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Local Brands in Rural Development: Strategic Implications from a Comparative Analysis of Poland and Portugal

Abstract. Local brands are increasingly recognised as instruments supporting rural development, territorial identity, and regional competitiveness. The aim of this study is to compare the potential for the development of local brands in Poland and Portugal in the context of European Union geographical indication systems and rural development conditions. The research adopts a comparative and exploratory approach based on desk research, analysis of strategic documents, European Commission databases (eAmbrosia and GIview), Eurostat data, and scientific literature. The results show that Poland and Portugal represent two distinct models of local brand development. Portugal is characterised by a mature geographical indication system, a strong wine sector, and close links between branding, tourism, and exports. Poland demonstrates strong organisational and bottom-up potential supported by an extensive network of Local Action Groups. The study concludes that successful local brand development depends not only on the number of protected products but also on effective governance, institutional support, and the integration of branding with tourism and market developments.

Keywords: local brands, rural development, geographical indications, territorial branding

JEL Classification: Q13, R11, Z32, R58

Introduction

Local brands and regional promotional labels currently constitute an important element of development strategies for rural areas and small towns, combining economic, social, and cultural dimensions. They serve as tools for building a recognisable place identity and for promoting its unique assets, closely linked to local heritage, traditions, history, and natural resources (definition based on the methodology of O. Gałek (http://lgd.malopolska.pl/produkt-lokalny/). In practical terms, a local brand most often functions as a verbal-graphic sign identifying a group of products or services that share common quality characteristics and values important both for consumers and for their

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creators – producers, farmers, or service providers (Albaladejo-García et al., 2025; Răcăşan & Egresi, 2019). At the same time, a local brand goes beyond a purely marketing function, becoming a carrier of emotional attachment to place as well as a symbol of community and local pride (Manzo & Devine-Wright, 2014). Regional products, which often constitute the core of local brands, refer to the geographical and cultural specificity of a given area. Their significance is not limited solely to the economic dimension. They represent an element of protecting and promoting culinary, craft, and natural heritage, as well as a tool for activating local communities (Sieczko, 2008; Owczarek, 2020). In many cases, local promotional labels function as a form of certificate of quality and origin, increasing the trust of recipients - consumers, tourists, and institutional partners - in the products and services offered. In this way, they contribute to strengthening regional competitiveness, fostering entrepreneurship, and building territorial capital (Sieczko 2014; Domański & Bryła, 2013).

Available case studies conducted in Poland and Portugal indicate that public awareness of local brands is sometimes limited, even within the regions where such labels operate (Sieczko, 2008; Mędrzyk, 2015; Piva & Prats, 2021). These challenges highlight the need for deeper academic reflection on the functioning of local brands as complex socio-organisational systems. A local brand, particularly of the umbrella type, can serve as an integrator of activities undertaken by various actors, including producers, local leaders, cultural institutions, local governments, and social organisations. When properly managed and communicated, it becomes a platform for cooperation, knowledge transfer, and social education, strengthening intergenerational ties and a sense of identity. In this sense, regional products and local brands should be perceived not only as promotional tools but also as instruments of socio-economic development, supporting the preservation of cultural heritage and the sustainable activation of rural areas (Krajnović, Bosna & Jašić, 2013; Malek & Costa, 2014).

Despite the growing number of studies, the literature indicates a lack of comparative analyses covering different European contexts. Existing studies most often focus on individual regions or selected aspects of branding, such as identity, tourism, or marketing (Piva & Prats, 2021; Brańka, 2025). Recent comparative explorations of local brands in Poland and Portugal have primarily concentrated on tourism-related aspects and selected case-study regions rather than broader institutional and governance dimensions (Bailoa et al., 2025). There is still a lack of systematic analyses of local brand management models operating within different institutional and cultural structures (Chudzyńska, 2021).

In light of the above findings, it is justified to undertake a comparative analysis of Poland and Portugal that considers both identity and cultural dimensions, as well as governance structures, stakeholder participation, and links with tourism and entrepreneurship. Such an approach makes it possible not only to deepen the understanding of the mechanisms underlying the functioning of local brands, but also to identify good practices that may be transferred between regions with different institutional contexts. The aim of this article is therefore to analyse the potential for building and developing local brands in Poland and Portugal in the context of the European Union's geographical indication systems and the institutional and socio-economic conditions supporting the development of regional products. In particular, the study attempts to compare the scale and structure of protected products, the institutional infrastructure supporting the development of local brands, and their links with tourism and entrepreneurship in rural areas in Poland and Portugal. To achieve the research objective, the following research questions were formulated:

RQ1: What are the differences between Poland and Portugal in terms of the scale and structure of geographical indication systems (PDO, PGI, TSG, and GI for spirit drinks)?

RQ2: How do institutional, socio-economic, and market conditions influence the development of local brands in rural areas of Poland and Portugal?

RQ3: Which factors create the greatest potential for the development of local and umbrella brands in the analysed countries, and how do these factors differ between the two development models?

Literature review

Interest in local brands as instruments for rural development has been steadily increasing in international literature. Contemporary research approaches indicate that local brands go beyond traditionally understood marketing tools and should be perceived as complex socio-territorial mechanisms embedded in the context of place identity, governance structures, and participatory processes (Albaladejo-García, et al. 2025; Răcăşan & Egresi, 2019). From this perspective, a local brand becomes an element of place-based development strategies, integrating cultural, natural, and social resources to strengthen the competitiveness and resilience of rural regions.

The literature and practice activities emphasise the strong relationship between local brands and place identity (Gałek, 2022). Răcăşan and Egresi (2019) indicate that brands of local (traditional and regional) products are deeply rooted in the specificity of space and local cultural heritage, carrying values of authenticity and tradition. A similar perspective is presented by Piva and Prats (2021), who define local brands as regional identity constructs created from the bottom up through community engagement rather than imposed administratively. Criticism of the administrative delineation of tourism brand boundaries is also expressed by Krajnović, Bosna, and Jašić (2013), who argue that an effective brand should reflect genuine geographical and cultural realities rather than merely institutional divisions.

From a psychological and sociocultural perspective, the concept of place attachment is of particular importance, describing the emotional bonds between residents and their surroundings (Manzo & Devine-Wright, 2014). In the context of rural areas, regional products - such as traditional recipes, plant varieties, crafts, or cultural landscapes - constitute elements that build both the cultural identity and the commercial potential of a region (Król et al., 2022). A local brand, therefore, performs the function of protecting and promoting heritage, counteracting its marginalisation under conditions of globalisation.

Increasingly, local brands are analysed as governance systems integrating the activities of various stakeholders. Guzal-Dec (2015) points to the role of local governments in creating branded products in areas of high natural value, emphasising the importance of institutional coordination. Similarly, Delovieres et al. (2025) highlight the role of public administration and marketing instruments in stimulating the growth of local brands. In a broader public policy perspective, Zhou, et al. (2023) demonstrate that the effectiveness of territorial branding depends on the coherence of government interventions and their long-term strategic orientation. Local brands should be treated as long-term strategic assets that generate competitive advantages, particularly through higher levels of consumer trust, authenticity, and stronger relationships with local communities (Schuiling & Kapferer, 2004). Their flexibility and closer alignment with local market conditions make them especially effective in territorially embedded development processes. Moreover, the development of local products and brands is closely linked to the efficiency of food supply chains. As noted by Nowakowska-Grunt and Kiełbasa (2017), improving and shortening supply chains enhances the competitiveness of local producers, supports regional promotion, and increases the value retained within local economies.

In the Polish context, the role of local brands in rural development is also emphasised through the lens of tourism and local entrepreneurship. Balińska (2017) points out that network tourism products, based on cooperation between local actors, constitute an important form of entrepreneurial activity in rural areas, enabling the integration of dispersed resources and the creation of coherent, market-oriented offers. At the same time, Guzal-Dec (2015) highlights the significant role of local governments in initiating and supporting the development of branded tourist products, particularly in areas of high natural value, where institutional coordination and strategic management are essential. These findings underline that the development of local brands depends not only on endogenous resources, but also on the effectiveness of multi-actor cooperation and the involvement of public institutions.

In the European context, strategic documents are also important, such as the European Agenda for Tourism 2030 (Council of the European Union, 2022) or the Regulation (EU) 2024/1143 of the European Parliament and of the Council of 11 April 2024, which highlight the need to integrate branding activities with sustainable development goals. The literature also emphasises the importance of a multi-level approach to rural development (Apostolopoulos et al., 2020), in which a brand can serve as a link between regional policy, entrepreneurship, and social activity.

One of the key elements in building local brands is community involvement. Malek and Costa (2014) indicate that involving residents in tourism planning fosters the development of solutions characterised by social innovation. In a similar vein, Kartani, et al. (2024) analyse the importance of public policies supporting the SME sector, emphasising the role of empowering local actors. In the Polish literature, local brands are highlighted as tools for socio-economic activation (Brańka, 2025; Pater, 2024). Research by Mędrzyk (2015) indicates that the perception of a regional brand depends on the degree to which residents identify with the region and on their trust in certification systems. Thus, the effectiveness of a brand is conditioned by the level of social capital and the capacity for cross-sectoral cooperation.

A significant part of the literature focuses on the relationships between local brands and rural tourism. Albaladejo-García et al. (2025) analyse territorial brands in protected areas, pointing to their role in creating social demand for local products. Rizzo, et al. (2024) emphasise the importance of culinary routes and regional products in rural development policies. In turn, Chung (2024) indicates that branding can act as a catalyst for sustainable local revitalisation.

The economic dimension of local brands includes stimulating entrepreneurship, diversifying income sources, and creating jobs. For instance, in the context of small wineries in Poland, Wójcik (2024) shows that marketing activities and coherent visual identity strengthen the competitiveness of small producers. In turn, Saari, et al. (2017) demonstrate that eco-branding strategies positively influence consumer perception and support the achievement of sustainable development goals.

The literature also highlights the important role of geographical indications (GIs) in managing (Kuźniar & Witek, 2016) and promoting local brands and tourism (e.g. Grębowiec, 2017). According to Bérard and Marchenay (2006), the protection of local and traditional products through the geographical indications can help conserve biodiversity across multiple levels, including domestic animal breeds, plant varieties, microbial ecosystems, landscapes and also it provides a formal mechanism for preserving shared knowledge and practices, which form the foundation of the protected resources. In the study of Pamukçu et al. (2021), it was concluded that local foods, and products registered with geographical indications, influence the development of gastronomy tourism. Also, Hazarhun and Tepeci (2018) concluded that regional products and dishes with geographical indications can contribute to the development of gastronomy tourism.

Dharmojirao and Devaraja (2024) refer that adopting geographical indications as a branding strategy provides several benefits, including improved product identification, quality assurance, protection of reputation, and enhanced regional visibility. They also support rural development, cultural heritage preservation, agrotourism, fair trade practices, and the protection of local producers. According to Zhang et al. (2023), GI brands usually have a positive image and reputation for quality, which increases consumers' intention to purchase. Consumer identification with the brand, especially when connected to their hometown or local identity, plays a key role in encouraging purchases. In their study, Zhang et al. (2023) found that consumers tend to have a higher purchase intention for hometown GI brands than non-hometown GI brands, an effect mediated by consumer identification with the brand and strengthened when psychological ownership is high. Chandra et al. (2025) findings indicate that U.S. consumers place considerable value on the geographic origin of wines, beyond the influence of brand and varietal information, as shown by their marginal willingness to pay.

According to ACERTIFICA (2025), GIs allow the protection and safeguard of the cultural and productive heritage of regions and the promotion of economic competitiveness, local development, sustainability, and the preservation of local identity. To Aslan (2024), protecting geographical indications goes beyond exclusive naming rights, as it also involves creating economic value through product differentiation, enabling market access and competitive advantages for producers. The author highlights that geographical indications significantly enhance agribusiness, strengthen local economies, and increase the value of the agricultural sector. The study of Crescenzi et al. (2023) found that regions with geographical indications attract more agri-food foreign direct investment, generating job creation and positive spillovers for local employment, particularly in areas with lower institutional quality.

ACERTIFICA (2025) highlights that the successful implementation of GIs depends on the willingness and engagement of local political actors in a joint effort among producers, local associations, municipalities, and national entities to provide resources for the study and documentation of local artisanal traditions. Aslan (2024) also indicates that improving collaboration among stakeholders can strengthen the protection of geographical indications while ensuring a balance between effective protection, innovation, and economic growth. According to Aslan (2024), public initiatives should establish the regulatory framework, support infrastructure development, and implement appropriate policies, while private initiatives contribute through innovation, entrepreneurship, and investment.

According to Aslan (2024), GIs also contribute to environmental sustainability by promoting biodiversity, preserving landscapes, and ensuring sustainable land use practices. The author states that integrating sustainability into economic development strategies can attract environmentally conscious consumers and investors. Achieving this requires collaboration among governments, businesses, non-profit organisations, and local communities to promote sustainable practices and support balanced regional development.

Data and Research Methods

The study has a comparative and exploratory character. The aim of the research was to identify and compare the potential of Poland and Portugal in the creation and development of local brands, with particular emphasis on regional products covered by quality schemes and the institutional conditions of their functioning. A desk research method was applied, combined with an analysis of strategic documents and a comparative analysis. The analysis was conducted based on:

- The eAmbrosia register maintained by the European Commission (PDO, PGI, TSG for agri-food products, wines, and spirit drinks),
- EU strategic documents (including quality policies and the Tourism Agenda 2030),
- National reports concerning quality schemes,
- Data on the functioning of Local Action Groups (LEADER),
- Scientific literature concerning territorial branding and rural development.

The empirical data used in the study were collected between January and March 2025. Information on geographical indications (PDO, PGI, TSG and GI for spirit drinks) was obtained from the European Commission eAmbrosia and GIview databases. The databases were accessed between 15 and 20 March 2025. Socio-economic, agricultural, trade and tourism indicators were obtained from the Eurostat database and downloaded between February and March 2025. Data were used in the most recent versions available at the time of collection.

The scope of the analysis included agri-food products, wines, and spirit drinks, which made it possible to capture the full potential of geographical indication systems in both countries. The analysis included all geographical indications registered in the European Union quality schemes for Poland and Portugal, namely PDO (Protected Designation of Origin), PGI (Protected Geographical Indication), TSG (Traditional Speciality Guaranteed), and GI for spirit drinks. Products were included if they were officially registered and active in the eAmbrosia or GIview databases at the time of data collection. Applications under examination, cancelled registrations, products originating from countries other than Poland and Portugal, and duplicate entries across databases were excluded from the analysis.

The purpose of the EU quality policy is to ensure the protection of certain product names and to promote their distinctive qualities, which are closely linked to their geographical origin and the traditional knowledge and practices used in their production. According to the European Commission, the product names may receive a geographical indication (GI) when they demonstrate a clear connection to the location where they are produced. This recognition intends to allow consumers to identify and trust high-quality products, while also supporting producers in promoting and marketing their goods more effectively (Crescenzi et al., 2023). The European Commission defines geographical indications as conferring intellectual property rights on specific products whose distinctive qualities are directly associated with their area of production, including the following types:

– PDO – Protected Designation of Origin

It applies to products such as food, agricultural products, and wines, as every stage of their production, processing, and preparation must take place within the specific region and because of that are those that have the strongest links to the place in which they are made (Fig. 1).

Fig. 1. PDO – Protected Designation of Origin

Source: https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_en#pdo.

– PGI – Protected Geographical Indication

It applies to products such as food, agricultural products, and wines, with most products requiring that at least one stage of production, processing, or preparation occurs within the designated region, while for wine, at least 85% of the grapes used must originate exclusively from the geographical area where the wine is produced. It highlights the connection between a product's name and its specific geographic region, reflecting the fact that certain qualities, reputation, or other distinguishing characteristics are fundamentally derived from its place of origin (Fig. 2).

Fig. 2. PGI – Protected Geographical Indication

Source: https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_en#pdo.

- GI – Geographical Indication

It applies to spirit drinks, with most products requiring that at least one stage of distillation or preparation occurs within the designated region, although the raw materials do not need to originate from that region. It intends to protect the name of a spirit drink produced in a specific country, region, or locality, where its distinctive quality, reputation, or other characteristic is fundamentally linked to its geographical origin.

- TSG - Traditional Speciality Guaranteed

It applies to food and agricultural products and emphasises the traditional aspects of a product, such as its method of production or composition, without reference to a specific geographical area, and registration of a product name as a TSG protects it against falsification and misuse (Fig. 3).

Fig. 3. TSG - Traditional Speciality Guaranteed

Source: https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_en#pdo.

To illustrate the practical significance of geographical indication systems in the analysed countries, it is justified to present their scale and structure. Data on the number of products covered by EU quality schemes (PDO, PGI, TSG, and GI for spirit drinks) make it possible to capture differences in the level of development and use of these instruments in Poland and Portugal. This overview is complemented by selected institutional indicators, in particular those related to the functioning of Local Action Groups (LAGs), which play an important role in the bottom-up development of rural areas and the creation of local brands. The presented data allow not only for a comparison of the scale of geographical indication systems, but also for their placement within a broader context of the organisational and demographic potential of both countries, which provides a basis for further analysis of the opportunities for developing local and regional brands. The indicators presented in Tables 1-6 were selected purposively to capture the main dimensions influencing the development of local brands. Table 1 includes socio-economic, agricultural and institutional indicators describing the structural context of rural development. Table 2 presents the scale and structure of geographical indication systems. Tables 3 and 4 contain indicators related to production capacity and trade performance, which reflect the economic potential and market competitiveness of local products. Table 5 focuses on tourism indicators because tourism constitutes an important channel for the promotion and consumption of local brands. Finally, Table 6 integrates the previous results into a synthetic comparative framework, enabling the assessment of organisational, institutional and market potential for local brand development in both countries. Several indicators presented in the tables are expressed as ranges or approximate values. This approach was adopted where exact and fully comparable data were not available for both countries in the same reference year. In such cases, the most recent Eurostat statistics, national reports, and European Commission sources were triangulated to ensure comparability.

Research Results

The comparative analysis of Poland and Portugal begins with an overview of key socio-economic and agricultural indicators, presented in Table 1. These variables provide an essential background for understanding the structural conditions influencing the development of local brands and geographically indicated products in both countries. The data reveal that Poland and Portugal differ significantly in terms of scale, economic structure, and agricultural specialisation. Poland, with a population of 37.7 million, represents a larger and more demographically extensive economy compared to Portugal (10.6 million). Despite this difference, Portugal achieves a higher GDP per capita, indicating a relatively higher level of economic development and productivity. At the same time, both countries show similar employment rates, suggesting comparable labour market participation. In the agricultural context, Poland is characterised by a larger share of agricultural land and a higher proportion of employment in the agricultural sector. This reflects a more extensive and labour-intensive model of agriculture, which is also associated with a relatively higher contribution of agriculture to GDP. The structure of production is dominated by staple and volume-based products such as cereals, poultry, and apples. These features indicate a system oriented towards scale and supply capacity, rather than specialisation in high-value products.

In contrast, Portugal presents a more specialised and quality-oriented agricultural model. Although the overall agricultural output is lower, the sector is focused on products with high added value, particularly wine and olive oil. The significantly larger vineyard area and the number of vineyards highlight the importance of the wine sector in the Portuguese economy.

This specialisation is further supported by a higher share of organic farming, which reflects a stronger orientation towards quality, sustainability, and differentiation. The comparison also points to important differences in institutional capacity and rural development structures. Poland has a substantially higher number of Local Action Groups, which indicates a well-developed bottom-up governance framework supporting local initiatives and brand creation. However, when adjusted for population size, both countries show a similar density of LAGs, suggesting comparable levels of territorial coverage of LEADER structures. Overall, the data presented in Table 1 illustrate two distinct development patterns: Poland represents a model based on scale, institutional support, and grassroots initiatives, while Portugal reflects a model driven by specialisation, product differentiation, and stronger integration with market mechanisms such as tourism and export-oriented sectors. These structural differences form the basis for further analysis of the role and potential of local brands in both countries.

Table 1. Socio-economic overview (2023-2024) on Poland and Portugal

Indicator	Poland	Portugal
GDP per capita (€)	24,600	28,400
Population (million)	37.7	10.6
Urbanisation rate (%)	60	66
Employment rate (%) (20-64)	77	75
SME contribution (% employment)	67	78
Employment in agriculture (% total employment)	8-9	5-6
Utilised agricultural area (% of country area)	50	40-45
Agricultural share in GDP (%)	3-4	2-3
Agricultural labour productivity (trend)	+33% in 2025	-10% in 2025
Agricultural output value (billion €)	~39.5	~10-12
Organic farming (% of agricultural land)	~3-4	~10
Main agricultural product	cereals, poultry, apples	wine (grapes), olive oil
Number of vineyards (holdings)	~500	~170,000-180,000
Vineyard area (ha)	~750	~182,000
Local Action Groups (LAGs)	~300	~90
LAGs per 1 million inhabitants	~8	~8-9

Source: Eurostat Database (dataset codes: nama_10_pc, demo_pjan, lfsi_emp_a, agr_r_accts, ef_lus_main), European Commission LEADER database (2024), accessed March 2026.

Table 2 highlights clear differences in the scale and structure of geographical indications between Poland and Portugal. Portugal has a total of 218 EU scheme-registered products, compared to only 49 in Poland, confirming a significantly higher level of development of the GI system. This advantage is particularly visible in the wine sector, where Portugal has 31 PDO and 14 PGI designations, while Poland has none. In the agri-food category, Portugal also clearly dominates, with 95 PDO and 73 PGI products, compared to 10 and 26, respectively, in Poland. This reflects a stronger tradition of origin-based certification and product differentiation. In contrast, Poland shows a relatively higher number of TSG products (11 vs 1), indicating a greater emphasis on traditional recipes rather than geographically embedded branding. These differences reflect a more mature and market-oriented GI system in Portugal, while in Poland, the system remains less developed, with growth potential within EU quality schemes.

Table 2. Regional and protected products – Poland vs Portugal (2025)

Category (EU Scheme)	Poland	Portugal	EU total
PDO (Protected Designation of Origin) - food	10	95	1,850
PGI (Protected Geographical Indication) - food	26	73	1,400
TSG (Traditional Speciality Guaranteed) - food	11	1	65
PDO (Protected Designation of Origin) - wine	0	31	1,100
PGI (Protected Geographical Indication) - wine	0	14	1,200
GI (Geographical Indications) - spirit drinks	2	4	260
Total Geographical Indications (food + wine +spirits)	49	218	4,000

Source: European Commission, eAmbrosia – EU Geographical Indications Register and GIview Database. Data extracted on 20 March 2026. The analysis includes active registrations only (PDO, PGI, TSG and GI for spirit drinks) and excludes pending applications, cancelled registrations and duplicate entries.

The analysis shows that Poland and Portugal represent two distinct models of rural and agricultural development, shaped by differences in scale, specialisation, and institutional structures. Poland is characterised by a larger, more labour-intensive agricultural sector focused on volume production and supported by strong grassroots institutions such as Local Action Groups, which are more numerous in absolute terms, although their density per population is similar to Portugal's. In contrast, Portugal demonstrates a more specialised and market-oriented model, based on high-value products such as wine and a well-developed system of geographical indications, with 218 registered products compared to 49 in Poland. The absence of wine appellations (PDO/PGI) in Poland, alongside their strong presence in Portugal, further highlights the structural differences, suggesting that Portugal's advantage lies in product differentiation and international recognition, while Poland's development potential is rooted in institutional capacity and the expansion of quality-based branding systems.

Table 3 highlights clear differences in the production capacity underlying the development of local brand products in the analysed countries. Poland demonstrates a higher overall production potential, reflected in the greater value of agri-food output, a larger number of SMEs, and higher total value added, which indicates a strong capacity for scaling local brand production. In contrast, Portugal, despite its smaller absolute scale, shows a relatively higher share of employment in the food sector, suggesting greater specialisation and a stronger orientation towards quality-based production. These findings are consistent with the broader patterns identified in the article, where Poland represents a volume- and capacity-driven model, while Portugal follows a more specialised and value-oriented trajectory. Consequently, both countries exhibit significant but structurally different abilities to produce local brand goods, reinforcing the argument that production capacity can support local branding through either scale or specialisation.

Table 3. Production capacity of the local brand product sectors in Poland and Portugal

Indicator	Poland	Portugal
Agri-food production value (billion €)	40	12
Employment in food sector (%)	2.5-3	3-4
Number of food SMEs	18,000	12,000
Value added in food sector (billion €)	15	8

Source: Eurostat (2024, 2025), Economic accounts for agriculture (EAA); Structural Business Statistics (SBS); Employment by industry (NACE Rev. 2), accessed February 2025.

Table 4 illustrates significant differences in the trade performance of agri-food products, reflecting distinct patterns of competitiveness and brand value in the analysed countries. Poland demonstrates a higher export volume and faster growth, indicating a strong position in large-scale, price-competitive markets. In contrast, Portugal, despite lower overall export values, shows a relatively higher orientation towards extra-EU markets, which suggests a stronger international positioning of niche, high-value products. These results confirm that Poland's export model is primarily volume-based, while Portugal relies more on differentiation and the added value associated with branded, origin-linked products. In the context of the article, this supports the argument that the development of local brands is closely linked not only to production capacity but also to the ability to position products in international markets through quality and specialisation.

Table 4. Trade performance of local brand products in Poland and Portugal

Indicator	Poland	Portugal
Export of food products (billion €)	45-50	8-10
Export growth (%)	8-10	6-8
Share of agri-food exports (%)	15-16	10-12
Intra-EU vs extra-EU exports (%)	~74% intra-EU / ~26% extra-EU	~70% intra-EU / ~30% extra-EU

Source: Eurostat: International trade in goods (COMEXT database); Trade in agricultural products statistics; calculations based on Eurostat data, accessed March 2025.

Table 5 highlights the role of tourism as a key mechanism linking local products with actual consumption and brand exposure in the analysed countries. Although Poland records a higher number of tourist nights, the economic significance of tourism remains lower, which translates into a more limited impact on the commercialisation of local products. In contrast, Portugal demonstrates a stronger integration of tourism with the economy, reflected in a higher contribution to GDP and a greater share of tourist expenditure on food, indicating a more developed link between gastronomy and territorial branding. In the context of the article, this supports the argument that the effectiveness of local brand development depends not only on supply-side factors, but also on the ability to embed products within tourism-driven consumption systems.

Table 5. Tourism and consumption of local products in Poland and Portugal

Indicator	Poland	Portugal
Tourist expenditure on food (%)	25-30	30-35
Nights spent by tourists (million)	90-100	75-85
Tourism contribution to economy (% GDP)	4-5	8-10

Source: Eurostat tourism datasets (tour_occ_nim, tour_occ_ninat), Tourism satellite accounts; calculations based on Eurostat data and EU reports, accessed March 2025.

In the next table (Table 6), a synthetic comparison of the potential for the development of local brands in Poland and Portugal is presented, considering key structural, institutional, and market-related dimensions. The table integrates the previously analysed factors, providing a comprehensive overview of the conditions shaping local brand development in both countries.

Table 6 confirms the two distinct models of local brand development identified earlier in the article, resulting from structural, institutional, and market differences between the analysed countries. In particular, the complementarity of potentials is evident: Poland is characterised by a strong organisational and bottom-up base, while Portugal holds an advantage in terms of the maturity of the geographical indication system and its commercialisation. The comparison also demonstrates that the number of protected products alone is not a sufficient determinant of success; rather, their effective linkage with tourism, export activities, and international recognition play a crucial role. At the same time, the data presented in the table support the broader argument of the article that the development of local brands requires the integration of endogenous resources with effective governance and public policy frameworks.

Table 6. Potential for the development of local brands – a comparative analysis of Poland and Portugal

Dimension of Potential	Poland	Portugal	Comparative Interpretation
Number of registered GI products (food + wine + spirits)	approx. 45-50	approx. 180-220	Portugal has 4-5 times greater “critical mass” of protected products, which supports the development of strong umbrella brands
Share of the wine sector in the GI system	low	very high	In Portugal, wine constitutes a strong foundation for territorial branding and exports
Maturity of the appellation system (PDO/PGI)	relatively young	centuries-old tradition	Portugal has a well-established culture of origin labelling
Number of Local Action Groups (LEADER)	high (nationwide LAG network)	lower density of grassroots structures	Poland has a strong institutional base for developing bottom-up local brands
Degree of formalisation of local brands (certification, regulations)	high in many regions (LAGs, promotional labels)	diversified; strong in wine, weaker in other sectors	Poland – structural model; Portugal – sectoral model (wine)
Link between branding and tourism	moderate, regional	strong, integrated (wine tourism, slow tourism, agritourism, rural tourism, gastronomic tourism)	Portugal integrates product branding with place branding
Export orientation of regional products	limited	high (wine, olive oil, cheese)	Portugal uses GI as a tool for internationalisation
Cultural capital and culinary heritage	high, strongly regionally diversified	very high, internationally recognisable	Both countries have high cultural potential
Integration of brands with public policy	strong links with CAP rural programs and LEADER	strong links with the agri-wine sector and tourism	Different institutional logic
Potential for creating new local brands	high – due to an extensive LAG network and grassroots initiatives	high – due to product recognition and the strong position of wine	Poland – organisational potential; Portugal – market potential

Source: based on the data of the European Commission. (2025). eAmbrosia – The EU geographical indications register, https://ec.europa.eu/agriculture/eambrosia/geographical-indications-register/; European Union Intellectual Property Office & European Commission. (2025). GIview – Geographical indications database, https://gi-view.ec.europa.eu. Data accessed between February and March 2026. The comparative assessments (e.g. "high", "moderate", "strong") represent qualitative interpretations derived from the quantitative indicators presented in Tables 1-5 and the reviewed literature.

Conclusions and Strategic Implications

The comparative analysis reveals substantial differences in the potential for local brand development in Poland and Portugal, resulting from distinct institutional, sectoral, and historical conditions. Portugal has a significantly larger number of products protected under EU quality schemes and a well-established appellation system, particularly in the wine sector, where geographical indications are closely linked with tourism and exports. Poland, despite having fewer registered geographical indications and a shorter tradition of origin protection, benefits from a strong organisational base supported by Local Action Groups and LEADER initiatives. The findings suggest that local brand development may be driven both by a high number of protected products and by strong institutional infrastructure and stakeholder cooperation. The analysis also indicates that local brands perform broader functions than quality certification alone, contributing to place identity, stakeholder integration, and territorial development. These findings provide a basis for several broader comparative conclusions regarding the mechanisms, determinants, and strategic directions of local brand development in both countries:

- Poland represents a bottom-up institutional model, whereas Portugal represents a sectoral appellation-based model of building local brands, reflecting two distinct strategic pathways of rural development based on either organisational capacity or market-driven product recognition;
- The potential for building umbrella brands may result from both from strong cooperation infrastructure (Poland) and a high number of protected names and their market recognition (Portugal); this indicates that local brands can emerge either as outcomes of coordinated governance systems or as extensions of historically embedded product reputation;
- Effective development of the regional products market requires the integration of three elements: quality schemes, brand management, and links with tourism and exports, which together form a strategic framework for enhancing the competitiveness and visibility of rural areas;
- Both countries have significant development potential; however, their structure and mechanisms of utilisation differ, suggesting that there is no single universal model of local brand development, but rather context-dependent strategies shaped by institutional, cultural, and sectoral conditions;
- From a strategic management perspective, the findings highlight that local brands should be treated as long-term territorial assets requiring coordinated governance, stakeholder engagement, and integration with broader development policies, rather than as isolated marketing tools;
- Consequently, the comparative analysis demonstrates that effective local brand development depends on the ability to align endogenous resources (heritage, products, social capital) with strategic management practices, including brand positioning, institutional coordination, and market-oriented integration with tourism and export activities;

– From an economic perspective, the comparison confirms that Poland's volume-based production and export model contrasts with Portugal's specialisation- and value-driven approach, highlighting that local brand competitiveness can be built either through scale efficiency or through quality-based differentiation and market positioning.

The results indicate that Poland possesses considerable potential for the further development of local and umbrella brands. This potential is associated with extensive cooperation networks, grassroots initiatives, and experience gained through rural development programmes. At the same time, the relatively limited number of geographical indications may constrain the international visibility of local products. Greater integration of promotional activities, wider recognition of quality schemes, and stronger links between local products, tourism, and regional branding could support the continued professionalisation of the sector. Portugal's experience highlights the advantages of combining geographical indications with tourism, exports, and territorial branding. The strong position of the wine sector and the large number of registered products provide a solid foundation for market recognition and international competitiveness. Future opportunities may be associated with extending successful branding approaches to other product categories and strengthening cooperation mechanisms that support local development beyond traditionally dominant sectors.

This study has an exploratory character and is based on secondary data aggregated at the national level. Therefore, the findings should be interpreted as indicative rather than conclusive and do not allow direct assessment of the economic effectiveness of individual local brands. Future research could focus on regional and local case studies, comparative analyses of specific branding systems, and empirical investigations of the economic and social impacts of local brands on rural competitiveness, entrepreneurship, and sustainable development.

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