

# INDIGENOUS ENTREPRENEURSHIP IN THE WINE INDUSTRY

## *A Comparative Study of Two Indigenous Approaches*

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*This case study compares two Indigenous approaches to entrepreneurship within the wine industry: Nk'Mip Cellars (a joint venture between the Osoyoos Indian Band and Vincor Canada) in British Columbia, Canada and Tohu Wines, in Marlborough, New Zealand. The aim was to identify whether differences exist in the approach to entrepreneurship between two different Indigenous groups competing in non-traditional businesses. The results should assist Indigenous populations in their understanding of Indigenous entrepreneurship as well as help guide their people towards greater economic development. Substantial differences between the two chosen Indigenous groups were found in their method of achieving collective entrepreneurship. This study has shown that both the Indigenous New Zealand community and the Indigenous Canadian community can be successful in competing entrepreneurially in something outside their traditional competencies. Furthermore, this study suggests that in order to be successful by competing entrepreneurially in business activities typically considered outside their traditional competencies, Indigenous groups looking to develop their communities economically might want to consider the level of social or psychological acculturation with their non-Indigenous neighbours.*

### INTRODUCTION

Increasingly, minority Indigenous communities around the world are looking at new ways to regain control over their traditional lands and

resources (Camp, Anderson, and Giberson, 2005). There is sufficient evidence to suggest that governments have been negotiating with Indigenous groups about their claims for land by considering more liberal economic policies and

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by transferring resources to private but collective Indigenous ownership (Sullivan and Margaritis, 2000). This in an attempt to provide a substantial economic base to build entrepreneurial businesses and ultimately reverse long suffered socio-economic disadvantages through a relatively new approach to economic development called Indigenous entrepreneurship (Peredo, Anderson, Galbraith, Honig, and Dana, 2004). The aim of this study is to conduct a comparison case study between two thriving Indigenous wineries, Nk'Mip Cellars in British Columbia, Canada, and Tohu Wines, situated in Marlborough, New Zealand. Nk'Mip Cellars and Tohu Wines are two examples of Indigenous groups successfully participating in the global wine economy, and by doing so are making considerable progress in marketing their unique traditional cultures.

Wingham, Anderson, Gibson, and Giberson (2004) suggest that the success and popularity of Nk'Mip Cellars and Tohu Wines are giving rise to increased attention being paid to other Indigenous communities worldwide, and in particular, their approaches to development on their own terms. The authors also note that this has been due, in part, to the failure of neo-liberal (market and authoritarian and bureaucratic (state) approaches to economic development. A growing number of Indigenous communities are considering using wine to achieve their goals. This suggests that Indigenous wine ventures are proving to be a popular entrepreneurial activity amongst many Indigenous populations.

However, despite the growing research on Indigenous entrepreneurship, little comparative research has been done between different Indigenous communities and their approaches to entrepreneurship in non-traditional businesses. A better understanding of the ways that different Indigenous communities take with regard to entrepreneurship and economic development, in this sense, may considerably help other Indigenous communities who are looking to rebuild their community economically, socially, and culturally. Anderson, Wingham, Gibson, and Giberson (2007) note that through developing a greater understanding of this Indigenous wine market, it has been possible to enhance knowledge of both the market for Indigenous wine products in isolation, as well as the niche that exists for Indigenous wine and Indigenous tourism enhancements to sales.

With numerous awards won for the quality of their wine, successful companies like Nk'Mip Cellars and Tohu Wines not only provide a better understanding of the Indigenous wine market, products, and tourism, but also the examples illustrated in this study will hopefully provide motivation, encouragement, and inspiration to other Indigenous communities around the world. Therefore, this study aims to extend the research on Indigenous approaches to entrepreneurship in non-traditional businesses by identifying, through comparison, the extent to which two different Indigenous approaches to wine entrepreneurship are similar or different.

This study has four main parts. First, it reviews relevant literature on Indigenous socio-economic welfare, Indigenous entrepreneurship and the Indigenous wine industry. Second, comparisons are made on the basis of organisational purposes and objectives, organisational beliefs and values. Third a comparison of the business strategy and marketing techniques between Nk'Mip Cellars and Tohu Wines, and lastly, similarities and differences between approaches are then discussed before limitations and future research areas are considered.

## LITERATURE REVIEW

### Indigenous People and Low Socio-economic Levels

It is relatively well known that, globally, many minority Indigenous communities have long suffered socio economic disadvantages including poverty, low education levels, poor health (Peredo et al., 2004) and this deprivation of economic development has also been a great concern for a considerable length of time (de Bruin and Mataira, 2003; Hindle and Lansdowne, 2007). Before progressing further, it is necessary to define what the notion 'Indigenous people' specifically means. Peredo et al. (2004) provide a well-rounded definition of Indigenous people, which includes being a descendant from populations inhabiting a region prior to later inhabitants, followed by geographical, political, and/or economic domination by later inhabitants or immigrants, and then finally, maintenance of some distinctive social-cultural norms and institutions (p. 5).

For many years, governments have been trying to help Indigenous communities improve the state of their overall socioeconomic situation, as well as address their poverty, health and education levels, by providing minority Indigenous communities with direct economic assistance (Peredo et al., 2004). However, Hindle and Lansdowne (2007) highlight an important point with regard to this approach by stating "whether or not the intentions of non-Indigenous governance and the aid agencies have been malicious or benign, the result of taking responsibility out of Indigenous hands has resulted in a hand-out culture" (Pearson, 1999). Therefore, this approach may not be the best way of helping to alleviate the socioeconomic disadvantages of minority Indigenous communities because essentially it is not solving the problem. In addition to the resistance to direct economic assistance and "handouts" from governments and aid agencies, Indigenous people themselves are looking to regain control over their traditional lands and resources so that they can use the land and resources in innovative ways as the foundation for their pursuit of development on their own terms (Camp et al., 2005).

Furneaux and Brown (2007) note that a key way of facilitating the Indigenous communities' escape from depending on the welfare has been through entrepreneurship. The growing resistance by Indigenous groups against direct economic assistance from governments and aid agencies combined with the urge from Indigenous groups to become self-determined in their own creative way is encouraging Indigenous communities to become more involved in what many authors are calling 'Indigenous entrepreneurship'.

### Indigenous Entrepreneurship

Before Indigenous entrepreneurship is discussed in more detail, a clear definition of entrepreneurship is needed. Wennekers and Thurik (1999, p. 46) define entrepreneurship as the manifest ability and willingness of individuals, on their own, in teams, within and outside existing organizations, to perceive and create new economic opportunities, for example, new products, new production methods, new organizational schemes, and new product market combinations. Therefore, entrepreneurship involves the ability to introduce the entrepreneur's ideas in the mar-

ket, in the face of uncertainty and other obstacles, by making decisions on location, form, and the use of resources and institutions. Indigenous entrepreneurship is defined by Lindsay (2005) in terms of "creating, managing and developing new ventures by Indigenous people for the benefit of Indigenous people" (p. 1). Lindsay (2005) further notes that the advantages in Indigenous entrepreneurship lie in having strong desires for self-determination, heritage preservation, entrepreneurial strategies originating in and controlled by the community, and the sanction of Indigenous culture. A more thorough definition of Indigenous entrepreneurship is provided by Hindle and Lansdowne (2007, p. 9) as

the creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people. The organisations thus created can pertain to either the private, public or non profit sectors. The desired and achieved benefits of venturing can range from the narrow view of economic profit for a single individual to the broad view of multiple and social and economic advantages for entire communities. Outcomes and entitlements derived from Indigenous entrepreneurship may extend to enterprise partners and stakeholders who may be non-Indigenous.

Some authors have described the Indigenous approach to entrepreneurship as being collective in nature (Anderson, Dana, and Dana, 2006; Peredo et al., 2004).

This study aims to examine Indigenous entrepreneurship, not in a traditional sense, but rather through 'opting into' traditionally unfamiliar industries or business activities as a means of achieving economic development. While the more traditional Indigenous approaches to entrepreneurship might be collective in nature, it is possible that some Indigenous groups may vary in the degree of individualism or collectivism in their approach to entrepreneurship when participating in non-traditional business activities. This may be due to factors such as shifting economic forces, advancing technologies, encroaching population centres, social acculturation, and colonial expansion (Peredo et al., 2004).

### The Indigenous Wine Industry

Globally, wine markets are becoming more competitive as 'New World' wine producers, such as

Argentina, Australia, Canada, Chile, Latin America, New Zealand, South Africa and the United States are increasingly developing aggressive marketing policies as well as promoting products at competitive prices (Agriculture and Agri-Food Canada, 2009). A recent growing trend, within many of these New World wine regions, seems to be occurring where a number of Indigenous groups have also decided to enter the increasingly competitive, but seemingly fashionable wine industry. There are a number of Indigenous wineries throughout these New World regions to illustrate this growing trend

Murrin Bridge is an Aboriginal owned vineyard in New South Wales, Australia. The 25-hectare vineyard was planted at Murrin Bridge, on the banks of the Lachlan River in 1999 as part of a joint venture of the local Aboriginal community. Initially, the project lacked finance and wine industry expertise; however, a deal with the Bidgebong winery at Wagga Wagga led to the release of a 2004 Shiraz and a 2005 Chardonnay under the Murrin Bridge label (Murray Bridge Wines, 2005).

In 2004, a majority-owned Native American wine company called Indigenous Wines LLC was launched in San Francisco with a goal to provide strategy and financial self-sufficiency for Native Americans across the U.S. and for Indigenous people worldwide. The company's primary tools to create positive change in Indian country include investment financing, tribal energy creation, and pharmaceutical development for Native American communities (Business wire, 2004).

More recently, the Kiraya Winery in Hualien, Eastern Taiwan, has been another example of an Indigenous winery making the most of an opportunity to publicise its unique culture. The winery greets customers with a small exhibition featuring the Indigenous culture of Tawain's Sakizaya tribe, displaying some historic photos of the traditional brewing equipment used by the Sakizaya tribe. The winery has helped in marketing the Indigenous foods and drinks, which also allows visitors to experience the traditional life of the Indigenous brewers (Culture Taiwan, 2009).

Perhaps coincidentally, these different Indigenous groups are tapping into wine as a way to succeed in entrepreneurship just as many others tap into more traditional or familiar Indigenous industries such as fishing, recreational hunting,

and other forms of tourism. However, one author outlines a number of reasons that the wine industry is proving to be a popular choice of new venture by Indigenous groups. According to Wingham et al. (2004), international tourism is economically powerful and when supplemented with a growing desire for a greater understanding of the cultural roots of Indigenous people of the world, there lies great potential for Indigenous product markets. Additionally, Wingham et al. (2004) state that resources such as agriculture and land management provide a solid foundation upon which Indigenous economic development can occur in places like Canada and New Zealand.

Having quality land available not only offers a natural advantage, but the relative ease of entry makes the wine industry an already popular choice for Indigenous people. Furthermore, Wingham et al. (2004) describe wine as having a "unique quality among the harvested crops, of being transferred into a drink that is imbued with magic, and which is enhanced by consuming the product at, or around its place of origin" (p. 4). This concept is similar to place branding, and according to Hall (2004), the issue of place branding is important as the place of origin is a key aspect of wine marketing. The notion of place is also especially appealing for Indigenous people who may look to utilise their rich cultural ties with the land in order to enhance the sense of imbuelement with the wine, attract more customers and ultimately improve the performance of their venture for the benefit of their people. In their study, Wingham et al. (2004) looked at the approaches that Indigenous communities take in their attempt to make sense of the global economy. More specifically, their research aimed at identifying which elements of the global economic environment are in line with or similar to certain philosophies of Indigenous culture. Their two chosen case studies were two of the first Indigenous wineries in the world, Nk'Mip Cellars from North America, and Tohu Wines from New Zealand.

Wingham et al. (2004) describe some similarities between the Canadian and New Zealand approaches to Indigenous wine entrepreneurship, which reflect the characteristics of Indigenous economic development and philosophies being divergent from global cultures. This is in line with other research, which suggests that signifi-

cant differences exist between Indigenous and non-Indigenous entrepreneurship in the United States (Dana, 1995) and in Canada (Dana, 1996). Although Wingam et al. (2004) suggest the two non-Indigenous approaches to wine entrepreneurship used in their study are similar, their study falls short of discussing what specific similarities, or even differences, may exist in approaches to wine entrepreneurship and how these similarities or differences relate to the general literature on Indigenous entrepreneurship. Some research suggests that individual approaches to Indigenous economic development might vary across different Indigenous groups (Anderson and Giberson, 2003; Fredrick and Henry, 2003; Harmsworth, 2006).

### A Suggestion of Differences between Indigenous Approaches to Entrepreneurship

Literature surrounding the topic of Indigenous entrepreneurship of Canadians and New Zealanders suggests that differences in characteristics and approaches to entrepreneurs and entrepreneurship may exist. For example, Fredrick and Henry (2003) state that Maori have always been very entrepreneurial and that they are seen to be first movers, as well as enthusiastic adopters of technology. Harmsworth (2006) also describes Maori business people as profit driven. In comparison with Indigenous people from Canada, Anderson and Giberson (2003) describe the characteristics of Indigenous entrepreneurs in Canada to have a strong tie between the process and the place and with a strong component of rebuilding their culture and heritage.

In addition, an interesting note that Anderson and Giberson (2003) make about the Canadian Indigenous approach to entrepreneurship is that it is in contrast with other instances of entrepreneurship associated with ethnic groups that have migrated to new places in order to seek economic opportunities by distinguishing their way from the non-Indigenous way. The authors mention one such distinction in the Indigenous Canadian approach, which involves forming alliances and joint ventures among themselves with non-aboriginal partners to create business that can compete profitably in the global economy (p. 144). Anderson and Giberson's comments suggest that some differences may exist in

the approaches between Indigenous Canadian entrepreneurs, and Indigenous New Zealand entrepreneurs, particularly along the individualism-collectivism spectrum. Other research suggests that differences may exist due to the affect of psychological acculturation.

Psychological acculturation is defined as the psychological and behavioural changes that an individual experiences as a result of sustained contact with members of other cultural groups (Ward and Kennedy, 1994, p. 330). Research has suggested that as acculturation increases, the strength of certain levels of collectivism or the individual's identification with his/her family decreases, and as a result, their culture may decrease in strength (Gomez, 2003). Following this logic, highly acculturated Indigenous groups looking to compete in non-traditional concepts should have greater levels of individualism and lower levels of collectivism than similar Indigenous communities with lower levels of acculturation.

### METHOD

Based on published materials, we examine similarities and differences between two Indigenous groups and their respective enterprises, Nk'Mip Cellars in Canada and Tohu Wines, in New Zealand. Specifically, this research aims to compare three areas including organisational purposes, values and beliefs, and business strategy and marketing techniques.

### FINDINGS

In this section below, brief backgrounds of the two Indigenous wineries are provided. In the following sections, comparisons between the approaches are put forth. Table 1 provides an overview of the key points found in the comparison between the different approaches of Nk'Mip and Tohu. The key findings will be discussed in more detail later in this article.

### Background

#### *Nk'Mip Cellars*

Nk'Mip Cellars (pronounced *In-ka-meep*) is one of approximately ten profitable enterprises created by the Osoyoos Indian Band Corporation (OIBC). Nk'Mip Cellars is not a co-operative. It

TABLE 1

	<i>Organisational purpose and goals</i>	<i>Organisational beliefs and values</i>	<i>Business strategy and marketing techniques</i>
<b>Nk'Mip Cellars</b>	<ul style="list-style-type: none"> <li>• Decrease state dependency on government funding</li> <li>• Increased First Nation employment and self sufficiency</li> <li>• Life long learning for Band members</li> <li>• Bringing back traditional Indian concepts</li> <li>• Increase band member standard of living</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder perspective</li> <li>• Band members</li> <li>• First Nation employment</li> <li>• Heritage</li> <li>• Land</li> </ul>	<ul style="list-style-type: none"> <li>• Wine tourism strategy</li> <li>• Location</li> <li>• Symbiotic networks and marketing relationships</li> <li>• Interior decor featuring works by local band artisans as well as numerous authentic native art and artefacts</li> <li>• Aboriginal inspired cuisine and traditional salmon feasts</li> <li>• Leveraging off the collective Nk'Mip Project</li> </ul>
<b>Tohu Wines</b>	<ul style="list-style-type: none"> <li>• Profitability</li> <li>• Producing high quality wine</li> <li>• Exporting Maori culture to the world</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholder perspective</li> <li>• Tikanga Principles</li> <li>• Maori culture and history</li> <li>• Land</li> </ul>	<ul style="list-style-type: none"> <li>• Wine exporting strategy</li> <li>• First Indigenous winery in the world</li> <li>• Award winning wine maker, Simon Waghorn</li> <li>• Board members and their diverse range of skills</li> <li>• Self-directed approach (establishing themselves on their own terms)</li> <li>• Communicating the Brand through international wine shows, fairs, and to overseas restaurants, journalists, and in wine magazines and advertisements</li> <li>• Complementary Maori cuisine</li> </ul>

is a corporation held 51/49 by Nk'Mip and Vincor respectively. However, it shall be shown that an organisational value is cooperation. Headed by Chief Clarence Louie, who was first elected as band chief in 1985, the Nk'Mip project was an initiative developed by the Indigenous band members of the Osoyoos Indian Band

(OIB), which was formed on November 21, 1877 (Anderson, McGillivray and Giberson, 2007) and as of 2005 had 567 members (Anderson et al., 2006). The land of Nk'Mip is on a land base of 3200 acres in Southern Okanagan Valley, British Columbia. The land on which Nk'Mip Cellars operates is on the most environmentally sensitive

in Canada and on part of Canada's only desert ecosystem. Nk'Mip Cellars is part of the general Nk'Mip project, which is centred among a group of business activities. The winery opened in September 2002 after almost 35 years of OIB's involvement in the wine industry. In 1968, the OIB provided high quality vinifera grapes to many of the wineries in the Okanagan Valley, and some further afield. The winery has a total capacity of about 15,000 cases per year (Anderson et al., 2007).

### *Tohu Wines*

The novel idea behind Tohu Wines (pronounced *Tor-who*) first came about in 1998 and was originally conceived as a vehicle to internationalise Maori culture by placing it on the tables of some of the world's finest restaurants (Te Puni Kokiri, 2005). Tohu Wines is a limited liability company owned by three Maori-owned organisations, the Ngati Rarua Atiawa Iwi Trust (Motueka), Wakatu Incorporation (Nelson-Marlborough) and the Wi Pere Trust (based in Gisborne). Tohu's vineyards are situated in three of New Zealand's premier wine growing regions including Marlborough, Gisborne and Nelson. Marlborough is renowned for its world class Sauvignon Blanc and Pinot Noir, Gisborne for stunning chardonnay and Nelson, one of New Zealand's most exciting emerging wine regions, produces aromatic varieties such as Riesling and Pinot Gris. Tohu's Wines capacity is approximately 120,000 cases of wine per year (Marketnewzealand.com, 2007).

## 1. Organisational Purpose/Goals

### *Nk'Mip Cellars*

Nk'Mip Cellars along with the various other businesses in the Nk'Mip project, have a number of organisational purposes that they hope to achieve as part of increasing Indigenous economic development through entrepreneurial enterprise. The first of these include increasing the level of education specifically within the vocational and cultural areas. Chief Louie states that although profitability is good, it is not their main purpose (Kayseas, Hindle and Anderson, 2006). Nk'Mip Cellars hopes to contribute by sharing the responsibility and to motivate life long learning for band members. This is in line with what Anderson et al. (2007) stated where in

2004, the OIB devoted 60% of the profit from its business venture to social programs (p. 53). Secondly, Nk'Mip Cellars aims to decrease the dependency on Government funding through an increased level of self-generated income, joint ventures, leasing, land, and resource development in an attempt to strive for self-sufficiency.

Bringing back traditional Indian concepts of honour, sharing, and respect, is another goal Nk'Mip hopes to achieve through creating community involvements. Other goals and objectives include reducing political influence, and increasing band member standard of living within the band. With only a capacity of 15,000 cases of wine, the Nk'Mip winery is not large; the objective has been quality over quantity (Wingham et al., 2004). Since opening in 2002, Nk'Mip Cellars has received more than 50 international wine awards (Nk'Mip Resort, 2009).

### *Tohu Wines*

Although many of the underlying objectives might be similar, Tohu Wines appear to have some slightly different organisational goals and purposes. Profitability is the primary purpose of Tohu, where success lies in making money and producing top quality wines and management performance is based on key indicators such as sales and budget control (Te Puni Kokiri, 2005). By producing excellent quality wines, Tohu hopes to become one of the top five wineries out of more than 400 wineries in total operating in New Zealand (Te Puni Kokiri, 2005). Whereas the Nk'Mip Cellars goal is to bring back traditional Indian concepts of honour, sharing, and respect, the objective of profitability and producing quality wines is the driving force behind Tohu Wines and their original concept of exporting Maori culture to the world. Here, Tohu are looking to exhibit Maori culture to the world, rather than to rebuild it as in Nk'Mips case. Although Tohu are looking to tell the world about their culture, it is not their sole objective, as employing more of their people is also important. According to James Wheeler (current marketing manager of Tohu Wines and has been with the company right from the start), states that offering more employment to their people will make Tohu Wines more successful (Te Puni Kokiri, 2005).

## 2. Organisational Beliefs and Values

### *Nk'Mip Cellars*

The organisational goals and objectives of both Nk'Mip and Tohu underpin their beliefs and values. The OIB, in particular, has a very strong belief in supporting its Band members. Adopting a stakeholder perspective, Nk'Mip Cellars is an organisation focused on the community where it is essential, that, to be part of the Band, you must be born into it. Chief Louie of the OIB states that, to him, First Nation employment is most important. Nk'Mip Cellars and the general Nk'Mip project as a whole is the product of this belief — development on their own terms in which control over traditional lands and resources plays a key role. He states that he would rather have a company that employs First Nation people and which loses a little money, than have a company that does not employ as many First Nation people but makes more money (Kayseas, Hindle and Anderson, 2006). Evidence to support chief Louie's belief was found in the study by Anderson et al. (2007), which stated that "By 2002, the OIBDC business had created so many jobs that people from other bands and non-native workers from the reserve were needed to supplement the Indian workers from the OIB." (p. 346). Their motto, which states "Working with business to preserve our past and strengthen our future" illustrates this well.

Kayseas et al. (2006), state that many Indigenous communities in Canada are dismayed by the threatened extinction of tradition, languages, knowledge and skills and that Indigenous people believe that heritage is of vital importance and should be protected and maintained at all costs. The idea behind Nk'Mip Cellars is one such way of ensuring Indigenous heritage is not lost or replaced with skills and knowledge of superior or even equal utility. As well as the community, another one of Nk'Mip's organisational values is their land. According to the Nk'Mip Cellars website, a newly constructed desert interpretive and heritage centre has recently opened across from the Nk'Mip Cellars site (Nk'Mip Cellars, 2009). This strategically placed desert interpretive centre adds to the whole experience of the wine tourists.

### *Tohu Wines*

The organisational beliefs and values illustrated in Nk'Mip's approach to economic development are mirrored only to a certain extent in Tohu's approach. Although James Wheeler notes that the ability to offer employment to their people would make Tohu Wines more successful, Tohu's approach to economic development might be to ensure continued success of Tohu through good quality wine. Like Nk'Mip, Tohu believe in, and value, their tradition, which is one reason why Tohu was originally conceived to compete in an area of business previously considered outside one of their traditional competencies. This was done using wine to publicise certain aspects of Maori culture by placing it on the tables of the world's finest restaurants.

As James Wheeler notes, "Global markets are fascinated by our authentic Maori history. They are intrigued to learn about a successful Indigenous company and it makes their experience of our product unique" (Marketnewzealand.com, 2007). As a result, Tohu incorporate many of the Maori principles into their approach to business including the Tikanga principles, which are "the customs and traditions that have been handed down through the passages of time" (Maori.org.nz, 2009). Similar to Nk'Mip, Tohu values their land. It consistently achieves accreditation from Sustainable Winegrowing New Zealand for its vineyard management and wine making practices. James Wheeler says this is in line with the company's fundamental commitment to sustainability and its policy of being Kaitiaki, or guardians of the land. This too is in line with Tohu's motto of "Nga hua a te whenua (Our gift from the land where time begins)" (Tohu wines, 2008).

## 3. Business Strategy and Marketing Techniques

### *Nk'Mip Cellars*

The fact that their land is located amongst the most environmentally sensitive in Canada may not be an advantage from a grape growing perspective; Nk'Mip Cellars do look to leverage this unique aspect in another ways. In particular, Nk'Mip have leveraged their location from a tourist attraction perspective, where the desert ecosystem may strengthen the experience the tourist has while visiting the winery. In this

sense, their location may be an advantage over other North American wineries. Perhaps more obviously, their specific location at the end of the Southern gateway of the wine tourism region provides Nk'Mip with a clear benefit because it is the first winery that tourists see when they enter the valley from the South, or the last stop on the trail when they leave. Although their advantages in terms of heritage and location might suggest that it is not necessarily the quality of their wine, or the fact that the winery is Indigenous that make the business popular among tourists, Nk'Mip cannot rely on their Indigenous heritage and location alone (Anderson et al., 2007).

With their unique OIB heritage, which gives them a platform to leverage from, comes a lack of business skills. Nk'Mip's answer to this was to establish a symbiotic network and marketing relationship with Vincor (the largest producer and marketer of wine and related products in Canada (Vincor International, 2009) where up to 60% of their wine is sold through Vincor's marketing channels (Anderson et al., 2007). The business partnership allows Vincor access to vineyards in some of the hottest and richest growing climates in Canada while in return the OIB get resources and expertise needed to develop their land and obtain a piece of an emerging industry (Hayes, 2002).

During the over 25-year relationship with the Band, Vincor have helped build a stunning winery building. The design was influenced by aboriginal culture and the desert locale, and the interior decor features works by local band artisans as well as numerous displays that recount the evolution of the winery and vineyards (The Okanagan Wine Guide, 2008). The restaurant is open during the summer and features aboriginal inspired cuisine. The traditional salmon feasts are held in August and known for displaying the local talent including native dancers and drummers (Nk'Mip Resort, 2009).

Tour experiences at the winery are enhanced through the architecture designed and constructed to display native art and artefacts, and to enhance the beauty and unique nature of the wild sage desert surroundings (British Columbia.com, 2009). Another marketing technique Nk'Mip Cellars employs is through the joint marketing effort of the Nk'Mip project as a whole. Many of the 10 Nk'Mip enterprises oper-

ating within the Nk'Mip project have a common purpose, which is to provide tourists with a more total cultural experience in close geographical proximity. Collectively these businesses create a powerful marketing effort, and it is this joint marketing effort, which Nk'Mip Cellars look to leverage off.

### *Tohu Wines*

Tohu wines also has some advantages, which differ in comparison to Nk'Mip Cellars. Although Nk'Mip Cellars prides itself on being the first and only Indigenous winery in North America, Tohu Wines has gained publicity for becoming the first Indigenous winery in the world. With the winery situated in Blenheim and with vineyard land in three of New Zealand's premier wine growing regions including Marlborough, Gisborne and Nelson, Tohu Wines prides itself on having a great location. These top wine growing regions, combined with one of New Zealand's most esteemed winemakers, Simon Waghorn, contribute to the fact that Tohu Wines has won medals at international and New Zealand wine awards for virtually every wine it has produced.

Tohu's board comprises six members who bring a diverse range of skill sets including accountancy and banking, entrepreneurialism and risk taking, and marketing (Te Puni Kokiri, 2005). Tohu acknowledges that it is these skill sets that are more important than the size of the company. The techniques Tohu uses to sell their wine start with the Maori story being told through all aspects of their business. The Maori aspect is communicated in all the company's marketing and branding—from talking about it at international wine shows, and fairs, restaurants and to journalists, to advertisements in wine magazines overseas. The Maori aspect is also communicated through Maori drawings on their boxes and on their website, including the striking Tohu label, which features a section of a painting by Maori artist Sandy Adsett (Marketingnewzealand.com, 2007). Tohu's Maori aspect is also shown in their food that complements their wine. The wine is often featured with contemporary Maori food including Kaimoana hotpot, Piri Piri lamb leg, Seafood salad as well as Seared Tuna, while using distinct flavours derived from herbs and spices from the native New Zealand bush (Maori Experiencz, 2006).

Another marketing technique used by Tohu is to establish good relationships. However, Tohu's approach to relationships is quite different to the relationship between Nk'Mip Cellars and Vincor mentioned earlier in this paper. Since Tohu exports approximately 80% of their wine offshore, James Wheeler travels up to four months of the year opening up new markets and meeting with distributors, importers, clients, and potential clients (Marketnewzealand.com, 2007). This has also resulted in Tohu purchasing a 19% stake in a United States importing company called Davies & Co Inc., which has secured an importing structure within the lucrative United States market. Another result from establishing good relationship has allowed Tohu to set up its own importing company called Tohu Wines Europe Ltd, a wholly owned subsidiary of Tohu Wines Limited. According to James Wheeler, the wine industry is one of the most competitive in the world and this means that developing good relationships with importers, distributors, retailers, chefs, restaurateurs, and sommeliers is essential. As James Wheeler notes, "The wine game is all about relationships ... a good relationship can mean good sales" (Te Puni Kokiri, 2005).

## DISCUSSION

This study aimed to compare Indigenous approaches to entrepreneurship by specifically comparing the organisational purposes and goals, beliefs and values, and the business strategy and marketing techniques of two Indigenous wineries in Canada and New Zealand. The comparison highlighted a number of similarities, as well as some significant differences worth discussing.

On face value, the two Indigenous approaches to entrepreneurship both seem to have taken a collective approach. However, the results suggest that the notion of collectiveness seems stronger for the Indigenous Canadian approach. Additionally, Anderson et al. (2007) describe Nk'Mip Cellars and the OIB's involvement in the wine industry is "an excellent example of Aboriginal group successfully participating in the global economy, and by doing so, making considerable progress in rebuilding their community economically, socially and culturally." (p. 337). While this statement might be true in the case of Nk'Mip Cellars, findings suggest that it may not appear to hold entirely in the case of

Tohu Wines due to the lack of evidence suggesting Tohu are involving their communities, or at least, investing back in them.

Looking at the organisational purposes, beliefs and values, and business strategy and marketing techniques, it is clear that Nk'Mip's approach to entrepreneurship is strongly collective, where the day-to-day activities, as noted by Anderson et al. (2007), are conducted with social objectives in mind. Not only does their involvement in the combined Nk'Mip project suggest their collective nature, but also the primary objective of educating, motivating, reducing state dependency and increasing self-determination for their band members strongly emphasises collectiveness. The Osoyoos Indians value their people as much as their land and this is reflected appropriately in their employment of band members, as well as in their motto. Where Nk'Mip Cellars have lacked the business skills, they have looked to form symbiotic network relationships with larger companies such as Vincor. Their motivation to achieve self-determination through their belief in employing First Nation people underpins their purposes. While Nk'Mip's approach is to *revive* and *reignite* traditional Indian concepts, Tohu's approach is more a case of *showcasing* their Maori culture to the world.

Although still essentially collective, Tohu differs substantially in their approach to Indigenous entrepreneurship compared to Nk'Mip Cellars. For example, in contrast to Nk'Mip Cellars, Tohu Wines places a strong emphasis on profitability and producing high-end wine in order to export Maori culture to the world. Nk'Mip Cellars, on the other hand, is part of a business project including, for example, a desert and heritage centre and a golf course. This suggests that Nk'Mip Cellars has adopted a predominantly wine tourism strategy, as opposed to Tohu Wines, which could be considered primarily as an exporting strategy. While Tohu acknowledges that making money is the key to a successful Maori organisation, the Tikanga principles are valued and must be strongly tied with this approach. Rather than establishing alliances and joint ventures with outside companies, much of Tohu's business strategy and marketing techniques have been different to Nk'Mip's. Tohu have looked to include well balanced and experienced, yet diverse board members, who bring a range of skills into the business, and have gener-

ally looked to establish themselves on their own terms. Evidence of this can be seen though Tohu's stake in Davies & Co Inc, and through their decision to establish their own importing company. With this self-directed approach, the board recognises that a profitable organisation is needed to grow the business so that it can ensure longevity and that it can offer more to its people through, for example, employment. Harmsworth (2006) describes Maori Indigenous business models as composite business models involving mixed Western and cultural, or mainly Western practices. Devlin (2007) outlines a possible research framework for Maori economic development alternatives.

Our results suggest that, although Indigenous approaches to entrepreneurship are still mainly collective in nature, individual differences between Indigenous groups may exist in their approaches to achieving collective entrepreneurship. In addition, and aside from the very nature of wine as a product and the different techniques used to sell wine, there is evidence to suggest that in order to be successful by competing entrepreneurially in something outside their traditional competencies, Indigenous communities may only be able to do so by borrowing from non-Indigenous concepts. The idea of Indigenous communities borrowing from non-Indigenous concepts may have an affect on the level of collectivism that eventuates in their entrepreneurial approach. Therefore, a possible explanation for the variation in approaches to entrepreneurship between Indigenous groups could be due to the level of social acculturation with non-Indigenous groups, which maybe influenced due to a number of factors, for example, culture specific behaviour. This in turn may be accentuated by a country's physical size, population density and or the difference among the geographical proximity of Indigenous populations with non-Indigenous populations. This is in line with Collier, Brice, and Oades (2007), who highlight the significance of geographical proximity between cultures in the sharing of cultural elements.

#### LIMITATIONS AND FUTURE RESEARCH

There are a number of limitations in this study that should be addressed. First, only two Indige-

nous approaches to entrepreneurship were compared. Secondly, this comparison was made within the relatively specific and distinctive wine industry and has neglected other industries all together. Third, a lack of primary data weakens the findings of this study. All these limitations affect the ability to generalise of the findings and therefore the reader should interpret the results with caution. Future research should look at and compare other Indigenous wineries and their approaches to entrepreneurship to confirm the findings in this study. Future studies should also consider other industries in which Indigenous communities are entering business, for example, in the area of small businesses. Future studies should focus on multiple businesses including the size and number of businesses and use primary data as the main source of data. Consumer perceptions of brand value would be another particularly interesting area of future research as this would perhaps indicate the amount that the brands are worth in terms of reputation, prestige, and market value from a consumer's point of view. Additionally, the level of differentiation between the Indigenous business and the non-Indigenous business operating in the same country is worth investigating. Findings on these previously mentioned research areas would allow for an even better understanding of Indigenous entrepreneurship and the different styles Indigenous entrepreneurs take in their approach to achieving collective entrepreneurship.

#### CONCLUSION

Globally, new wine ventures are increasingly being seen as popular choices among Indigenous communities. Wine lovers are seeking opportunities to taste and buy wine in unique settings, while combining an already popular commodity with a unique twist of culture, which enhances the appeal of the commodity and the tourist experience. The present study has looked at two different Indigenous groups and their innovative approach towards entrepreneurship in what appears to be an unfamiliar, non-Indigenous industry. The results found some similarities as well as a number of substantial differences between approaches. Similarities between Indigenous approaches included the mainly collective nature of the entrepreneurial activity across both groups. Differences were found in the main

objective or purposes of the organisations. For example, Nk'Mip's purpose was to educate, motivate, reduce state dependency and increase self-determination for their band members as well as revive the traditional Indian culture by using wine to revive some aspects of native cultures through, for example, food sales, tourism and cultural events. Tohu's main objective, however, was to use wine as a tool to make profit and to showcase aspects of their culture to the world. Tohu has also chosen a more self-directed approach by buying stakes in importing companies as well as establishing their own importing companies rather than relying on alliances and joint ventures (as in Nk'Mip's case with Vincor). Both Nk'Mip and Tohu value their land and their tradition. However, Tohu has voiced their value in producing high quality wine, while Nk'Mip have consistently voiced their value in employing First Nation people. Lastly, Nk'Mip's wine tourism strategy is in contrast to Tohu's exporting strategy. The differences in the approaches to entrepreneurship across Indigenous groups suggest that factors such as the level of social and psychological acculturation might affect the extent to which Indigenous populations are willing to borrow from non-Indigenous concepts. Therefore, it could be posited that social and psychological acculturation plays an important role in explaining the differences in approaches to Indigenous entrepreneurship.

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