Wine and Marketing.
A comparison between two sparkling territory brands.

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Introduction

The following paper tells about how products with similar characteristic and histories could achieve totally different results.

The principal actor of this story is TrentoDoc, the Trentino Metodo Classico, together with its producers who embody great wine-making skills but unfortunately they struggle in promotion and communication.

The brand is compared with an analogous product: Franciacorta. Their histories, structures and data are showed and analyzed during the chapters to comprehend as well as possible common and opposite behaviours and operations.

The benchmark has been chosen thanks to the similarities between it and TrentoDoc for what concern the product itself, and also thanks to its ability in conquering the market with strong skills in communication.

To better understand the realm on which takes place this situation, a brief description of the wine’s origins along with some legal definitions will occur along with the proceed of the paper.

The main objective of this study is to analyze real actions and operations occurred in the two cases with the final purpose of suggesting some ideas to TrentoDoc producers and to the other actors related with it, in order to implement the current structure of TrentoDoc promotion, given that the latter is not enough exploited and a lot of potential must be conveyed.
1. Wine sector. Description and Evolution

Depicting the story of a product, dwelling on both its problems and strengths, becomes more and more difficult as long as the work proceeds because of the big amount of unknown information that arise while looking for useful documents and material. At the beginning of the work, in the writer’s mind, the story appears clear and linear. This dream lasts for few minutes, since when reading the first document he learn an hidden episode that induces immediately the search for additional information. Every paper gathers new information and the investigation for filling the gaps never ends.

Anyway, it is possible attempting to tell events in an exhaustive way by patiently starting from a general approach and then moving to the specific point. In this scenario, an introduction beginning by the ancient roots of wine seems the best approach to understand its evolution.

1.1 HISTORY

By reading newspaper every day, it is quite evident that changes are on the agenda in the greatest part of the economic markets. To analyze and comprehend a product in its totality it is indeed necessary to explore the main phases of its development.

In particular, the chief character of this study has certain specific characteristics that differentiate it from a durable and tangible good; consumers have different feelings and perceptions with respect to the same product; it was not invented during the last decades of technology development; the single product is subject to changes as time goes by. Wine.

To trace wine back to its origins, one must go as far back as 7.000 years B.C.: some terra-cotta vessels were found in Mesopotamia and dated to that time. In Egypt, it was the basic element for every ceremony and, when a Pharaoh died, five typologies
of wine were provided for its grave goods. It was through the Greeks that wine arrived in Europe and expanded its presence, reaching its maximum diffusion during the Roman empire, when it became a popular good even for people who belonged to the lower social classes. Christian religion was the main communicator and vehicle for wine diffusion; starting from pagan rituals, this alcoholic beverage has been a strong symbol and it was used to get in contact with divinities. During the Middle Ages, the study and the practice of oenology was restricted to monasteries, where wine was in fact produced. From 1400 – 1500, viticulture was spread all around the world thanks to the great explorations by sea and the discovery of new lands. The XIX Century was characterized by the maximum diffusion of wine in many countries and, for the majority of them, economy was based on this product.1

1.2 CLASSIFICATION

Wine can be currently classified in two different ways. The first one relates to the typology and method of production, while the second one to the denominations, which require specific standards to be complied with. Usually, common wines could be white, red, rosé, sweet, santo and sparkling. They are made using different varieties of grapes, which give a typical colour, and according to different methods, which give different tastes, aromas and body. Specifically to sparkling wines, they could be made using either the Charmat Method (also called Metodo Italiano) or the Champenois method (or Metodo Classico): the difference between the two methods is given by the second fermentation phase, which in the first instance occurs in large steel surge tanks, while in the Champenois method it occurs directly inside the bottles. Sparkling wines should be characterized by the acronym VSQPRD when they are produced in a specific and suitable territory, in fact the abbreviation means Vino Spumante di Qualità Prodotto in Regione Determinata.2

As previously mentioned, wines are also classified by the Italian law that defines three classes.

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2 Legge n.164, 10 febbraio 1992, Nuova disciplina delle denominazioni d’origine.
• **I.G.T.: Indicazione Geografica Tipica;** These wines coming from a defined region whose name must be stated on the label;

• **D.O.C.: Denominazione di Origine Controllata.** These wines are controlled by a Product Regulation that defines the name, the area where grapes should be cultivated, the vinification method, the maximum yield/ha, and the date after which the wine can be introduced to the market.

• **D.O.C.G.: Denominazione di Origine Controllata e Garantita.** These wines are subject to the same type of requirements as D.O.C. wines, but are further restricted and controlled through additional analyses and a specific tracking system by means of a special label that is issued by the Chamber of Commerce.

Both D.O.C. and D.O.C.G wines are submitted to strict documentary, inspectional and analytical controls, following the rules written in Regulation CEE 823/87, in law n. 164/92, in D.P.R. *(Decreto del Presidente della Repubblica)* n. 348/94 and in the abovementioned Production Regulations. From the consumer's point of view, the D.O.C. or D.O.C.G. denomination does not mean that wines are of a higher quality, but it does guarantee that such products are produced under strict controls and that they are the true expression of the land they come from.

In Italy, D.O.C. wines make up the biggest category, with 320 typologies having the characteristics that meet the corresponding requirements; in the last two years, the number of I.G.T. wines has decreased from 120 to 118, due to the upgrading of two products to the D.O.C. category. The smallest group is the D.O.C.G., in line with the feature of rareness that is highlighted by this denomination. Currently, there are 48 wines in Italy belonging to the élite.

Actually, a sort of European globalization to Italian wine appellations occurred at the beginning of the year 2010. At that time, Italy complied with the European Regulation n.479/2008, that fixes new and common denominations, i.e. *Indicazione Geografica Tipica.*

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Geografica Protetta (I.G.P.) and Denominazione di Origine Protetta (D.O.P.), different from those in force in the Italian Government. Notwithstanding, by making use of another European Regulation⁶ that allows the conservation of the traditional origin denominations, Italian wines are still labeled as I.G.T., D.O.C. and D.O.C.G.⁷.

1.3 AGRICULTURAL EVOLUTION

The large number of Italian certified wines, present on the world market today, 486 in total with an increase of 9.2% from 2005 (when the figure was 445⁸), is also witnessing some shifts in consumers’ perception, behavior and consumption with respect to wines, in this case, and food and beverage in general.

There is an increasing attention to what concerns the environment due to climatic changes, adverse events, such as tsunami, earthquakes and hurricanes, and the reduction of forests and green areas within cities.

For this reason, during the last decade, some agricultural organizations have embraced organic and biodynamic approaches.

The organic production is an overall system of farm management and food production that combines the best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes. Therefore, the organic production method plays a dual societal role, where on the one hand it provides for a specific market, responding to a consumer demand for organic products, and on the other it delivers public goods contributing to the protection of the environment and animal welfare, as well as to rural development⁹.

The biodynamic philosophy, elaborated by Rudolf Steiner (1861-1925), philosopher and esoteric scientist¹⁰, goes even further: the main concept is that the soil and

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⁶ Allegato XII del Regolamento CEE n.607/2009 Audizione in Commissione Agricoltura per la riforma della Legge n.164/92.
⁷ Audizione in Commissione Agricoltura per la riforma della Legge n.164/92.
⁸ Dati INEA. Aggiornamento al 31 luglio 2009.
cultivations are a unique system that depends also from the moon’s phases and the potting compost\(^{11}\).

Albeit not thoroughly, many producers and vine-growers are nowadays following these principles in order to preserve the plants and the earth. In this ideological system no chemical elements are used, for example, to prevent or treat plants’ diseases. When a producer follows perfectly the organic dictates can ask that their plants will be controlled and then certified as “organic”.

Consumers can recognize these products by looking at the packaging brand: there may be a little brand certifying the category. There are many different labels, but they are more or less similar: green or yellow, depicting some natural elements, such as an ear of wheat\(^{12}\).

This way of thinking is in total contrast with what happened in the last century when, during the industrial boom, works plants grew ever bigger and more numerous, starting with Henry Ford’s innovation of the assembly line to produce the Ford T\(^{13}\) in 1908.

### 1.4 TERROIR

By avoiding chemical substances that allow plantation living not in their natural habitat, plants and vineyards need to grow in their natural environment or at least in one with the same characteristics regarding soil, climate, temperature, altitude, and sun exposure.

The latter concept refers to *terroir*, a term that gained common usage in the viticulture jargon and in some other agricultural terminology. It comes from the French word “*terre*”, which means land, but actually there is no perfect translation or precise definition in other languages, so it is used to refer to this notion just as *terroir*.

Some definitions have been attempted anyway. Jonathan Nossiter, writer and sommelier, tried to explain this concept as the “interaction between the soil and a

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\(^{11}\) Katherine L. Adam, “Community Supported Agriculture”, NCAT Agriculture Specialist Published, 2006 ATTRA Publication.

\(^{12}\) [http://www.scienzagiovane.unibo.it/bio/7-marchio.html](http://www.scienzagiovane.unibo.it/bio/7-marchio.html)

specific microclimate, together with human practices’ effect, traditionally connected with them.\textsuperscript{14}

The main idea vine-growers want to transfer to final consumers through the \textit{terroir} concept is that the end product is strictly linked with the land it comes from, it has a natural origin and it embodies peculiarities and traditions of the region most suitable to its production. There is a proverb that states: “with a glass of wine you can also taste the territory”: it is exactly what people should perceive while drinking.

\textbf{1.5 WINE MARKET}

Small-medium enterprises are in direct competition with large industries that produce the same good. Once a wine is bottled and placed on a supermarket shelf, it is extremely difficult for the non expert customer to evaluate which product comes from a small winery or from a large industry. Due to the large production, it is highly probable that big companies are highly standardized and, therefore, there should be homogeneity in their wines aromas and taste. On the other hand, such companies are subject to strict controls and consumers have greater trust on them. By standardizing processes, it is quite evident that there should be a reduction in production costs; this corresponds to an advantage for the final customer, who can buy an optimal wine for a reasonable price.

To compete in this market, small-medium size wineries need to follow the product differentiation strategy\textsuperscript{15}, which means enhancing and emphasizing the \textit{terroir} and the unique and unrepeatable characteristics that differentiate a wine from the others.\textsuperscript{16}

Moreover, market fragmentation is extremely high: talking about sparkling wines in Italy, there are around 600 wineries with at least one product. The total number of the Italian sparkling labels is 2,360, which means that 328,485 million bottles left wineries in 2008\textsuperscript{17}.

\textsuperscript{16} A. Scaccheri, op. cit.
\textsuperscript{17} G. Comolli, Osservatorio Economico Mercati & Consumi Spumanti - ONES.
Due to the market situation depicted above, small-medium size wine-cellars should address their capabilities and investments in common projects, dedicated to the promotion and communication of their territory; as a matter of fact, these types of activities require large investments, both in money and time, and they would not be possible if undertaken by a single small company.

1.6 CONSUMPTION EVOLUTION

Recently, wine has become an expression of oneself. People buy different wines according to their behaviors, feelings, and lifestyles. This beverage has stopped being perceived as a commodity, as it was some decades ago; it is now a way of expressing customer’s personality\(^\text{18}\). Different occasions need specific wines: through them, a consumer can let other people understand his perception of the situation with which this product is tied up.

This alcoholic beverage embodies tangible and intangible aspects, and its tasting should be a complete experience for the consumer; he has to perceive and understand culture, territory beauty, and tradition, not only taste and smell\(^\text{19}\). It is a product which comes directly from the land and this fact has to be transferred to the consumer.\(^\text{20}\) In addition the quality of a wine cannot be accessed until the product has been consumed.

For this reason, wine consumers bring to the buying decision many different types of experiences and expectations together with prior knowledge: as an example, someone could be prejudiced against a wine that is preferred by another consumer. It could depend on a previous episode in which a bottle was defective, for example corked; everybody knows that it would be quite impossible that all the products from a winery might have the same defect, but it becomes a mental barrier that prevents one from purchasing it.

Furthermore Yuan et al. (2005) add that wine researchers and marketers have finally determined that much like other purchasers of consumable goods, wine consumers

\(^{18}\) A. Scaccheri, op. cit.
\(^{19}\) A. Scaccheri, op. cit.
are not the same. Their needs, desires and individual personality traits differ greatly.\textsuperscript{21}

Consequently, traditional marketing strategies studied for tangible products are inefficacious with wine. It is preferable to move the attention from the original marketing mix with its 4Ps, focused on the company's point of view, to the 4Cs approach dedicated to the customer.\textsuperscript{22}

\textit{Figure n°1 - Marketing mix: 4Ps vs 4 Cs}

<table>
<thead>
<tr>
<th>4 Ps</th>
<th>4 Cs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Customer value</td>
</tr>
<tr>
<td>Price</td>
<td>Cost</td>
</tr>
<tr>
<td>Point of sale</td>
<td>Convenience</td>
</tr>
<tr>
<td>Promotion</td>
<td>Communication</td>
</tr>
</tbody>
</table>

Hence, total customer satisfaction is not given merely by the tangible element of wine. Together with bottles and wine's economic values, it is extremely important to take into account the status symbols expressed by it, connections with traditions, personality that wants to be expressed, specific occasions.

Secondly, as showed in Figure n.1, price has been shifted to cost. Beside the bottle price, a consumer is used to consider also the time consumed in finding the right product and purchasing it. Moreover some wines have an intrinsic value due to their fame or tradition, which is an extra economic element.

Thirdly, producers have recently turned their attentions and efforts to creating wines with a favorable quality-price ratio. People look for quality and guaranteed goods, but they are not willing to spend exaggerate amounts of money. Consumers are now disenchanted and aware of markets' rules; they want to be treated honestly and tend to avoid products named as luxury in the wine sector. In fact, the people are more and more mentally involved in the purchasing process; they want to be informed

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\textsuperscript{21} N. Barber, J. Ismail and T. Dodd, op. cit.
\textsuperscript{22} A. Scaccheri, op. cit.
about the origins, production methods and history. Thus, even if wine consume decreased, it is now more learned\textsuperscript{23}.

In this scenario, direct selling by the wineries is an important and competitive advantage for companies. In this way, private customers could buy wines without being exposed to the intermediaries’ mark-ups.

Finally, promotion is fundamental for introducing and supporting a product into a highly fragmented market. Moreover, communication is complementary and necessary to compete. Its main objective is to explain wine through its producer, tradition, \textit{terroir}, vinification method, guarantees, environmental commitment, and even the presence of a common brand representing the land.

2. Wine and territory

2.1 INTRODUCTION

It was around eight years ago that the Territorial Marketing stand out for the first time. During the year 2002, the New Zealand Government ordered some market researches to understand which was the international positioning of that land from a consumer perspective. Conversely to the positive perception of a “clean, green and smart” nation, the results showed also some weaknesses. It appeared that technology was not spread enough and there was a lack in infrastructures and in welcoming new companies and firms.

These non positive answers were the starting point for a territorial marketing strategy aimed to reposition New Zealand, together to increase tourism and commercial activities24.

Consequently to the New Zealand experience, Territorial Marketing started to be studied and analyzed. Above all, it has a strategic importance in the touristic field where unrepeatable territorial advantages should be exploited to compete with other regions.

2.2 TERRITORIAL LEVELS

The application of a territorial marketing strategy witnesses the will to create a competitive advantage, allowing a territory to be perceived as more attractive than others25.

The model proposed by Bonetti, identifies a territory as a system of three levels:

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25 R. Cercola, E. Bonetti e M. Simoni, op. cit.
1. Territory, intended as a platform where multiple resources can interact among them;
2. Territorial identity, meaning the whole of vocations;
3. Territorial products, which are able to satisfy the demands of specific consumers’ targets.

2.2.1 The Model In The Wine Sector

This skeleton is easily applicable to the wine scenario. Since it is a product tightly connected with the land, it is quite obvious that the territory can be intended as a platform for the creation of a territorial value proposition. Wine comes from vineyards, which are made up by plants originated directly by the land. Together with natural elements, human factors help the fruits to transform themselves into a liquid substance containing the peculiarities, aromas and tastes of their native terroir. Once wine has finished its transformation process, consumers should, and would, taste what the land has to offer. In an ideal situation, tasting a wine in its original environment would involve all five senses of the consumers, letting them appreciate the real nature of that place.

The second level of the model refers to vocations. Using as an example the cases that will be analyzed in the following chapters, Trentino and Lombardy have the required characteristics to be suitable for the cultivation of Chardonnay, Pinot Noir and Pinot Blanc grapes, used in the Metodo Classico production. As a legal confirm, their predisposition is guaranteed by two Forester and Agricultural Minister decrees\textsuperscript{26}. In fact, one of the best product of these regions is sparkling wine. Thus, also the third point of the model finds its parallel in the real life.

In conclusion, the territory is the field where many institutions perform, with the objective of contributing to the enhancement of itself.

In particular, the actors involved in the wine market are listed below\textsuperscript{27}, with the specification for Trentino and Lombardy regions:

- Consortia: Consorzio per la Tutela del Franciacorta,


\textsuperscript{27} A. Scaccheri, op. cit.
Le strade del vino (e dei sapori): *Strada del vino della Franciacorta* e Strade del vino e dei sapori del Trentino;

I.A.T. (ex A.P.T.): i.e. *Informazioni e Accoglienza Turistica*;

Enoteche regionali e botteghe del vino;

Cantine sociali: i.e. wine cooperatives;

Entrepreneurial agricultural associations: *Istituto Trento D.O.C.*, *Ente Bresciano Vini*;

Single producers.

### 2.2.2 Wine Actors

It is useful to depict a more detailed description of the abovementioned list. Firstly, in the Italian Civil Code, the Consortium purpose is defined as “giving support to members while developing economic activities”\(^\text{28}\). Denominated wines require the commitment of producers, counting at least 30% of total production in the defined area\(^\text{29}\). By the belonging agreement to the Consortium, or to another type of association, wine-growers insure their willingness to get behind the aim of product enhancement. In fact, principal functions are guardianship, development, caring of general interests along with members’ supervision\(^\text{30}\).

Secondly, as well as Consortia, *Strade del vino* are protected and ruled by the Government. The law n.268, dated 27 July 1999, is named as “Disciplinare delle strade dei Vini” and define them as “paths signaled and publicized by specific boards, along which are present natural, cultural and environmental values, vineyards and wineries, individual or associated, open to the public; they are the vehicle through which wine-growing lands, and relative productions, should be spread, commercialized and it can be made use of them as touristic offers\(^\text{31}\).” Namely, these routes are integrated systems of different touristic offers developed along an itinerary, featuring interesting places involved in the wine-making sector,

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\(^{28}\) Codice Civile Italiano, art. 2615ter.

\(^{29}\) Decreto del Presidente della Repubblica 12 luglio 1963, n. 930 (in Suppl. ordinario alla Gazz. Uff., 15 luglio, n. 188) - Norme per la tutela delle denominazioni di origine dei mosti e dei vini.


such as vineyards, wineries but also restaurants, hotels, farm holidays, wine bars. The members are required to subscribe their specific Regulation, defined by the Region, in order to promote the territory in unison.

The main purpose of these touristic system is the improvement of the territorial value, in areas where particular attention to wine is ruled by the Italian law n.164, about Origin Denominations.

Together with wines, some other local productions should exploit the Regulation; they must be recognized by the CEE Regulation n.2081/92 and by the Ministerial decree of the Agricultural Policies n.350/99. Indeed, it is quite usual to walk along a “Strada del vino e dei sapori”, that gives the likelihood of both taste wines and eat traditional and typical food.

The following point in the above list refers to I.A.T.; these structures are offices dedicated to provide information and touristic welcoming for free. These activities are guaranteed by the province institutions, which team up with local associations in organizing touristic activities and territorial promotion.

Another regional structure aiming to promote the wine-territory binomial is the Enoteca Regionale. Its main goal is spreading the historical traditions and products’ origins, as well as what is the purpose of Bottega del vino. The Enoteca is more than a wine bar or a wine-selling point: withal, tourists can find in it many information, they can attend tastings and participate to events that involve also other typical products. Accordingly to the Regional Law n.37/1980 Enoteche must be made up by Public Institutions.

The fifth actors in the wine sector are Cantine sociali, i.e. wine cooperatives. At this point, it is important to remember that the Italian wine market is seriously fragmented and a considerable slice of it gathers wine cooperatives: the current amount is around 600. These are associations of viticulture producers belonging to the same region, who want to work in synergy in order to place their products on the

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32 Disciplinare delle strade dei Vini legge 27 Luglio 1999 n°268, Decreto del Ministero delle Politiche Agricole e Forestali del 12 Luglio 2000, art.5
33 Associazione Italiana delle Enotecche pubbliche e delle Strade del Vino www.test.omegawebsrl.it/home01.ap
34 A. Scaccheri, op. cit.
35 Legge Regionale n. 37 del 12 maggio 1980, Le Enotecche Regionali, le Botteghe del vino o Cantine comunali, i Musei etnografico - enologici, le Strade del vino.
36 F. Piccoli, La possibilità delle cooperative di ampliare l’esperienza culturale e didattica del gruppo associativo, Convegno sul ruolo delle cooperative vitivinicole, Pitigliano.
market at a profitable price. In contrast with commercial societies, the final purpose of the cooperatives is to provide economic benefits for members, by means of lower costs than those achievable individually. This is called mutualistic purpose and it characterizes the non-profit organizations\textsuperscript{37}.

Sixthly, entrepreneurial agricultural associations have an active role in the wine sector. These non profit organisations are made up to represent and manage moral, economic and social interests widely shared among associates\textsuperscript{38}. In conjunction with these aims, the agricultural associations are proactive in coordinating activities to solve common problems and to promote initiatives toward general enhancement\textsuperscript{39}.

Last but not least, single producers interact with the other performers, sometimes also belonging to them. Regardless to their business dimension, these entrepreneurs manage profit-making organizations. Beside the individual business commitment, according to their willingness, they can be on the stage in the product-territory binomial promotion. Thus, they can carry out actions such as opening their wineries as selling points, organizing guided visits, as well as international tasting and promotional events.

### 2.2.3 Super Partes Institution

As revealed by the name, territorial marketing includes in it a wide presence of different elements, as depicted above referring to the wine sector. To achieve a collective territorial enhancement, singular structures must be supervised and coordinate by a territorial institution, such as Region and Province\textsuperscript{40}. This is an important assignment because of the simultaneous interaction of collective and personal objectives. In fact, it is likely that some territorial operations get negatively involved in the individual businesses.

In addition to control and coordination tasks, political institutions must fulfill direct assignments, such as:

\textsuperscript{37} Codice Civile, art. 2512.
\textsuperscript{38} Ente Vini Bresciani, http://www.entevinibresciani.it/chiamoci.html
\textsuperscript{39} Associazione Vignaioli del Trentino, Statuto, art.2
\textsuperscript{40} Linee guida del progetto di Marketing Territoriale per il Trentino, Provincia Autonoma di Trento, Dipartimento Turismo e Commercio.
1. Definition of major attractive features belonging to the area and further management of them;
2. Identification of territorial economic development lines, coherent with the abovementioned features;
3. Choice of Territorial Marketing tools, such as target definition, positioning, strategic planning and implementation of marketing mix.⁴¹

To better exploit the strategies set up, creating a brand embodying territorial personality and identity becomes essential. It would, ideally, achieve the double result of making up an affiliation behavior among actors, and giving an identification tag to the territorial products⁴². The latter point could be useful for consumers to easily recognize the goods’ origin.

In particular, territorial brand applied to food and beverage clearly display the origin; by adding to it the Denomination laws about wines⁴³ (D.O.C. and D.O.C.G.) and food⁴⁴ (I.G.P. and D.O.P.), the consumerism is guaranteed.

Figure no.2 - Actors’ system in Territorial Enhancement

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⁴¹ Linee guida del progetto di Marketing Territoriale per il Trentino, op. cit.
⁴² Linee guida del progetto di Marketing Territoriale per il Trentino, op. cit.
⁴³ Legge n.164, 10 febbraio 1992, Nuova disciplina delle denominazioni d'origine.
⁴⁴ Regolamento Europeo n. 2081/92, protezione delle indicazioni geografiche e delle denominazioni d'origine dei prodotti agricoli ed alimentari.
2.3 IMPORTANCE OF TERRITORIAL BRAND

In many markets, there is a large number of examples witnessing the effectiveness of connecting a product with its native land in the promotion field. Within them, the wine has a considerable importance due to its numerous successful cases: i.e. Champagne, Bordeaux, Brunello di Montalcino, Chianti, Barbera d'Asti, Prosecco di Valdobbiadene, Nero d'Avola, etc..

The geographical localization is employed as a distinctive feature in companies’ communication instrument, that range from the labels to the web sites. In doing so, they take over the value of regional brand and contribute to support and regenerate it over time\(^45\).

In particular, when the product is perceived as a leader-product by consumers, tourism and trading in general should get better for the specific region.

On the other hand, the territory has to be able to face an increasing touristic rate with the implementation of welcoming structure and infrastructures, whether the result is positively achieved. Wine, in this case, acts as a locomotive for the local industry and a specific business fabric\(^46\).

Hence, the principal purpose is to address the consumer in perceiving the single brand with a positive and appealing mood, to economically upgrade the region as a whole.

In the following chapters two distinct cases will be analyzed. Franciacorta and TrentoDoc wines made up a direct connection with the land they come from, mainly through their brand.

Distinctive features, strengths and weaknesses will be listed and examined to attempt in defining some suggestions to better take advantage of any eventual unexploited potential.


\(^46\) A. Mattiacci and V. Zampi, op. cit.
3. History of Franciacorta and TrentoDoc brands

3.1 INTRODUCTION

As a result of the explanation given in the previous chapters, it is possible to clearly introduce the products concerned by this paper. Franciacorta and TrentoDoc are both sparkling wines. In particular, they are produced following the Metodo Classico dictates; this method is the same that allows the creation of Champagne, but only in the Champagne region in France it is possible to refer to it as Champenoise Méthode47.

The Northern part of the Italian peninsula is their native land; Franciacorta is a small area in Lombardy, while TrentoDoc, as reflected by the name, comes from the Trento province. Together with the production method, the latter area has also some natural similarities with Champagne for what concern the climate. Even though the latitude is higher in France than in Italy, Trentino temperature range between day and night compensates this little environmental difference and allows the presence of a high degree of acidity to the wine, as happens with Champagne grapes. Moreover, the soil of the specific French region is characterized by the same elements making up the Trentino land. Climate, environment and soil, making up the terroir, are extremely important in viticulture.

By keeping talking about Italian sparkling wines, there is a discrepancy between Franciacorta and TrentoDoc beginning from 1995 for what concern the denomination. At that time, to Franciacorta was recognized the D.O.C.G. appellation by a decree of the Agricultural and Forester Minister48, upgrading the production

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area to the highest class of wines. Since 1993 \textit{TrentoDoc}, instead, detains the D.O.C. status\textsuperscript{49}.

Both of them have their own Product Regulation dictating the requirements necessary to belong to the respective denomination degree; \textit{Franciacorta} rules are actually stricter than \textit{TrentoDoc}\textsuperscript{50}, partially due to the different appellation levels they belong to.

From an organizational point of view, Lombardy actors are part of a Consortium, that is defined by the Italian law as a voluntary aggregation legally recognized, coordinating and regulating collective activities. With the Consortium contract, different businessmen define a common institution to regulate and develop specific phases of their companies\textsuperscript{51}.

On the other hand, \textit{Istituto Trento D.O.C.} is a voluntary producers association with the aim of promoting the image and prestige of \textit{TrentoDoc}, and thus the quality, the method and the spread of the certified origin sparkling wine\textsuperscript{52}. Both institutions were born during the last years of the XX century: in 1990 in the Lombardy region, and in 1984 in Trentino.

At the beginning of its life for \textit{Franciacorta} and few years ago for \textit{TrentoDoc}, two collective brands have been created to gather together producers working in these particular suitable terroirs. Their main objective is the communication of sparkling wine as the leader product of their land, and consequently its distinctiveness.

They are the two most important Italian denominations with regard to \textit{Metodo Classico} productions. The path of their growth would be similar, but results are different in particular for what concerns brand awareness.

Indeed, Figure n.3, referring to the Italian \textit{Metodo Classico} marketed in 2008, shows a difference of 1,100 million bottles between \textit{Franciacorta} and \textit{TrentoDoc}, with regards to the Italian market. The first column refers only to Italy, while the second column explains the amount of bottles distributed around the world, including Italy.


\textsuperscript{51} Codice Civile, ex. art. 2602.

\textsuperscript{52} Statuto dell’Associazione dei Produttori “Istituto Trento Doc”, 11 marzo 2009.
Data rank Lombardy in first position and it is easy to see that the two brands together count little less than 75% of the world market sales and 73.5% of the Italian market.

**Figure n°3 - Classic Method Bottles Dispatched in 2008 (million bottles)**

<table>
<thead>
<tr>
<th>CLASSIC METHOD DISPATCHED -2008</th>
<th>ITALY</th>
<th>WORLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.O.C. Trento</td>
<td>7,650</td>
<td>8,020</td>
</tr>
<tr>
<td>Oltrepo’ pavese, Alta langa, Alto Adige, Friuli and other D.O.C.</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Quality Sparkling wines (VSQ), Sparkling wine (SQ)</td>
<td>4,100</td>
<td>4,200</td>
</tr>
<tr>
<td>D.O.C.G. Franciacorta</td>
<td>8,750</td>
<td>9,670</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22,300</strong></td>
<td><strong>23,690</strong></td>
</tr>
</tbody>
</table>

Even though sales are differentiated by a reasonable amount, considering the lower number of Trentino’s producers (29 vs 101), the difference in brand awareness is an important aspect that should be better exploited.

Based on an ISTAT survey, which focused on the knowledge of Trentino’s products by the Italian population, only 2.1% of the interviewed people spontaneously answered TrentoDoc as a typical product of this Region (population interviewed: 47,431,775)\(^{54}\).

On 29 April 2002, the European Union decreed that this wine should be labeled just as Franciacorta\(^{55}\) starting from 1 August 2003\(^{56}\); this means that it is possible to avoid writing other specifications on the labels, such as D.O.C.G.\(^{57}\). In other words, according to this rule, the Franciacorta name has such a big influence and importance that it is superfluous to mention any other descriptive elements.

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53 G. Comolli, op. cit.  
56 Cartella stampa 2010, Consorzio per la tutela del Franciacorta.  
57 Consorzio per la tutela del Franciacorta, op. cit.
3.2 FRANCIACORTA

3.2.1 Background

After 40 years of commitment, international acknowledgements and results were finally achieved. The first signs of Franciacorta history date back to around the XVI Century, when Gerolamo Conforti (1519-1595), a doctor born in Brescia, wrote “Libellus de vino mordaci”\textsuperscript{58}, a treatise focusing on the analysis of wine utility to improve human activities from a scientific perspective. In his work, Conforti talks about the “mordaci” (sparkling) wine produced in the Lombardy’s area, fixing it as the first evidence of an ancient tradition’s existence.

From that moment on, gradual improvements have been constantly added to the wine sector by all the actors belonging to this realm. At the end of ’50s, local producers were finally convinced that their land was suitable for the sparkling wine production.

In 1967, by a decree of the President of the Italian Republic, Franciacorta wines obtained the D.O.C. denomination. It is important to stress that this D.O.C. was called “a cappello”\textsuperscript{59} due to the fact that it embodied multiple wine typologies: red, white and sparkling made by both methods: Classico and Charmat. Rather than a specific product, it was the area to be fixed as D.O.C.. Only 16 years later, an updating in the Product Regulation, required by law, identified and specified the category of Metodo Classico sparkling wine and its production.

The beginning of ’90s saw the creation of the “Consorzio per la Tutela dei vini Franciacorta”, but it was the following year, on 22 March 1991, that a specific technical and production regulation for sparkling Franciacorta was drawn up by the 52 producers belonging to the Consortium. From that moment on, this product was managed as unique and separated from still wines; the brand Franciacorta, referred to Metodo Classico, was registered in Italy on 21 November of the same year and it is protected all around the world\textsuperscript{60}.

\textsuperscript{58} Gli spumanti d’Italia 08-09, Nichi Stefi, a cura di. Veronelli Editore, 2008.
\textsuperscript{59} G. Comolli, ONES, intervista 14 luglio 2010.
\textsuperscript{60} G. Salvioni, Consorzio per la tutela del Franciacorta, Direttore generale, 27 luglio 2010.
3.2.2 Franciacorta Numbers

Growing is the most suitable word to use while describing the Franciacorta path. There are many elements that, by increasing their quantity, let the brand gain more and more fame and success.

First of all, the people. Producers, bottlers and workers in Franciacorta area wine sector, embraced the cause the Consortium was founded on: to support Metodo Classico as the leader product of their land, by communicating the connection with traditions while drinking a prestigious wine.

In 1990, there were 29 people, who created the Consortium and, less than one year later, that number grew up to 52. 142 was the amount of Franciacorta actors in 1994: that means an increase, slightly lower, than 80% in only four years. Nowadays, 366 people, including 101 producers, are involved in the Franciacorta world: they make up 97% of wineries producing Metodo Classico in this area.\(^{61}\)

Along with producers, production rose significantly in the last decade. Following, the chart representing official data of Franciacorta bottles distributed from 2001 to 2009, shows a constant increase of 10% up to 2008, when a standstill occurred at a level of 9,430,976 bottles.

Figure n°4 - Franciacorta bottles marketed\(^{62}\)

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\(^{61}\) Consorzio per la tutela del Franciacorta, op. cit.

\(^{62}\) Consorzio per la tutela del Franciacorta, op. cit.
Another factor allowing the production positive trend, is the land claimed as suitable for Franciacorta production. Recent data show that 2,479 hectares belong to the members’ estates; there has been an increase of 170% in 10 years. It is important to point out that production grew only because of the enlargement of the dedicated terroir: yield per hectare has a maximum value, 10 t/Ha, defined by the Product Regulation to preserve quality.

3.2.3 Brands And Promotion

There are also specifications concerning the typologies of Franciacorta and their variety of grapes: Franciacorta, Franciacorta Rosé, Franciacorta Satèn, Franciacorta Millesimato, Franciacorta Riserva; they must all be made with Chardonnay, Pinot Noir and Pinot Blanc grapes in fixed percentages. Beside Franciacorta, in 1995, another brand was registered: Satèn, that can be used only by Consortium members in conjunction with the main appellation. This particular Metodo Classico has the characteristics of being less explosive than “regulars”, thanks to a lower pressure inside the bottles (3 atm vs 4 atm), and only white grapes are authorized in its production. The original name of this wine is Crémant, but starting from 1994 only some French and Luxemburg regions are allowed to brand their bottles with it.

Coming back to Franciacorta, producers are obliged to put the mark on the main label or on the back label, alternatively. There is also the possibility to brand corks as belonging to Franciacorta Consortium: this is an optional practice, but the major part of members support it.

In 1991, at the beginning of the “many-towered f” story (Franciacorta brand), any traditional promotion strategy was planned.

Fortunately, the product itself received an immediate

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63 Consorzio per la tutela del Franciacorta, op. cit.
64 Disciplinare di produzione della denominazione di origine controllata e garantita “Franciacorta”, D.D 25 giugno 2008, art.45.
65 G. Salvioni, op. cit.
67 G. Salvioni, op. cit.
68 G. Salvioni, op. cit.
agreement by consumers and by the HO.RE.CA. actors. A positive word-of-mouth took place, creating interest around Lombardy’s bubbles.

The Consortium’s founders decided to introduce their products in the market through an appropriate language, relationships and identification with people. Firstly, all the terms referring to the production method, such as Metodo Classico and spumante, were banned when explaining and talking about Franciacorta. It had, and has, to be recognized as a unique product without the need of other specifications. The term Franciacorta embodies all the information needed and connected with this wine.

Then, a wide net of relationships and contacts was established with the HO.RE.CA. people in order to promote the brand to the final consumer. Consortium members were asked to pay particular attention to guides, which at that time were extremely important in the purchase choices.

An example of their successful promotion action is the amount of “Tre Bicchieri”, the best award given by the Italian guide “Gambero Rosso”, won by Franciacorta products. In 1993, only one producer was recognized as belonging to the élite, while six years later, in 1999, the number grew up to eight.

Finally, Consortium members had to be perceived as totally involved in their creations. They must be seen as standard-bearer of their land through their wines.

By beginning from the year 2009, the Franciacorta Consortium moved its promotional approach from local to a wider one. In fact, many calls for tender run off in order to outsource promotion activities to the best marketing and communication organizations. Partners have been selected among principal Italian actors, to get the major visibility as possible.

The most recent event, witnessing the promotion commitment effectiveness is the partnership between the Franciacorta Consortium and A.I.S. (Associazione Italiana Sommelier). As a matter of fact, the most important challenge aimed to award the best Italian Sommelier will be called “Miglior Sommelier Professionista d’Italia - Premio Franciacorta” starting from the 2010 contest.

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69 G. Comolli, ONES, intervista 14 luglio 2010.
70 G. Comolli, ONES, intervista 14 luglio 2010.
71 G. Salvioni, op. cit.
72 Comunicato stampa – Consorzio per la Tutela del Franciacorta, www.lombardiainrete.it/03/servizi/comunicati/stampa/0002307101218000000.pdf
An extremely important tool, soon useful to analyze differences between Franciacorta and TrentoDoc, is the unique manager of Lombardy Metodo Classico promotion\textsuperscript{73}. In fact, all the campaigns and actions focused to communicate and spread Franciacorta products are supervised and managed directly by the Consortium. The coherence achieved allows to pinpoint the right positioning of this products in the consumers’ mind.

### 3.3 TRENTODOC

There are some traits that shape Trentino as a “special” region; about them some explanations are useful to understand the economic life in it. Indeed, this land differentiates itself from other regions for what concern geographic location, politics, government and economic structure.

#### 3.3.1 Trentino Structure Peculiarities

First of all, one of the remarkable feature of this Northeastern Italian Region is its political structure. Trentino, in fact, is one of the five “Regioni a statuto speciale”\textsuperscript{74}, along with Valle d’Aosta, Friuli Venezia Giulia, Sicilia and Sardegna. They are treated in a different way from ordinary regions due to their geographical position. Three of them are located on the northern Italian boundary; their continuous contact with other nations, namely France, Switzerland, Austria and Slovenia, allows bilingualism to be protected by the law; for example, in Trentino Alto Adige people speak both Italian and German\textsuperscript{75}; Sicily and Sardinia are two islands, obviously with additional peculiarities and difficulties.

These regions are characterized by an extreme autonomy given by the Italian Government, mainly from a financial perspective. Furthermore, Trentino is divided in two Provincie Autonome treated almost as separated regions, with even more extensive autonomy.

Thanks to this independent financial management, political institutions actively interact in a massive way with cultural, social and cooperative societies and

\textsuperscript{73} G. Salvioni, op. cit.

\textsuperscript{74} D.P.R. 31 agosto 1972, n. 670, Approvazione del testo unico delle leggi costituzionali concernenti lo statuto speciale per il Trentino-Alto Adige.

\textsuperscript{75} Statuto Speciale per il Trentino Alto-Adige, Titolo XI, Uso della lingua tedesca e del ladino, Art. 99.
associations. Life style is generally higher in such non ordinary regions and this is witnessed by a survey taken by Sole 24 Ore, with the purpose of producing a ranking of cities according to the higher quality of life. In 2008, first place was assigned to Aosta, followed by Belluno, Bolzano and Trento\textsuperscript{76}, which means that three out the four best ranked cities belong to an Autonomous Region.

### 3.3.2 Cooperation in Trentino

The economic structure of Trentino features the existence of many cooperative societies due to the great financial independence and the attention given by provincial institutions to social behavior. Data collected by the Federazione trentina della Cooperazione show the existence of 550 cooperatives\textsuperscript{77}; among these, there are 19 wine cooperatives\textsuperscript{78}. Two of them, Mezzacorona and Cavit, belong to the Istituto Trento D.O.C.; actually Cavit, namely Cantina Viticoltori Trento, is a Consortium of 13 wine cooperatives. Among the Italian wine cooperative societies\textsuperscript{79}, two of those located in Trentino registered the third and fourth higher turnovers for the 2008 financial year (Figure n.5). They cover, together with La Vis group S.C.A. (embodying ten private wineries), around 90% of the Trentino wine market share.

Beside the provincial financial autonomy, wine cooperatives reached wide consensus in Trentino thanks to an extremely fragmented land’s estate situation. As a matter of fact, the 69.4% of farms present in this Region owns singularly less than one hectare, thus covering 23.4% of the total viticulture terrain. Vineyards estates ranging from one to five hectares are about the half part of the land (50.2%), corresponding to the 27.4% of landowners. Finally, the remaining 3.2% are bigger estates, which represent the 26.4% of the Trentino viticulture surface\textsuperscript{80}.


\textsuperscript{77} Federazione Trentina della Cooperazione [www.ftcoop.it/portal/Home/IlNostromondo/intrentino/tabid/130/Default.aspx](www.ftcoop.it/portal/Home/IlNostromondo/intrentino/tabid/130/Default.aspx)

\textsuperscript{78} Federazione Trentina della Cooperazione [www.ftcoop.it/portal/Default.aspx?tabid=199](www.ftcoop.it/portal/Default.aspx?tabid=199)

\textsuperscript{79} Ufficio studi di Mediobanca, Indagine sul settore vitivinicolo, marzo 2009.

\textsuperscript{80} CERVIM Centro di Ricerca, Studi, Salvaguardia, Coordinamento e Valorizzazione per la Viticoltura Montana, [www.cervim.org/provincia-di-trento.aspx](www.cervim.org/provincia-di-trento.aspx)
The owners of the smallest plots of land, to make them profitable and collect some money, found an interesting compromise in the cooperation: by selling the grapes they remain owners without bear the expenses referred to production, market and promotion of wines.

Mainly, small wine-growers sell their grapes to the two most important wine cooperatives, Cavit and Mezzacorona, and to the biggest profit-making company, Ferrari S.P.A.

**Figure n°5 - First five companies by Turnovers (2008)**

<table>
<thead>
<tr>
<th>Legal Office</th>
<th>Turnover 2008 (million)</th>
<th>Of which wines and sparkling wines</th>
<th>Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIV –Gruppo Italiano Vini</td>
<td>288,0</td>
<td>259,0</td>
<td>Cooperative</td>
</tr>
<tr>
<td>CAVIRO</td>
<td>281,3</td>
<td>186,4</td>
<td>Cooperative</td>
</tr>
<tr>
<td>CAVIT*</td>
<td>154,8</td>
<td>151,3</td>
<td>Cooperative</td>
</tr>
<tr>
<td>MEZZACORONA*</td>
<td>142,5</td>
<td>139,1</td>
<td>Cooperative</td>
</tr>
<tr>
<td>P. ANTINORI</td>
<td>138,3</td>
<td>132,8</td>
<td>Familiar</td>
</tr>
</tbody>
</table>

*Balance sheets and singles societies (Financial year ended 31/05 Cavit; Financial year ended 31/08 Mezzacorona)

### 3.3.3 From Champagne To Trentino

At the beginning of the XX Century, in 1902, Giulio Ferrari opened a small winery in Trento just near the Duomo in the heart of town. He has just come back from Champagne, where he had spent some time to add useful work experience to the studies taken at the Imperiale Regia Scuola Agraria di S. Michele and at the School of Viticulture in Montpellier.

Once back from France, Mr. Giulio recognized the similarities between Champagne and Trentino lands and applied his know-how about the Champagne production.

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81 Ufficio studi di Mediobanca, op. cit.
method to French vineyards replanted in his native land. The result was extremely positive and it set the roots of a long tradition.

The boom of bubbles in the mountain region occurred during the ‘60s, when a significant number of wineries started to follow the Metodo Classico procedure. In the same period, in many other Italian Regions was sprouting an interest to bubbles and, as a consequence, the parterre of producers became thickset. During the following decade, it grew the need of building a landmark institution where producers could share their problems and opinions.

In 1975, it born the Istituto Italiano Spumante Metodo Classico, gathering those producers who wished to emphasize and enhance the bottle re-fermentation method. From that moment on, many other Consortia and associations saw the light, among which the Associazione Spumante Trento Classico. This institute was built in 1984 together with its “Carta” and “Regola”, now statute and product regulation, tightly holding all the 12 founder members.

During the initial years, one of the most important action occurred was the request, submitted by the Istituto in 1988 to the Agricultural Minister, to have recognized the denomination of controlled origin for its sparkling wine (D.O.C.), namely Trento D.O.C.. It took five years to the wish to become reality: the Ministerial Decree of 9 July 1993 defined the suitability of Trentino for the cultivation of grapes used in the Classic Method production. Moreover, even if legally recognized in 1993, the D.O.C. appellation should be applied also to the wines produced with grapes up to 1990 harvests, due to the long procedure need to get the Classic Method. Thus, Trento D.O.C. was the first Italian denomination referring to a Metodo Classico specifically, and the second on an international level, coming just after Champagne.

During the first part of the ‘90s, the structure of the Istituto slowly changed. At the beginning, the twelve founder members agreed in depositing a yearly proportional fee based on the amount of bottles sold, called “quota”, to face Trento Classico.

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83 Strada del vino e sapori di Trento, Storia. www.enotourtrento.it
85 Testo “Trento Classico”, documento fornito da Mauro Lunelli, ex Presidente Istituto Trento D.O.C.
86 A. Andreotti, op. cit.
88 Un secolo di storia, sito ufficiale TrentoDoc, www.trentodoc.it
promotion and P.R. activities, or any other extraordinary expenses aimed to support the collective purpose.

*Figure n°6 - Quotas required in 1984 by the Istituto Spumante Trento Classico*

<table>
<thead>
<tr>
<th>N° Quote</th>
<th>Bottles sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Up to 20,000</td>
</tr>
<tr>
<td>2</td>
<td>From 20,001 to 50,000</td>
</tr>
<tr>
<td>3</td>
<td>From 50,001 to 100,000</td>
</tr>
<tr>
<td>4</td>
<td>From 100,001 to 300,000</td>
</tr>
<tr>
<td>5</td>
<td>Over than 300,001</td>
</tr>
</tbody>
</table>

Later on, together with the D.O.C. introduction, the Autonomous Region began to have more and more involvement in tasks referring to Trento D.O.C. promotion through its institutions.

It is extremely important stressing the progressive removal of the *Istituto* from the financial supply area. On the other hand the public support has become the sole tool in supporting the promotion of the wine-territory binomial; it is because of the connection with the latter element that this public financial involvement is justified.

In fact, provincial money allocations are addressed only to organized common activities and events, aiming to promote the territory and enhance its whole positioning. Therefore, provincial founds are directly given to *Trentino S.P.A.*, which provides to invest them among different collective operations, avoiding the distribution to the single wine companies.

The result, that hopefully would be achieved, is the growth in the Trentino’s productions sales, in the consumer perception of this land and consequently in the tourism turnover.

Nowadays, Chamber of Commerce of Trento tells about *TrentoDoc* as the leader product directing mental boost of the whole territory.

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89 M. Lunelli, op. cit.
90 “Carta e Regola di Produzione”, Spumante Trento Classico, Consorzio tra Produttori.
91 P. Milani, Ufficio Promozione, Camera di Commercio Industria, Artigianato e Agricoltura di Trento, intervista 3 agosto 2010.
Formally, the role of the *Istituto Trento D.O.C.* would not be different from that of its progenitor *Associazione Spumante Trento Classico* in trying to achieve the abovementioned objective: in order to promote and protect Trento D.O.C.’s characteristics, members should promote and carry out any initiative able to accomplish these purposes⁹³.

Actually, the *Istituto* is now quite passive in its functions. This fact is probably due to the “perverse” mechanism created with the progressive (and financial) introduction of the *Provincia Autonoma di Trento* in the Trento D.O.C. management.

Thanks to public founds many events and advertisings can be applied, but this massive support has not only positive implications. As an example, being public investments, usually events refer not only to *TrentoDoc* but they gather together also other provincial wines. In this way the consumer’s attention is spread among different products and any specific action can occur in promoting and enhancing *TrentoDoc* positioning. Moreover, producers are not really free to contribute to the promotion strategy of the collective brand: because of the financial power of the Province, final decisions are taken by its own structures, i.e. Chamber of Commerce, *Osservatorio delle Produzioni Trentine* and *Trentino S.P.A.*.

On the other hand, a general behavior of passive waiting wafts inside the *Istituto Trento D.O.C.*: since the introduction of the public institution up to now, any single suggestion has been submitted, or even attempted, neither to other members nor to Trentino SPA⁹⁴.

### 3.3.4 Provincial Promotion

In 2001, an important change occurred in the strategic view of Trentino’s promotion. Formerly, any collective action was set to promote the territory and its products as a whole, even though many local initiatives were organized separately by producers, Consortia and A.P.T. (i.e. *Azienda Promozione Turistica*, now I.A.T.).

In order to have an homogeneous setup and a reduced number of actors, the *Provincia Autonoma di Trento* together with the *Camera di Commercio per...

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⁹⁴ M. Lunelli, op. cit.
The Industria, Artigianato e Agricoltura di Trento (C.C.I.A.A.) started to support smaller institutions from a financial and organizational perspective. Two years later, a specific territorial marketing society was founded: Trentino S.P.A. The Province currently controls 60% of it, while the Chamber of Commerce controls the remaining percentage and manages Trentino’s promotion. Specifically, the promotional system of this territory is made up by three elements:

1. Public Institutions:
   a. Provincia Autonoma di Trento;
   b. Camera di Commercio di Trento (C.C.I.A.A.);
2. Trentino S.P.A. (Controlled society: 60% Provincia Autonoma; 40% C.C.I.A.A.);
3. Production Consortia and Producers Associations.

Generally, Trentino S.P.A.’s main objective is the promotion and communication of this region in a touristic dimension. Its main tasks relate to:

- Media communication (external relationship);
- Events and special projects;
- Editorial activities;
- Management of the territorial brands;
- Internal marketing and support to touristic products/services;
- Positioning on different markets;
- Online services for tourists;
- Local products promotion.

With respect to the last point and specifically to the wine sector, the Piano per la promozione del settore vinicolo e spumantistico e grappicolo del Trentino, includes strategic lines elaborated directly by another actor, embodied in the chamber of Commerce: Osservatorio delle produzioni trentine. This division was instituted at C.C.I.A.A., based on the agreement program between Provincia Autonoma and

95 Camera di Commercio Industria Artigianato e Agricoltura, op. cit.
96 Provincia Autonoma di Trento, www.turismo.provincia.tn.it/organizzazione_turistica/promozione_trentino/
Chamber of Commerce\textsuperscript{97}, signed in 2006. In this case the territorial marketing society has only an executive role.

\textbf{3.3.5 Brand Creation}

Coming back to the main argument of this study, it is possible to perceive a general slowness in the Trentino sparkling wine story. Indeed, even if the \textit{ Metodo Classico} tradition in Trentino born more than one century ago, followed than in 1993 by the law guaranteeing the quality and land's suitability, it was only in 2006 that a collective action was set up. Anyway, formerly there has always been a common behavior shared among producers: they deeply felt being part of a group producing an outstanding wine, thanks to the unrepeatable terroir's characteristics. Unfortunately, these people were not spurred on establishing any proactive operation to deal with aspects such as financial supply, problem solving and promotion support\textsuperscript{98}. It was the Chamber of Commerce, during the year 2006, that decided to attempt meeting the neglected needs and thus made up a structure able to help and support the producers. Through the registration of the brand \textit{TrentoDoc} in June 2007 the action started definitely\textsuperscript{99}.

Slightly before that the brand was confirmed by the law, wineries producing Trento D.O.C. were asked if they would like to participate to the promotional program set by the public government. Even though previously some meetings were attended in the construction phase by Chamber of Commerce and producers, the formal agreement was signed right before the registration of the brand. The document \textit{“Protocollo d’Intesa – Promozione e Valorizzazione dello Spumante Trento D.O.C.”} pinpoints the leitmotifs of the collaboration between: Autonomous Province of Trento, Chamber of Commerce of Trento, wineries producing Trento D.O.C. and \textit{Trentino S.P.A.}\textsuperscript{100}.

\textsuperscript{97} Accordo di programma PAT-CCIAA del 21/07/06 - schema approvato con delibera 1348/2006; Provincia Autonoma di Trento, www.turismo.provincia.tn.it/organizzazione_turistica/promozione_trentino/
\textsuperscript{98} P. Milani, op. cit.
\textsuperscript{99} P. Milani, op. cit.
\textsuperscript{100} Protocollo d’Intesa – Promozione e Valorizzazione dello Spumante Trento D.O.C., Camera di Commercio Industria, Artigianato e Agricoltura di Trento.
People were, and are, free whether signing it or not: a producer belonging to the denomination Trento D.O.C. has indeed the possibility to sign the *Protocollo d’intesa*. As a witness of the will to collaborate and support this product as leader in Trentino, only two wineries did not agree with the plan. In 2007 signing wineries were 27, and three years later two new Trento D.O.C. producers joined the group of *TrentoDoc*\(^{101}\).

**Figure n° 7 - The “matryoshka” in the Sparkling Wine Trentino System**

A challenging task is the important non homogeneity among wineries juridical structures: private and familiar farms are 17, there is one listed company and one foundation. The presence of wine cooperative is massive, in coherence with the Regional situation previously depicted. They are 10 belonging to *TrentoDoc*; besides, an important aspect is that two of them together cover the largest Trentino wine's market share (see 2.3.3).

Therefore, singular business objectives are different due to the company structure, but there is an attempt in following the same direction when managing *TrentoDoc* promotion. In fact, signing the protocol, they agreed to three distinct objectives\(^{102}\):

1. Sharing of a common institutional marketing strategy;

\(^{101}\) P. Milani, op. cit.

2. Product communication and development as strictly linked with its native land;

3. Need of adoption of a collective “TRENTODOC” brand, as the strategic element in the product communication. It must be used in the defined shapes and manners ruled by the “Disciplinare”.

This latter document is made up by 5 points outlining brand owner, description and usage, brand’s users, license revoking, and penalties103.

In conjunction with the brand Disciplinare, another document was distributed to the associates: the trademark user manual. It is compulsory for producers to brand with the TrentoDoc mark the bottle front labels; minimum height required is 33 mm but in any case it must not be bigger than the company brand104.

The first point stated in the “Disciplinare” needs to be more clearly defined due to its distinctiveness. In force of a joint agreement with producers, the Chamber of Commerce of Trento is currently the temporary holder of the brand105. It means that the collective symbol under which Istituto TrentoDoc gathers its members, is disassociated from it.

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103 Il marchio collettivo “TRENTODOC”, Disciplinare, Camera di Commercio Industria, Artigianato e Agricoltura di Trento.
104 Manuale d’uso del logotipo, Camera di Commercio Industria, Artigianato e Agricoltura di Trento.
105 P. Milani, op. cit.
4. Strengths And Weaknesses

This chapter will focus on the elements that have been, up to now, able to build a strong brand identity and to those that, instead, have been disadvantageous in the territory-brand promotion of Trentino and Franciacorta.

4.1 CONSORTIUM VS ISTITUTO

First of all, it is important to remember the difference between Franciacorta and TrentoDoc members aggregation typology. According to the section n.7 of the D.P.R. about denomination rules, producers making up at least 30% of the total sparkling wine production in the specific area, must sign an agreement proving their commitment toward it.\(^{106}\)

As a matter of fact, Lombardy sparkling wine people chose the legalized form of Consortium, that also implies the creation of a found by members to support common activities.\(^{107}\) Rather than a juridical structure, Trentino’s brand gathers its members in a simple voluntary association, where no money are paid in.

In addition, Consorzio per la Tutela del Franciacorta is currently changing its face. Starting from 2010, members decided to built a more structured organization with the introduction of the CEO Giuseppe Salvioni, who gave the Consortium a company based management. The members assembly is anyway keeping interacting with the new figure by sharing its opinion, but the very final decisions will be taken by the CEO along with its board of directors.\(^{108}\)

By following a profit-making company lifestyle, the earnings, coming from activities organized by the Consortium, can be reinvested in its management and in any promotional activity. In fact, it is essential to remember that the financial supplying of the Franciacorta Consortium comes directly from members, without almost any

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107 Codice Civile, Libro Quinto, Titolo X, Capo II, Art. 2614.

public support. From the very beginning, *Franciacorta* producers and bottlers paid a proportional amount to the Consortium in order to make up a indivisible found. Indeed, during the ‘90s, the payment was related to square meters of vineyards owned (5 lire per m^2) and to the number of bottles produced (120 lire per bottle) by each winery\textsuperscript{109}. Thus, everyone contributed, and still do it, to the common purpose.

Therefore, people are strongly involved in their project and challenged to achieve a positive result. In addition, through the board of directors, they have a decisional power in allocating and managing founds.

Conversely, the public role in *TrentoDoc* existence is quite unlimited. Although it must be stressed that the Chamber of Commerce of Trento has the merit of getting the promotion plan started few years ago, it can also be blamed for not involving *TrentoDoc* members in the strategic and decisional phases.

### 4.2 BRAND AND PROMOTION

As previously depicted (see 2.3.4), the promotion in Trentino is almost totally managed by the public institutions. By recalling the elements making up the provincial promotional system, it is easy to see that the major powers belong to the C.C.I.A.A. and to the Province. In addition to the direct commitment of these two institutions, the body specifically dedicated to the promotion, Trentino S.P.A., is constituted by the Province (60%) and by the Chamber of Commerce (40%), thus giving them also an indirect active role.

Third members of the promotion system are Product Consortia and Producers Associations; specifically to the sparkling wine case, they are only formally involved in the very final phase of the strategic planning action.

As showed in Figure n.8, *TrentoDoc* advertising and communication activities follow a path that starts from the *Provincia Autonoma di Trento*. Then, it directly devolves the power to the Chamber of Commerce in the specific figure of *Osservatorio delle Produzioni Trentine* that, leaded by a group of people gathering University

\textsuperscript{109} G. Comolli, op. cit.
professors, Slow Food\textsuperscript{110} and I.A.S.M.A.\textsuperscript{111} representatives, and C.C.I.A.A. actors, defines the strategic lines year by year.

\textit{Figure n°8 - Trentino Promotion Strategic System}

They usually draw up the plan in June and consequently it is forwarded to the Trentino SPA, that is the operational public structure. During the whole working year, producers and \textit{Istituto Trento Doc} members are only asked to approve the plan just some days before it will be transferred to Trentino S.P.A.\textsuperscript{112}. Thereby, they are not involved in any brainstorming or proactive planning phase, where people could share different ideas and opinions. This interaction would be quite essential because of the awareness of producers about their product distinctiveness and strengths.

The enormous presence of the public institutions in the Trentino case is also witnessed by the property of the trademark \textit{TrentoDoc}. Indeed, differently from \textit{Franciacorta} where the Consortium is the proprietor of its own brand, the \textit{Istituto}

\begin{footnotesize}
\textsuperscript{110} Slow Food is a non-profit, eco-gastronomic member-supported organization that was founded in 1989 to counteract fast food and fast life, the disappearance of local food traditions and people’s dwindling interest in the food they eat, where it comes from, how it tastes and how our food choices affect the rest of the world. www.slowfood.com

\textsuperscript{111} Istituto Agrario di S. Michele all’Adige.

\textsuperscript{112} P. Milani, op. cit.
\end{footnotesize}
*Trento D.O.C.* cannot autonomously use its logo, in whatever coherent situation, because of the property belonging to the Chamber of Commerce\(^{113}\).

By continuing referring to brands and marketing tools in general, during the last two years the *Franciacorta* promotional approach experienced a shift.

As main example, the renewal of the crenellated F, namely the Franciacorta symbol. This logo has always meant the link between the wine, represented by its name’s initial letter, and the Region, symbolized by the stylized crenellation characterising of the ancient cities walls. In 2010, RBA Group, creative agency located in Milano and chosen through a call for tenders, added two graphical element representing a hug and recalling a sparkling wine drinking cup\(^{114}\). The purpose is to reinforce the wine-territory binomial by means of the introduction of an emotional element in it. The latter point is also witnessed by the new claim: “*Franciacorta, unione di passioni*” (i.e. Franciacorta, passions union).

If the Lombardy brand has just renewed itself, it also true that *TrentoDoc* is a younger trademark in the early phases of its life cycle. The agencies *Minale Tattersfield Design Strategy Group* and *Leo Burnett*\(^{115}\), identified the brand identity of this product in the “Trento” and “doc” words union. The particularity in the logo are the “O” designed as two rounding circles symbolizing the *remuage*\(^{116}\), essential * Metodo Classico* phase.

Beside the brand’s creation, a paper advertising campaign has been committed to the artist *Neil Duerden* who designed a synergy between the wine and many elements tied with Trentino. The claim is committed to generate a mental connection with *Champagne*, using the French word *remuage* in conjunction with the adjective

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\(^{113}\) Il marchio collettivo “TRENTODOC”, Disciplinare, Camera di Commercio Industria, Artigianato e Agricoltura di Trento.

\(^{114}\) F. Bernasconi, “Il Franciacorta cambia volto con una nuova brand identity”, www.italiaatavola.net/articoli.asp?cod=16418


\(^{116}\) French term for “riddling.” The practice of turning and inverting bottles of sparkling wine, made in the champagne method, over a period of a week or more, until the sediment has all collected in the neck of the bottle, for easy removal.
“italiano”, i.e. “TrentoDoc, Remuage Italiano”, in order to lead the consumer to perceive this product as the excellence of the Italian Metodo Classico.

In addition, Trentino S.P.A. plans a set of events aiming to follow the same purpose of perceiving TrentoDoc as the excellence among Trentino’s products. There are currently four events’ channels based on different targets:

1. “Great visibility”, happenings attended by a large amount of people, e.g. Giro d’Italia;
2. “Prestigious”, very special events such as the declaration of Dolomiti as World Heritage Site;
3. “Opinion leader and sector actors”, to achieve the consensus of those who lead the wine market;
4. “Province”, i.e. activities dedicated to stimulate the local population in being aware of their local product value (e.g. TrentoDoc in centro)\textsuperscript{117}.

All these events attempt to reach the wider net of high-end consumers and at the same time opinion leaders who are ideally followed by the mass. Otherwise, events not in line with the high-end target are not involved in the strategic plan of Trentino S.P.A..

\textsuperscript{117} S. Schench, Area Produzioni Trentine, Referente comunicazione di settore, Trentino SPA, Società di Marketing Territoriale del Trentino, intervista telefonica 26 agosto 2010.
Likewise, *Franciacorta* Consortium acts by choosing to attend only specific happenings targeted to high-end consumers\textsuperscript{118}. The most important event is probably the “*Franciacorta Festival in Cantina*” organized yearly during September, when different tours are arranged by the Consortium to welcome tourists into the wineries and to let them the possibility to visit some historical local sites. Beside it, there is a touring *Franciacorta Festival* aiming to promote the brand in some of the most important locations with respect to *Franciacorta* market\textsuperscript{119}.

### 4.3 STARTING FROM THE BASIS

The will to rely on very important agencies is evident both in *TrentoDoc* and *Franciacorta* path. However, it is as well clear that a famous agency alone is not enough to build brand international awareness and fame. Any brand needs to be supported by many other elements, first of all by the direct stakeholders involvement, i.e. producers in this case.

*Franciacorta* has an absolute advantage in dealing with it. Its members are proud to belong to the sparkling wine élite, and show their brand as much as possible; a simple example can be found in the Product Regulation where the seventh article dictates rules to brand labels and corks. Although any minimum dimension is required\textsuperscript{120}, the members put always the mark in a visible manner in order to emphasise the *Franciacorta* Consortium they belong to\textsuperscript{121}.

Moreover, arriving in Franciacorta region one cannot be confused about what is the leader product in that area. Boards are placed along the highway and near minor streets to show their brand to driving people passing through. Then, the Consortium gave to each member an identification plaque that has to be hang in the winery.

These little devices prove the intense attachment between *Franciacorta* members and their wine.

This feeling is quite soften when dealing with *TrentoDoc*. Collaboration between producers is obstructed by the companies differences in terms of structure and

\textsuperscript{118} G. Salvioni, op. cit.


\textsuperscript{120} Disciplinare di produzione della denominazione di origine controllata e garantita “Franciacorta”, D.D 25 giugno 2008.  

\textsuperscript{121} G. Salvioni, op. cit.
cultivated hectares. Indeed, small wineries usually cope with problems that maybe do not affect listed companies or wine cooperatives, and vice-versa. The structure differences affect also production costs, and thus prices applied to the end customer. Indeed, wine cooperatives follow a cost leadership strategy partially due to the public supplies allocated directly for the production phase by the Province. As a matter of fact, on the website dedicated to the provincial bylaw publication (www.delibere.provincia.tn.it) using as research word “cantina”, namely wine cellar, there are many bylaws testifying the public supply to wine cooperatives. Thereby, they can exploit low costs incurred and sell wines at very low price.

4.3.1 Hitch

Conversely, it has been previously said that one of the main purpose in TrentoDoc promotion strategy is upgrading the positioning of this product in the consumers’ mind to enhance the Region as a whole. In order to support this aim, TrentoDoc prices should be set at a quite similar level among all the wineries pricing lists: by following this route, a consumer would not be confused about the right positioning and the type of product he is buying.

Obviously, due to Antitrust law\(^\text{122}\), it would not be possible fixing a minimum price for the different TrentoDoc offers. On the other hand, in name of the common purpose of perception enhancement and fair consumerism, TrentoDoc prices would autonomously set at a level around 10 -12 euro per bottle to the end customer. Notwithstanding, an episode does not confirm this behavior within Trentino’s scenario. As a matter of fact, slightly before Christmas 2009 a German supermarket private label, i.e. Eurospin, came out with a special offer referring to TrentoDoc produced by a wine cooperative, put on the market at 3.49 euro. Hence, such a price positioned the wine in a category even lower than the Prosecco (i.e. Charmat Method), that commonly belongs to a cheaper class of wine (around 4 – 5 euro to end customer) than Classic Method.

Thereby, consumers would be quite confused by means of this specific offer and started to wonder if 10 euro, or more, would be fair and justified when purchasing a

\(^{122}\) Legge n. 287, 10 ottobre 1990, Norme per la tutela della concorrenza e del mercato, art.2 Intese restrittive della libertà di concorrenza.
TrentoDoc. In the end, the result is a general decrease in consumers’ trust toward TrentoDoc producers and a confused positioning of the wine. Even though this specific pricing hitch was blamed on the supermarket chain, it is in some way the corroborator of an uninvolved attachment to the territorial brand by Trentino’s wineries.

4.4 SELF IDENTIFICATION

In Franciacorta the attachment to the land and to the brand is unequivocally at a very higher level. Producers recognize themselves into their products and they work together to enhance consumers’ feelings. The Consortium is in direct contact with members, engaging them in many activities. For example, in the starting phase of the brand launch, in 1990, some learning sessions about how to speak in public and how to talk about Franciacorta were attended by producers in order to follow the same communication strategy. Above all, in those sessions one aspect was strongly stressed: talking about Franciacorta by avoiding any other term, e.g. spumante, Metodo Classico, Champagne, etc.123 The final purpose of this behavior was that consumers could recognize the wine, and identify all its characteristics, in that single word. These people feel part of the Consortium they belong to and they are not only passive pawns, what instead happens in Trentino. Here, in fact the presence of a detached company dedicated only to promotion activities could lead to a passivity spread among producers. On the other hand, Trentino SPA, focusing only on communication, events and “big and wide” promotion is not involved in the production phase and thus cannot express at best the distinctive features of TrentoDoc. Furthermore, some perplexities should arise by the fact that also the owner of the brand is a structure that has nothing to share with the production phase (C.C.I.A.A., see 4.2).

Another factor making confusion in the Trentino wine identification, has been the presence of many terms used to describe a single thing without an informed basis. In the sparkling wine national realm, many expressions arose from time to time, such as Talento, Bollicine, Spumante, Champagne Italiano, etc.; in Trentino they all had

123 G. Comolli, ONES, intervista 14 luglio 2010.
their “15 minutes of fame” (A. Warhol). Still nowadays producers, when describing their wines, are making sometimes confusion using these terms without distinction, rather than only referring to TrentoDoc.

As a matter of fact, one of the main successful factors for Franciacorta is the agreement shared among producers that invite them to solely and continuously remark the word “Franciacorta”.

The second brand registered by the Consortium, Satèn played the role of supporting even more the union of producers and then the easy identification of the wine from a consumer perspective. Franciacorta producers indeed, established a sort of Product Innovation through the introduction of this “new” typology of Metodo Classico. Actually, it is an already known production method called Crémant (see 3.2.3 Brands and Promotion), but the launch of the trademark Satèn in 1995 attempted to create a new wine that could be produced only by wineries belonging to the denomination Franciacorta D.O.C.G.¹²⁴ (the previous Product Regulation referred only to Consortium members).

Another factor supporting the Franciacorta success can be seen as a moot point. In fact, by focusing only to the high-end target, from time to time the Consortium has to refuse some proposals usually coming from local associations related to other typical products above all. As a matter of fact, they would like to take advantage from the wide awareness of the Franciacorta brand but, being local and with a country approach, these happenings do not satisfy the requirements requested by the Consortium to become its partner. It is because of these refusals that members are sometimes considered overweening.

The following map attempt in summarizing strengths and weaknesses of the two brands. Those factors having more influence, both positively and negatively, are highlighted with a different background.

¹²⁴ Consorzio per la Tutela del Franciacorta, www.franciacorta.net/it/page.asp?id_cat=95
Figure n° 9 – Strengths & Weaknesses Map
5. **Suggestions to better exploit the TrentoDoc potential**

Even if the Trentino’s wineries number is highly lower than Franciacorta’s, the quantity of *Metodo Classico* bottles produced are around the same amount (8,020,000 vs 9,670,000\(^{125}\)). Furthermore, quality perceived by connoisseurs is for both of them at a extremely high-level, indeed they are more and more recognized to be better than some *Champagne*. Therefore, given these assumptions, the question is: Why *Franciacorta* has a well-known brand, while *TrentoDoc* is nearly unknown also by Trentino’s people?

5.1 **ENCOURAGEMENT TO ACT AT THE FOREFRONT**

The most important change that should occur in the *TrentoDoc* scenario would probably be the hardest one: rising the producers own commitment and their itch to improve the wine-land binomial. As a matter of fact, it would definitely be a challenging task because of the involvement of human feelings and behaviors. It is well-known that persuade someone, when he is strongly convinced of something different, is a quite difficult task. Ideas and feelings are indeed the fruit of the personal reasoning manner. Anyway, the shared behavior of being the producers of an excellent *Metodo Classico* would be the propeller for *TrentoDoc* producers to stimulate some collective actions. These wine-makers must absolutely be involved in the promotion planning phase of their common brand. A stronger and more active synergy with Trentino SPA has to be made up.

In order to do that, a connection between the two institutions should be accomplished by the introduction of a new figure employed by the *Istituto Trento D.O.C.*, e.g. a Promotion Manager. His main assignments would be maintaining a

\(^{125}\) Consumi e Mercati Sondaggi e Indagini dell’anno 2008, Rapporto Annuale 2009, ONES - Osservatorio Nazionale Economico Spumanti.
constant relationship with the public institutions and then regularly update the members on what is happening in it, both using mails but above all organizing dedicated and frequent meetings.

Anyway, the principal task that should be carried out is the stimulation of producers activity: the manager must involve people on first hand and positively, transforming them from pawns into players.

By giving energy and little hints, he would fuel some brainstorming activities within producers to discuss about problems, solutions, suggestions and opportunities related to the TrentoDoc brand and products. This approach should be continuous and not limited to a single yearly members assembly. As a matter of fact, the market is keeping changing and consumers get bored even faster: a dynamic approach is essential to compete, and even to survive.

Moreover, producers and Osservatorio delle Produzioni Trentine, the structure dedicated to the promotion planning phase, have to build a proactive partnership and meet on a regular basis in order to mix their respective knowledge, and thus achieve the best result possible.

The Istituto's Promotion Manager would ideally be embodied by a person with marketing and management skills, but at the same time involved in the wine realm. This person would also be diplomatic and self-confident, crucial characteristics due to the continuous interaction between producers and public institutions.

The producers must start to perceive that their engagement is taken into account and they have the active capabilities and possibilities to operate in the promotion and communication phase of their products' life. Wine-makers should go with their Metodo Classico from the beginning phase of cultivating vineyards, until the final contact with the consumer.

This latest moment would be the very occasion in which they can explain through words what then will be explained through feelings during the wine tastings. By using the right words and the right way of speaking to support the wine, they can add a real competitive feature.
5.1.1 Financial Involvement

Along with the personal engagement, a financial one would involve even more producers. In fact, by putting some financial supplies the will to achieve a result, that hopefully would make some profits, raises dizzily.

An attempt of renewing the Quota table (see Figure n.6; 3.3.3 From Champagne to Trentino) would be the following:

<table>
<thead>
<tr>
<th>From 0 to 500,000 bottles:</th>
<th>N. bottles sold in previous year</th>
<th>X</th>
<th>€ 0.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 500,000 bottles:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From To</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>500,001 1,000,000</td>
<td></td>
<td>€ 6,000</td>
<td></td>
</tr>
<tr>
<td>1,000,001 2,000,000</td>
<td></td>
<td>€ 7,000</td>
<td></td>
</tr>
<tr>
<td>2,000,001 3,000,000</td>
<td></td>
<td>€ 8,000</td>
<td></td>
</tr>
<tr>
<td>3,000,001 4,000,000</td>
<td></td>
<td>€ 9,000</td>
<td></td>
</tr>
<tr>
<td>4,000,001 5,000,000</td>
<td></td>
<td>€ 10,000</td>
<td></td>
</tr>
<tr>
<td>5,000,001 6,000,000</td>
<td></td>
<td>€ 11,000</td>
<td></td>
</tr>
</tbody>
</table>

For example if a winery sold in 2009:

- 80,000 bottles will pay: 80,000*0.15 € = 12,000 €
- 800,000 bottles will pay: (500,000*0.15 €) + 6,000 € = 81,000 €
- 1,800,000 bottles will pay: (500,000*0.15 €) + 7,000 € = 82,000 €

This table is only an attempt to define a possible algorithm. In fact, to made up a thoughtful formula, the specific production data are needed but unfortunately the Chamber of Commerce of Trento is not willing to divulge data referring to single wineries and curiously the Istituto Trento D.O.C. is not aware of this type of information.

However, a proportional amount of financings has be calculate up to 500,000 bottles, referring to those sold in the previous year. Over this volume, for wineries with a higher production, some fixed additional levels are set. This expedient should be applied in order to face the adverse point of view of the few big wineries in Trentino.
In fact, due to the outspread size non-homogeneity there consequently will be a wide range in the financings, if only a proportional approach would be applied. Probably, this sort of help to the big companies could be perceived as unfair from the small.

However, during decisional meetings, a good balance would be achieved by following the principle “one vote per person”. Through it, both the big and the small companies would have the same decisional power. This is important because of the extreme structure diversity. By giving votes proportional to the amount of bottles produced there would be a total imbalance toward Ferrari S.P.A. and Rotari (Mezzacorona Group), because their production counts more than 80% of the whole TrentoDoc production126.

This is a further prove that one of more challenging task in Trentino, is attempting to find a solution shared by everyone. Given that it is an almost impossible mission, what it is needed is to arrange the best compromise with the common approval.

5.1.2 Training Courses

Once producers become active founders of their promotion activities, they will also have the right to make suggestions and then take final decisions, together with Trentino S.P.A. and the Chamber of Commerce.

Through this two new types of engagement the sense of belonging should be increased and therefore it would be transferred from the within of the wineries. In fact, it is essential that TrentoDoc support starts from the product’s home. Communication and promotion concepts, already set at a public and wide level, must be found again into the wineries by consumers to be reliable127.

Wine-makers are not necessary experts in marketing and communication tools. For this reason, it would be important that the new Promotion Manager of the Istituto Trento D.O.C. organizes some training courses to explain how to welcome tourists, how to set up a competitive promotion, how to talk about TrentoDoc, how to meet different people during fairs, how to furnish a stand in order to better exploit its potential, and so on. Together with pure learning sessions, an extremely important

126 P. Milani, op. cit.
127 A. Scaccheri, op. cit.
factor would be the interaction among producers to share their past experiences. Through these brainstorming, some unseen ideas should arise.

Secondly, people working at Trentino S.P.A. and specifically those belonging to the Osservatorio delle Produzioni Trentine, should attend some sessions dedicated to the production, the characteristics, the story of wineries producing TrentoDoc. Due to the fact that wineries are few, it is possible to have a well knowledge about all of them, referring to the story, distinctiveness, places and people. This could be an important competitive advantage that nowadays is not enough exploited.

Lastly, also Trentino HO.RE.CA. actors can improve their jobs by attending courses where the product itself, but also the binomial with the territory, are taught. Cultural activities, touristic offers and other promotions would be regularly reported to restaurants, bars, hotels, etc.. They will then divulge those information to their patrons, both verbally and by newsletters which are now the fastest tool to communicate with a large number of people, and above all with those living far away, by having the purpose of tempting them visiting Trentino.

Therefore, by creating a personal connection between producers and those people, the communication toward the end consumer would be easier.

5.1.3 Material Support and Locations

In addition to the “conceptual” aspect, a material one could complete it. Indeed, a kit would be given to HO.RE.CA. actors and also to producers to better welcome tourists. It would be made up by:

- Glasses;
- Big fake-bottles;
- Aprons;
- Napkins (to be used to cover bottles into the glassette);
- Corks;
- Single and multiple glassette;
- T-shirts;
- Big board with the advertising campaign to be hung;
- Bottles exhibitor;
- Few pens and block notes.
By referring to a possible restock, the most requested items would likely be those useful to the *Metodo Classico* pouring out: glasses, glassette and corks. These items can be provided again in a proportional way with the further purchase of *TrentoDoc*. The main point of supplying some “gadgets” to HO.RE.CA. would be achieving the major visibility as possible within public locations. From the producers’ perspective a further objective would be the show of the deep relationship between them, the product and the land. To enhance even more this behavior, a common and visible symbol must be present in every *TrentoDoc* winery; it could be, as an example, a board or a totem studied and defined by the *Istituto Trento D.O.C.* and *Trentino S.P.A.*. By giving the possibility to choose among two options, the producers can decide which will better suit with their winery’s structure.

By hyping up the brand, a word-of-mouth can be triggered. In the hopeful case it will be positive, the return on investment would be pleasurable for producers.

During the first time, this promotion strategy should be applied at a Regional level. Once the awareness is almost well-spread, the financings could be allocated to a geographical wider plan.

By keeping referring to a national and, potentially, international plan, some locations could be defined as suitable to implement some “*Lounge TrentoDoc*”. They would be dedicated areas within bars, nightclubs, restaurants, hotels, beaches, etc. located in trendy places. There, consumers would enjoy all the *TrentoDoc* offers in an environment where everything would be brand with this trademark.

Other strategic locations where some promotion should be applied are the airports. Indeed, they are places where millions of people pass through, of which many are foreigners belonging to a middle-high class.

### 5.1.4 Certificate For Non Connoisseurs

Along with the purpose of the whole territorial economy improvement and the HO.RE.CA. actors tiding up aim, the brand must also meet the need of being a sort of quality certificate for non wine-connoisseurs.

In fact, this tool has been placed in the list of the cues most used in the wine purchase process from a low-involved people perspective.
As showed in Figure n.10, there are some clear differences in the approach toward the wine with respect to the involvement level of consumers.

**Figure n° 10 – Purchasing Cues**

<table>
<thead>
<tr>
<th>WINE CUES</th>
<th>HIGH INVOLVEMENT</th>
<th>LOW INVOLVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vintage</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Region/Country of Origin</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Price per Bottle</td>
<td>HIGHER</td>
<td>LOWER</td>
</tr>
<tr>
<td>Grape Varietal</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Brand</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Wine Packaging</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Risk Adverse</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Knowledgeable about Wine</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

Given that both *Franciacorta* and *TrentoDoc* are excellent wines acknowledged by wine experts and guides, what lacks is a spread awareness of the *TrentoDoc* brand. For this reason Trentino promotion must focus both on sector operators but also on a low wine-involved target, who needs other elements along with the good itself in the purchasing process.

It must pinpoint that extending the target to low wine-involved people or wine novices do not means focusing on some low-end events/targets. Indeed, some people should be not skilled toward wine but belonging to a high society class.

By the way, the elements that drive a non-enthusiast in making his own choice, are usually linked with the external appearance: e.g. brand, packaging, mental connection with famous people or location, etc.. As a matter of fact, packaging is perceived by the new generation of customers as much important as the wine because it is perceived as the direct reflection of the product quality. Actually, this statement should be argued to be too much extreme, however that may be, producers must take into account that fashion and attention toward beauty are increasing their position in the consumers wine research.

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128 N. Barber, J. Ismail and T. Dodd, op. cit.
129 N. Barber, J. Ismail and T. Dodd, op. cit.
Together with the packaging, the most important item is the front label that accomplishes the task of being the first communicator between the bottle and the consumer. It is in some way the bottle’s dress, the feature that must capture first impression. Indeed, in an ordinary situation, e.g. being in front of a supermarket shelf, people have to choose the wine mainly through the brand famousness or the label attraction.

Whatever would be the strategy applied to increase the market appeal of TrentoDoc an essential requirement has to be meet. People must start believing in this project, they must understand that better results can be achieved only through collaboration. Indeed, self-working referred to small wineries do not allow to conquer big slices of market, while working together some important actions can be implemented and efforts would be transferred in exponentially bigger results. Furthermore, and probably above all, big companies should begin seeing small wineries as supporting allies, and not as an enemy who wants to steal a piece of market. TrentoDoc producers must start behaving as a unite group, working together transparently to become a strong potency in the sparkling wine realm.
6. Conclusion

This paper has been written with the purpose of giving some suggestions to TrentoDoc people in order to better exploit their strengths.

Indeed, one of the major differences occurred from the comparison between TrentoDoc and Franciacorta, is the capability of communicating and enhancing the positive values of the chief products.

The analysis has been supported by reports, legal documents, journals, books and papers definitely linked with the two wines, i.e. Product Regulations.

Moreover, various people, belonging both to the two sides, has been interviewed to understand the personal involvement in the Metodo Classico realm and to elaborate on such aspects that are not common knowledge.

Thanks to the points highlighted in these interviews, a sort of action plan has been set. It has been completely written with the focus on the enhancement of the unexploited features of TrentoDoc.

In the end, a sort of brotherhood and cooperation between producers would be the basis on which building a new growing path for the Trentino Methode Classico. First of all a new shape of organization should be set up: everyone must involve himself also from a financial perspective to lessen the Province presence.

A clarification must occur, the Province should not be pushed away from the project but there should be a parallel cooperation between it and the producers. The main objective is putting together the best expertise and of each part in the purpose of reaching always better results.

Moreover, the pure marketing side should be improved with dedicated events, gadgets and sponsorships. Whatever would be a possible action plan, it must be supported be the producers’ involvement. Their feelings, if positive and shared, would leave a positive mark on the future of TrentoDoc.
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