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# Uncorking Potential: The Future of Brazilian Wine through Geographical Indications

Guilherme Fracarolli\*<sup>1</sup>

<sup>1</sup>Centro de Investigação em Sociologia Económica e das Organizações (SOCIUS) – Portugal

## Abstract

The paper explores the economic effects of the increasing number of Geographical Indications (GIs) in the Brazilian wine sector, focusing on how digital platforms and online retail contribute to market expansion, particularly in the context of global demand for high-quality, certified products. Taking an economic sociology approach, the study examines how GIs are shaping the competitive dynamics of the wine market in Brazil. The work engages with theoretical insights from scholars such as Beckert, Bourdieu, and Fligstein to analyze the socio-economic structures underpinning GI markets and how they are constructed through networks, institutions, and cultural capital.

GIs in the Brazilian wine sector represent a nascent but growing aspect of the country's agrifood markets. Despite the global proliferation of GIs as a tool to enhance market value through the protection of local and traditional knowledge, Brazilian GI wines face challenges in both domestic and foreign markets. The study highlights the fact that, while GIs are intended to offer protection and add value to local products, Brazilian GI wines are under-represented in major online supermarkets and retail platforms abroad. In contrast, wines from countries like Argentina and Chile, which have more established GI systems, dominate these platforms in the Brazilian market. This underscores the early-stage development of Brazil's GI wines and their relative lack of market presence internationally.

The role of digital platforms and e-commerce is emphasized as a key factor in the global market for GI products. These platforms not only facilitate the distribution of wines but also play a crucial role in shaping consumer perceptions of authenticity and quality, which are central to the appeal of GI products. However, Brazilian GI wines have not yet fully capitalized on the potential of these digital tools for international market penetration. The incumbents in the South American wine market, particularly Argentina and Chile, are able to leverage their more mature GI systems to dominate foreign trade, leaving Brazilian wines with limited visibility in the global marketplace.

The study also addresses the broader question of sustainability, acknowledging innovations aimed at guaranteeing and monitoring the performance of GIs in economic, social, and environmental dimensions. As climate change poses increasing challenges to agriculture and wine production, innovations in the adaptation of GI systems are becoming essential. However, these innovations must be supported by stronger institutional frameworks and market strategies if Brazilian GI wines are to compete internationally.

Ultimately, the paper argues that the construction of markets for GI wines in Brazil is shaped by a combination of social, economic, and technological factors. The findings suggest that

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\*Speaker

while the GI system holds potential for enhancing the competitiveness of Brazilian wines, significant institutional and market-based obstacles remain. Brazilian wine producers must not only strengthen their GI systems but also better integrate into global digital marketplaces to achieve sustainable growth. By situating GIs within the context of foreign trade and market construction, the study contributes to understanding how intellectual property mechanisms, when combined with digital innovations, can potentially reshape the economic landscape of the Brazilian wine sector.

**Keywords:** Geographical Indication, Wine, Brazil, Competition, Market construction, Online retail