into second-order themes. Finally, analyzing the connections among the second-order themes, one or more aggregate dimensions for the second-order themes can be established.

### **Preliminary results and conclusions**

From a preliminary analysis of the data collected through the semi-structured interviews, we can already highlight some of the main themes emerging from the two AOCs. Despite very dissimilar pre-existing contextual conditions between the two areas, it seems that the AOC label has not resulted in the expectations of the local producers in terms of visibility and attractiveness of the areas for different reasons. While the Quercy region is very rural and sparsely inhabited, the Vendée has an already established tourist and naval industry thanks to its proximity to the Atlantic Ocean. On the contrary, in both AOCs, there are producers who have stopped or will stop producing AOC wines, using the IGP or “Vin de France” labels instead. Indeed, in both cases, the production registers (cahiers des charges) are considered too restrictive, and do not allow producers to make the most of their grapes or to produce wines that are more in line with consumers taste. For example, many have pointed out the impossibility of producing single-varietal wines as one of the main reasons for abandoning the AOC.

Another problem that arises from the interviews regards the ability of local producers to properly collaborate in order to promote the AOC wine, in addition to the lack of financial means that are required to do so. Specifically, for the Quercy region, there seems to be a lack

of knowledge and/or interest among most producers to better promote the local area and wines, with the absence of proper investments to allow to host consumers and enable them to visit and discover the local wineries and products. This may be due to a generational and historical factors, given that Quercy is a polyculture region, and viticulture may not be everyone's priority specifically for their farms. On the other hand, Vendée, being close to the ocean, has strict rules regarding the possibility for producers to build commercial buildings, in their case the proper wineries, thus largely limiting their efforts not only to increase and improve their production, but also to attract new producers to the area.

Therefore, we can already imagine two possible main dimensions resulting as the main outcomes of this study: one concerning the technical difficulties posed by AOC rules to local producers, and the other one concerning more the local socio-economic context and its effects on the performance of local producers.

In conclusion, this work aims to provide a different and unique perspective relatively to the benefits provided by GIs to the local development of rural areas. Indeed, while many studies in the scientific literature demonstrate a positive impact on the socio-economic development, preliminary results of this work show the struggles that an AOC can cause to local producers, with many preferring to abandon the label in order to pursue an individual identity and recognizability of their own products. This work aims to contribute to the debate regarding GIs and, in particular, the possible changes and/or improvements that could be apported to the local authorities responsible for maintaining and controlling GIs, such as the INAO in France.

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