

FAIR TRADE WINES IN GERMANY

RODRIGO BRAVO
MASTER OF SCIENCE (M.SC.) IN INTERNATIONAL AGRIBUSINESS
FACULTY OF AGRICULTURAL SCIENCES

ABSTRACT

It was conducted a research in order to estimate the willingness to pay for Fair Trade wines in Germany. The study was carried out completing 93 surveys of wine drinkers in Göttingen and around Germany. It was also an aim of the study, to collect which are some driving ideas of the consumers about Fair Trade and the attitude of them over the Fair Traded wines. The consumers provide diverse information about frequency and amount of bottles for each wine purchase. Regarding to the preferences of the wines, red and conventional production is the preferred by the consumers, with a strong choice over fruity and dry wines with intense colors and in preference in the classical 0,75 L bottle. About the wine brands recalling, in general terms there is a high no response rate and confusion between brands, varieties and DOCs. In the scheme of the certifications, the Bio production. Logo (German norm) was recognized by the 92,5 % of the sample, against a 49,5% who knows about the Fair Trade Logo (TransFair). About this, in general terms, the acceptance of the idea of Fair Trade is important and trustful for the consumers, and for the core of them, this means the 63% of the sample, the wine preferences are focused on small producers suppliers, more than wineries with social projects, not caring about the origin country and where the political engagement is more important than the religious one. In general terms are able to pay 0,5 € more than another similar option, value which was taken as an estimation for the Fair Trade premium price. In the targeting pricing and costing of this niche market, there was found three segments: the basic one, who is able to pay up to 3 € per bottle; followed by the standard-medium, between 3,5 € and 4,29 €, and a high one over the 6,49 € up to 10 €. As well as the ranges from 3,5 € to 6,49 € are covered by the current offer, but there is space to growth with the 3 € wines and 10 € wines. For the first case is proposed avoid some costs exporting bulk wine and bottling in Germany, and for the other a delicate work with farmers in order to achieve the necessary quality for the market.