Global and SA Trends

Future prospects for international wine markets

International wine markets undergo constant change. Traditional European wine markets decrease in importance and producers compete to enter new markets. Producers polled count more than 40 markets as belonging to their top five sales markets. Overall, Germany (56 percent of all producers) and the USA (54 percent) are the most important sales markets, followed by Great Britain, Belgium and Switzerland.

Rated as the most attractive sales markets are Hong Kong, Switzerland, South Korea, the Scandinavian countries and the USA. Italy, France, Great Britain, Russia and Brazil are currently perceived as less attractive. Germany’s attractiveness ranks in the lower third that is mainly related to saturation and the high degree of competition.

When it comes to markets that are perceived to become more economically attractive, Russia, Brazil, Hong Kong, Poland, South Korea and China appear. It is clear that export markets outside the traditional European wine countries will be of greater importance for wine producers in the future.

The lowest improvements are expected for Great Britain, France, Austria, Italy and Belgium. In France and Italy, per capita wine consumption is still on a slight decline and in both markets predominantly domestic wine is drunk, which means fewer sales options for exporters. Brexit and constant wine tax rises are the main reasons why wine producers rate Great Britain very low regarding market attractiveness. Producers see the greatest risk in market development for Russia, Brazil, China, Great Britain and Hong Kong.

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Major Wine Producing Countries

Bordeaux pulls away from entry level as exports rise
A combination of reduced supply and subsequent sales at entry level prices, coupled with “a recent turnaround” in higher value multiple grocer sales of Bordeaux, is driving an uplift of Bordeaux in what the CIVB described as the middle segment of £7 to £20 wines. Exports to key European markets had been declining, but in 2017 they increased to key European markets, with the UK volume up 8% and value up 29%, and Germany and Belgium also on the rise.

Natural / Physical Resources

Global warming from winemakers’ perspectives

Most people think of global warming in terms of everything just getting warmer. But as winemakers (and Californians) have come to learn, it causes more potentially extreme weather – hot and cold, drought and lots of precipitation — even during what otherwise seems like a normal growing season. The other important thing that the winemakers want people to understand is that while there’s a perception that years with warmer growing seasons make better vintages, that only happens because those warmer summers were formerly the exception rather than the rule. Climate variations affect the amount and type of natural yeasts in the air. Yeast content and character already varies by geography, as we all know. But if a winery counts on natural yeast for fermentation, variability is an issue. In some cases, reduced ambient yeast can mean that other (undesirable) microbes can take over during fermentation.

Nuusbrokkies / News Snippets

How to succeed at trade fairs

The key is for exhibitors to have a defined and measurable objective. This seems logical, of course, but in reality, most people are vague about what they want to achieve.
1. Work your booth - Don’t just stand behind the table – get out in front, or at the very least stand beside it and engage people with open-ended questions.
2. Put your mobile phone away - Don’t just put it down, put it out of sight. The reason is painfully simple: if you’re looking at your phone, you’re not making eye contact with passers-by.
3. Prepare your story - Your story needs to be compelling and logical, and it needs to differentiate your brand in a way that’s relevant and meaningful to the person you’re telling it to, in terms of their business objectives.
4. Write it down - This is basic, but important – take good notes. And when the conversation starts to feel like it’s coming to a close, ask for a next-step commitment.
5. Be prepared for questions
6. Follow up, follow up, follow up - Follow up with everyone and deliver on every promise, whether you agreed to send an email, a price quote or a sample.

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