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Italian daily news for key players and wine lovers

di: WineMeridian Amministrazione

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Michele Shah interviews the Master of wine Alison Flemming about Italian wines and with a particular focus on Marche's wines



Michele Shah interviews



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the Master of wine Alison Flemming,

All WSET qualifications (scholarship winner) and MW (1998) (also scholarship winner) - first female MW in Germany

Wine trade career started in the north of Scotland working as wine buyer for Gordon & McPhail, the whisky company

Further roles in buying, moving further south with last job working as Key Account Manager for French wine importer Thierrys in Hampshire

Moved to Germany in 2000, working for leading German producer-exporter as Export Sales Director

MW mentor, examiner and then exam panel chair for many years

Lecturer at Geisenheim, Germany's wine university, on German and Italian wines

Where are Italian wines positioned in your market?

The Germans are enthusiastic wine drinkers and get through an amazing 21 million hl of wine per year. Whilst they are very loyal to their own "home-grown" wines, which have a market share of 44% in volume and 52% in value, Italian wines are the next best selling country of origin with a 15%



share in both volume and value, having overtaken France in 2010. Moreover, both volume and value are increasing (+0.4% and +4.4% respectively). (source GfK ConsumerScan and Deutscher Weinbauverband e:V Oct 2012-Sept 2013). Italian wines are found everywhere, from simple, gluggable big bottle wines at the local pizzeria (even the smallest and most out of the way German town has at least one pizzeria, rather than a German restaurant) through to Italy's elite wines at Michelin starred restaurants. Italian wine can be purchased from the corner shop, discounter, supermarket and specialist off license. Pricing also ranges from extremely cheap to extremely expensive with plenty of options inbetween.

Which Italian wines sell best in your market and why?

The classic, well-known regions of Tuscany and Piemonte always used to sell well but for everyday consumption some of these wines have been priced out of the market and the best names and most expensive examples now tend to be the preserve of top restaurants and knowledgeable collectors and Italophiles. The Veneto continues to do well with its wide variety of names and styles including Amarone, Lugana, Soave and of course the ubiquitous Pinot Grigio and Prosecco. The Germans have a particular affinity with the latter thanks to its ease of drinking and generally low price points. The south of Italy, including Sicily, is known as a source of good value reds, and some whites, with IGTs such as IGT Sicilia, helping to promote the overall region to everyday consumers, who want to rekindle that holiday feeling.

What would you suggest to Italian wineries looking to enter the German market?

Germany is already a mature market for Italian wines and is saturated with a plethora of offerings but there is still scope for new discoveries for a nation who are deeply enamoured with the Italian life style. Any potential exporter should carefully consider the four P's of product, price, place and promotion in relation to their capabilities as there are many options



open to them.

Whilst there are a few national importers, these tend to have a broad portfolio already and it may be worth considering smaller regional importers who are more "hungry". The Germans do not like paying a lot for their groceries, or their wines, having some of the lowest prices in Europe, reflected also by the high share of discounters at over 50% of the market. With an average price for a bottle of wine of only €2.60 in the discounters and €3.80 in supermarkets, the high volume/low price end of the market is so aggressively competitive and with such tiny margins that it is probably best left well alone. (Source: DWI Deutscher Wein Statistik 2013/14) This is especially true as the Marche's whites ideally need at least a year in the bottle to become truly interesting and have the potential to age for many years, and the reds have quite a tannic structure which need time in the bottle to soften, hence these wines are not for entry level consumers.

Normally a winery would need to have a number of importers in different regions, ideally covering a number of channels in order to have the best chances of success. The major cities of Hamburg, Berlin, Frankfurt and Munich tend to have different importers and there are also some rather peculiar hotbeds of sales potential such as the island of Sylt.

How do you view the Marche region in terms of market potential - wine, food and tourism?

The Marche is a little known gem - a true discovery just waiting to be made. Just as pretty as Tuscany with mediaeval hilltop towns, swathes of vineyards and olive groves and a coastline of amazing beaches, the Marche offers much better value for money and fewer crowds. Every village has a bar with the best coffee culture in the world and there are restaurants to suit every pocket showcasing regional products with seafood being a particular speciality. Verdicchio makes a perfect match for the mussels and other delights from the sea and Montepulciano for the more hearty meat



and tomato dishes, including the local Marche lasagne. For tourists who want a little more than a sun, sea and sand holiday, there are plenty of sights to see, including what really ought to be one of the wonders of the world, the extraordinary caves of Frasassi with their legions of stalagmites and stalactites.

What is your perception of the potential of Marche's wines in your market and in international markets in general? Please mention potential of white varieties and the red varieties:

The Marche is not particularly well-known in Germany or other international markets. Some pioneers including Umani Ronchi and Garofoli have already started to lead the way and there is definitely potential for other wineries. The two lead grape varieties of Verdicchio and Montepulciano are reasonably well known and thanks to the ageing potential of the former and the necessity to age the latter to tame the tannins, they are particularly well suited to the on trade and specialist off licence sector. As there are already many other regions and countries in the world concentrating on international grape varieties, producers in the Marche would be advised to stick to their indigenous grapes, which are not only acclimatised to the terroir but which also offer originality and a point of difference.

How do you think the Marche producers can improve their performance in your market? What do you suggest?

Presentation of the bottles is key and labels need to stand out on shelf. Whilst design is of course very subjective, a good design house is worth its weight in gold in ensuring the label truly represents the quality of the wine in the bottle and delivers authenticity to its target consumer in the country concerned. In this electronic era it is a prerequisite to have a really good website (as a minimum in Italian and correctly translated English) and wineries should also consider the use of QR codes, social



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media channels such as Facebook or Twitter and other such media to attract the younger generation as well as to convey professionalism at all levels. Moreover, any opportunities for sampling at wine or non-wine related events should be seized with both hands. Information on the wines should at all times be concise, accurate and relevant.

What do you think of the quality:price ratio of the Marche's wines?

The quality of the white wines, Verdicchio in particular, is extremely good for the prices demanded, especially with its extraordinary ageing potential. With the reds it is rather difficult to generalise as there is such a range of different prices, but Montepulciano from the Marche is unlikely to be as keen in price as that from Abruzzo, which is particularly well known in Germany at rock-bottom prices (due no doubt in no small measure to high yields) and which is a key volume driver in discounters. Hence the quality:price ratio is probably not perceived to be as good for the reds.