

Good example of case study on the best go-forward strategy for inniskillin icewin...

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Inniskillin and the Globalization of Icewine

Introduction

The wine industry has been gaining momentum rapidly in terms of production, sales, and the ultimate consumers. People have developed the urge to consume wine especially due to increased variety of brands, high quality, and affordable price. Canada has been revered as a wine hub among other countries such as, Germany, Italy, and America. The great market dominance of Inniskillin icewine brand especially in Canada has been influenced by fierce market forces that have prompted the Vincor international company to adopt technological approaches. Inniskillin wine producing company was founded in Canada by Kaiser and Ziraldo in 1975 (Jones and Hirasawa 2008, p. 2). The two individuals were driven by a passion for establishing high-quality wine products in the Canadian and the global markets. In answering the case study questions, the paper builds arguments, uses information from the case study to back them, and supports them with evidence to make them more credible as Booth, Colomb, & Williams (2008, p. 108) recommends. In particular, the paper elucidates what Roger Provost ought to recommend to the U. S. - based Constellation Brands, Vincor's owners as the best Inniskillin Icewine's go-forward strategy. In addition, the paper describes how much effort Roger ought to put forth in encouraging the VQA to preserve Canada's Icewine designation.

Vincor international company should essentially align itself in the market so that it can keep on being a market leader as well as grow globally through employing the best go-forward strategy. Thus, the company's go-forward

strategy should center on the marketplaces where they can have considerable penetration and in the end be highly triumphant. Specific language, as well as logic, make claims more logic (Booth, Colomb, & Williams 2008, p. 122). Therefore, in explaining the best go-forward strategy that Roger should recommend, the paper uses specific language and logic to make the claims more logic. During his initial meeting with the owners of the company, Roger should recommend the go-forward strategy of capitalizing on Inniskillin Icewine's premium margins through employing the international reach of Constellation's distribution. The go-forward strategy is the best because it will make Vincer Inc. expand into the international markets where there are additional opportunities that will make Vincer Inc. attain significant foreign growth. In addition, capitalizing on Inniskillin Icewine's premium margins is the best go-forward strategy for Vincer Inc. because of a number of benefits it will bring forth. The achievement of economies of scale is one of the benefits that the company will essentially obtain in its effort to utilize the international reach of Constellation's distribution. As a result, Vincer Inc. will enhance its position in the market in a number of ways. For one, Vincer Inc. will obtain information to serve up niche markets in the locations where it does not exist at the moment. What's more, Vincer Inc. will be in a position to market its wine more effectively to the consumers through the expanded product portfolios that will come from the economies of scale.

Realization of the global distribution capabilities is the other thing that makes the go-forward strategy of capitalizing on Inniskillin Icewine's premium margins the best go-forward strategy for the company. In fact, Vincer Inc. will put into practice this strategy through using the international

reach of Constellation's distribution and. Thus, the company will eventually achieve international distribution capabilities. Every market has its consumer preferences as well as specialized knowledge of regulations, infrastructure, and the like. Therefore, Vincor Inc. will become an international player in its efforts to utilize international reach of Constellation's distribution, and this will increase the competitive edge. In addition, the international distribution capabilities that the Vincor Inc. will achieve as a result of capitalizing on Inniskillin Icewine's premium margins will be critical for the superior performance of the company. The other thing that makes maximization of Inniskillin Icewine's premium margins the best go-forward strategy for Vincor Inc. is its ability to create a strong network of dealers and wholesale distributors globally. In employing the international reach of Constellation's distribution, Vincor Inc. will create a robust network of dealers and wholesale distributors that are one key to the success of any organization within the wine industry. In essence, the company will gain large market shares globally since it will distribute great quantities of high-quality wine to the major markets in the world at lower costs as compared to the competitors. Additionally, maximizing Inniskillin Icewine's premium margins go-forward strategy is best for Vincor Inc. because it will make the company's brand name well-known as well as well-respected. Apart from making Vincor's brand name well-known and respected, the strategy will bring about a breadth of product line as well as product selection. The company will use the international reach of Constellation's distribution to provide a high-quality, branded wine bottle as there is an increasing popularity of the premium wines within the wines industry. The global distributors that the

company will employ by using this strategy will help in the minimization of costs and maximization of offerings to the retailers. As a result, the consumers will have a greater selection of wines manufactured by the company. Moreover, if Vincor Inc. will implement this go-forward strategy, it will gain a stronger competitive advantage than its competitors. Making use of the global reach of Constellation's distribution will make the company compete well on a worldwide basis. Similarly, it will allow the company to adapt promptly wherever needed as well as largely based on the trends within the global marketplace or customer demands.

The effort that Roger ought to put forth in encouraging the VQA to safeguard Canada's Icewine designation

Within the wine industry, the consumers consider various factors prior to buying a particular bottle. Frequently, a differentiating factor is the price and in most cases is correlated with the wine quality. Canada has stern regulation concerning the manufacture as well as sales of liquor. The Vintners Quality Alliance (VQA) was essentially formed by British Columbia, and Ontario governments after Canada and United States signed FTA to improve produced wines' standards (Cyr, Don, and Kusy 2007. P. 151). It is worth noting that VQA assisted Inniskillin to achieve recognition for wine quality. Nonetheless, the imitation problem became more prevalent as Icewine turned out to be increasingly admired luxury good. For this reason, Rodger ought to put forth much effort in encouraging the Vintners Quality Alliance to preserve Icewine designation of Canada.

Rodger should keep on encouraging the VQA to preserve Canada's Icewine designation because of the increase in the exploitation of consumers by the

company's unworthy competitors through low-quality wines. Additionally, he should do that to stop ruining of the company name by the worthless competitors. Therefore, he should encourage the VQA to safeguard Canada's Icewine designation so as to raise the reputation of the wines that the company produces. In addition, he should strongly encourage the VQA to safeguard Canada's Icewine designation to ensure that the company adheres to the thorough winemaking standards besides labeling the integrity that the buyers can trust (Carew & Florkowski 2012, p. 37). Preservation of Canada's Icewine designation will be beneficial to the company since it will remove unworthy competitors within the wine industry. Thus, there will be a fair competition in the marketplace hence the company will not be affected negatively. Ultimately, Rodger should put forth much effort to encourage the VQA to safeguard Canada's Icewine designation for the benefit of the company.

The preservation of Canada's Icewine designation is ineffective in an increasingly globalized industry due to a number of reasons. For one, globalization results to an increase in unfair competition within the markets. The unfair competition encourages the movement of low-quality and cheap products in the markets. The presence of many low-quality products within the marketplaces makes it difficult for VQA to inspect the quality of products originating from the other countries. In addition, the approach is futile because of lack of standardization as a result of globalization. The increase in globalization has resulted to loss of cultural and economic diversity as global brands and giant firms dominate the domestic markets. The

dominance of global brands in the marketplaces makes it difficult for the local quality assurance bodies to inspect all the products in the market.

Recommendations and Suggestions

Inniskillin Icewine Company has shown capabilities of becoming a front runner in the industry. However, lack of product line extension and product offerings can result in stiff competition with their competitors directly. The company should further diversify the choice of its offerings so as to gain advantage over its competitors and eventually overcome the weakness. In addition, the company retail presence is great and in the past, it has grown through major acquisitions. For this reason, the company should capitalize these strengths to realize the goal. The company should also build a robust image and educate the clients how to differentiate between imitation and actual wine. Building a robust image and educating the customers will prevent the fake wines from markets like China from ruining the image of the company.

Furthermore, a unified global strategy will assist in cutting the costs and eventually lead to higher quality wine. Moreover, the company ought to use its already readily popular icewine brand to enhance growth further throughout the Asian markets. In addition, the company should use its already sturdy Canadian distribution system to generate export capabilities to increase market share all over the new world. It is also imperative for Vincor Inc. to go on with building relationships with the United States vendors that will then provide the company better information concerning the preferences of the American consumers.

Conclusively, the company will be in a position to offer a range of VQA certified and high-quality wine if it continues following a focused differentiation strategy. The company's competitors might be unable to compete with the company's broad portfolio successfully once its wine has gained a robust reputation, and the consumers note its products' unique character. Nonetheless, there is a risk if the company goes on concentrating on such a small market segment. For this reason, the Vincor Inc. should come up with another strategy that will be risk-free.

References

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