Course name: Economics of Wine
Course number: (GI) BUSI 3011 CIEE
Programs offering course: CIEE Summer Online
Open Campus Track: Business Track
Language of instruction: English
U.S. semester credits: 3
Contact hours: 45
Term: Summer 2020

Course Description

Wine economics has emerged as a growing field within agricultural economics but also in other fields such as finance, trade, growth, environmental economics and industrial organization. As such this online course will explore basic knowledge about the key factors in the production of wine making including relevance of a vineyard's natural environment, grape growing, winemaking, maturation and bottling using the host environment context. Other aspects covered in the course include label terminology and design, food and wine pairings and how to analyze wine to account for style and quality using a systematic approach. Basic business management for agriculture is also addressed. Students will also examine the impact of wine production in the local agri-food sector.

Learning Objectives
By completing this course, students will:

- Examine recent copyright and trademark issues and how to protect a winery name and image.
- Synthesize the key aspects of food and wine paring for marketing wine brands.
- Analyze quality assurance and product development methodologies.
- Examine the different components of a successful wine brand to assist in creating sustainable profitability.
- Apply budgeting and forecasting as part of planning a wine business operation.
- Create a system of procedures for producing meaningful and accurate reports for a wine business.

Course Prerequisites

Students should have completed a level 2000 class in Business.
Methods of Instruction

The course will be taught using online lectures, case study discussions, an individual presentation, as well as interviews to local businesses or organizations. Online activities will involve small group work and critical discussion groups. Argentinean wine specialists and producers as guest speakers will add to the learning objectives of this course.

Assessment and Final Grade

1. Online Exam 10%
2. Group Presentation 25%
3. Photographic Essay 25%
4. Case Study 20%
5. Class participation 20%

TOTAL: 100%

Course Requirements

Online Exam
The online exam will consist of 15 short answer questions and one 500-word extended response to be completed using the class lecture notes and readings. The questions will relate to course content and readings.

Time on Task= 10 hours

Group Presentation
Each group will present for 10-minutes about their research findings into a local wine producer, supplier, or specialist seller from a selection proposed by the instructor. The groups are required to submit and record their presentations. Work will be graded on students’ ability to include multiple factors in setting up and managing a vineyard as discussed in the classes and explored in the mandatory readings.

Time on Task =8 Hours

Photographic Essay
Students will compose a photographic essay, reporting on vineyards as case studies that compare US to Argentinean wine production. Data will include aspects of geographic location, design and placement of vines and processing plants for wine production at each vineyard. Sustainability actions for growth and production to accommodate climate is also to be evaluated. The photographic component will include annotations about each photo and a 300-word report that accompanies each vineyard expose’. The total word count for the component will be 1400-words exactly, including the annotated descriptions to elaborate on what is represented in each photo. A closing 250-word reflection about ‘wine as a window into place, culture and time’ which compares each country’s will conclude the submission. The total word count for the assessment is 1750-words exactly and no more than 20 photographs.

Time on Task =22 hours

Case Study
Students will use a systematic and logical approach to produce a wine review of a vineyard wine presented by a guest speaker. The review will also include a critique of the branding, promotion / marketing of the wines available, at the bottle and vineyard levels in accordance with host country Wine Regulations. The report can also be enriched with the use of photos of the labels and vineyard. A students’ work will be graded on their ability to evaluate the vineyard using all elements of the framework and associated evaluative language associated with the mandatory readings. Incorporating text and media resources, the total equivalent wordcount for this assignment is 2000 words.

Time on Task =20 hours

Class Participation
Participation is defined as meaningful contribution in the digital classroom, using the resources and materials presented to students as part of the course. Meaningful contribution requires students to prepare in advance of each recorded session and regularly engage with the resources, discussions, reflective assignments, and all other online learning activities. Students are required to demonstrate engagement with course materials, for example, through insightful, constructive comments and by using subject-appropriate terminology in: online discussion boards, peer-to-peer feedback (after viewing the presentations of others), interaction with guest speakers, where available, and submissions related to other outside-of-class activities. Students should ensure that submitted commentary balances opinions, general impressions, and specific and thoughtful criticisms or contributions. Grades are based on the content, depth, and quality of the
aforementioned types of meaningful contributions as measured per the Participation grading rubric in Canvas.

Students are also expected to use the Canvas inbox for communicating any clarifying questions they may want to ask about assessments or other course requirements.

**Technology Requirements**
Participation requires access to a computer with microphone (a headset and microphone are preferred over built-in sound devices) and webcam; a stable and strong internet connection; and a quiet and well-lit environment.

**Attendance Expectations:** In an asynchronous online learning format, attendance takes the form of active student engagement:

- in instructional activities, course content, course tools
- with the course instructor, other students, and
- by timely completion of all assessments.

“Attendance” is more than just logging into the course on Canvas. Students must establish a record of participation in academically related activities in order to comply with this requirement.

Academically related activities include, but are not limited to:

- submitting an academic assignment;
- taking an exam or quiz;
- attending a study group that is assigned by the instructor;
- participating in an online discussion about academic matters, designed by the instructor; or
- initiating contact in Canvas with the instructor to ask a question about the academic subject studied in the course.

Academically related activities do NOT include activities where a student may be present, but not academically engaged, such as:

- logging into an online class without active participation
- contributing to or engaging in the CIEE Orientation or Community Course(s)
**First Week of Class:** Online courses officially commence on the first day of the term. Students must demonstrate engagement in class by no later than day 5 of the term, or risk being administratively dropped from the course with no opportunity to re-enroll. Students administratively dropped from the course for failure to engage will be considered withdrawn from the program and subject to CIEE financial withdrawal policies and fees.

**Duration of Course:** Continued, regular class engagement is required throughout the scheduled duration of the course, and disengagement will result in a lower participation grade for any affected CIEE course. Due to the intensive schedules for completing courses online, consistent failure to engage in the course on a weekly basis (defined as failing to engage for two or more weeks of online learning) will result in a formal written warning from the CIEE Center Director. CIEE instructors / staff will monitor student engagement on a weekly basis.

The weekly schedule below outlines due dates for asynchronous learning activities for this course.

*N.B. Please note the class schedule is subject to change if opportunities arise to enhance the curriculum.*

**Weekly Schedule**

<table>
<thead>
<tr>
<th>Week 1</th>
<th>Orientation Week</th>
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<tbody>
<tr>
<td>Class 1</td>
<td>Introduction to the Course</td>
</tr>
<tr>
<td></td>
<td>This opening online lecture will overview the course content introducing key moments in the emergence of the wine industries that differentiates themselves from other finance, business and agricultural economics in the host country context. Students will contribute to an online discussion considering their previous knowledge on the industry.</td>
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<tr>
<td></td>
<td>Time on Task = 3,5 hours</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Class 2</th>
<th>Emergence of Wine Economics</th>
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<tbody>
<tr>
<td></td>
<td>The online lecture will discuss the emergence of wine economics from the 1980's until present day around the concepts of finance, climate, change and the role of experts in grading wine quality. Concepts about the development of the industry and quality development of the wine and vine will be also presented. The findings from the host country Government initiatives and commitment to support the agricultural economics of the wine industry will be also covered.</td>
</tr>
</tbody>
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sector will also be evaluated in the online lecture, through short videos, and in the discussion forum.

Readings:

Time on Task = 4,5 hours

**Week 2**  
**Class 3**  
**Wine Investment**
In this online lecture students will examine risk, return and diversification benefits of fine wine as an investment in time of financial insecurity. The online lecture will present the inclusion of fine wine to an asset portfolio and the use of the General Wine Index and CAPM in identifying fine wines to include when diversifying investment portfolios. The return on Host country wines will be use as a case study exercise. Students will participate in the online discussion analyzing multiple examples of the development of fine wine brands for the overall wine industry.

Reading:

Time on Task = 5,5 hours

**Class 4**  
**Focus on Biodynamic / Organic and Boutique Wines and Vineyards**
An online lecture will present a comparative analysis of the development of the organic and boutique wines and vineyards in the host country. The lecture, videos, and activities planned will allow students to compare this aspect of the wine industry in Argentina with that of their home countries. Students will participate in the discussion forum by developing a short analysis of how this framework applies to a region of their choosing.

Readings:

Time on Task = 4 hours

**Due Date for Group Presentations**
Class 5  
**Wine and the natural environment in the host country Context**
An online lecture will examine the geography of wine production in terms of climates and suitability of regions in terms of economic decisions for cultivators and industry viability. During this presentation, wine will be used as a window into place, culture and time. Students will start researching aspects of a wine producing region as a geographically suitable region for wine growing.

Reading:

Time on Task = 3 hours
Due Date for Online Exam

Class 6  
**Climate Change and Land Use Competition**
In this online lecture students will explore the relevancy of climate change as a key stakeholder in the wine business. The controversial issues surrounding land use competition with a host country wine producing region with the mining industry and the impact on the wine region are discussed. The Hunter Valley case study will provide context.

Readings:

Time on Task = 4 hours

Week 3  
Class 7  
**Growing and Making Wine in the Host Country Climate**
An online lecture will present the global problems linked to sustainability challenges in terms of the impact on the economics of the wine industry. Students will be involved in considering a case-based model that encompasses economic,
environmental and social objectives in managing a cellar in the Host country context. Students will work in groups to discuss these challenges using a real large-sized Host country wine company as a case study, and compare with the Hunter Valley case study.

Readings:

Time on Task = 8 hours

**Class 8**  
**Wineries and online research**  
The online lecture will present the concept of a start-up winery and illustrate its development with examples. Students will have to conduct online research on local organization involved in the agri-food sector, notably wine production, explore the start-up and development and impact of the development of wines in the host country. Students will examine and present on the online forum an example business plan for a small premium winery.

Time on Task = 5.5 hours

**Class 9**  
**Wine Tastings, Competitions and Expert Opinion**  
In an online lecture, a guest speaker will discuss the importance of wine to the Argentina economy and present different examples to illustrate the theoretical concepts presents. Students will view a variety of videos on different wineries and participate in the discussion forum. Students will also allocate time to prepare for their final project.

Readings:

Time on Task = 6 hours

Class 10 Wine Regulation, Reputation and Promotion
Underpinning the discussion in this online class is examination of the Host country wine regulation. In view of these regulations, brand reputation and the influence of regional origin of wines is explored as determinants of consumer choice. A hedonic model for measuring significance of brand reputation is critiqued in view of the reputation of wines in the Host country and International market. The impact of globalization will also discussed in view of how wines are promoted with current regulatory requirements. Students will also participate in the discussion forum.

Readings:

Time on Task = 4 hours

Week 4

Class 11 Wine technology & Social Media
Students will start the week by discussing in the online forum how technology adoption in any given winery reflects that country’s culture and its (old vs new world) approach by producers and consumers. Is a willingness to innovate a reflection of the brand and culture of each individual winery? The online lecture will address the concept that wineries trade on being cutting edge and challenging the status quo, while others position themselves as artisanal brands and offer a consumer experience to match this will be debated. Extra thought will be given to the idea that wineries remain partially artisanal in the winemaking process and message but offer a sophisticated customer experience supported by technology, like an online wine club and social media communications. Other ways wineries and consumers use technology from marketing, distribution, sales, to tasting notes, purchasing and
social media will be discussed by the instructors. Students will have to search on the
web to see how different technologies are implemented locally

Time on Task = 6 hours

**Class 12  Wine Regulation, Reputation and Promotion**

Underpinning the discussion in this online class is the examination of Argentina’s
wine regulation. In view of this regulation, brand reputation and the influence of the
regional origin of wines are explored as determinants of consumer choice. Rules
governing the sale and presentation of products as it relates to Argentine wine will
also be reviewed in an online lecture. A hedonic pricing model for measuring
significance of brand reputation is critiqued in view of the reputation of the different
regions of the country. The impact of globalization will also discussed in view of
how wines are promoted with current regulatory requirements. Students will discuss
the advantages and disadvantages of the Argentine distribution system in
comparison with those of their home countries.

Readings:
Elais, “Three Cheers for the Three Tiers: Why the Three-Tier System Maintains Its
Legal Validity and Social Benefits After Granholm”
Meloni and Swinnen, “The Political Economy of European Wine Regulations”
Chalmers, “The Importance of Constant Brand Evolution, Grape Grower and Winemaker in Sales and Marketing”.

Time on Task = 6 hours

**Class 13  Project Workshopping and course review**

The final session is given over to answering questions regarding the final project, as well as the chance for some workshopping and revising of the content. An online lecture synopsis and review of the key topics of the course is provided, as well as open discussions addressing critical formative questions based upon the course materials and student responses to date. Additionally, each student will provide a 3 minute presentation of their research findings through a FlipGrid submission. Finally, the workshop element will involve students engaging remotely and asynchronously in a peer review and feedback
process for each other’s work to date. The instructor will also provide summary feedback of all the student works.

Time on Task = 10 hours

Due Date for Case Study

Course Materials

Readings


Online Resources

http://www.northbaybusinessjournal.com/opinion/8056787-181/3-tier-wine-distrubtion-change-up
http://grapegrowerandwinemaker.com/2018/04/19/is-a-redesign-needed-for-your-wine-brand/
Wine tasting systematic framework: Accessed at: