

**Joining regional resources
to face international markets:
an experience in the Spanish wine sector**

Luis Miguel Albisu
lmalbisu@cita-aragon.es

Presentation index

- 1.- Regional approaches to develop agrofood typical products**
- 2.- Expanding path on international markets**
- 3.- The wine sector**
- 4.- Joining synergies trough common varieties to sell in USA and Canada**

1.- Regional approaches to develop agrofood typical products

- **Local products have always had local consumers' recognition**
- **Oral communication**
- **Precise recognition of their characteristics**
- **Urban identity with the rural environment**
- **Tradition**

1.- Regional approaches to develop agrofood typical products

- **EU interest on local production and labels**
- **DOP and GIP**
- **Quality control, origin, technical characteristics, environmental peculiarities**
- **Model: cooperation and competition at regional level**

1.- Regional approaches to develop agrofood typical products

- Innovation is a need
- Tension among regional producers
- Region as a geographical or administrative area?
- Role of the administration for small and medium enterprises

1.- Regional approaches to develop agrofood typical products

- **Moving from one region to other region is like launching a new product**
- **Promotion becomes an important element and investment**
- **A differentiated product competing with other regional products**
- **Logistics becomes a great barrier for perishable products**

1.- Regional approaches to develop agrofood typical products

- **Distribution chains become the main bottlenecks**
- **Typical products do not have the same consumer' recognision and notoriety**
- **It is not possible to extrapolate success**
- **Needs market research**

2.- Expanding path on international markets

- **Psicological and business barriers**
- **Small size enterprises**
- **Language shortcomings**
- **Finding distributors**

2.- Expanding path on international markets

- The country becomes the reference instead the region
- Perceptions and images influence consumers
- Looking for niches all over the world
- Diversification of countries to minimize risks

2.- Expanding path on international markets

- Proliferation of brands
- Distributors' brand
- Lack of negotiation power
- Need to join other products and groups

3.- The wine sector

- **Many designations of origin**
- **Local and national influence**
- **Some of them with international expansion**
- **DO labels are known only in Europe**
- **European markets are saturated**

3.- The wine sector

- **DO labels are hardly recognised in third countries**
- **United States is the biggest wine consuming country**
- **Promotion requires big investments**
- **EU promotion programs for agrofood products based on quality characteristics**

4.- Joining synergies through common varieties to sell in USA and Canada

- Needs to find ways to act together
- Target market: United States and Canada
- High income consumers
- Designation of Origin does not mean much

4.- Joining synergies through common varieties to sell in USA and Canada

- **Business targets encourage to join resources**
- **In this case: 4 DO from two different regions**
- **A common resource: the variety Grenache**
- **Minimum price and minimum quantity to define Grenache variety wines**

4.- Joining synergies through common varieties to sell in USA and Canada

- Three states in USA: New York, Florida and California**
- One region in Canada: Ontario**
- Three year campaign**
- Distribution systems are different**

4.- Joining synergies through common varieties to sell in USA and Canada

- Should the main achievement be selling wine?
- The main outcome has been that regional producers got together
- 4 DO from Aragon and 1 from Catalunya
- There was not communication and common targets before

Thank you for the attention

Luis Miguel Albisu
lmalbisu@cita-aragon.es