



AGRICULTURAL ECONOMICS  
RESEARCH INSTITUTE

HELLENIC AGRICULTURAL ORGANIZATION "DEMETER"



# **Greek and Portuguese wine co-operatives: a comparative study**

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# Objective

- to create a better understanding of wine co-operatives and their relationship with the environment by comparing wine co-operatives in Greece and Portugal using a systemic approach model.



# Research question

What are the similarities and differences in Greek and Portuguese wine co-operatives from a systemic view?



# Methods

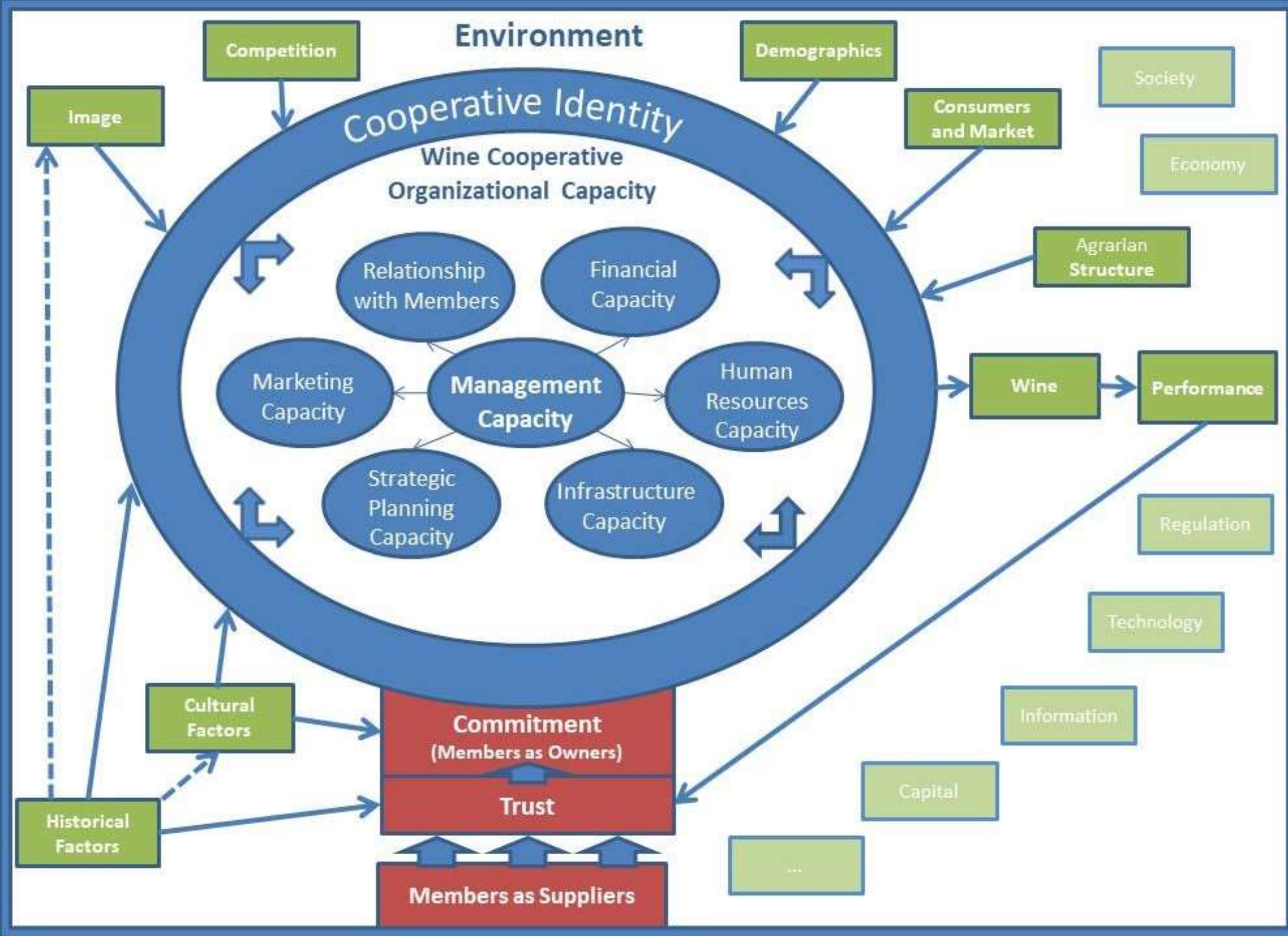
- Data from Portugal and model – Souza (2018)
  - 24 interviews in Portugal
- 7 interviews in Greece (2 - 2<sup>nd</sup> degree co-operatives)
- Interviewees – Managers and/or MoB



Environmental Factors

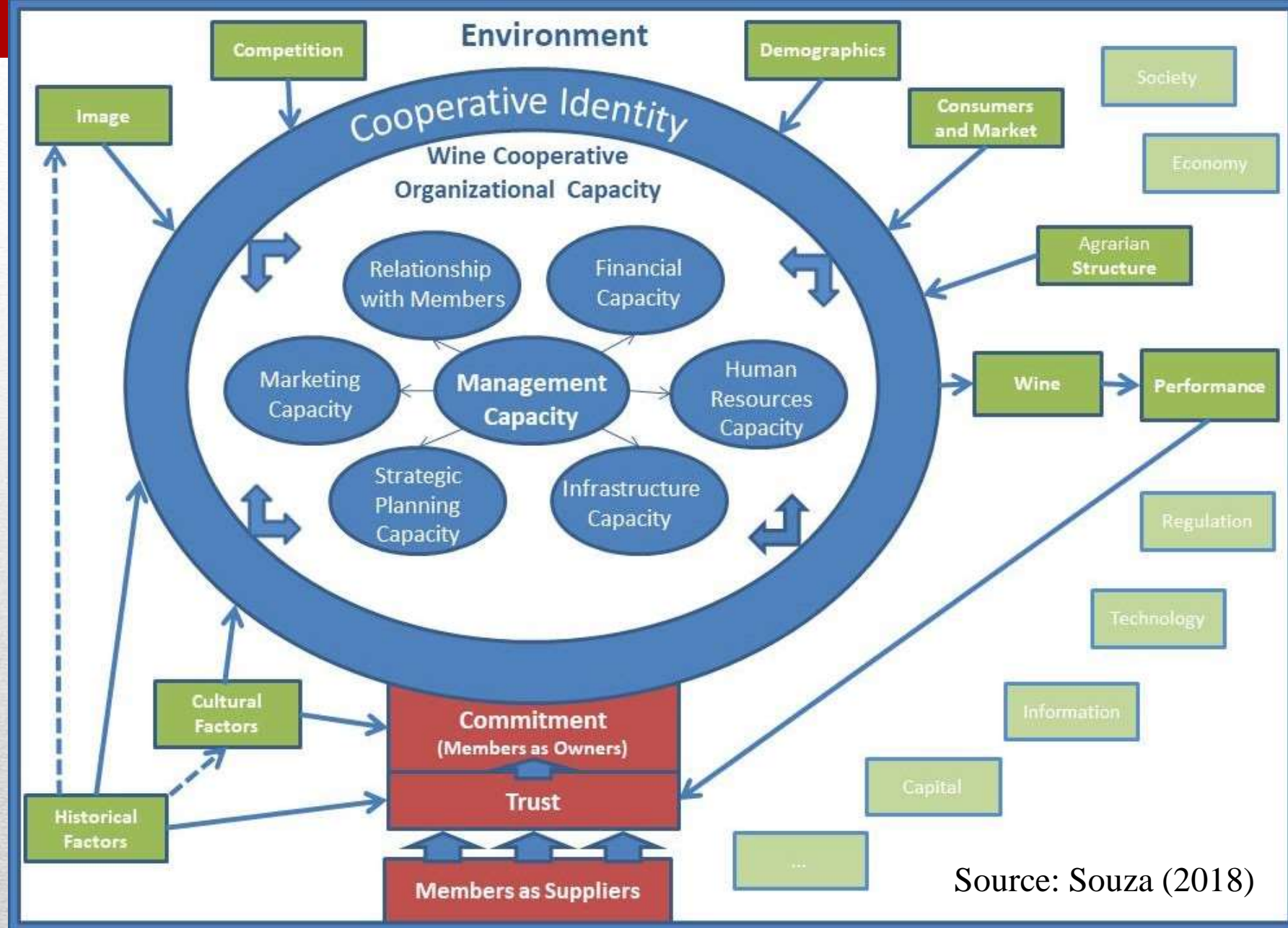
Members

Cooperative Identity  
Organizational  
Capacity



# Environmental Factors

- Wine
- Performance
- Historical and Cultural Factor
- Image
- Competition, Consumers and MKT
- Demographic and Agrarian Structure



Source: Souza (2018)



# Wine

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## Portugal

- All kinds of wine
- Many native varieties
- VITIS - national program for vineyards renovation

## Greece

- All kinds of wine, with a small preference for white wine
- Many native varieties



# Performance

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## Portugal

- Most have good performance
- It seems that the bad ones went out of the market (bankrupt) a while

## Greece

- Heterogeneous
- It is not possible to define a pattern





# Historical and Cultural Factors

## Portugal

- Most of the co-operatives created in the 1930s
- The aim was to have a place where producers could deliver their grapes
- Culture: non cooperation, paternalistic (Mediterranean culture???)

## Greece

- Some were created also in 1930s but some are quite recent (2000s)
- The aim was to protect the farmer from the power of private companies
- Culture: non cooperation, family driven (Mediterranean culture???)



# Image

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## Portugal

- Bad image (changing now)
  - from the consumers
- Bad quality wines

## Greece

- Bad image (changing now)
  - from the farmers
- Bad performance



# Competition, Consumers and MKT

## Portugal

- Competition is tough
- Most of the co-operatives sell internationally
- Entered the markets through immigrant communities
- Just a few sell bulk wine


## Greece

- Competition is tough but Greek market is not saturated yet
- Just a few sell internationally
- Focus on mature markets (USA)
- Some sell just bulk wine




# Demographics and Agrarian Structure

## Portugal

- Farmers' profile:
    - Most part-time jobs
    - Around 60 years old (issue)
    - Men
    - **Young people don't want to be farmers**
  - Small vineyards
  - Topography varies, some mechanization
  - **Vineyards extinction**
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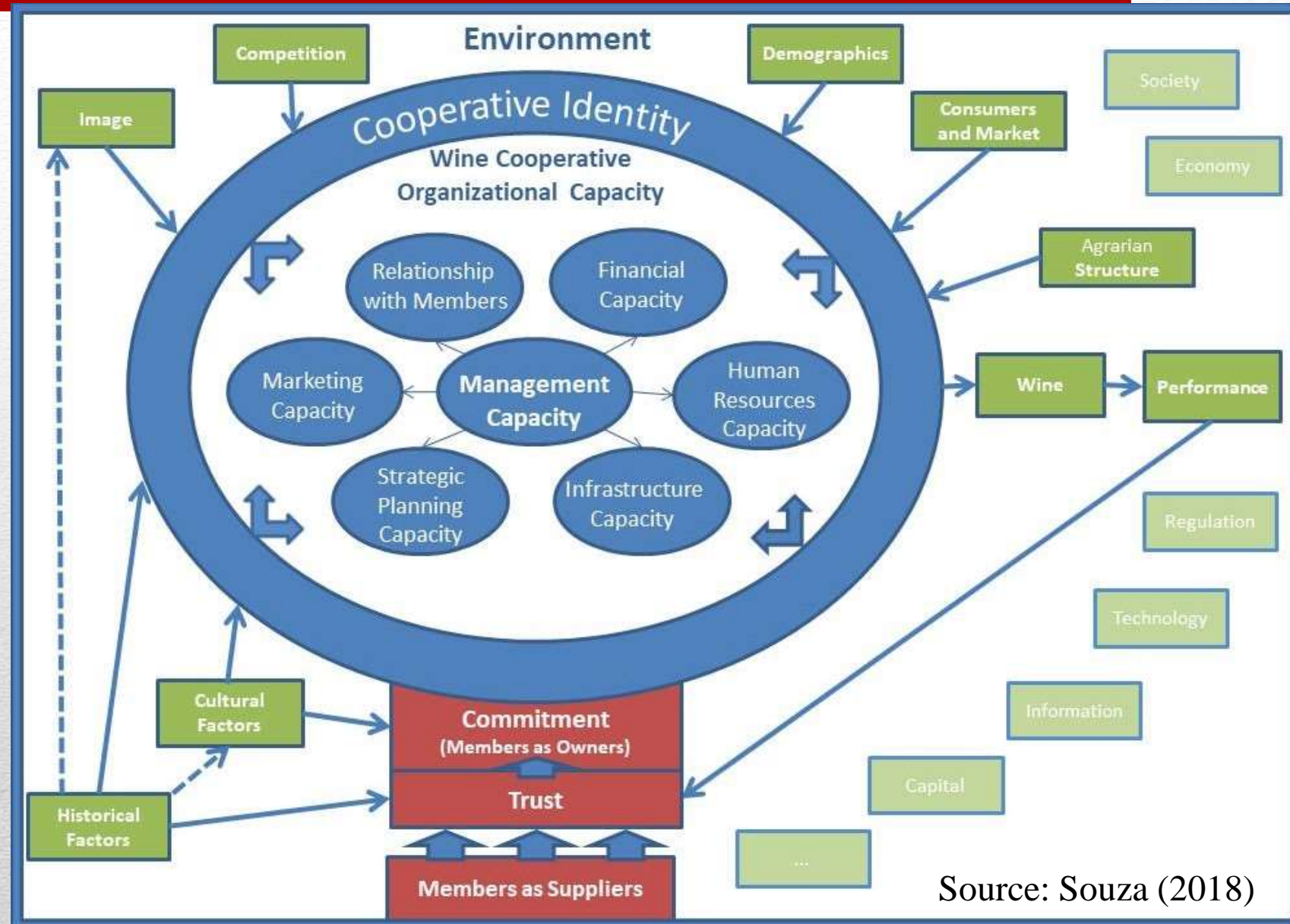
## Greece

- Farmers' profile:
    - Most part-time jobs
    - Around 60 years old (issue)
    - Men and ~~women~~
    - Young people don't want to be farmers
  - Small vineyards
  - Topography varies, in general no mechanization
  - **Huge pressure from real estate market**
  - **Vineyards extinction**
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## Members

- Members as Suppliers
- Trust
- Commitment (Members as Owners)



Source: Souza (2018)

# Members as Suppliers, Trust and Commitment

## Portugal

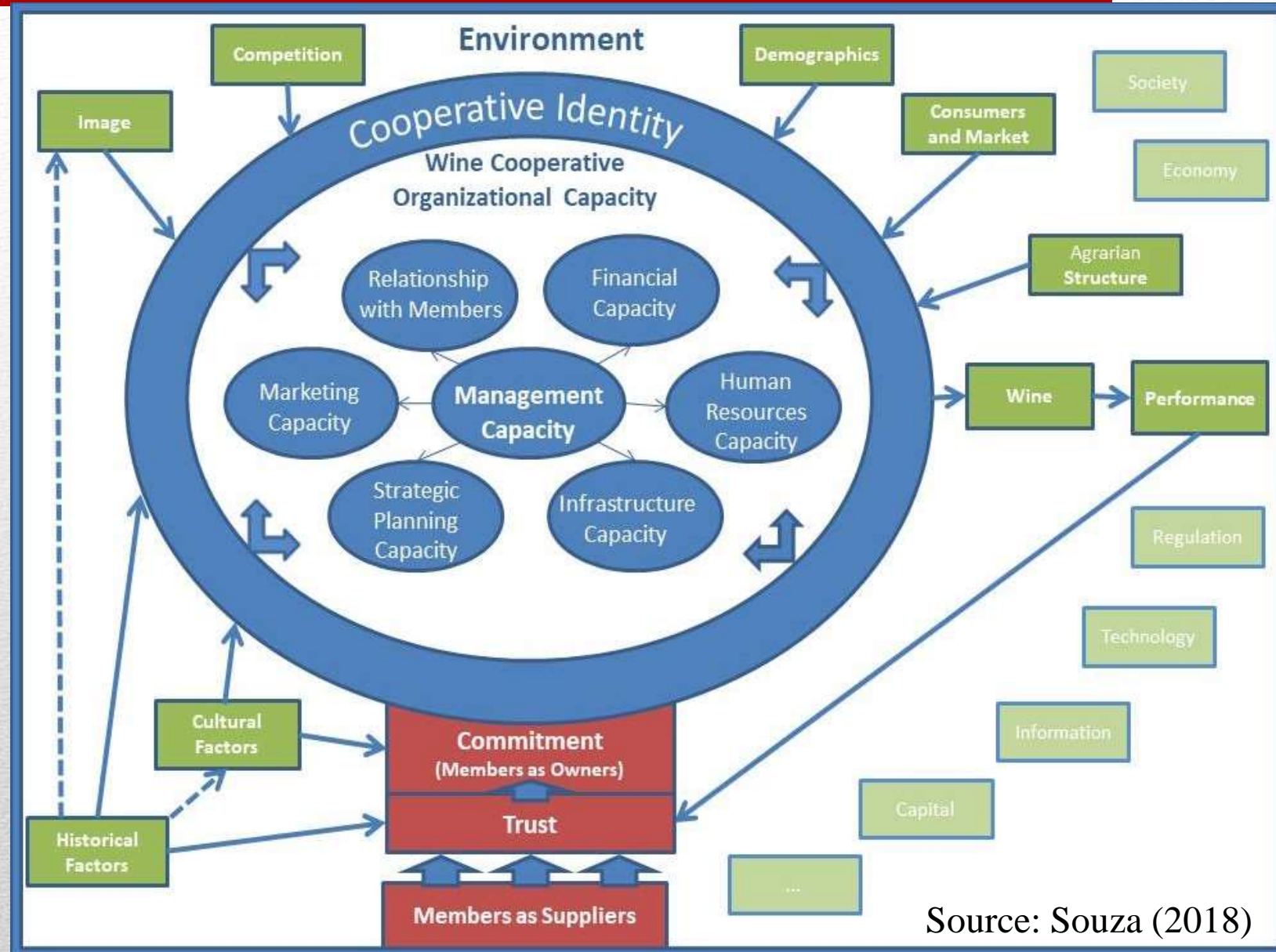
- Most of them just act as suppliers
- Some trust while the co-operative have good performance
- Just a few are really committed to the cause
- If members sell grapes to other companies they are penalized

## Greece

- Most of them just act as suppliers
- Most trust
- Just a few are really committed to the cause
- Co-operatives “accept” members to sell grapes to other companies



- Cooperative Identity
- Organizational Capacity
  - Financial Capacity
  - Infrastructure Capacity
  - Human Resources Capacity
  - Marketing Capacity
  - Relationship with Members
  - Strategic Planning Capacity
  - Management Capacity



Source: Souza (2018)



# Cooperative Identity

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## Portugal

- Most members have an idea of the values and principles of co-operatives

## Greece

- Most members have an idea of the values and principles of co-operatives





# Financial Capacity

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## Portugal

- Most of them have financial stability

## Greece

- Some cooperatives have financial stability and others don't



# Infrastructure Capacity

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## Portugal

- Some need renovation
- Most have plans and funds for renovate infrastructure

## Greece

- Some need renovation
- Most don't have funds for renovation



# Human Resources Capacity

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## Portugal

- HR are specialized
- HR have an idea of co-operative identity

## Greece

- HR have an idea of co-operative identity



# Marketing Capacity

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## Portugal

- Most of the co-operatives have professional marketing support

## Greece

- Most of the co-operatives have amateurs marketing support



# Relationship with Members

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## Portugal

- More rigid
- Almost all co-operatives have a penalty-reward system to pay the grapes
- Most give technical support to the farmers

## Greece

- More flexible
- Just a few have a penalty-reward system to pay the grapes
- Some give technical support to the farmers



# Strategic Planning Capacity

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## Portugal

- Most co-operatives have formal planning systems

## Greece

- Just a few have formal planning systems



# Management Capacity

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## Portugal

- Almost all co-operatives have professional management

## Greece

- Just a few co-operatives have professional management



# Final Considerations

- Portuguese wine co-operatives are more financially stable
- Portuguese and Greek wine co-operatives are concerned with vineyard extinction, but for different reasons
- Portuguese wine is known and respected internationally
- Govern policies are more friendly to co-operatives in Portugal





# What can we learn from:

## Portugal

- VITIS
- Professional management
- Penalty-reward system
- Rigid control on the amount of grapes delivered
- Govern policies

## Greece

- Wine tourism
- Close relationship with members



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