



Clusters, Climate Change, and Firm Performance: A Study of the Australian Wine Industry

Curtin Business School

Jeremy Galbreath

Project undertaken with the support of Wines of Western Australia

Project Overview

Climate change is currently impacting Australia's wine production and is expected to do so into the future. Given that wine production is highly sensitive to climatic conditions, preparedness of the industry to deal with the impacts of a changing climate is critical, and is expected to be a determinant of competitiveness in the coming years.

This study sought to explore if the management and exploitation of knowledge, both within and between firms, impacts on their ability to respond to climate change. The impact of mitigative and adaptive innovations on environmental outcomes and firm performance was also explored.



Outcomes

The research highlighted that adaptive innovations in the wine industry are directly related to firm performance, through measures such as improved sales and enhanced company image and reputation. The project served as a benchmarking guide for industry readiness and preparedness for climate change. It also:

- Identified the breadth and depth of climate change innovations by region
- Contributed to a better industry understanding of strengths and weaknesses of climate change innovations
- Disseminated an understanding of how the industry can benefit from investment in mitigative and adaptive innovations