



THE JAPANESE WINE MARKET LANDSCAPE REPORT

SEPTEMBER 2017





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Report price:

GBP 2,500
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The **Japan Landscapes 2017** report includes:

- A 95-page PowerPoint report with the latest information regarding the Japanese wine market, supported by:
 - Wine Intelligence Vinitrac®
 - Wine Intelligence market experience
 - Secondary sources
- User-friendly data table with all the measures from Vinitrac® showing significances, cross tabbed with:
 - All Japanese regular wine drinkers in 2017
 - Gender groups
 - Age groups
 - Region
 - Tracking data vs. 2016 and 2014

Data table:

- User-friendly data table with all the measures from Vinitrac® showing significances, and cross tabbed with gender, age and annual income groups

		Gender		
		All sample	Male	Female
Wine attitude				
	I enjoy trying new and different styles of wine on a regular basis	42%	43%	42%
	I don't mind what I buy so long as the price is right	12%	16%	9%
	I know what I like and I tend to stick to what I know	46%	41%	50%
Wine involvement statements				
	Drinking wine gives me pleasure	85%	80%	89%
	Generally speaking, wine is reasonably priced	62%	58%	65%
	I like to take my time when I purchase a bottle of wine	61%	58%	63%
	Deciding which wine to buy is an important decision	57%	57%	57%
	I always look for the best quality wines I can get for my budget	54%	50%	56%
	I have a strong interest in wine	46%	48%	44%
	Wine is important to me in my lifestyle	39%	39%	38%
	Compared to others, I know less about the subject of wine	33%	32%	33%
	I feel competent about my knowledge of wine	30%	35%	26%
	Generally speaking, I don't buy expensive drink	27%	27%	28%
	I don't buy expensive wine	26%	21%	29%
		27%	28%	25%

Our team is always available in case you need guidance on how to use our data tables

Report:

- A 95-page PowerPoint report with the latest information regarding the Japan wine market

Trends in the Japanese market
New World wine taking advantage of newer wine consumers

- Wines from a number of New World producers are seen as appropriate for entry-level consumers
- Also an increased understanding amongst the trade that these countries can produce good quality wines
- Chilean wine has overtaken French wine in the past few years as the biggest importer by volume

Choice cues
Wine consumers in Japan in 2017 are taking into consideration a broader range of choice cues when purchasing wine when compared with their behaviour three years ago

Choice cues: Tracking
% who ranked the following as "important" or "very important" when selecting wine

Rank in 2017	Choice Cue	2014	2016	2017	Long-term trend '14-'17	Short-term trend '16-'17
1	Taste matching	61%	61%	70%	↔	↔
2	The country of origin	62%	60%	62%	↔	↔
3	The region of origin	61%	61%	60%	↔	↔
4	Taste or wine style descriptions displayed on the shelves or on wine labels	61%	52%	57%	↔	↔
5	Great variety	50%	52%	55%	↔	↔
6	Recommendation by friend or family	45%	47%	50%	↔	↔
7	The wines recommended by shop staff or shop leaflets	41%	43%	47%	↔	↔
8	A brand I am aware of	44%	42%	45%	↔	↔
9	Alcohol content	37%	39%	44%	↔	↔
10	Appeal of the bottle and/or label design	30%	32%	36%	↔	↔
11	Recommendation by wine guide books	28%	30%	33%	↔	↔
12	Promotional offer	29%	28%	32%	↔	↔
13	Recommendation by wine critic or writer	25%	26%	31%	↔	↔
14	Whether or not the wine has won a medal or award	26%	32%	31%	↔	↔

Trends in the Japanese market
New World wine taking advantage of newer wine consumers

- Australia is doing well overall, especially its natural wines. Portugal is also doing promotion well, especially Vinho Verde. *Retail advisor*
- Australian wines offer unique styles - they can bring completely new and exciting waves to the saturated Japanese market. *Sommelier*
- Inexpensive Spanish wines with a price range around ¥1000 do well, along with other competitive new world countries such as AUS, NZ, and South Africa. *Retailer*
- Inexpensive Chilean wines (around ¥500) are increasing but it hasn't increased the value. *Retail advisor*

Off-trade spend by occasion
Regular wine drinkers are spending more on average on wine for for parties at home, as well as when gifting, than in 2016

Off-trade spend by occasion: Tracking
% who stated they typically spend the following amount on the following occasions

Choice cues
Wine consumers in Japan in 2017 are taking into consideration a broader range of choice cues when purchasing wine when compared with their behaviour three years ago

Choice cues: Tracking
% who ranked the following as "important" or "very important" when selecting wine

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1. WINE MARKET VOLUME IN SHORT-TERM DECLINE AFTER SUSTAINED PERIOD OF GROWTH

- Despite an overall decline in the volume of wine sold in Japan since last year, wine is increasingly seen as a suitable choice beyond special / formal occasions
- 30M regular wine drinkers in Japan, with short term decline in the per capita consumption of wine
- Market seeing overall decreased alcohol consumption and wine facing ongoing competition from other alcoholic beverages

2. SHIFTING CONSUMER PROFILE DUE TO AGEING POPULATION

- Shifting consumer profile due to an ageing population, with concern about how this will impact the future wine market
- The demographics of Japanese regular wine drinkers reflect the ageing population of Japan, with half aged over 55 years old
- Amongst the younger and newer to wine drinkers, New World wine building strong connections with online communication strategy positively targeting and engaging younger consumers

3. WINE BUYING CHANNELS FOCUSING ON CONVENIENCE AND PRICE

- Wine buying channels are led by convenience and price, with a growing number of wines available to consumers via convenience channels
- More lower priced wines entering the market, leading to consumer expectation of lower price points and increased value seeking purchasing
- Old World wine perceived to be relatively less affordable and therefore diminishing in appeal

4. ON-TRADE REMAINS IMPORTANT AND INFLUENTIAL

- Viewed as an increasingly important channel in terms of consumer influence and brand & origin awareness

5. STRONG PERFORMANCE BY CHILEAN WINE

- Chile driven and supported by strong brands including six out of the top ten ranked brands for awareness, giving Chilean wine a strong presence in the Japanese wine market
- Alpaca has the strongest brand power from the top 15 brands, with Yellow Tail, Sunrise and Madonna also performing well

6. QUALITY OF JAPANESE WINE PERCEIVED TO BE IMPROVING

- Japanese wine quality thought to be improving, however concerns regarding sustainability

7. CONFUSION AROUND NATURAL/ORGANIC WINES

- Natural/organic wines are increasingly popular concepts, but there is confusion amongst consumers and the trade about what they actually mean

8. JAPANESE CONSUMERS SEEK RED WINE THAT BALANCES FULL AND BERRY CHARACTERISTICS

- The style descriptors rich and umami are well received by Japanese regular wine drinkers for red wine, supported by softer characteristics of easy drinking & fruity; with a broad range of specific red and dark fruit characters (e.g. raspberry, blackberry) being appealing

9. JAPANESE CONSUMERS FAVOUR WHITE WINE THAT BALANCES APPROACHABLE AND FRESH CHARACTERISTICS

- Fresh, fruity yet rounded characteristics (e.g. fruity, easy drinking, crisp & fresh) combine to have the strongest appeal for white wine amongst regular wine drinkers, whilst indicators of sweetness polarise, with dry, sweet and medium sweet receiving mixed reactions
- Citrus is a firm favourite white flavour descriptor amongst Japanese regular wine drinkers, whilst descriptors of oak characteristics such as toasty, nutty and vanilla are seen as unappealing

Vinitrac®:

- The data for this survey was collected in Japan in March 2014, March 2016, March 2017 and July 2017
- Data was gathered via Wine Intelligence's Vinitrac® online survey:
 - 1,011 Japanese regular wine drinkers (March 2014)
 - 1,148 Japanese regular wine drinkers (March 2016)
 - 1,000 Japanese regular wine drinkers (March 2017)
 - 1,000 Japanese regular wine drinkers (July 2017)
- Respondents were screened to ensure that they drink wine at least once a month; drink red, white or rosé wine; and buy wine in the off-trade or in the on-trade
- Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis
- The data is representative of Japanese regular wine drinkers in terms of age, gender and region

Trade interview methodology:

- Trade Interviews were conducted with five experienced industry professionals in Japan's wine trade in August 2017
- Interviews followed a pre-determined discussion guide, and covered overall market trends, opportunities for different wine styles, retail channels and pricing
- The five interviewees were members of the wine trade working in different roles:
 - 1 x Sommelier
 - 1 x Retailer
 - 1 x Importer
 - 1 x Journalist
 - 1 x Retail Adviser

How does Vinitrac® work?

1) Defining the right samples:

- Wine Intelligence, with the support of global research companies (e.g. TNS, YouGov), regularly runs calibration studies in each market in order to define demographic specifications of the wine consumers and the size of the market (i.e. penetration of wine consumption)

2) Running the online survey:

- Invitations to participate in an online survey programmed by Wine Intelligence are then distributed to residents in each market
- Respondents are directed to a URL address, which provides access to the online survey
- Based on given criteria (e.g. age, beverage, frequency of wine consumption) respondents will either proceed or screen out of the survey
- Wine Intelligence monitors completed responses to build samples representative of the target markets' wine drinking population based on the most recent calibration study

3) Cleaning the data:

- When a representative sample is logged, the survey is closed
- Wine Intelligence will then clean out all invalid data points (e.g. those who sped through the survey or gave inconsistent answers to selected questions) and weight the data in order to ensure representability

REPORT PRICE: • AUD 4,500 • GBP 2,500 • USD 3,250 • EUR 3,000 • 5 Report Credits

Format: 95-page PowerPoint (PDF)

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