Global and SA Trends

Wine Intelligence Reports Shop - Global Compass Report 2018-19

Global Wine Market Attractiveness

The Global Compass report and data tool aim to help eliminate uncertainty and highlight opportunity. We have collected data from 50 global markets that we have identified as the most attractive, profitable and full of potential. Using a unique and updated formula that takes into consideration both general economic measures and wine market measures, we have produced this year’s definitive ranking of the most lucrative wine markets.

The report is designed as a reference guidebook to help wine businesses compare the opportunities offered by different wine consumption markets. The data tool shows key metrics for each market, and these are combined to show a ranking of 50 key wine markets using a composite weighted attractiveness measure that, in turn, combines overall economic factors and wine market factors.

This year’s edition of our Global Compass report comes at a time of heightened uncertainty. With the antagonistic trade administration of Trump there is great uncertainty within the global trade ecosystem. This is elevated by the prospect of the UK undergoing a disorderly exit from the European Union, which is likely to result in poor economic performance in the UK overall and potentially could lead to significant short-term supply chain and cashflow risks.

Key findings from the report include:
1. The global wine market value (at retail prices) has increased by 3% in the past year within the top 50 markets to USD 160 billion, while the total volume of wine sold has remained stable. Harvest shortages, quality driven consumers and higher taxes are some of the drivers of this change
2. Several retail alcohol monopolies around the world are undergoing periods of reform which are liberalising the trading environment for wine
3. The 2018-19 Global Compass Model shows an overall growth in the attractiveness of the world wine market compared to 2017-18, with most of the 50 markets having a positive performance
4. Once again, the US tops the list as the most attractive wine market in the world with consistent year-on-year growth, in terms of volume and value, although the volume growth rates appear to finally be slowing down
5. China’s middle class is driving the increase in consumption of imported wine in this market, supported by more efficient channels, including online channels, that bring higher
levels of availability for the consumers in general
Over the past four years we have completed a number of successful benchmarking exercises with clients to adapt the model to their specific market strengths and opportunities. If you would like to know more about the report’s underpinnings or adapt the model for your specific circumstances, please contact Richard Halstead at Wine Intelligence.

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Global Trends - Beverages

Lower alcohol wine remains a niche opportunity

While low alcohol beers are growing in popularity, low alcohol wines remain a niche category, according to a report from Wine Intelligence.
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Global Trends - Wine Industry Key Elements

5 expectations of the African millennial consumer

As the largest consumer group in the world today, it is impossible to ignore the impact millennials have had - and will continue to have for decades to come as they settle into their prime spending years.
1. African millennials are tech-savvy and are increasingly choosing to shop online – and with a mobile-first approach
2. African millennials communicate with brands mainly through social media
3. African millennials expect a personalised customer experience
4. African millennials want to co-create bespoke products to meet their unique needs
5. African millennials are loyal – but you have to earn it
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Nuusbrokkies / News Snippets

Here are the latest Bordeaux vineyard prices

The number of vineyard transactions in 2017 was the highest for 25 years across France, with the Loire and Burgundy seeing the biggest rises in numbers of purchase and Champagne representing the biggest in value (55% of the total at more than €38 million). The overall value of transactions stood at €1.25 billion, up 59.9% from 2016, with just over 9,600 individual transactions for 16,900 ha of land. The huge rise was because of 10 particularly large transactions that represented 31% of overall value. But even without these, the trend is still upwards.
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Other Wine Producing Countries
Generic marketing, says Willi Klinger, is like “a race horse with a plough”. That might be true, but Klinger – the managing director of the Austrian Wine Marketing board – presides over one of the most effective generic marketing bodies in the world. One of its great achievements has been to raise the export value of Austria’s wines to almost three times what it was a decade ago – even though volumes have declined. In short, Austria has achieved what many regions are seeking to do – to get out of the entry level segment and climb into fine wine territory. How did they do it?

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