Consumer Countries/Markets

Wine Intelligence Reports Shop - Poland Landscapes 2018

Poland’s economy has changed dramatically since our previous Poland Landscapes published in 2015. Not only is it now classified as a 'Developed Market' by FTSE Russell (having moved up from 'Emerging Market'), it is also the largest single market among the newer EU states and has risen to be the EU’s sixth largest economy in terms of GDP.

While the economy is growing and consumer confidence is increasing, the country has also seen a rise of young professionals who are being paid more, allowing them to travel and spend more on non-essentials such as wine (which is considered a 'luxury' good). Influences from neighbouring wine-loving Western European countries are transforming Poland’s traditional culture, and the wine market is showing promising growth, which is expected to continue.

1. GROWING MARKET FOR STILL WINE, WITH INCREASING VOLUME AND CONSUMPTION FREQUENCY
   Poland has evolved from an 'Emerging' market to a 'Growth' market for wine, according to the Wine Intelligence Global Compass market classification.

2. CONSUMERS ARE BECOMING MORE ENGAGED IN THE CATEGORY WITH INCREASED KNOWLEDGE AND CONFIDENCE WITH WINE
   Compared to 2015, wine drinkers in Poland have become increasingly engaged with the category of wine.

3. MILLENNIALS SEEM TO BE DRIVING THE GROWTH
   The wine consumption culture in Poland has undergone a visible change over recent years, and Millennials are largely accountable for these changes.

4. FEWER WINE BRANDS ARE BROADLY KNOWN IN POLAND
   Brand awareness is not particularly strong in the Polish market, with only a handful of brands taking precedence.

5. PROMOTIONAL ACTIVITY A STRONG DRIVER OF CONSUMPTION TRENDS
   The wine choices of Polish drinkers are strongly influenced by promotional activities such as sales promotions within popular wine buying channels or informative events.

6. ONLINE PURCHASING IS TECHNICALLY ILLEGAL IN POLAND, YET YOUNGER CONSUMERS INCREASINGLY REPORT PURCHASING WINE THIS WAY.
Online wine sales are very limited in Poland due to government regulations that prohibits the selling of alcohol without a valid license

Global and SA Trends

Global Trade

<table>
<thead>
<tr>
<th>Country</th>
<th>Volume change (%)</th>
<th>Value change* (%)</th>
<th>Period of measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>-2.2</td>
<td>5.0</td>
<td>Jan-Jun</td>
</tr>
<tr>
<td>Spain</td>
<td>-10.6</td>
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<td>Jan-Jun</td>
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<td>Italy</td>
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<tr>
<td>US</td>
<td>2.4</td>
<td>0.2</td>
<td>Jan-Jun</td>
</tr>
<tr>
<td>Argentina</td>
<td>-3.5</td>
<td>-1.6</td>
<td>Jan-Jun</td>
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<tr>
<td>Chile</td>
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<td>Jan-Jun</td>
</tr>
<tr>
<td>South Africa</td>
<td>0.3</td>
<td>10.3</td>
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<tr>
<td>Australia</td>
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<td>19.3</td>
<td>Jan-Jun</td>
</tr>
</tbody>
</table>

* Note: value changes in local currencies, Argentina and Chile in USD

Source: Wine by Numbers OIV, Rabobank 2018

Global Trends - Wine Industry Key Elements

Spain biggest bulk wine supplier to Italy, with UK second largest

Over three quarters (77%) of the bulk wine imported into Italy originated in Spain in the first half of 2018, with volumes shipped from this country leaping by 31% in volume or 70 million litres. At the same time prices increased from 40 to 51 Euro cents a litre.

Other Wine Producing Countries
Japan: Hokkaido wine gets its own appellation

Wine made from grapes grown in Hokkaido now officially has its own appellation to help promote vineyards in the northernmost prefecture. The GI Hokkaido label is restricted to wine made entirely on the island from grapes also grown there. Hokkaido is Japan's second wine producing region to get an appellation, after Yamanashi.

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Yamanashi Prefecture - Click here to read more