



WINE INTELLIGENCE

# GLOBAL COMPASS 2021

AUGUST 2021

v1

REPORT BROCHURE

# DELIVERABLES

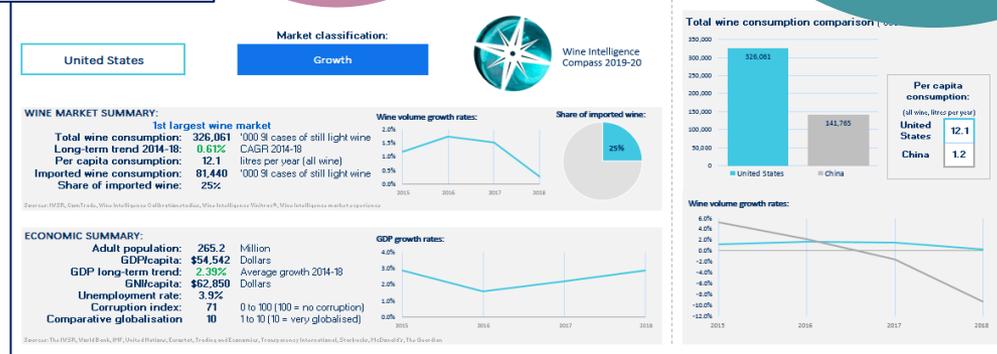


Report + data tool included



Report length: 62 pages

Price:  
GBP 1,000  
USD 1,300  
AUD 1,900  
EUR 1,200



First time buyer, small business and academic discounts available.  
Please contact [enquiries@wineintelligence.com](mailto:enquiries@wineintelligence.com) to enquire.

# CONTENTS

## Introduction

Global Compass 2021: Key takeaways

Factors impacting the global wine industry

Global wine market attractiveness

Economic measures

Wine market measures

Global wine market classification

Customised analysis process

Methodology

p. 4

p. 6

p. 10

p. 17

p. 24

p. 32

p. 39

p. 51

p. 58

# INTRO TO WINE INTELLIGENCE GLOBAL COMPASS 2021

Getting the best out of this report

- ✓ Compass is designed to answer the question: **which are the attractive markets for wine right now?**
- ✓ It is constructed as a **reference guidebook** to allow users to 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**, calculated using a composite weighted attractiveness combining overall economic factors and wine market factors
- ✓ As with 2020's edition, this year's factors include a **variable to reflect the effects of Coronavirus** on each market
- ✓ The market attractiveness ranking, along with the global market classification, shows a snapshot of the worldwide wine market at this particular moment. Wine markets are constantly changing, especially in light of Covid-19 and associated economic disruption, and the scores should be considered as **relative measures** for comparing markets rather than absolute measures of investment attractiveness
- ✓ Wine Intelligence's evaluation method is based on a **hypothetically neutral investor with no legacy assets**. In reality, most businesses already have some assets and relationships, and therefore will internally need to adjust attractiveness to reflect their existing strategic position. For instance, attractiveness of individual markets will increase with regional proximity, existing presence and established routes to the market. Therefore, this attractiveness model can be optimised by tailoring the specific dynamics of an individual business, region or country to enable the assessment of their greatest opportunities
- ✓ This business-level assessment can be performed using the data from this report **combined with your own internal metrics of attractiveness / market hierarchy**. If required, Wine Intelligence can help in this process. Over the past five 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 Luis Osorio at Wine Intelligence on [luis@wineintelligence.com](mailto:luis@wineintelligence.com)

# MODEL METHODOLOGY

## Overview

- The Wine Intelligence Compass model is based on a combination of:
  - **Quantitative data measuring market attractiveness** and
  - Wine Intelligence **qualitative judgements** based on industry knowledge and experience
- First, we collected data on a number of variables combining **economic and wine market measures** to assess market attractiveness
- For each measure, countries were given a score of 1-10 based on their performance
- Each measure was assigned a weighting based on its importance
- To test the reliability of the model, a factor analysis was run on the measures using a **Cronbach's Alpha test** resulting in a score of 0.73 suggesting a 'good' level of association
- This combined factor was used to **classify the markets into groups** (along with detailed market information) and rank the potential of the markets within each classification group

## Quantitative data

- Quantitative data for market attractiveness was collected on several measures to classify the wine markets
- The data originated from two main groups:
  - **Economic measures:** Used to assess the stability and future potential of the market as a whole
  - **Wine market measures:** Used to identify the current and future potential for wine in the market
- Data was collected from both secondary and primary Wine Intelligence sources. Wherever possible, a single source was used for each measure and a second source was only used in the absence of data

# MODEL METHODOLOGY

## Measures and sources

- The following **economic measures** were used; sources noted in parentheses:
  - Adult population size (ages 15+) (UN Population Division)
  - Gross Domestic Product per capita\* - constant 2010 US\$ (World Bank, National Statistics Republic of China)
  - Gross National Income per capita\* - Atlas method, US\$ (World Bank, National Statistics Republic of China)
  - Unemployment rate (World Bank, National Statistics Republic of China)
  - Corruption index (Transparency International)
  - Globalisation (KOF Swiss Economic Institute)
  - COVID (The International Monetary Fund) – Predicted GDP
- The following **wine market measures** were used; sources noted in parentheses:
  - Market volume (IWSR)
  - Imported wine volume (IWSR)
  - Per capita consumption (IWSR, Wine Intelligence Vinitrac®, Wine Intelligence market knowledge)
  - Market value (IWSR)
  - Wine market profitability (Wine Intelligence market knowledge)
  - Market accessibility (doingbusiness.com, World Bank, Wine Intelligence market knowledge)

\* Although GDP and GNI are highly correlated, they each represent different methods of assessing a country's wealth. GDP is the total wealth generated within a country, whereas GNI also considers the net income received from overseas. Arguably, GNI is a better indicator of household disposable income

# MODEL METHODOLOGY

## Qualitative judgements

- Additional Wine Intelligence data and knowledge accumulated over years of experience in the industry was used to support the classification of the markets into groups:
  - Calibration studies determining the percentage of total and regular wine drinkers within each market
  - Wine Intelligence Vinitrac® studies: Quantitative studies now running in over 30 countries across the globe, which have enabled us to collect the views of more than 100,000 respondents about wine over the past year
  - Focus groups, accompanied shopping and consumer interviews in various markets across most continents which bring an in-depth understanding of wine consumer attitudes and behaviours
  - Trade interviews offering insights directly from individual markets about the current status and future opportunities of the wine industry
  - Market visits, including store visits both on- and off- trade
  - Secondary sources

# Wine Intelligence Ltd Terms and Conditions of Licence for Syndicated Research Products – key sections

## Definitions and Interpretation

The “Agreement” means the Agreement between Wine Intelligence Ltd and the Customer to provide a Licence for the use of the Syndicated Research Report(s) for Fees on these terms and conditions of business and as set out in a Proposal and the Acceptance of Proposal

“WI” is Wine Intelligence Ltd, trading as Wine Intelligence.

“Customer” means the person or entity purchasing the Licence for the use of the Syndicated Research Report(s)

“Proprietary Information” means all information contained in the Syndicated Research Report(s) and associated briefings or presentations by WI, plus all logos, Processes, third party data and formats contained therein

“Licence” means the Customer’s right to use, store, retrieve and disseminate the Syndicated Research Report(s), as defined by the Agreement

“Acceptance of Proposal” means the document provided by the Customer to WI confirming the terms of engagement of WI to provide the Customer with the Licence for the use of the Syndicated Research Report(s)

“Fees” means the fees payable by the Customer to WI, as set out in the Contract, plus VAT at the current rate, subject to exemptions as set out in UK and EU law

“Processes” means any research processes, techniques and methodologies used in the creation of the Syndicated Research Report(s)

“Proposal” means the specification of the Syndicated Research Report(s) by WI to the Customer

“Syndicated Research Report” means a written document containing Wine Intelligence copyright materials such as data, information, insight, commentary, either written, oral, video, or audio and, where appropriate, copyright materials of a Third Party that have been reproduced by permission

“Representative Organisation” means any body, association, trading group, generic organisation or any other coalition of interested parties, howsoever constituted, that acts on behalf of a broader group of stakeholders

“Subscription Products” means Syndicated Research Reports delivered to the Customer periodically as part of an ongoing Agreement

## 1. Engagement

The Customer engages WI to provide the Syndicated Research Report(s), and WI agrees to do so upon the terms of the Agreement for payment of the Fees.

The Fees for the Syndicated Research Reports shall be priced in Pounds Sterling. WI will publish indicative prices in Euros, [XX] Dollars, Australian Dollars, Canadian Dollars from time to time, and the Customer will have the opportunity to pay for Syndicated Research Reports using these currencies. Should the Customer opt for this form of payment the exact amount payable will be based on the prevailing exchange rate at the time of the execution of the Agreement.

## 2.. Copyright

2.1 The Copyright in the Syndicated Research Report(s) shall at all times vest with WI. The copyright in all artwork, data and copy for each element of the report created and assembled by WI shall at all times remain the property of WI.

2.2 All copyright and any other intellectual property rights in any material produced supplied or made available by a third party to WI for inclusion in the Syndicated Research Report shall remain the property of the third party. The Customer warrants its title to WI, except as may be expressly disclosed in writing, and agrees to indemnify WI against any claims by third parties in respect of any infringement of their copyright or other intellectual property rights.

2.3 WI asserts to the Customer its moral right to be identified as the author of the Syndicated Research Report in accordance with the UK Copyright Designs and Patents Act 1988 Section 77 and 78, and shall be entitled to hold itself out as the author of the Syndicated Research Report (and in particular the research undertaken in the process of completing the Syndicated Research Report) as part of WI’s own general marketing activities. WI shall be entitled to publish the name of the Customer in association with the Syndicated Research Report(s) as part of this general marketing activities.

2.4 The copyright in the Processes used to execute the Syndicated Research Report shall remain the property of WI throughout.

## 3. Licence

3.1 WI grants to the Customer under the Agreement a non-exclusive Licence in perpetuity to store and retrieve an electronic version of the Syndicated Research Report(s)

3.2 The Customer is entitled to disseminate the Syndicated Research Report(s) within its immediate organisation, including organisations affiliated by majority shareholdings, legally liable partnerships, or other majority ownership structure

3.3 If the Customer is a Representative Organisation, the entitlement outlined in Clause 7.2 DOES NOT extend to parties who hold membership or similar interest in the Representative Organisation, except by specific written permission from WI and the payment of further Fees associated with a Multi-User Licence

3.4 The Customer is entitled to extract elements of the Syndicated Research Report and re-use them for internal and external presentations, subject to the doctrine of Fair Use

3.5 At all times the Customer must identify any information extracted from the Syndicated Research Report in 7.5 above as being from WI

## 4. Warranties

No advice or information whether oral or written provided by WI to the Customer through the Syndicated Research Report(s) shall create any warranty not expressly stated in this Agreement.

The Client warrants and undertakes to abide by the UK Copyright Designs and Patents Act 1988 Section 77 & 78, and undertakes to obey the copyright restrictions on any materials received as part of this Agreement.

Please contact Wine Intelligence for full terms and conditions

## Ready to purchase?

- [Buy online](#)
- Request an invoice by emailing [enquiries@wineintelligence.com](mailto:enquiries@wineintelligence.com)

## Need to know more?

- Email [enquiries@wineintelligence.com](mailto:enquiries@wineintelligence.com) with your question(s)



*Connecting wine businesses with  
knowledge and insights globally*

## Wine Intelligence London (Head Office)

Nutmeg House  
60 Gainsford Street  
London  
SE1 2NY

Telephone: +44 (0) 20 8194 0090  
Email: [enquiries@wineintelligence.com](mailto:enquiries@wineintelligence.com)  
Website: [www.wineintelligence.com](http://www.wineintelligence.com)

Follow us:   