

# Unit 7 – Thesis / Abstract

## MÁD - The birth of a new Protected Designation of Origin in Tokaj

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### **Motivation**

The reason behind to choosing this topic was to introduce the sub-region of Tokaj and through this introducing a relatively new segment of Tokaji wines, the minerally and fruity attractive whites.

The last decade the Hungarian market got to know and recognized this segment, but – according to my personal experience, conversations with foreign wine buyers, importers – outside Hungary it is known mainly by the wine experts and some serious fan of Tokaj, but many of the potential buyers do not even heard that Tokaj region has white wine.

The application of Mád for the individual PDO is not really highlighted topic even in Hungary, and when I heard about it, it seemed very interesting to look through the background, and the possibilities of the future, focusing of the brand building and marketing objects.

### **Problem/Objective**

The objective of this thesis to introduce an exciting sub region of Tokaj, Mád village which is becomes a new Protected Designation of Origin in the near future. The administrative process is on its way, after launching the new EU regulation this is one of the first or even the first application for an individual PDO in Hungary.

What is the background, why Mád is unique among the great Tokaj's terroirs? What could be the benefits of the new PDO? How could build the 'Mád' brand? Which is the 'future portfolio'? What would be the marketing mix of the brand building?

### **Methodology**

The methodology was based on collecting the information from the available sources, magazines, websites of the region of Tokaj and the Mád Circle Origin Protection Association, and following the different activities of the region or the regions' wineries.

Besides these, the personal interview in Mád with the leading figure of the region, and the president of Mád Circle Mr. István Szepsy was important part of the sources.

As a new appellation, brand building is essential; I decided to use the main part of the marketing mix to present the tasks and possibilities.

### **Content**

#### ***The present – MÁD in Tokaj region***

Short overview of the current market situation of Tokaj and Mád. Mád is the fastest growing sub region in Tokaj. The Mád Circle Origin Protection Association – a quality-focused winemakers group in Mád set higher standards for its member in their system of System of Quality and Origin Protection, and after a few years they decided to apply for the registration of its own Protected Designation of Origin

#### ***Registration process in a nutshell***

Overview of the steps of the registration process.

### ***Mád as an individual appellation - reasons behind and future opportunities***

This is the main part, which starts with the review the differentiating point from other parts of Tokaj in the vineyards e.g. the unique but various soil compositions and during the winemaking and wine styles.

After this, the next section is focused on the main objective, the brand building - including the future possibilities of the new PDO, the present and future tasks for every part of the marketing mix.

- Product:

Wine of Mád is the product, which covers a wide multi-layered portfolio from the easy-drinking whites through the more serious dry whites and sweet aszú wines to the outstanding rare speciality Tokaji Esszencia.

Till now, the strongest part of the brand building of Mád is a dry furmint with the same name launched the vintage 2011. The launch of this wine was the launch of the new bottle for the dry wines of Tokaj. The bottle is made for Tokaj region, but primarily the Mád-based wineries have started to use it already

- Price

Current pricing practice vs. possibilities in the future – at the moment the good quality Tokaji wines is a smart buy, Mád appellation could become a kind of break-out point with its outstanding top wines.

- Place

Outline of the distribution channels. How could help the brand-building aim a well selected point of sale?

- Promotion

As it is not a mass product, the promotion has to target the professionals / semi-professionals in the first stage. Tailor-made promotion, so it has to be representing as many tasting event and competition as it possible.

In case of disposable sources the region would have to introduce itself some or at least one of the most important international wine magazines.

### **Conclusion**

Mád has every facility - from the terroir through the indigenous grape variety, and the talented and committed winemakers to the great wine - to become an internationally known appellation, the next trendy wine hit (e.g. the next Priorat, Paso Roble, Gimblet Gravel or Bierzo) on the world wine scene. Once it happens surely will keep its place on it.

To reach this aim, other things are also needed; prosperous economic and political environment, elaborated marketing strategy and its execution, national and international communication, and resources background to finance it, fulfilment of the current investments in the region in order to ensure the appropriate services to evolve a flourishing wine tourism in the region and many more tasks.

But after the hard works in the future – hopefully in the near future – Mád and Tokaj will be the new stars in the spotlight of the international wine worlds' stage.