



EMERGING & DEVELOPING MARKETS: INTERPRETATIONS & STRATEGIES

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CALIFORNIA WINES

IS YOUR TARGET WINE MARKET...

EMERGING

OR

DEVELOPING FOR CA?



'EMERGING' vs. 'DEVELOPING FOR CA'?

Countries that are emerging as NEW wine markets



CHARACTERISTICS

- Demographics – Youthful
- Economy – Developing rapidly
- Language – Often non-English speaking
- Reason for Consumption – Often status-driven
- Food & Wine Culture – Often non-existent
- Wine Knowledge – Often limited, focus beer/spirits
- Often with attractive tourist destinations

EXAMPLES

- Nigeria
- Kenya
- Vietnam
- Mexico (in some ways)

'EMERGING' vs. 'DEVELOPING FOR CA'?

Countries that have ESTABLISHED wine markets
but new to/for California



CHARACTERISTICS

- Wine Knowledge – Developed
- Food & Wine Culture – Developed
- Reason for Consumption – Part of Lifestyle
- Consumption predominantly from own wine production

EXAMPLES

- France
- Australia
- South Africa
- Ukraine
- Mexico (in some ways)

EXAMPLE: CHINA NOW VS. 20 YEARS AGO



	THEN (EARLY 2000s)	NOW
DEMOGRAPHICS	Older Men in Business & Gov't	Young Female Professionals
ECONOMY	Rapidly Growing	Stagnant
LANGUAGE	Predominantly Chinese	Chinese + English, French, etc.
REASON FOR CONSUMPTION	Prestige/Status/Gifting	Lifestyle
WINE KNOWLEDGE	Limited - <i>gānbēi</i> was the thing	More Sophisticated & Knowledgeable
PREFERRED STYLE OF WINE	Red only	Red/White/Sparkling

AFRICA & UKRAINE



AFRICA

TARGET GROUPS

- Limited local market (low GDP's)
- Small # high income consumers
- Expats
- Tourism (resorts & hotels)

MAIN GEOGRAPHICAL AREAS

- South: South Africa/Mozambique/Namibia
- East : Kenya/Tanzania
- West : Nigeria/Angola/Cameroon/Cote d'Ivoire
- Islands : Mauritius/Seychelles/Reunion



AFRICA PRELIMINARY PLAN/TIMING



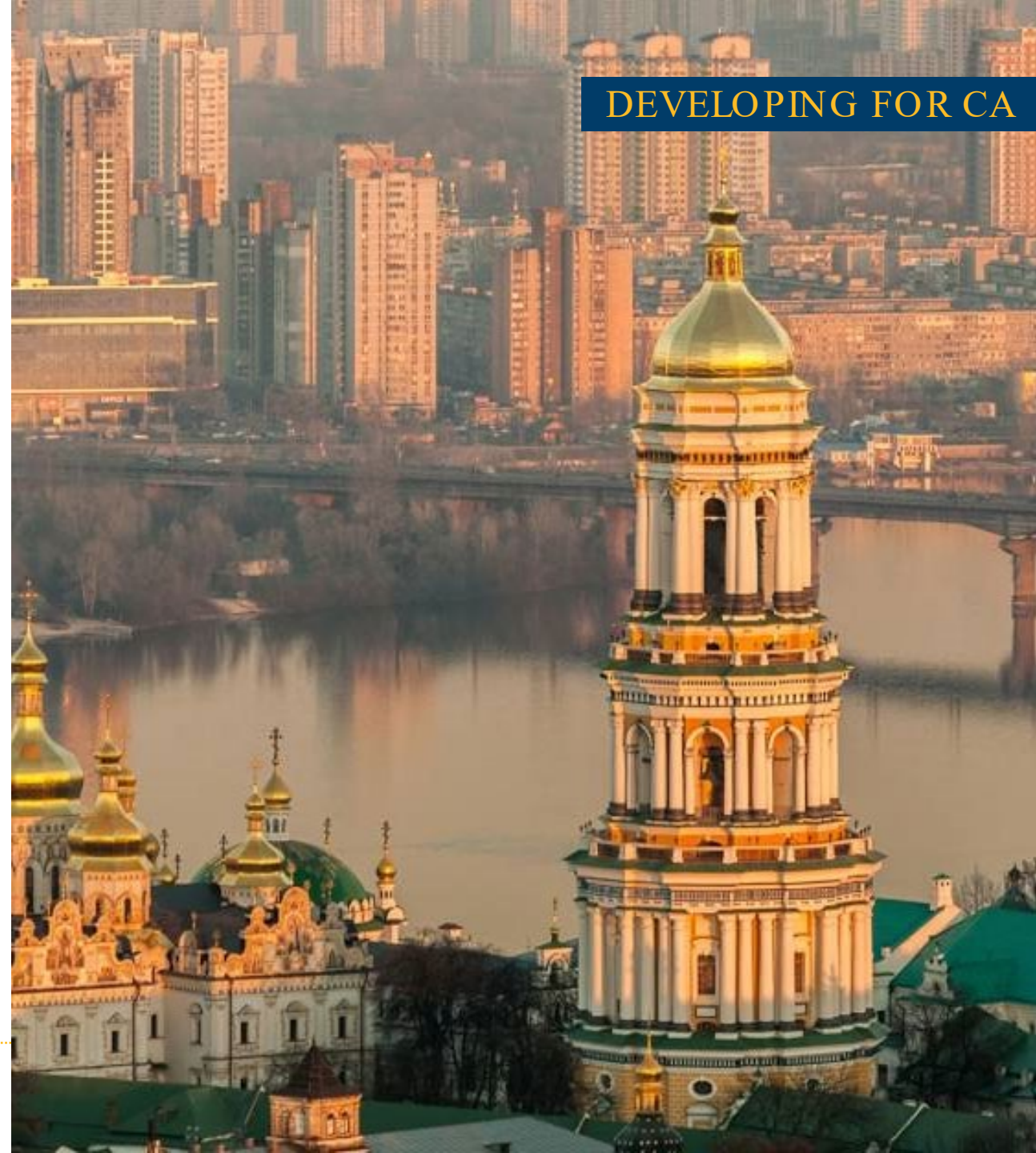
UKRAINE

MARKET AT A GLANCE

- Spending level back to pre-war period
- Population keen to go out & people interested to live & spend
- Population very supportive of US

WHAT

- Expanding # brands in-market
- GBM delegation of importers
- Appointing in-market rep (Kiev)
- Rolling out European activities
 - Capstone
 - California Live
 - Retail promotions



VIETNAM & AUSTRALIA



VIETNAM

MARKET AT A GLANCE

- A very early-stage wine market with a strong prospect for growths as the population and GDP continue to rise – like China 20 years ago!
- Influenced and led by a select group of highly aspirational & well-educated professionals

KEY TARGET CITIES & SEGMENTS

- HCMC & Hanoi + resorts such as Da Nang, etc.
- Tourists & Expats, Urban Middle & Upper Locals

WHAT WE'RE FOCUSING ON NOW

- Wine Education (with EMP grant)
- Tasting & Engagement with vintners from CA



AUSTRALIA

MARKET AT A GLANCE

- An affluent, highly-knowledgeable, duopoly-led wine market with limited experience with CA wine
- On-premise currently struggling

KEY TARGET CITIES & SEGMENTS

- Sydney, Melbourne & Brisbane
- Lovers of Pinot Noir and Chardonnay

WHAT WE'RE FOCUSING NOW

- Boost the knowledge base thru Capstone
- Create an CA Wine Importers Network (CAWIN)
- Trade & Consumer tasting events





MEXICO



MEXICO

MARKET AT A GLANCE

- One of the best demographics for selling alcohol
- The second biggest economy due south of the US
- Wine is increasingly viewed as fashionable
- Tourism

ISSUES

- Lack of knowledge on region
- Expensive and unfamiliar
- Inflation: control spending, less expensive products
- Aggressive retail price promotions
- Strong peso makes tourism have less spending power



MEXICO

WHAT

- Promotions
- Capstone education
- Activities with somms
- Grand Tasting
- Trade Team
- Somms Trip
- Activities with final consumer



EMERGING





THANK YOU!

Merci! ¡Gracias! Cảm ơn!
Дякую тобі! Baie dankie