
Editorial

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The need to compete in the international arena has prompted many small and medium-sized enterprises (SMEs) to revise their business models through the adoption of different types of innovations and a growing number of initiatives aimed at to remain competitive in the marketplace. Innovation was defined by Baregheh et al. (2009) as “the multistage process whereby organizations transform ideas into new/improved products/services or processes, in order to advance, compete and differentiate themselves successfully in their marketplace.” These innovations may cover several aspects related to the organisational structure, the production process, people, and product/service offered to the customers (Knight, 1967). Indeed, innovation can be analysed both as a process of development and change or, alternatively, as the ability of a company to satisfy the needs and expectations of its internal and external stakeholders, using its own resources, skills and capacities (Grunert et al., 1996, 1997; Traill and Meulenbergh, 2002). Anyway, innovation, related to the implementation or development of a new process, new product or new services, usually requires organisational adaptation (Boer and During, 2001). The innovation concept, today more than in the past, is closely related to the fundamental principles of the sustainability (environmental, economic and social), that together become strategic tools for a sustained competitive advantage of small and medium-sized firms (SMFs) operating in the food and drink sector. Indeed, as suggested by Grunert et al. (1997), innovation is considered one of the most important factors to enhance competitiveness on both national and international markets. It is also important to note that the innovation concept is strongly linked to that of knowledge, which is crucial to guide entrepreneurs toward the adoption of sustainable practices (Grin et al., 2010). In particular, in the cases of adoption of proactive behaviours, open innovation and eco-innovation are strategic in creating favourable conditions for internal innovation development and expanding the markets for external use of innovation, simultaneously making a competitive advantage (Markovic and Bagherzadeh, 2018; Bresciani, 2017). According to the open-innovation paradigm, the acquisition and use of external knowledge make the innovation process easier and faster for companies (Triguero et al., 2018), mainly when the internal resources are not sufficient. Consequently, to meet today’s sustainable goals, companies are called to transform so as to exploit the outcomes for a longer period, which differs from the brief period return resulting from reactive behaviour (Giacomarra et al., 2019a). This transformation requires the adoption of well-structured internal practices, more corporate-focused, which also foresee changes and active involvement of both tangible and intangible resources (Giacomarra et al., 2019b; Santoro et al., 2017).

In particular, the wine industry was attracted by the benefits offered by several innovation tools, among which digital technologies or process innovations more and more oriented towards the sustainability, which complement with the tradition and become crucial in achieving and maintaining a sustainable competitive advantage (Vrontis et al., 2016). On the one hand, the implementation of ICT innovation offered huge support to the SMEs operating in the wine industry to refine their marketing strategies, to develop a brand reputation, to make transactions with and give services to customers, and then to explore new business opportunities (Galati et al., 2016, 2017). On the other, several SMEs operating in the wine industry have adopted a growing number of initiatives aimed at increasing the sustainability of its practices and the quality of its products (Giacomarra et al., 2016; Galati et al., 2018). As emphasised by Pucci et al. (2018), the development of a sustainable wine culture is one of the firms’ various innovations and it is the results of active engagement of stakeholders through

three specific mechanisms (adoption and development, co-creation and diffusion, and exploitation and contamination). Today SMEs understand the importance of responding to political, social and economic pressures regarding environmental issues to help improve their competitive posture and their environmental performance as a consequence of the increase organisational efficiency and external legitimacy (Papadopoulos et al., 2014, 2010; Wu et al., 2013; Sarkis et al., 2010).

This special issue of the *International Journal of Globalisation and Small Business*, entitled ‘Innovation and sustainability to compete in the international arena. What are the key success drivers in the wine industry?’, comprises three papers presenting new and interesting insight that has not been covered in previous special issues of the journal, but exclusively as singles scientific papers and not in a holistic way. More in detail, this issue follows the World Wine Symposium held at the University of Palermo, on the 21–22 November 2018, providing coverage of some of the themes discussed at the symposium related to the innovation strategies geared toward proactive and/or voluntary environmental initiatives and addressed to meet the costumers’ needs.

The first paper of Thoukis Georgiou, Demetris Vrontis, Ioanna Pappasolomou and Alkis Thrassou analyse two of the main drivers for corporate competitiveness such as innovation and sustainability. Through a direct survey involving SMEs operating in the wine and family-run sector, the authors highlight that succession is a fundamental factor for the sustainability of family wineries and in general for the growth of the Cyprus wine sector.

The second paper of Biagio Perretti assesses the current financial profitability of micro grape wine farms and the feasibility and impact of process innovations. The author shows that several wineries produce with negative returns on the investment suggesting that the financial and economic sustainability could be improved through the available process innovations.

Finally, the third paper of Vladi Finotto and Christine Mauracher analyse the role of digital technologies as effective marketing strategies in the wine industry, especially for small wineries. Digital technologies, indeed, represent a useful instrument to overcome the boundaries of space and times to shreds, allowing wine firms to promote their product and the terroirs in new and unexplored markets.

We hope you will enjoy reading the three papers in this special issue.

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