Global Trends - Wine Industry Key Elements

The sales practices of Europe’s leading consumer-goods companies

Most consumer-packaged-goods (CPG) manufacturers in Europe today have to maintain a tricky balance. On the one hand, they must continue to nurture long-standing but constantly evolving relationships with major retailers, which account for the bulk of their current business. On the other hand, they need to pursue new (or newly important) channels such as convenience stores and e-commerce, which have completely different characteristics and requirements but offer the most promising growth opportunities in an otherwise stagnant market.

In this increasingly complex retail landscape, a handful of CPG companies have achieved above-average growth while also outperforming peers on other financial metrics.

What do these companies do particularly well?

Major Wine Producing Countries

Romanian wine to grow in UK

Romanian wine in the UK is expected to grow by around 10% after production in the Eastern European country grew by more than a third.

The UK has been the fastest growing export market for Romania in the last five years, and Romania has become the fastest growing supply country for the UK market.

Romania produces good value for money wines, but also has some incredible individual vineyard sites of world class potential, which will come into their own after the recent spate of new vineyard plantings have time for the new vineyards to mature.

According to the International Organisation of Vine and Wine (OIV) Romanian wine production had increased by around 37% to 4.8m HL, with 217 registered wine companies, down from 233 two years ago.
The industry had changed with more than 30,000 hectares of new vineyards planted since 2007 and more than 100 new wineries which had been founded in the last five years.

New Zealand wine industry assesses impact of earthquake

Around 20% of wine storage capacity in New Zealand’s Marlborough wine region was damaged in the Kaikoura earthquake earlier this month, but the industry is planning for the upcoming vintage and believes the sector can still continue its market growth.

The earthquake ruined enough wine to fill more than five million bottles, according to new industry estimates. Marlborough lost just over 2% of its annual production. Marlborough produces ‘well over’ 200 million litres of wine annually.

Natural / Physical Resources

Climate Change Upsets Tradition in Winemaking

Climate change may necessitate more technological intervention in winemaking.

The coming years won’t all be hot, but more unpredictable, and when a hot year is also a rainy or humid one, it will bring extra challenges to wine growers.

While tradition is good, and all wine traditions were established because they were the best methods at the time, traditions change as new technology becomes available.