



WINE INTELLIGENCE

JAPAN WINE LANDSCAPES

JUNE 2020

SAMPLE

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INTRODUCTION



According to the Wine Intelligence Market Attractiveness Model, Japan is the 20th most attractive wine market globally. What was once considered to be an established market, Japan has now transitioned into a highly developed, mature market with over 45 million wine-drinking consumers. Despite wine volumes decreasing after many years of growth, retail prices for imported wines continue to grow albeit at a slower, consistent rate.

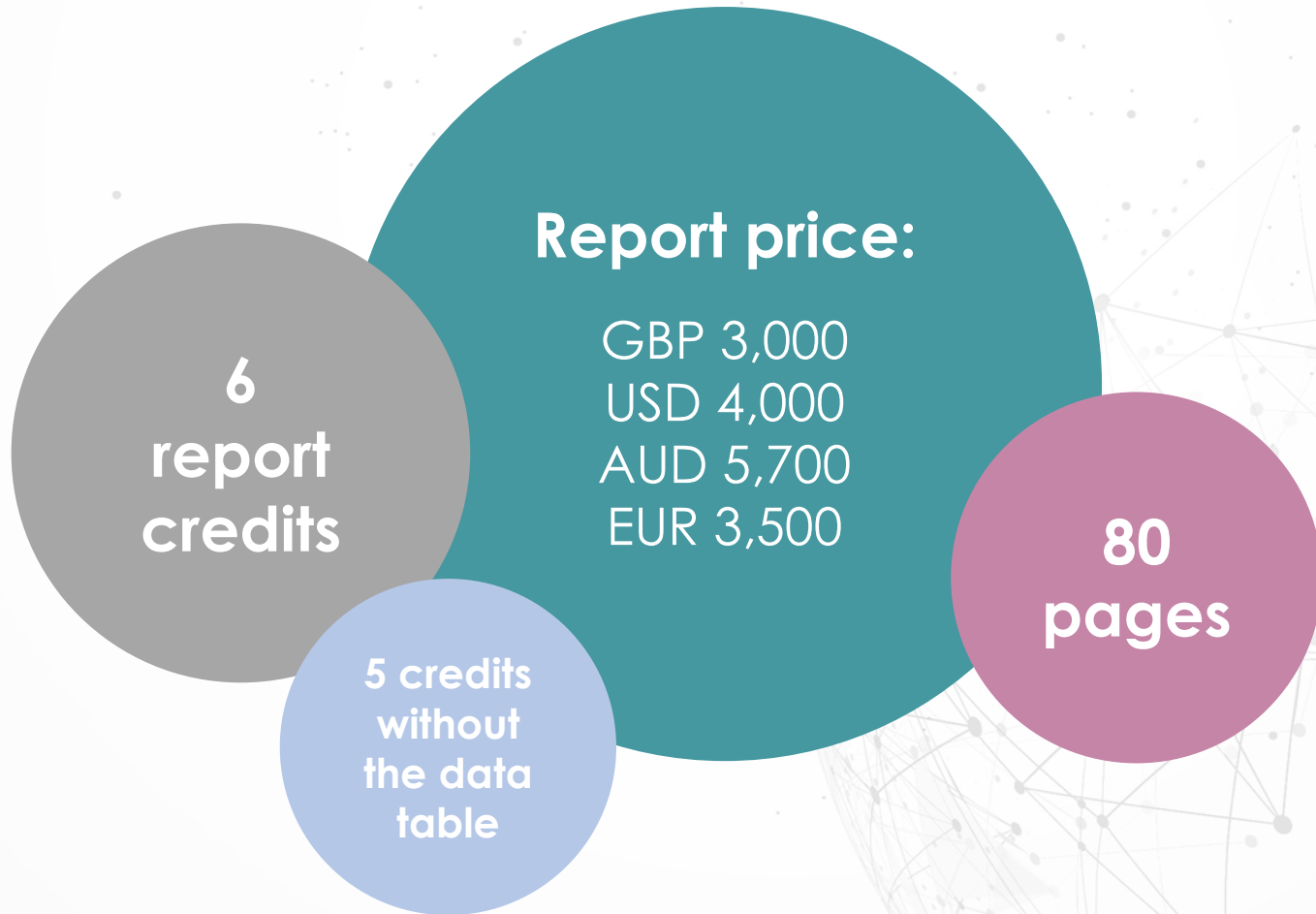
It comes as no surprise that Chilean wines continue to dominate the market with icon-led brands, which are well suited to Japanese consumer preference. With that being said, the data suggests that European wines have experienced growth in the Japanese market, likely facilitated by the EU-Japan Economic Partnership Agreement which came into effect on the 1st of February 2019. The agreement has eliminated Japan's 15% tariffs on EU wines as has resulted in a 17.3% increase in EU exports of wine to Japan. The impacts of the agreement will be telling over the next few years as it connects two major economic players and could result in Chile, the current majority shareholder of the Japanese wine market, declining as value of European wines offer improved value.

Greatest opportunity for development in the market lies with younger Japanese consumers who are curious, keen to learn and open to experimentation. Though only a relatively small proportion of Japanese wine drinkers are under 35, their adventurous attitudes bode well as they are willing to try new styles compared to their older counterparts who are more conservative in their choices.

In line with this, wine consumption in Japan has shifted from what was once a traditional context to a more social aspect. This has been particularly evident in the on-trade with the new wave of younger consumers who are more open to drinking in bars, clubs or karaoke. Prior to the impacts of COVID-19, spend on wine in the on-trade had increased radically as a result of this changing wine-drinking culture and the increased availability of wine in on-trade locations which did not exist before.

The change in consumer trends in the wine industry as a result of the the global pandemic will be one to keep an eye on as it could present potential new opportunities on a global scale.

PRICES



First time buyer, small business and academic discounts available.

Please contact Courtney Abernathy (Courtney@wineintelligence.com) for more information.

RESEARCH METHODOLOGY: QUANTITATIVE



The data for this report was collected in Japan in April 2014, March 2017, March 2019 and March 2020

Data was gathered via Wine Intelligence's Vinitrac® online survey

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 gender and age

The distribution of the sample is shown in the table

		<i>Apr-14</i>	<i>Mar-17</i>	<i>Mar-19</i>	<i>Mar-20</i>
		<i>n=</i>	<i>1,011</i>	<i>1,000</i>	<i>1,004</i>
Gender	Male	50%	47%	47%	51%
	Female	50%	53%	53%	49%
	Total	100%	100%	100%	100%
Age	20-24	4%	8%	8%	2%
	25-34	14%	14%	14%	15%
	35-44	15%	13%	13%	11%
	45-54	19%	16%	16%	13%
	55 and over	48%	49%	49%	59%
	Total	100%	100%	100%	100%

Wine Intelligence, Vinitrac® Japan, April 2014 (n=1,011), March 2017 (n=1,000), March 2019 (n=1,000) and March 2020 (n=1,004), Japanese regular wine drinkers

RESEARCH METHODOLOGY: QUALITATIVE



TRADE INTERVIEWEES

Trade Interviews were conducted with five experienced industry professionals in the Japanese wine trade in 2020

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 experts of the wine trade working in different roles:

2 x Wine Importers

1 x Wine Journalist

1 x Wine Retailer

1 x Wine Director

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