

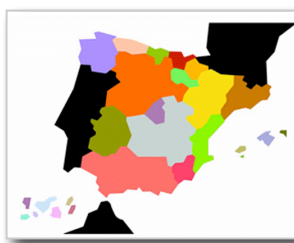
# Spain

## Sector profile

### Industry overview

Name of national wine brand	Wines from Spain	
Total cultivation area	1,180kha	
Number of wineries / vineyards / winegrowers	The wine industry employs 22,862 people (2005)	
Number of distinct wine producing regions	17 regions	
Latest wine production figure	38,173khl (2006 provisional), +5.6% 34,700khl (2007 forecast), -9.1%	
Latest wine sales volume figures	DOMESTIC 11,570khl (2005)	EXPORTS 14,300khl (2006 p), -1% 15,300khl (2007 f), +7%

Spain's wine sector is of extreme importance to the national economy, due to its large financial contribution, employment generation and environmental conservation. Vines are Spain's third ranked crop by area (after cereals and olive trees) with nearly 1.2mha, of which 97.4% is cultivated for wine. This makes Spain the country with the largest area of vine cultivation in the world, accounting for one third of the total EU area and representing more than 15% of the world's area under vine.



The Spanish wine sector has been consistently demonstrating exceptional performance in terms of production volume and wine quality. Spain's stellar industry performance and worldwide success is deeply rooted to the recent emergence of a



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new generation of master winemakers, who managed to blend tradition and quality with innovation, making the best out of native varieties.

The industry's recent revival based its success on new control and technology methods in both winegrowing and winemaking, better marketing know-how and the late emergence of wine tourism.

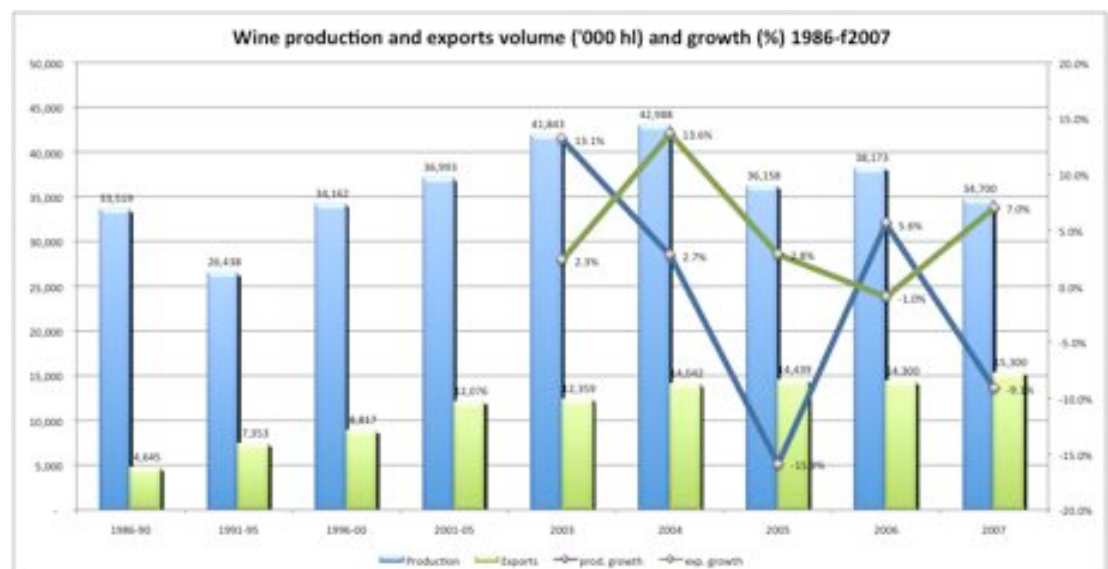
As a result, international interest on Spanish wine is increasing, a fact highlighted by the staggering exports, accounting for approximately 18,4% (2007 forecast) of the global international wine trade, ranking Spain in the second place behind Italy.

## Wine production and exports

Spain ranks third in the world in terms of wine production volume, right behind Italy and France, however under the current trend Spain will surpass France in 2015. In terms of exports volume Spain has already surpassed France (albeit marginally by only 100khl) and is now second to Italy.

## Wine production

For the year 2006, Spanish wine production volumes were in excess of 38mhl. This was a decline of 9,1% as illustrated in the graph below:



Source: Based on data sourced from OIV

The white to red wine production ratio is 44 : 56. With regards to wine quality, 33% of the total production volume for 2007 is VQPRD wines, the figure however has dropped by 2.3% from the previous season.

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Castilla- La Mancha is Spain's leading producing region, being responsible for 47.3% of the total production volume, despite significantly reducing its production by 13.8% compared to the previous year. Of this volume, 12,640khl corresponds to table wines, 1,700khl to table wines with geographical indication and 1,850khl to designation of origin (D.O.) wines.

The main varieties produced in Spain are Airén, Tempranillo, Bobal, Garnacha Tinta, Monastrell, Pardina, Macabeo and Palomino, listed in order of importance in terms of growing acreage. Of these only Tempranillo, Bobal, Garnacha tinta and Monastrell are red varieties, the rest are white.

## Wine exports

Despite the fact that Spanish wine production volumes for 2007 were predicted to decline, the country's export volumes are expected to show a 7% increase on 2006 performance of 14,300khl (a -1% drop from 2005), achieving 15,300khl.

In terms of export value the increase is even steeper, as illustrated by the graph that follows:



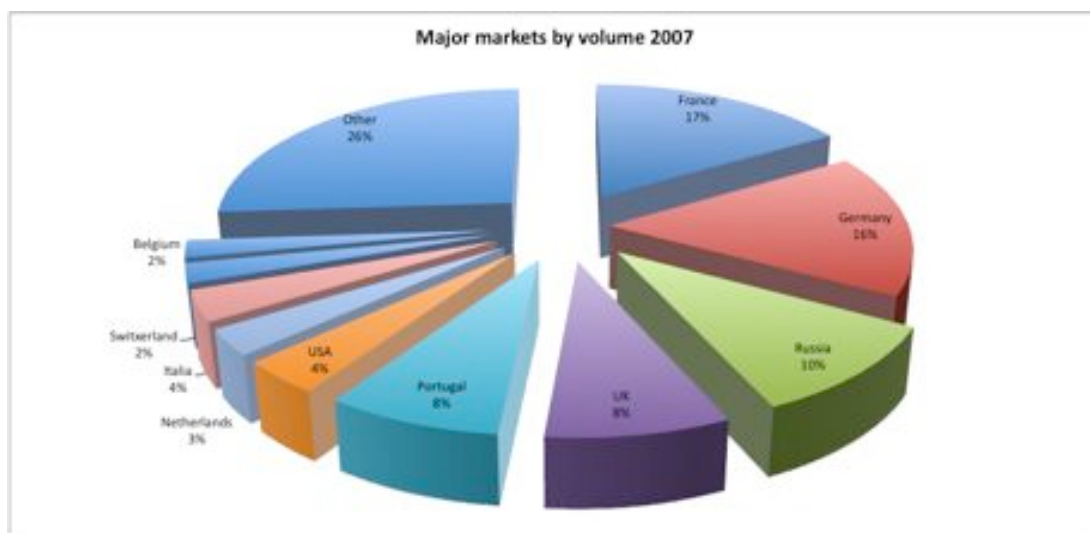
Source: Based on data sourced from FEV

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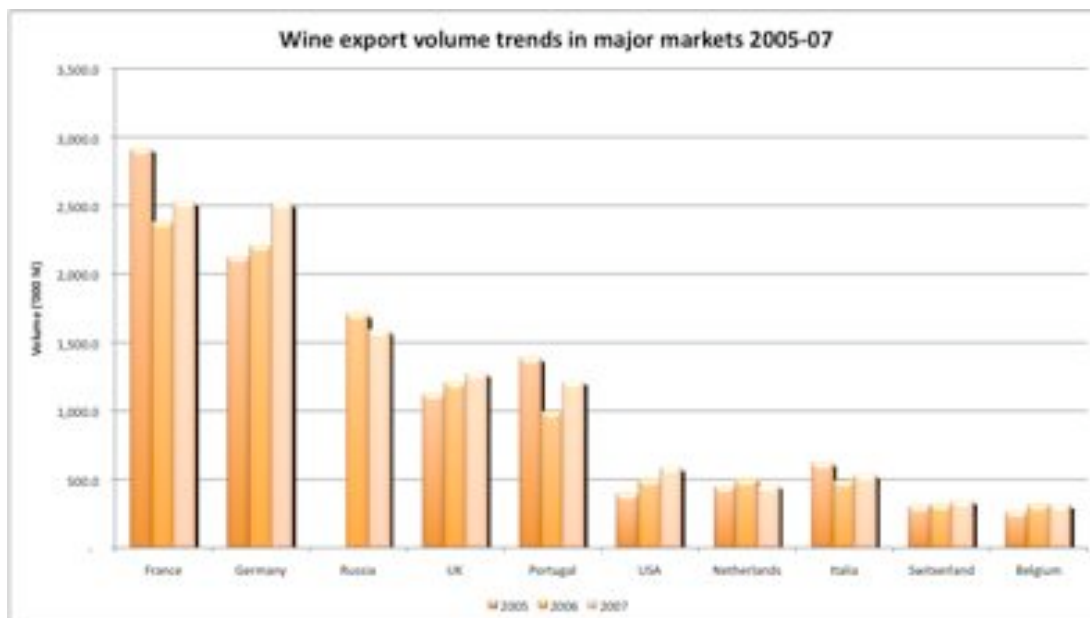
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The major import countries of the Spanish wine by volume are France (17%), Germany (16%) and Russia (10%). Second tier importers of Spanish wine are the UK and Portugal with 8% followed by Italy and the USA with a 4% market share on volume, as illustrated in the graph that follows:



Source: Based on data sourced from FEV

Noticeable, Spanish wine exports by volume do not follow the same trend across every main market, as shown in the following graph:



Source: Based on data sourced from FEV



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Germany, Spain's second largest market, as well as the UK and USA, have shown a continuous rising trend. France, Portugal and Italy seem to recover in 2007 from volume decreases in the year before, while Russia, Netherlands, Switzerland and Belgium appear to be stable or declining.

## Wine export prices

The table below shows the evolution of mean price per litre for Spanish wine exports:



Source: Based on data sourced from FEV

## Bottled vs. bulk exports

A few key figures regarding the exports of 2007:

- 23.4% was bottled VQPRD wine
- 16% was bottled table wine (mesa envasado)
- 46.7% was bulk table wine
- 7.6% was cava wine and 6.3% fell under the "other wine" category

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## "Wines from Spain" brand stakeholders

The Spanish Institute for Foreign Trade (Instituto Español de Comercio Exterior, ICEX) is the authorized governmental platform for the promotion of Spanish exports and Spanish companies' international growth. Vinos de España -or Wines from Spain- is ICEX's marketing platform for the promotion of Spanish wines abroad, with a mission to increase awareness and sales through promotional and educational initiatives.

Wines from Spain have offices and individual websites for Germany, Italy, Japan, Netherlands, Sweden and USA.



The different regional regulating bodies (Consejos Reguladores) operate under the auspices of Spain's Ministry of Agriculture and are safeguarding the individual regional appellations (see section on classification system) brand by (i) ensuring compliance of the quality standards established under each Denomination of Origin area among wineries and growers, (ii) performing ongoing quality controls of the wines carrying the DO appellation on the label, (iii) promoting the image of the D.O.Ca. brand in Spain and abroad and (iv) foster trade relations among growers, wineries and other interested parties.

## Safeguarding the brand

No information on exports regulations was found.

## Product portfolio analysis

Historically, Spain has been primarily known for its fortified wines, notably Sherry, produced in the region surrounding Jerez de la Frontera. Owing to the wine industry's revival over the recent decades, Spain today is best known for high-quality reds, as well as specialty wines, sparkling and fortified.

Red wine accounts for 43.5% of Spanish wine production and the regions of Murcia, La Rioja, Aragon and Valencia account for the majority of red wine produced in Spain.

## Classification system

The Spanish wine industry follows the Old World paradigm recognizing regions. Its classification system is adapted to EU standards, certifying wines under VQPRD using a system for Denominations of Origin and Table Wines. Wine region names however do not necessarily coincide with political and geographical boundaries of the same names.

A relatively limited set of specific regions are associated with a few main varietals that usually produce "signature" wines of the particular geographical area, such as the Rioja wines from Rioja DOCa that functions as a synonym for wines made from the tempranillo varietal.

The Denomination of Origin system was introduced in the 70s to qualify areas of vineyard as VQPRD or "Quality Wine" under the EU. In order for wines to be given Denomination of Origin status, the production area is required to have been recognized over at least the past five years as a region with a geographical indication that produces quality wines. Today there exist a total of 67 DOs, each one regulated by a corresponding Governing Body (Consejo Regulador de la Denominación).

Of the total wine produced, 66,7% is table wine and 33.3% is VQPRD.

Denominación de Origen (DO)	Wines produced in a demarcated production area and made according to certain specifications regarding grape varieties used, production volumes, winemaking techniques, ageing periods etc.  Total number: 67
Denominación de Origen Calificada (DOCa)	Top tier denominations; Rioja and Priorato were the first to be qualified  Total number: 5
Denominación de Origen de Pagos Vitícolas Determinados (DO de PVD) (	Qualified vineyard wines - Highest established category, created only for single estates  Total number 3





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Vino de la Tierra	equivalent to French Vin de Pays, using regional names to conform to local practices and grape varieties with no stringent DO requirements imposed  Total number: 43
Vino de Mesa	table wine, no vintage date or place of origin is required on the label.

## Characterisations by ageing period

The appellations classification system is further complimented by characterizations regarding the ageing period each wine is -if at all- subjected to: "vino noble" (quality wine), "vino añejo" (aged wine), "vino viejo" (old wine), "vino de crianza", "reserva" and "grand reserva".

## Regions

Among the nineteen Spanish regions, the largest vineyard area belongs to Castilla-La Mancha (45.6% of all vines for wine production), which is the geographical region with the largest area under vine cultivation in the world. Notably, the region of La Rioja dedicates the highest proportion of its land area as a percentage of its cropped land to vine growing.

## Varietals

Spain is fortunate to have a broad range of high-quality indigenous grape varieties that produce distinctive premium wines. Wines from Spain note around 100 different grape varieties, whilst 80% of the country's vineyards are planted with just over 20 of them.

Types of wine produced are white, red, rosé, cava (sparkling whites and rosés), and generoso (fortified wines, Sherry being the most well-known)

The most common indigenous grape varieties in Spain are Airén, Tempranillo, Bobal, Garnacha Tinta, Monastrell, Pardina, Macabeo and Palomino, listed by order of importance in terms of growing area. Of these only Tempranillo, Bobal, Garnacha tinta and Monastrell are red varieties, the rest are white.

New age winemaking techniques have succeeded in reviving the great traditional Spanish varieties, such as Albariño, Moscatel, Listán or Pedro Ximénez which lately have regained their prestige. Over the years other international, distinguished yet not widely-exported varieties such as Merlot, Cabernet-Sauvignon and Chardonnay, have joined the Spanish varietal portfolio.





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## Ambassador product portfolio

The branding strategy efforts towards highlighting and promoting an ambassador portfolio of excellence are admittedly subtle and indirect. Even though within the generic "Wines from Spain" portal and marketing collateral there is no systematic promotion of flagship appellations or varietals, it is evident that a selective premium group of wines is systematically emerging through the organisation's own media (e.g. portal), as well as the public media, with the help of prominent influential individuals and publications.

It must also be noted that efforts are being made towards promoting specific wines within the country-specific portals of Wines from Spain.

Owing to the "wine of the land" classification system followed by Old world countries, Spanish regional appellations are closely linked to wine production from a few authorized varietals. Depending on the region DO or DOCa where the particular grapes are grown, wines of the same variety tend to develop distinctive, particular characters, and are usually known as "signature" wines; only the very best of them seem to serve as brand ambassadors.

In the case of Spain, ambassador wines used to be mainly promoted in terms of appellation or denomination of origin, such as the Rioja wines. However, the New World's strategic direction towards simplicity and the consumers' thirst for new undiscovered varietals has apparently created a new trend. Therefore today, we witness a joint promotion of both the name of the appellation and the name of the grape associated with it.

Efforts on creating the industry's ambassador portfolio are most evident in the US market with Rioja, Sherry and Rias Baixas appellations as well as tempranillo and albariño grapes being promoted through a series of events, seminars, sponsorships, and articles / reviews.



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Recently, the Godello grape was heavily promoted on its own with the DO Valdeorras functioning only as the place of origin and not as the value-adding appellation. Other appellations such as Navarra and varieties are also starting efforts in establishing their presence, through country-markets specific campaigns and events.

The following table summarises Spain's first and second tier ambassadors:

Ambassador appellations	First tier	Rioja
		Rias Baixas
		Jerez-Xêrêx-Sherry
	Second tier	Ribera del Duero
		Priorat
		Penedês
Ambassador varieties	First tier	Cava (cluster of areas)
		Tempranillo
	Second tier	Albariño
		Garnacha (Grenache)
		Godello

Associations between ambassador appellations and ambassador varietals		
Rioja		<b>Rioja</b> and <b>Ribera del Duero</b> are celebrated for their premium quality red wines; primarily associated with <b>tempranillo</b> grape  Rioja is distinguished as "Spain's greatest wine region" and Wine Enthousiast's "Wine Region of the Year 2007"
Ribera del Duero		<b>Tempranillo grape is the star of the spanish portfolio</b> ; according to wine critic Doug Frost "Spain's acknowledged king of wine"
Priorat		<b>Priorat</b> and <b>Penedès</b> are also associated with premium quality tempranillo wines; yet they are famous for both red and white wines from a number of varietals
Penedès		<b>Priorat</b> is acknowledged to give the most distinctive and expensive wines from <b>Garnacha</b> (grenache) grapes
Jerez-Xàrèx-Sherry		A synonym for the type of fortified wine: <b>sherry</b> . Grapes used include 4 different varieties, even though none of them is celebrated for its own right.
Rias Baixas		Associated with the <b>Albariño</b> grape, claiming to give <b>the best of the best of Spanish white wines</b> . One of the first grapes to emerge from modern Spain in the 80s, celebrating the country's white wines revival
Cava (type of wine from specified regions)		This is actually the <b>name of the wine type</b> : a traditional-method sparkling wine produced in a several specified separate regions, encompassing villages and wineries



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## R&D investment and innovations

The Spanish wine sector has changed dramatically during the last quarter of the 20<sup>th</sup> century. A significant number of investments by the state, regional DO organisations and individual winemakers have been made in order to reorganise vineyards, modernise the winemaking processes and establish effective control methods.

The Spanish Institute for Foreign Trade has implemented special programs that promote the innovational and technological growth of the Spanish wine sector, while wine regions themselves embark on similar initiatives.

The following initiatives showcase the Spanish Institute's efforts with regards to promoting the innovation at the wine sector:

- **Best available techniques**, this action aims at promoting best practices of the Spanish wineries, in terms of environmental sustainability in wine production and wine processing. Best practices are those which require the lowest resource consumption, have the smallest environmental impact and they are also feasible, technically and economically.
- **Technical and vocational training**, is an action that aims to train and develop the workers of the sector and show them how to employ new technologies or the new requirements.

Other modules that are often undertaken by Spanish vintners are concerning the new techniques and methods on quality management in the processes of wine and the products that are available at the global market.

## Smart Card Technology

La Rioja DOCa (Consejo Regulador de la Denominación de Origen Calificada Rioja) has recently embarked upon a new initiative that facilitates control systems aimed at winegrowing processes. Smart Card Technology will be employed, and will electronically collect and evaluate information on vineyards in terms of harvests, new wine presses etc. thus helping winegrowers, regulatory authorities and inspectors.

## Lower alcohol wine

Trying to foresee future demand for wines with lower alcohol levels and given the fact that climate change favors production of Spanish wines with 14% or more alcohol, leading Spanish wineries are experimenting on low-alcohol options or even de-alcoholized wines. Notably, a new wine, developed by Bodega Casa de la Ermita in cooperation with the University of Murcia and the University of Cartagena only has 6.5% alcohol.

## Brand strategy analysis

"Wines from Spain" is the brand signature that has been chosen by the Spanish Institute for Foreign Trade in order to globally represent its brand.



The four year strategic plan (2007-2010) for the wine industry -Estrategia Vino 2010- produced by the Spanish Ministry of Agriculture, Fisheries and Food, states that a mutually supportive relationship between the national wine brand and the country's brand has to be harnessed and further developed. The Wines from Spain brand is both contributing and benefiting from the country's national brand image in a coordinated manner, leveraging the wine industry's competitiveness in the global market.

Moreover, the strategy implements strategic partnerships with sectors which are fundamental elements of the Spanish national brand and function as international ambassadors of Spain on their own right, namely tourism, gastronomy, and education.



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## Brand image elements

The following table presents the analysis of the Wines from Spain brand image:

Brand image elements	
Features	<p>Wine types: <i>reds, whites, rosés, sparkling (cava), fortified</i></p> <p>Varietals: <i>unique indigenous varieties prevail; some international also grown</i></p> <p>Regions: <i>17 regions, 75 appellations (DO, DOCa, DO de PVD)</i></p> <p>Ambassador wines: <i>(AOC-based) Rioja, Rias Baixas, Jerez-Xérès-Sherry; emerging Ribera del Duero, Priorat, Penedés, Cava; Grapes lately emerging tempranillo, albariño; also garnacha and godello</i></p> <p>Wine routes</p> <p>Ideal ecoclimate</p> <p>Unique and diverse terroirs</p> <p>New generation of master winemakers</p> <p>Long history and tradition in winemaking</p> <p>New technology and modern winemaking techniques</p> <p>Local gastronomy</p>
Attributes	<p>Diverse</p> <p>Quality</p> <p>Reinvented</p> <p>Innovative <i>forward-thinking</i></p> <p>Constantly evolving</p> <p>Popular</p> <p>Accessible <i>every occasion and budget</i></p> <p>Easy-going</p> <p>Internationally renowned</p> <p>World-class</p> <p>National emblem</p> <p>Exciting</p> <p>Vibrant</p> <p>Food friendly: <i>ideal companion to Spanish cuisine</i></p>
Benefits	<p>Discovery</p> <p>Celebration</p> <p>Intense emotions</p> <p>Cultural edification</p> <p>Indulgence</p> <p>Enjoyment</p> <p>Exploration</p> <p>Complements food</p>
Emotional imagery	<p>Satisfaction</p> <p>Belonging</p> <p>Self fulfilment</p>

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Experience imagery	<p>People engaged in winegrowing activities in the fields</p>  <p>Enjoying wine in a social context;</p>  <p>Participating in winetasting events</p>  <p>Winemakers strolling the vineyards or in cellars</p> 
Consumer imagery	<p>Diverse demographics, with emphasis on women, casually dressed</p> 
Brand essence	<p>Exciting and vibrant world-class wines, combining tradition and innovation, comfortably enjoyed in every occasion</p>



## Identity elements



The above is the official brand signature of Wines from Spain.

The main element of the brandmark is the bottle graphic. The bottle is very artistic, covered in abstract colorful lines, creating an image that resembles the artistic style of Jean Miro. A representative example of Miro's work is shown here:



The "artistic" bottle attaches the elements of "inspiration", "creativity", "modernity" and "culture" to the Wines from Spain identity. It must also be mentioned that similar artistic styles and colorisations are used in the Wines from Spain website, ensuring consistency of the brand image.



The red color used in the identity's typography can be associated with colors of the Spanish flag or even the color of Spain's most celebrated wines, mainly Rioja reds.

## Ambassador portfolio brand strategy

Depending on the region where the particular grapes are grown, wines of the same variety tend to develop distinctive, particular characters. As a result, individual areas are usually known for specific "signature" wines.

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## Rioja

### Case study: Turning wine regions into fashion statements

Rioja, the most celebrated region of Spain and Wine Enthusiast's Wine Region of the Year is investing significant resources in establishing an appealing brand image. Using the descriptor "vibrant" (Rioja) a number of initiatives are implemented associating the region with red color in general, as a visual key for its famous red wines, and elements such as passion and liveliness. Initiatives include official sponsorship to NY fashion week, elevating Rioja reds to an ultimate fashion statement.



## Rias Baixas

This difficult to pronounce region is one of three heavily promoted wine producing regions of Spain.



Image here is influenced by:

- The difficult to pronounce name
- The "X" in the name, that links up the region with important keywords such as X-rated, eXceptional, eXchange

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- The green colors that give a natural tone

Rias Baixas wines are linked with the Albarino grape variety. Key image rhetoric used here is:

- “**Discover** Rias Baixas at the **heart** of northwest Spain’s Galicia
- “A wide range of dishes work with this **distinctive** white wine”
- “How do you enjoy... **Share** your ideas”
- “Exceptional with everything or nothing”

## Sherry

One of the most important ambassadors for Spanish wine is Sherry. This is “Spain’s most famous wine and its most notable contribution to the world of wine and food.”

Sherry is a style of winemaking, not a region. The making of Sherry relies on the solera system, an elaborate arrangement of barrels, which allows young wines to obtain the characteristics of older wines, ensuring its consistency and quality.

Sherry’s importance is so great that it has become synonymus with the region it is produced in (Sanlucar de Barrameda, Jerez de la Frontera, Puerto Santa Maria). The following image is from Sherry’s page at the Wines from Spain US site:





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Sherry's image as a modern yet classic, distinct wine that is ideal for social drinking as well as consumption at home and a companion to a variety of foods becomes evident by the imagery and rhetoric used:

- "It is extremely versatile, and comes in a variety of styles, one of which is appropriate for any occasion, and all of which are amazingly food friendly"
- "Get familiar with Sherry's style" [referring to the actual style of the wine but with strong connotations for status and prestige]
- Serving Sherry section (distinctive wine hence distinctive serving): "Sherry is most often served in a copita, a unique glass made especially for sherry"
- Cocktail recipes

## Ambassador portfolio brand image

The key brand image elements for Spain's ambassador wines are summed up in the the two tables presented below:

	Tempranillo	Albarino	Garnacha	Godello
Features		Dramatic increase in plantings over the past years	Widely grown	
Attributes	Superb quality and very aromatic, the star of Spanish wines	High quality		Very aromatic



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	Rioja	Rias Baixas	Jeres- Xeres- Sherry	Ribera del Duero	Priorato	Penedes	Cava
<b>Features</b>	Broad range of styles  Mostly reds usually made of 3 varietals – Tempranillo is the most important  Changes and renovations in winemaking	Modern technology	Traditional methods of winemaking (solera and criaderas system)	Terroir, microclimate & native grape combination  Modern wine making tech.  DO's collective expertise	Application of new technologies  Unique microclimate and soil	Innovative vineyards and wineries  Native and French varieties blend  Variety of altitudes, landscapes, microclimates  Integrated and organic cultivation techniques	Native grapes, warmer climate, growing country
<b>Attributes</b>	Proven consistency and quality over a long period of time  Elegance, concentration of aromas and complexity of flavors  Wines with personality and individuality	Signature wines of astonishing quality and complexity	Long export tradition of great wineries  Broad consumer range  Exceptional quality	Superb, complex red wines  Capacity to age to Gran Reserve	Powerful, deep red wines of superb quality	Excellent modern wines	Distinctive character  Second only to Champagne in world sales of sparkling wines

## Marketing strategy analysis

The four year strategic plan (2007-2010) for the wine industry -**Estrategia Vino 2010**- produced by the Spanish Ministry of Agriculture, Fisheries and Food, declares **quality, price, image and distribution** as the critical success factors for Spanish wine's international performance.

The sector acknowledged that the industry's efforts over the past years which led to the revival of Spanish wine have been effective and successful, yet rather isolated and uncoordinated. Estrategia Vino 2010 brings together the industry's efforts into a coherent and comprehensive forward-thinking manner, which will leverage individual efforts led by regions, DOs or winemakers.

The Wines from Spain brand is used in an array of communication activities in order to develop the brand's equity and promote Spanish wines. To this end, a variety of promotional and marketing activities are used and directed at both consumers and members of the industry.



In accordance to the new strategy which requires partnerships with the sectors of gastronomy, education and tourism, joint initiatives are run promoting wine and gastronomy, formal educational wine programs, and wine tourism. Various marketing and communications tools are used in this context such as road shows, annual celebration events, sponsorships, participation in exhibitions, media relations, familiarisation trips for trade and media, feature articles etc.

## Pricing

In September 2008 visitors to WineSpectator.com have voted Spain as the European country producing the best-value wines. An extraordinary 53 percent from a total number of more than 2000 online survey participants identified Spanish wine as a clear preference when it comes to good quality wine at a fair price. [Notable mentions include among others: "When it comes to value, Spain should be singled out from the rest of Europe"] Spain came first among diverse demographic groups such as Wine Spectator subscribers, younger segments (under 39), and big spenders (people willing to pay more than €16.6 (\$21 a bottle)<sup>54</sup>.

This actually may be perceived as an effectiveness indicator of the four-year strategic plan (2007-2010) for the wine industry -**Estrategia Vino 2010**- under which **value** was identified as one of the four critical success factors for Spanish wine's international performance.

In terms of retail pricing, the following average price points have been registered for 2007 in the top 8 international country-markets, identified by the Attractiveness vs Competitiveness study- and the Greek market. Higher average prices are registered for China, USA, and Canada, while lower average prices are registered for Germany.



Source: Based on data taken from IWSR individual country reports on SLW consumption (USA 2007, UK 2007, Germany 2007, Belgium 2007, Netherlands 2007, China 2007, Russia 2007, Canada 2007)

<sup>54</sup> Currency rate: \$1 = €0.791



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## Marketing communications

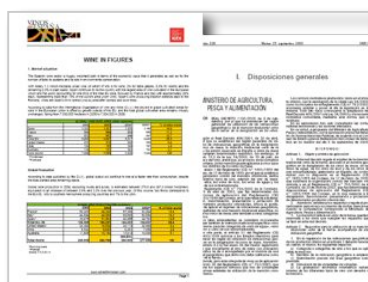
### Internal marketing activities

The Wines of Spain portal is mostly an informational source directed at an international audience and has little to offer to the Spanish wine industry and its members. The premier site for industry information is the Federación Española del Vino site:



The Spanish Wine Federation (FEV) is the organization that brings together the Spanish wine sector, the producers and marketers of all types of wine products. Ever since its conception in 1978, it has been working tirelessly for the benefit of Spanish wines. Its mission is to create the favourable legal, economic, social, environmental conditions as well as the image that is required for the sustainable growth, competitiveness and profitability of Spanish wine. The site is entirely in Spanish.

It must be noted that information such as publications on wine statistics, regulatory guidelines on several issues, as well as the *Estrategia Vino 2010* document, are available online through the Wines from Spain portal, with free access (no log in required).



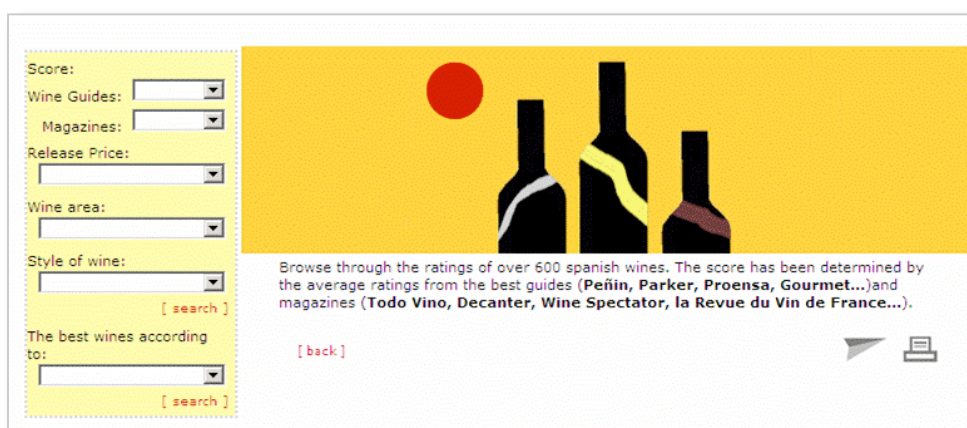
## Wines from Spain website

The Wines from Spain website has mainly an informative rather than a promotional character. Still, some «subtle» promotional tools exist, such as:

- **Storytelling:** profiles of “rising stars”, i.e. notable wineries and exceptional winemakers
- **Informational:** information on Spain’s terroirs, winemaking heritage, grapes and regions
- **Edutainment:** glossary of Spanish wines vocabulary
- **Promotional:** events calendar and news on various wine-related issues etc.



The Wines from Spain marketing platform has included a wine ratings search engine where the Spanish wines are divided according to their ratings. The score has been determined by the average ratings from famous wine guides like Peñin, Parker, Proensa and Gourmet, and notable wine magazines such as Todo Vino, Decanter, Wine Spectator and la Revue du Vin de France.



Aside from its international website available in English and Spanish, the Wines from Spain portal runs in a few more editions specifically designed for selected target

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markets, the most prominent example of which is the USA edition. The content of the site is almost entirely consumer-centric, offering news regarding the brand, culinary advice on matching wine and tapas, wine guides and information regarding relevant events. More importantly, the site provides links to three separate websites dedicated to Sherry, Rias Baixas and Rioja wines.



It is important to note that the US site also offers a link to a trade-oriented website which showcases up-and-coming Spanish wine producers who are seeking representation in the US.

## Wine synergies

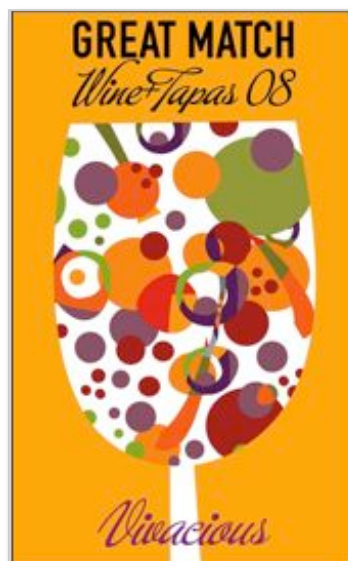
Wines from Spain has declared strategic partnerships with other national sectors that are intertwined with Spain's country brand, namely tourism (analyzed later on in corresponding section), gastronomy and education.

## Synergy with Spanish gastronomy

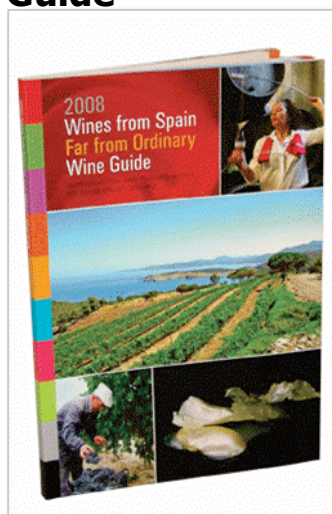
Spanish gastronomy and wines are closely interlinked and are positioned as emblematic cultural elements, serving as country brand ambassadors. Gastronomy and wine are co-promoted through wine and food pairing events (tastings, recipe contests etc), on-line recipes and matching wines etc. Additionally, there is Spain Gourmetour, a magazine published by the Spanish Institute for Foreign Trade (ICEX) of the State Secretary for Tourism and Commerce since 1985, aiming at promoting Spanish foods and wines and enhance awareness of Spain's gastronomy and culture.

## Synergy with education

Wines from Spain have invested in educating international audiences on both wine and gastronomy. In collaboration with the Wine Academy of Spain, a private organization founded in 2003 with activities focusing in wine related principal areas, Wines of Spain have taken initiatives (such as seminars, wine tasting events etc) in the area of education and training of wine professional and enthusiasts, and on promoting Spanish wine industry and wine tourism internationally.



## "Wines from Spain, Far from Ordinary Wine" Guide





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The “Wines from Spain Far from Ordinary Wine” Guide is a publication of the U.S.A. office of Wines from Spain. The guide is free of charge and can be ordered through the US site of Wines from Spain.

The “Wines from Spain, Far from Ordinary Wine” guide, by combining information on the Spanish wine regions and grape varieties, photographs and maps, succeeds in increasing the Wines from Spain brand awareness through a product that is free to be purchased by the consumer.

## “Wines from Spain news” e-newsletter

The “Wines from Spain news” e-newsletter is a communication channel of wine news, events, and interviews about Spanish wines. It is a very powerful method for the Wines from Spain brand to build its relationship with the international wine audience and the industry. The e-newsletter also serves as a continuous channel for promoting the brand and its products.

## Promoting wine regions

Marketing efforts in terms of communication and promotional mix are mostly designed around specific DOs, such as Rioja (i.e. official wine sponsor of Fashion Week in 2008), and Rias Baixas (i.e. Albariño Wine Pairing Recipe contest) and appear to be organised and funded by the region’s own board (see also previous section on ambassador portfolio brand strategy).

## Well orchestrated new-age marketing

### Case study: Conducting “secret campaigns”

As a general comment, it should be noted that Wines from Spain seem to have embarked upon a well-orchestrated (and in fact very effective) national brand campaign consisting of various new-age marketing initiatives, such as online buzz marketing and product placement.

Buzz marketing consists of an array of mostly covert techniques (secret campaigns) and in the case of Spain seem to include “peer-to-peer” marketing and unsigned content dissemination in mainly online social platforms. In those cases undercover brand ambassadors spread key information in such a way that their targets do not know they are being marketed, thus resulting in positive word of mouth endorsement. A safe cue signalling that such a campaign is probably running is the fact that Spain has been winning top places of preference and excellent critiques within online research in wine related areas, such as top wine tourism destination in TripAdvisor, and European country producing the best wine values in



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WineSpectator.com. Additionally, Rioja, the signature appellation for Spain, has been voted Wine Enthousiast's wine region of the year.

In terms of product placement it is worthwhile mentioning the constant promotion of Spanish red wine as an indispensable element of Spanish culture and lifestyle within Woody Allen's new movie "Vicky Cristina Barcelona", an exemplary execution of city branding as well.



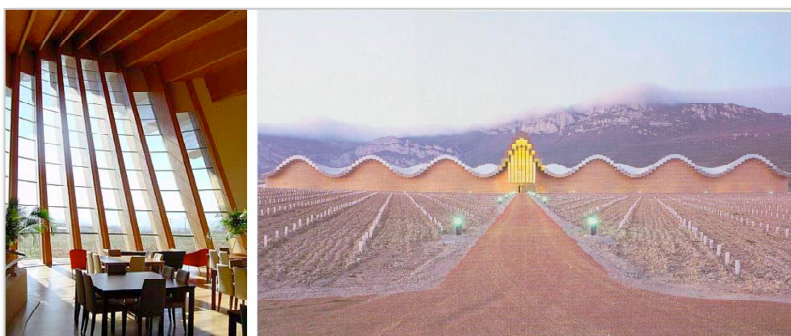
## Wine & tourism

The Spanish wine tourism has undergone significant developments and made important progress over the past few years, as it has been supported by the Spanish institutions and wineries. There are currently eight certified Wine Routes, with a second wave already under way to include Ycoden-Daute-Isora, the Sherry Triangle and Ribera del Duero. Work has also started on Condado de Huelva, Bullas, Middle Navarre, Ribeiro, Rioja and Tacoronte-Acentejo.

There is an increasing number of wineries commissioning spectacular buildings by renowned architects to give their winemaking traditions a sophisticated showcase. Some world-famous names in this context are Zaha Hadid, who has designed a winery for Viña Tondonia and Santiago Calatrava's work for Bodega Ysios (awarded the Best Of International Wine Tourism prize by the Great Wine Capitals Global Network in the Architecture category).



Viña Tondonia



Bodega Ysios



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Another example worth mentioning is Frank Gehry's landmark Hotel Marqués de Riscal (member of luxury Starwood Hotels), nestled in the "City of Wine" winery and estate in Elciego, Rioja. To maximise publicity benefit, the winery also released in 2006 the "Frank Gehry Selection Reserva 2001" wine label.

Moreover, the "City of Wine" complex showcases the remarkable potential that a wine destination could provide in terms of experience. Besides visiting the winery and estate, offerings include spa and wellness facilities by Caudalie Vinothérapie (wine therapies), and high quality gastronomy.




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"City of Wine" winery, hotel and spa in El Ciego, by architect Frank Gehry; "Frank Gehry Selection Reserva 2001" wine was also released in 2006.

Responding to the growing wine tourism trend, tourist agencies as well have been including wine destinations in their portfolio. Also, there are agencies specialising in enotourism and provide private tours of cellars, fine cuisine and hospitality. There are even internet based agencies, like the Rutas de Vino, that are focused only in this sector. As a result, hundreds of thousands of visitors are visiting the Spanish wineries, contributing a significant amount of income to the industry.

The Spanish government is supporting the wine tourism sector, as the Spanish Ministry of Agriculture, Fisheries and Food (MAPA) recently launched the 'Spanish Wine Routes' initiative, a marketing action that is aiming towards quality wine tourism.

The initiative's objective is to connect tourists with the culture, traditions and customs of the wine making regions. The official website of Spain is also presenting its wine tourism offering through a palette of wine routes that are positioned around the great Spanish wine regions.

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The wine routes available through the site are the Bullas Wine Route, Jumilla wine route, La Mancha wine route, La Rioja Alavesa wine route, Las Rías Baixas wine route, Montilla-Moriles wine route, Navarre wine route, Penedès wine and cava (sparkling wine) routes, Somontano wine route, Tacoronte-Acentejo Wine Route and finally Wine and Brandy Routes in the Marco de Jerez Region.

It is worth mentioning that according to research carried out by the on-line travel community TripAdvisor, Spain was voted as one of the world's top ten destinations for wine lovers; the Rioja region was featured as a particularly preferred region.

