

STRATEGIC MARKETING PLAN FOR CALATAYUD DESIGNATION OF ORIGIN OF SPAIN

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Abstract

The Designation of Origin for Calatayud wines was officially created in 1989 and it accounts for around 6.000 hectares. It is located in the Northeast part of Spain, surrounded by many other wine Designation of Origin areas and not far from the capital of the region. Their wines have had a good reputation but they were launched in the Spanish market with clear signals of consumers demand saturation. In the last decade the Calatayud wine industry managers explored many foreign markets and they actually export over 85% of their total bottle production. The Designation of Origin Regulatory Council, where all firms are represented, decided to explore which are the most appropriate markets for their wines and the most adequate marketing decisions. This is the origin of this strategic marketing plan which has been the first exercise of that sort for any wine Designation of Origin in Spain.

Small wine Designation of Origin areas have a great part of their marketing strength at local markets. Local and regional markets jointly with foreign markets concentrate the analysis of this plan. The strategy, in each case, should be different because their wines have a different meaning and recognition. In the local market a special emphasis has been put on Zaragoza city, the largest town in the area. For the export market UK, Belgium and United States are more carefully analysed for their wines. Nevertheless, other markets have been taken into account according to their consumption growth rate, wine consumption level, the market positioning of Spanish and nearby regional wines, the existence of commercial offices for Spanish wines and many other variables.

Collective and individual meetings have been undertaken in order to know better their marketing problems and organisation. A questionnaire has been fulfilled by all managers to locate their marketing activities and the main significant points of their productive process. A large data gathering from local distributors has already been accomplished to understand their market relevance. A wide coverage for secondary

wine market data, from Spain and the main importing countries, has been put together. With all that information a SWOT analysis will be accomplished and discussed with all responsible persons from Calatayud DO.

The outcome of this strategic plan is to determine the volume of bottled wine that should be sent at either the local market and for exports, in the next ten years, with the characteristics of their wines, prices and distribution channels to be used; the general promotion policy that should be generated and the expected results. Specific actions will be determined and revision mechanisms will be stated, along the years, in order to update marketing policies.