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# 2023 - 2024 REGION OVERVIEW & STRATEGY

**NORTH ASIA & AUSTRALASIA**

JULY 20, 2023

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PRESENTING TO:

**EXPORT PROGRAM  
ANNUAL MEETING**

CONTACT:

**HIRO TEJIMA &  
MADOKA OGIYA**

# AGENDA: NORTH ASIA & AUSTRALASIA

- **MARKET DYNAMICS**

- Market Performances: JP, KR & AUS
- FX Trends
- What's happening?

- **STRATEGIC FOCUS**

- Going Higher
- Digging Deeper
- Reaching Wider

- **MAJOR PROGRAMS**


- JP, KR, AUS & NZ


# MARKET DYNAMICS




# MARKET DATA & DYNAMICS

## MARKET PERFORMANCES

	<i>In the midst of COVID</i>		<i>In the last year</i>		<i>In the last 2 years</i>	
	Change 2022/2021		Change 2023/2022		Change 2023/2021	
<u>Japan</u>	Value	Quantity	Value	Quantity	Value	Quantity
<b>World</b>	14.35%	-2.13%	2.44%	-0.22%	17.13%	-2.34%
<b>France</b>	23.25%	7.28%	0.61%	-4.19%	24.00%	2.78%
<b>Italy</b>	9.83%	5.56%	10.24%	12.93%	21.08%	19.20%
<b>Chile</b>	-6.72%	-8.83%	-0.40%	0.52%	-7.09%	-8.36%
<b>United States</b>	16.18%	3.48%	13.47%	-9.03%	31.84%	-5.86%
<b>Spain</b>	3.23%	3.81%	0.55%	6.06%	3.80%	10.10%
<b>Australia</b>	8.89%	6.19%	-4.76%	-2.41%	3.71%	3.63%

	<i>In the midst of COVID</i>		<i>In the last year</i>		<i>In the last 2 years</i>	
	Change 2022/2021		Change 2023/2022		Change 2023/2021	
<u>South Korea</u>	Value	Quantity	Value	Quantity	Value	Quantity
<b>World</b>	30.69%	14.36%	-4.57%	-14.43%	24.71%	-2.15%
<b>France</b>	56.35%	42.79%	-0.71%	-12.49%	55.24%	24.96%
<b>United States</b>	28.56%	5.73%	-3.52%	-9.08%	24.03%	-3.87%
<b>Italy</b>	36.58%	30.83%	-11.53%	-13.88%	20.84%	12.67%
<b>Chile</b>	-5.04%	-12.62%	-11.81%	-12.89%	-16.25%	-23.88%
<b>Spain</b>	15.72%	13.68%	-12.66%	-11.99%	1.07%	0.05%
<b>Australia</b>	13.89%	-3.83%	-2.98%	-13.70%	10.49%	-17.01%

	<i>In the midst of COVID</i>		<i>In the last year</i>		<i>In the last 2 years</i>	
	Change 2022/2021		Change 2023/2022		Change 2023/2021	
<u>Australia</u>	Value	Quantity	Value	Quantity	Value	Quantity
<b>France</b>	15.86%	3.59%	-2.66%	-4.12%	12.77%	-0.67%
<b>New Zealand</b>	-9.32%	-20.02%	17.07%	26.24%	6.16%	0.97%
<b>Italy</b>	5.78%	6.05%	-5.75%	-7.29%	-0.31%	-1.68%
<b>United States</b>	38.54%	60.63%	21.12%	-6.48%	67.79%	50.22%
<b>Spain</b>	-21.19%	-25.67%	-14.17%	-18.89%	-32.36%	-39.71%
<b>Argentina</b>	-27.75%	-71.51%	4.58%	-18.41%	-24.44%	-76.75%

NB: Data excludes reexports from Singapore and Japan

Import Customs Data: Based on USD value, Trade Data Monitor, MAT May 2023

# MARKET DATA & DYNAMICS: JAPAN

JAPAN 

#3 destination by value  
2023 USD Value 151.7mil  
Adult Pop. 104.8 mil

## MARKET PERFORMANCES

- US is seeing the highest value growth of all countries
- Post-COVID performance contrasts with South Korea

SOUTH KOREA  
#4 destination by value  
2023 USD Value 98.4 mil  
Adult Pop. 36.98 mil

AUSTRALIA  
#20 destination by value  
2023 USD Value 14.3 mil  
Adult Pop. 20.7 mil

Population Data: Statista (Japan, 2021), The World Bank (South Korea, 2021), IBISWorld (Australia, 2022-23)

# MARKET DATA & DYNAMICS

## WHAT'S HAPPENING IN JAPAN?

- A resilient high-end market
- California is one of the most sought-after places of origin of wine\* in Japan

Price Band	Category 2	Origin	Country	Retail Value	CAGR Value	%Chg Value
				2022	2020 to 2022	2020 to 2022
<b>Ultra Premium</b>				<b>\$101,878.156</b>	<b>11.5%</b>	<b>24.3%</b>
Ultra Premium	Still Wine	US	Japan	\$39,570.040	1.7%	3.4%
Ultra Premium	Still Wine	US	Canada	\$11,253.113	3.1%	6.3%
Ultra Premium	Still Wine	US	Norway	\$10,226.760	18.9%	41.4%
Ultra Premium	Still Wine	US	China	\$7,052.719	16.5%	35.7%
Ultra Premium	Still Wine	US	Puerto Rico	\$6,229.928	47.0%	115.9%
Ultra Premium	Still Wine	US	Taiwan	\$4,773.340	21.4%	47.4%
Ultra Premium	Still Wine	US	Mexico	\$4,713.231	56.7%	145.6%
Ultra Premium	Sparkling Wine	US	Canada	\$2,722.713	16.3%	35.4%
Ultra Premium	Still Wine	US	Hong Kong	\$1,937.316	-6.4%	-12.4%
Ultra Premium	Sparkling Wine	US	Japan	\$1,602.538	4.0%	8.2%

Price Band	Category 2	Origin	Country	Retail Value	CAGR Value	%Chg Value
				2022	2020 to 2022	2020 to 2022
<b>Super Premium</b>				<b>\$314,348.335</b>	<b>10.0%</b>	<b>21.0%</b>
Super Premium	Still Wine	US	Canada	\$142,535.811	7.6%	15.8%
Super Premium	Still Wine	US	Japan	\$24,631.582	5.9%	12.1%
Super Premium	Still Wine	US	United Kingdom	\$20,341.184	4.1%	8.3%
Super Premium	Still Wine	US	Norway	\$15,710.924	9.1%	19.0%
Super Premium	Still Wine	US	Dominican Reput	\$14,516.816	45.6%	111.9%
Super Premium	Still Wine	US	Sweden	\$12,863.071	18.4%	40.2%
Super Premium	Sparkling Wine	US	Canada	\$10,685.626	6.2%	12.8%
Super Premium	Still Wine	US	China	\$5,884.743	53.2%	134.8%

\*According to the user research by btrax, September 2022

CALIFORNIA WINES

# IN MEMORIAM



**TAKUYA EBIHARA**

ilovecalwine  
JAPAN

# MARKET DATA & DYNAMICS: SOUTH KOREA

## MARKET PERFORMANCES

- 2022-23 has been the year of 'recalibration' following the tremendous growth during COVID
- France along with the US remains at the pinnacle of Korea's wine market

### JAPAN

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# MARKET DATA & DYNAMICS

## WHAT'S HAPPENING IN SOUTH KOREA?

- Recalibration of the market has various implications for different importers and their suppliers
- However, the recent wine boom has taken the Korean market to another level in meaningful ways

매일경제



기업

“어? 왜 안 팔리지”...‘오픈런’이라더니 재고 쌓이는 이것

이상현 기자

입력 : 2023-03-13 19:17:41



“Uh? Why aren't they selling?”  
Inventory is accumulating”  
“Bottleneck vs. Yellow Light”

- Mael Economy, March 13

화이트데이 대목에도 와인 위축  
물가 오르자 '사치재' 취급 받아  
“병목현상” vs “노란불 켜졌다”

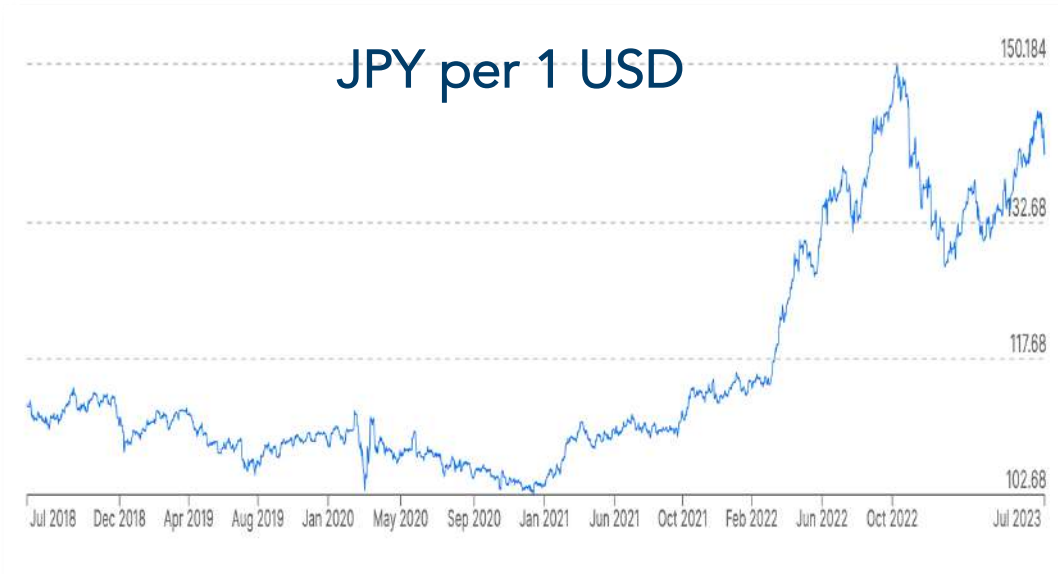


# MARKET DATA & DYNAMICS

## EXCHANGE RATES TRENDS AGAINST USD

Japanese Yen buys **19.7% less** in USD compared to 5 years ago (2018)

Korean Won buys **13.0% less** in USD compared to 5 years ago (2018)



Source: XE.com as of July 11

# MARKET DATA & DYNAMICS: AUSTRALIA

## MARKET PERFORMANCES

- Share of imported wine is less than 20%;  
2/3 of the 95 million liters comes from New Zealand
- Off a small base, US is seeing a robust growth, primarily due to the success of the major brands

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# MARKET DATA & DYNAMICS

## WHAT'S HAPPENING IN AUSTRALIA?

- High costs of living are biting
- But wealth is present to support luxury goods and services

Champagne imports bubble over as more bottles make their way to Australia than ever before

*The Sydney Morning Herald*  
INDEPENDENT. ALWAYS.

## Boutique Champagne in on-premise drives new records

by Andy Young  
May 12, 2023



The popularity of Champagne in Australia has reached new highs and shows no signs of slowing with the 10.5 million bottles sent here in 2022, making Australia the world's sixth largest export market for Champagne.

**SUBSCRIBE**

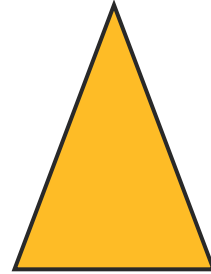
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# STRATEGIC FOCUS



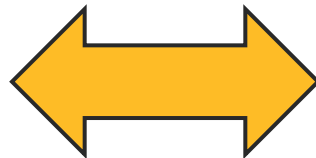
# STRATEGIC PRIORITIES



**Going Higher**



**Digging Deeper**



**Reaching Wider**

# STRATEGIC PRIORITIES

JAPAN



- HIGHER:  
*Defend luxury positioning*
- DEEPER:  
*Cultivate 'casual premium' opportunities*
- WIDER:  
*Untap regional opportunities*



# STRATEGIC PRIORITIES

## SOUTH KOREA



- HIGHER:  
*Cement premium positioning*
- DEEPER:  
*Deepen relationships with key sommeliers*
- WIDER:  
*Present our wine in more foodie settings*





# STRATEGIC PRIORITIES

## AUSTRALIA



- HIGHER:  
*Fine wine message that resonates*
- DEEPER:  
*Trigger interest & curiosity among the gatekeepers*
- WIDER:  
*Establish & mobilize close alliances with importers*





# MAJOR PROGRAMS



# PROGRAM PLANS 2023-2024: JAPAN



Starting AUG 2023

- California Wines Regional Showcases – Okayama, Nagoya & Kagoshima

SEP 2023

- The official California Wine Day – consumer events in multiple cities

By JAN 2024

- Revamped Local Website with blog articles and easy-to-follow educational contents

FEB 20 & 22 2024

- California Wines Alive Tastings Tokyo & Osaka featuring Paso Robles

APR-MAY 2024

- Spring Promotional Partnerships with leading fine wine outlets

# PROGRAM PLANS 2023-2024: SOUTH KOREA



## Starting AUG 2023

- California Wines Regional Showcases – Busan, Daegu or Jeonju

## SEP 2023

- California Wine Month Fine Wine Activation in Seoul
- Partnership with Leading Korean Sommeliers as a result of the California Wine Boot Camp Jeju

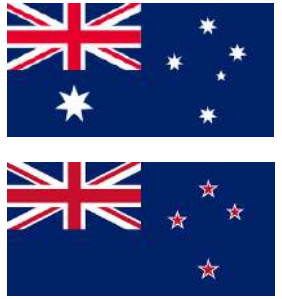
## FEB 26 2024

- California Wines Alive Tasting Seoul featuring Paso Robles

## MAY 2023

- Korea's Top Sommeliers' California Adventure

# PROGRAM PLANS 2023-2024: AUSTRALASIA



## Starting SEP 2023

- Capstone California rollouts in Adelaide, Sydney, Melbourne & Auckland
- Newly-appointed Educator-at-Large

## NOV 2023

- The first Kiwi guest to join the Global Buyers Marketplace

## JAN 2024

- California Masterclass and Tasting at the IMW Master of Wine Workshop Adelaide 2024

## Ongoing

- Key Importer Working Group towards:
  - SYD/MEL Tasting Events 2024
  - Dan Murphy's Fourth of July Promotion 2025



CALIFORNIA  
WINES

**THANK YOU**

CWI NORTH ASIA & AUSTRALASIA

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