Tenuta Cocci Grifoni
Section 3
GROUP 470

1-Entry Mode:

A collaboration with regional distributors and retailers is probably the best way to enter the Brazilian market given Tenuta Cocci Grifoni's distinctive positioning as a high-end, environmentally conscious, and genuine Italian wine brand. This strategy is advised over alternative market entry methods for the following reasons:

Partnership with Local Distributors/Retailers

- **Benefits related to logistics and regulations**: Brazil has strict wine labeling regulations and substantial import taxes. Local distributors are more equipped to handle these logistical challenges, negotiating Brazil's regulatory environment and expediting the import procedure.
- **Market Knowledg**e: For a global business entering a new market, local distributors' in-depth knowledge of Brazilian customer behavior, pricing policies, and successful promotional techniques is extremely beneficial.
- **Access to Established Channels**: Tenuta Cocci Grifoni can place its wines in high-end shops and dining establishments by collaborating with luxury merchants. This is more likely to reach Brazil's wealthy urban consumers, especially in large cities like São Paulo and Rio de Janeiro, and fits in nicely with its luxury brand image.
- **Brand Perception**: Since consumers are frequently more open to foreign products offered through reliable, local channels, collaborating with respectable Brazilian distributors and luxury stores can increase brand credibility.

2- Logistics:

Shipping, Trade Regulations, Certification: The best way to ship the product into a new market would consist of different factors including the location or where to ship to, how many customers at a time, and more. It should be shipped originally to a warehouse or distributor first before it is shipped to the user/the customer. The best option for shipping would be to ship it in a safe and reliable freight so that the wine is preserved. Though this may cause a higher price, and possibly affect time, it ultimately would be worth it to make sure that the buyers receive their product how they ordered it. Ultimately, regardless of the shipping method, depending on where it is being shipped, there will most likely be import tariffs but they should not be an issue. However, a way in which more profit could be made even after the import tariffs, is if the buyers were charged a higher amount for shipping. The amount would pertain to the weight of the shipment, and how many bottles at a time. The wine will have to go through inspection and certification before it can be sold and shipped to the new market. As far as specifics, the inspection rules would vary from the departure, as well to where it is going. Overall, shipping into the new market requires all sorts of efforts and different requirements (for different areas, etc) which will be established within the company to carry out a successful trade between the company and the buyers.

3- Pricing Strategy:

1. **Value-based pricing:** Wine significantly enhances consumer's experience during social events and relaxing evenings. When pricing the wine in Brazil, Cocci Grifoni should take into account the experience that comes with drinking the wine. Brazilians view wine as a luxury experience which increases their perceived value of a bottle of wine. By collaborating with local influencers and celebrities the perceived value can be enhanced, appealing to consumers who desire a luxurious lifestyle. Setting the optimal price point around BRL 378 per 750ml or higher will reflect the wine's premium status.
2. **Competition-based pricing:** Wine is generally more expensive in Brazil compared to other countries such as Italy and the United States despite buying power being lower in Brazil. Therefore, Cocci Grifoni should analyze competitors' pricing that have similar prestige to their brand and identify what pricing range has been most successful in Brazil. By combining competition-based pricing with value-based pricing Cocci Grifoni can find a price range for various wines that target Brazilians looking to drink wine and are seeking the experience wine provides them. The pricing strategy should remain dynamic as the market and economy fluctuates, matching the buying power and willingness of consumers.
3. **Bulk pricing:** To encourage restaurants in Brazil to feature Cocci Grifoni on their menu, Cocci Grifoni should offer bulk purchases of wine at a lower cost per bottle in comparison to buying a single bottle of wine. With the consumption of Cocci Grifonni's wine at restaurants consumers will be more inclined to buy a full bottle of wine from Cocci Grifoni. Cocci Grifoni should aim to work with high-end restaurants that match with Cocci Griffoni's luxury image.

By combining value-based pricing, analyzing competitors' strategies, and offering bulk pricing for restaurants, Cocci Grifoni can position itself as a luxury wine brand in Brazil. While they position themself as a luxury wine brand they will also be maximizing their profit in Brazil while also fulfilling the consumer's expectations for a luxury brand. The optimal price point of BRL 378 for 750ml or higher will further solidify Cocci Grifoni's luxury brand image.