



A CASE STUDY

Presented By
The Forefront Communications Network Inc.

WINES OF CHILE

ABOUT WINES OF CHILE

Wines of Chile is a promotional body representing ninety Chilean wineries with offices in Santiago, London and New York. It comprises the members of two already well-established associations: Viñas de Chile and Chilevid. Wines of Chile was founded in July of 2002 with the aim of combining efforts to position the image of Chilean wine around the world through a unified strategic realization of marketing and promotional activities. More than 60% of Chilean wine is exported, representing the highest national average of wine exports by country in the world.

CHILEAN WINES IN CANADA

Prior to the implementation of a marketing and promotional program aimed at Canada, Chile held seventh position of the top 12 countries selling wine through Canada's largest beverage alcohol monopoly, the LCBO. Even though Chilean wine sales were increasing by 9% with the LCBO year-over-year, and relative to market position in the top 12, Chilean wines had remained constant with approximately 3% market share. The lack of growth was due to the fact that neither large nor small Chilean producers possessed the resources, experience, business relationships or marketplace knowledge to effectively focus on the Canadian market. Furthermore, Chile's previous practice of selling basic value priced products into the market had created a consumer perception that their products were strictly of entry level.

KEY WEAKNESSES

- Little or no country image for consumers to associate with
- Limited brand image and/or positioning statement
- No industry media relations, promotional or generic advertising programs
- Minimal showing within licensee establishments (restaurants)
- Consumer perception that Chilean wines were of basic quality and value priced

GOAL

To enhance consumer and trade awareness, increase sales, and improve the image of Chilean wines through the development and implementation of a 3-year promotional and public relations program for Central Canada.

STRATEGY

Our core strategy was to focus on total program integration and forward planning in order to create strong and lasting partnerships that better serve the shared customer base with the LCBO and other Canadian liquor boards. Promotional themes were integrated across all communication channels and provided maximum opportunities to increase sales for all participating categories. These themes linked all elements of the sales promotion including in-store themed signage, customer publications, special events, tastings, advertising, branded point-of-purchase collateral, internet promotions and media relations. Premium wines were to be promoted and sold through an extensive program with VINTAGES that includes Wine of the Month, Classics, Essentials and many other means of promotion.

IMPLEMENTATION & ACTIVITIES

While the Wines of Chile promotional program has been active for the past three years, 2007 was an exceptionally outstanding year for Chilean wines with the most implemented activities to-date, and has literally put Chile on the map here in the Ontario market.

2007 PROGRAM LAUNCH ACTIVITIES

- Jan/Feb – LCBO Latin Fever Thematic
- March – LCBO and VINTAGES FAM trip to Chile
- March – LCBO Discover Chile DVD Filming
- April – LCBO/VINTAGES
Dinner – Celebrating the success of the Latin Fever Thematic
- Apr/Aug – VINTAGES Catalogue featuring Chile and the release of 24 wines
- September – Media preview tasting of wines being featured at the
October Chilean Wine Festival
- October – Chilean Wine Festival
(trade/LCBO seminar, trade/media event, consumer event &
winemaker's dinner)
- October – Presentation on Chilean wines at the LCBO Product
Consultant Conference
- November – Ottawa Wine & Food Show
- November – Toronto Gourmet Food & Wine Expo, with Chile as the
feature country

