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’ recognition 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
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