

# **The importance of Designations of Origin for Italian wines for German consumers**

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Designations of Origin are one of the most important experiences in the culture of regional societies and, in particular for wine, they underline the strength of the Ricardian bond between vine-growing and wine-producing activity and territory through the centuries (Ashenfelter, 2008).

In Italy, as in the European Union as a whole, over the years promotion policies, that used resources shared by all citizens, have been implemented for designation of origin productions.

In an exploratory study on the experience of the region of Emilia-Romagna (Italy), the top-ranking region for designation of origin products in the European Union, interviews were conducted with citizen representatives on whether the designations of origin contribute to the well-being of the territory's population and on the sharing of the decisions regarding the use of common resources in favour of designations (Gatti, 2009).

It was seen that designations of origin in Emilia-Romagna meet the citizens' basic life needs, contributing to their well-being not only in economic terms, but also in environmental and social terms, and that the citizens justified the use of public resources in that sense.

In terms of economic policy, this result places the designations of origin and the economic activity around them in a privileged position in the overall development policies of the territory.

But it remains to be understood: 1) what importance the designations of origin have for those who live outside the designation of origin areas and contribute through taxes to their development, and 2) what importance the designations of origin have for consumers.

A study conducted on the citizens of a large urban area bordering on the designation of origin area studied showed that for them the designations of origin are less important, no longer contribute to the people's basic life needs, and are mainly connected with recreational moments (food and wine tourism, in particular).

In terms of economic policy, this can mean that for a policy for the well-being of the citizens of this urban area, the designations of origin are not a priority in either economic or environmental and social terms.

As for consumers, and narrowing the field down to the designations of origin for wine, at the Italian level the data are very reassuring. In fact, in 2009 over 50% of the 0.75 litre bottled wine purchased in large-scale retail stores was Controlled Designation of Origin or Controlled and Guaranteed Designation of Origin. On the other hand, the non-Italian situation is much more complex.

There are studies that have shown that for mid-range wines the designation of origin is of little value outside the country of origin (Basoche, Combris, Giraud-Héraud, 2009).

While the designations of origin do not only refer to the specific characteristics of a product but, at least for those who live in a designation of origin territory, they also signify environmental protection and social cohesion, in terms of economic policy it is necessary to analyse the overall meaning the designations of origin of Italian wines have for foreign consumers and, in particular, see whether the values the citizens of the territories of origin attribute to them are transferred to those consumers.

Such a study is being conducted on the three main countries to which Italian wines are exported: United States, Germany, and United Kingdom.

The study is not simple to implement. Carrying out a direct survey on consumers on such complex topics is extremely difficult and costly, so in this case, also, an attempt was made to identify and contact their representatives. It was decided to collect the information from the most representative commercial operators of the various countries who are the intermediaries between the Italian designation of origin wine producers and the consumers of the various countries. Direct interviews are to be held with them.

In this first phase, these interviews are being supplemented by a study on a more neutral field, with an analysis of the texts of the interviews granted by foreign commercial operators to one of the most well-known magazines of the wine sector in Italy: the “Corriere Vinicolo” published by the Unione Italiana Vini, and which has existed since 1928.

In terms of economic policy, understanding the importance of the designations of origin of Italian wines for non-Italian consumers, and in what ways they are important, means understanding how much these citizens can ideally agree with and financially support a policy for designations of origin. Lastly, this study may contribute to understand what spaces exist for guaranteeing the well-being of the citizens through the development of the designations of origin in the old and new world (Anderson, 2009) (Cross, Plantinga, Stavins, 2011).

The first (reassuring) results of the German consumer study will be presented.

## References

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