wine intelligence
A division of the IWSR Group

China

Wine Landscapes 2023

Contents

Wine Intelligence Viewpoint

Chinese wine drinkers are continuing to evolve into increasingly sophisticated wine drinkers with their confidence in the category growing

Chinese wine drinkers are moving away from their conservative approach to the wine category and becoming more exploratory, willing to try out new and different styles of wine on a regular basis. This behavior change could be linked to the noticeable increase in confidence levels among respondents.

How Chinese drinkers make their decisions around purchasing wine has also evolved to reflect their growing confidence in the category. Significantly fewer respondents have difficulties with telling if a wine is fake or judging the taste of a wine, while simultaneously greater numbers of them now look at grape varietals and written descriptions when making purchases. Both points help to illustrate that authenticity is becoming less of a concern and that wine drinkers in China are increasingly comfortable with the more technical aspects of the beverage.

Wine has experienced a fall in its total volumes sold in recent years, with the category shrinking by 15.5% between 2017-22. This can be attributed to structural decline of local, low-end wine and the challenging conditions that the alcohol market was operating.

Among respondents, Australian wine is still a leading wine producing country. Taken in conjunction with the consistent performance of Australian brands within the market it suggests that Australian wine is holding up well, despite the impositions of tariffs.

Opportunities

Increased willingness to be exploratory
Wine drinkers growing in confidence
Authenticity concerns becoming less of an issue

Threats

Decline in the overall volumes of wine sold
Increased competition from other beverage categories

Management Summary

China Wine Landscapes

2023

Management summary

Key takeaways

1. Two in five urban upper-middle class adults drink wine twice a year

2. Sharp decline in total wine volumes sold in Chinese market

3. Drinkers increasingly confident and exploratory in their wine choices

4. Authenticity concerns becoming less of an issue

5. Australia remains a leading country of origin despite continued tariffs

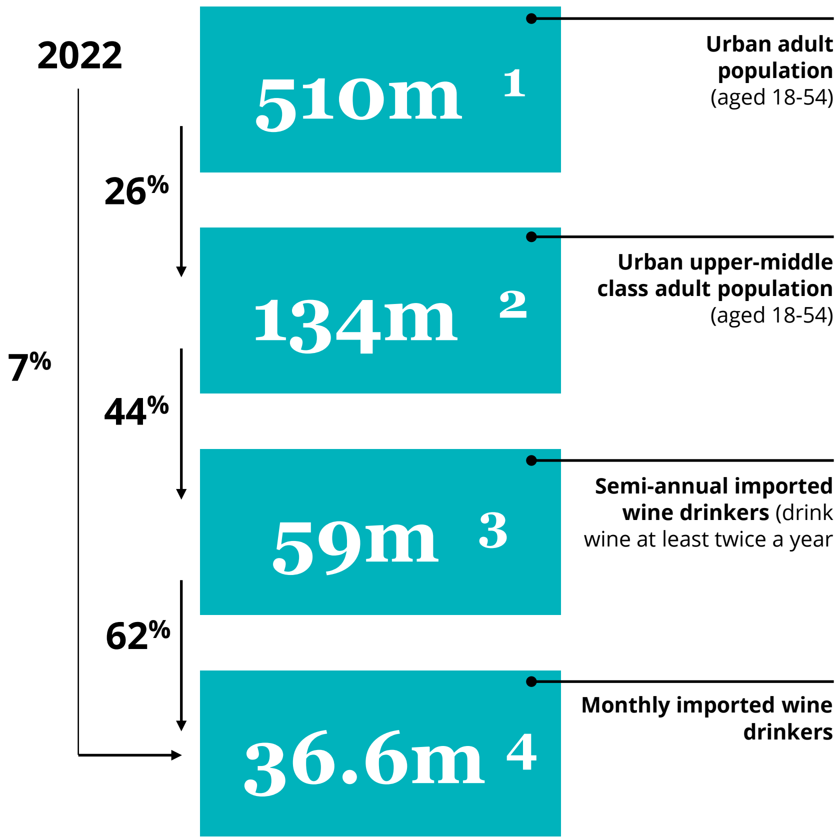
6. Increased popularity for domestically-produced wine

1. Two in five urban upper-middle class adults drink wine twice a year

Though wine remains a relatively niche beverage in the overall Chinese alcohol market, with only 7% of all adults in urban centres having the beverage monthly, those who do drink wine have a high frequency of consumption

The high participation rate with urban upper-middle class adults likely suggests that still wine suits the use case of this particular set of drinkers well. This is further reinforced by the high frequency of consumption incidence rate for monthly wine drinkers.

Wine drinking population in China



1 National Bureau of Statistics China (Census 2020)
2 Wine Intelligence estimation
3 Wine Intelligence China calibration online survey, 2022 (n=1,004) Chinese urban residents aged 18-54 in selected cities and Wine Intelligence estimation for other cities. Wine=still light wine (red, white, rosé)
4 Wine Intelligence, Vinitrac® China, April 2023 (n=1,001) Chinese urban upper-middle class drinkers aged 18-54 of imported wine in Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, Shenyang, Chongqing, Wuhan, Chengdu, Changsha, Zhengzhou and Guiyang

2. Sharp decline in total wine volumes sold in Chinese market

Wine saw the sharpest decline of all alcohol categories in China, experiencing a -15.5% decrease between 2017-22, and a big year-on-year drop from 2021-22. The decline is forecast to continue, though at a lower rate

Within the wine category, still wine experienced a large fall between 2017-22 with a decrease of 18.9%. Sparkling wine fared slightly better with a drop of 9.5%

Total beverage alcohol market volumes by category

000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Total beverage alcohol	5,271,290.03	5,077,010.47	-3.6%	-0.4%
Beer	4,161,105.74	4,179,870.67	-1.4%	0.2%
Spirits**	795,917.65	659,359.51	-9.8%	-3.7%
Wine*	288,096.53	213,110.36	-15.5%	-2.4%
RTDs	25,846.78	24,165.49	18.4%	6.0%
Cider	323.33	504.44	22.4%	3.1%

Market context:

2022 was probably the most challenging year for China's alcohol industry. Rolling lockdowns and social restrictions limited consumption, and consumer spending waned

Executive Summary Report 2023 China

Source: IWSR

* Wine includes Non-Grape Based Wines, Still Wine, Sparkling Wine, Fortified Wine and Light Aperitifs

** Spirits include Whisky, Gin and Genever, Vodka, Agave-based Spirits, National Spirits, Rum, Cane, Brandy and Flavoured Spirits

3. Drinkers increasingly confident and exploratory in their wine choices

Chinese respondents are shifting their approach to wine from conservative to explorative. This change in behaviour could be linked to the noticeable increase in confidence levels among respondents

Attitudes towards wine: Tracking

% who 'agree' or 'strongly agree' with the following statements
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
I enjoy trying new and different styles of grape-based wine on a regular basis	**46%**	**53%**	**55%**	⬆	➡
I don't mind which grape-based wine I buy so long as the price is right	**13%**	**12%**	**11%**	➡	➡
I know which grape-based wines I like and I tend to stick to what I know	**41%**	**35%**	**34%**	⬇	➡

Wine confidence index: Tracking

Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
Confidence Index	**59.8**	**59.6**	**62.1**	⬆	⬆

+2.3
Index change since 2019

Wine confidence index (0–100) is calculated based on the extent to which consumers feel competent about their wine knowledge. Wine confidence index uses consumers' answers to three attitudinal statements: 1) I feel competent about my knowledge of wine / 2) Compared to others, I know less about the subject of wine / 3) I don't understand much about wine.
Wine confidence index is the 'subjective' measurement of consumer confidence about their wine knowledge.

⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

4. Authenticity less of a concern as knowledge and confidence grow

Significantly fewer respondents take issue with knowing if a wine is fake or real and have a better idea of what the wine will taste like.

The growth in importance of both grape varietal and descriptive choice cues could indicate that Chinese wine drinkers are increasingly comfortable with the more technical aspects of the wine category.

Both points suggest a growing confidence in the category and a willingness to be experimental with their selection of wine

Wine buying barriers (top 5): Tracking

% who rank the following as one of the top five barrier(s) when buying imported wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Difficult to tell what the wine will taste like	**50%**	**46%**	**42%**	↓	↓
2	Do not know whether wine is real or fake	**53%**	**45%**	**41%**	↓	↓
3	Not enough information on back label	**43%**	**38%**	**38%**	→	→
4	Difficult to see varietal on label	**39%**	**35%**	**33%**	→	→
5=	Difficult to find the wines I'm looking for in my local shop	**39%**	**34%**	**31%**	→	→

Wine choice cues in off-trade (ranked top 5): Tracking

% who indicate each of the following factors is 'important' or 'very important' when buying wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Grape variety	**44%**	**44%**	**50%**	↑	↑
2	Words describing the flavour of the wine	**42%**	**43%**	**46%**	↑	↑
3=	The region of origin	**41%**	**40%**	**42%**	→	→
3=	Quality indicators	**39%**	**44%**	**42%**	→	→
5	The country of origin	**45%**	**40%**	**41%**	→	→

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

5. Australia remains a leading country of origin despite continued tariffs

Although wine originating from Australia has a significantly lower purchase incidence compared to 2019, the country remains in the top three most-purchased countries of origin. Adding to this, leading Australian brands by purchase have seen their incidences remain unaffected or, in some cases, increase significantly.

Both points could indicate that tariffs are not having as sizeable an impact on the performance of Australian wine in the Chinese market as has previously been forecast

Country of origin consumption: Tracking, top 5

% who have drunk wine from the following places in the past six months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	China	64%	72%	74%	↑	→
2	France	58%	62%	61%	→	→
3	Australia	32%	30%	27%	↓	↓
4	Italy	23%	28%	24%	→	↓
5	Portugal	16%	22%	22%	↑	→

Brand purchase: Tracking, leading Australian brands

% who have bought the following brands in the past three months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
5	Penfolds	14%	15%	21%	↑	↑
6	Yellow Tail	16%	13%	17%	→	↑
7	Rawson's Retreat	13%	13%	14%	→	→
13=	Jacob's Creek	10%	9%	8%	→	→
18=	Brown Brothers	6%	7%	6%	→	→
18=	Lindeman's	3%	5%	6%	↑	→
18=	Maison Castel	n/a	8%	6%	n/a	↓

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

6. Increased popularity for domestically produced wine

Across our brand health metrics, leading Chinese brands have significantly higher incidences for affinity, consideration and recommendation.

This evolving relationship with domestically produced brands is further seen in the growing number of Chinese respondents purchasing wine from Ningxia compared to 2019 as the region targets sophisticated drinkers with high-quality wines

Brand affinity: Top 5, tracking

% who think the following brands are right for people like them
Base = Those who have heard of each brand

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Changyu	**58%**	**60%**	**63%**	↑	→
2	Great Wall	**52%**	**53%**	**59%**	↑	↑
3	Penfolds	**54%**	**53%**	**58%**	→	→
4	Lafite	**52%**	**52%**	**56%**	→	→
5	Dynasty	**42%**	**49%**	**53%**	↑	→

Region of origin purchase: Top 5, tracking

% who have bought wine from the following wine-producing regions in the past three months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Ningxia	**23%**	**28%**	**26%**	↑	→
2	Bordeaux	**31%**	**25%**	**24%**	↓	→
3	Vin de Pays d'Oc	**17%**	**22%**	**23%**	↑	→
4	Bourgogne	**17%**	**18%**	**19%**	→	→
5	Champagne	**14%**	**15%**	**17%**	→	→

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Management summary – tracking metrics

Respondents are drinking a wider range of alcoholic drinks and purchasing a wider range of mainstream brands

Top alcoholic beverages

% who have drunk the following beverages in the past 12 months

	2019	2023	Tracking
Red wine	**82%**	**81%**	→
Beer	**62%**	**68%**	↑
White wine	**56%**	**53%**	→
Whisky	**42%**	**47%**	↑
Champagne	**42%**	**44%**	→

Top country of origin

% who have drunk wine from the following places in the past six months

	2019	2023	Tracking
China	**64%**	**74%**	↑
France	**58%**	**61%**	→
Australia	**32%**	**27%**	↓
Italy	**23%**	**24%**	→
Portugal	**16%**	**22%**	↑

Top region of origin

% who have bought wine from the following regions in the past three months

	2019	2023	Tracking
Ningxia	**23%**	**26%**	↑
Bordeaux	**31%**	**24%**	↓
Vin de Pays d'Oc	**17%**	**23%**	↑
Bourgogne	**17%**	**19%**	→
Champagne	**14%**	**17%**	→

Top wine brands

% who have bought the following brands in the past three months

	2019	2023	Tracking
Great Wall	**33%**	**41%**	↑
Changyu	**35%**	**39%**	↑
Lafite	**23%**	**30%**	↑
Dynasty	**18%**	**29%**	↑
Penfolds	**14%**	**21%**	↑

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Management summary – tracking metrics

Chinese wine drinkers are purchasing their wine from a narrower range of retail spaces, although JD.com is growing fast, and is the market leader among our respondents

Top red varietals

% who have drunk the following varietals in the past six months

	2019	2023	Tracking
Cabernet Sauvignon	45%	42%	→
Pinot Noir	21%	18%	→
Zinfandel	17%	17%	→
Gamay	15%	16%	→
Carménère	13%	15%	→

Top wine-shopping channels

% who have bought wine from the following channels in the past six months

	2019	2023	Tracking
Wine shop / shop specialised in alcohol	59%	55%	↓
From an online retailer	n/a	52%	n/a
Department store	37%	34%	→
Boutique supermarkets	29%	31%	→
Hypermarkets	39%	31%	↓

Top white varietals

% who have drunk the following varietals in the past six months

	2019	2023	Tracking
Sauvignon Blanc	22%	23%	→
Riesling	25%	22%	→
Moscato	16%	21%	↑
Chardonnay	21%	19%	→
Chenin Blanc	14%	14%	→

Top wine-buying retailers

% who mainly use the following retailers to buy wine

	2019	2023	Tracking
JD.COM	38%	48%	↑
Tmall.com	35%	38%	→
Walmart	36%	35%	→
Sam's Club	16%	33%	↑
RT-Mart	24%	26%	→

n/a = tracking unavailable for this wave

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Market Data

China Wine Landscapes

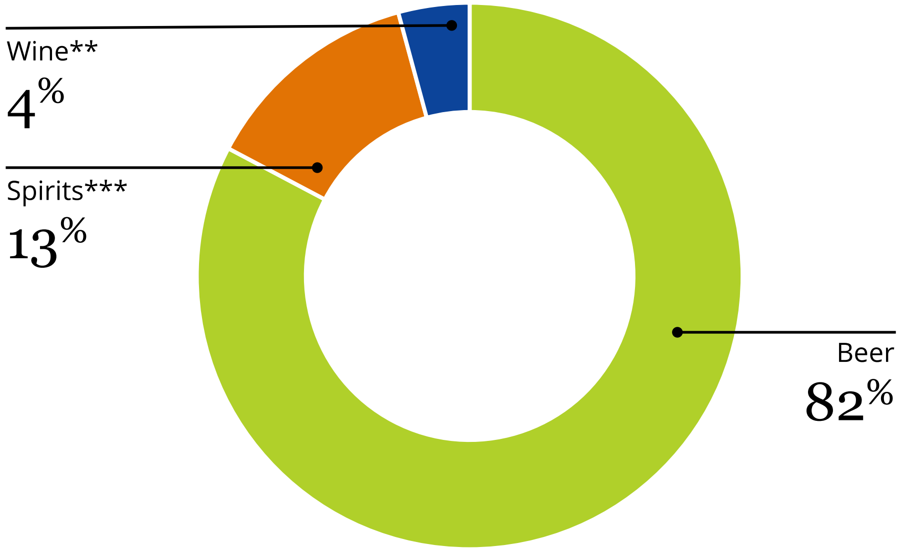
2023

Total beverage alcohol market share by category

The volume of wine sold in China has declined significantly year-on-year since 2017. This downward trend is forecast to continue through 2027, though more gradually, in line with total beverage alcohol in the market

Total beverage alcohol market share by category*

% of purchases that fall within the categories below



Total beverage alcohol market volumes by category

'000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Total beverage alcohol	5,271,290.03	5,077,010.47	-3.6%	-0.4%
Beer	4,161,105.74	4,179,870.67	-1.4%	0.2%
Spirits***	795,917.65	659,359.51	-9.8%	-3.7%
Wine**	288,096.53	213,110.36	-15.5%	-2.4%
RTDs	25,846.78	24,165.49	18.4%	6.0%
Cider	323.33	504.44	22.4%	3.1%

Source: IWSR

* Cider and RTDs omitted from pie chart due to low percentage value

** Wine includes Non-Grape Based Wines, Still Wine, Sparkling Wine, Fortified Wine and Light Aperitifs

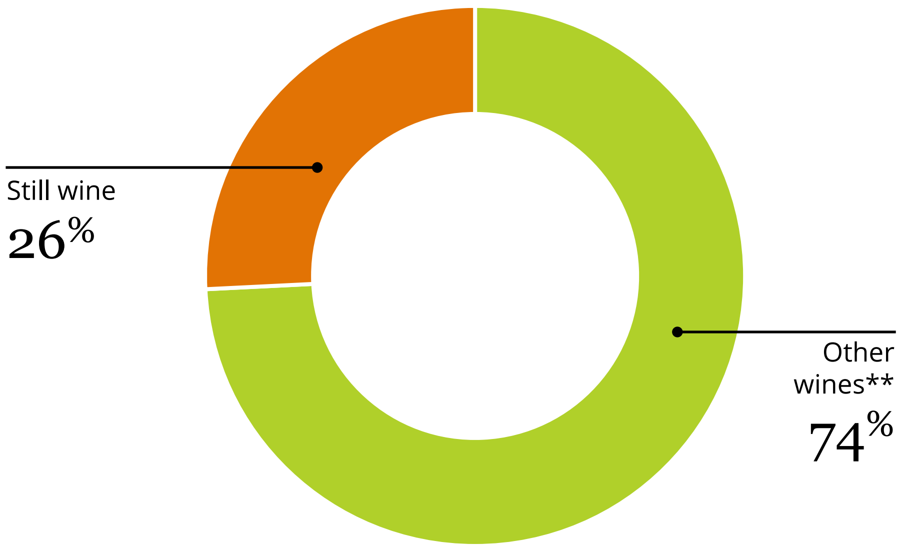
*** Spirits include Whisky, Gin and Genever, Vodka, Agave-based Spirits, National Spirits, Rum, Cane, Brandy and Flavoured Spirits

Total wine market volumes

Declining total wine volumes are driven by reduced consumption in nearly all wine sub-categories, though still and sparkling wines are forecast to increase from 2022-27

Total wine share by category*

% of purchases that fall within the categories below



Total wine volumes by category

'000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Total Wine	288,096.53	213,110.36	-15.5%	-2.4%
Other Wines**	216,358.95	157,417.00	-14.0%	-5.3%
Still Wine	70,345.13	54,687.09	-18.9%	4.2%
Sparkling Wine	1,344.92	980.56	-9.5%	11.0%
Light Aperitifs	29.65	17.13	13.1%	4.0%
Fortified Wine	17.88	8.58	-6.5%	13.7%

Market context:

Still wine overall struggled for another year, with a perfect storm of continued structural decline in local wines, the impact of the pandemic, and the tariffs on Australian wines

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Source: IWSR

*Sparkling Wine, Light Aperitifs and Fortified Wine omitted from pie chart due to low percentage value

**Other Wines includes Non-Grape Based Wines

Still wine volumes by origin

Still wine volumes for all importer countries declined between 2017-22, with Australia worst affected. This trend is set to reverse from 2022-27

Total still wine volumes and market share by origin

'000s 9-litre cases

		2021	2022	CAGR 17-22	CAGR F 22-27	Market Share
	Total	70,345.13	54,687.09	-18.9%	4.2%	
1	Chinese	34,672.20	28,070.30	-21.6%	-3.1%	51%
2	French	11,355.26	9,306.66	-17.3%	9.8%	17%
3	Chilean	8,183.13	7,298.56	-2.5%	3.9%	13%
4	Spanish	4,932.30	3,246.71	-15.5%	9.9%	6%
5	Italian	3,222.41	2,562.35	-4.8%	6.9%	5%
6	South African	875.51	596.64	-7.9%	9.3%	1%
7	US	726.48	467.54	-15.3%	10.7%	1%
8	Australian	2,941.09	466.70	-47.6%	59.8%	1%
9	German	503.62	450.99	-0.2%	6.3%	1%
10	Argentinian	601.40	412.94	-5.9%	11.1%	1%

Market context:

Tariffs on Australian wine were still in place and major Australian brands switched to other origins such as France or South Africa and started producing locally as well. Since Australia has been a major origin of wine imports, the other origins have been trying to plug the huge gap

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Source: IWSR

Still wine retail price by origin

All countries of origin have experienced an increase in their price points in the Chinese market, although the growth rate is forecast to slow or even reverse by 2027

Historic and forecast growth: Retail price

Five-year CAGR % calculated using a variable exchange rate

		Retail price per 0.75l 2022 (US$)	CAGR 17-22	CAGR F 22-27
	Total	10.65	5.3%	3.8%
1	Chinese	6.54	5.9%	4.0%
2	French	16.96	4.5%	0.4%
3	Chilean	13.61	1.0%	0.1%
4	Spanish	10.60	4.1%	-0.1%
5	Italian	15.03	3.1%	0.4%
6	South African	14.45	3.5%	-0.2%
7	US	14.85	3.0%	-0.7%
8	Australian	24.24	8.3%	-4.2%
9	German	18.47	2.1%	0.0%
10	Argentinian	17.24	6.4%	-1.5%

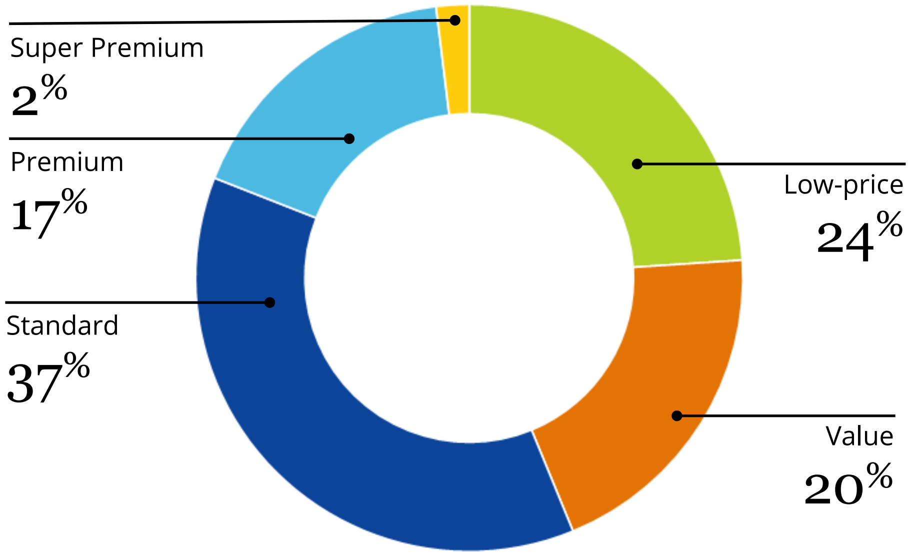
Source: IWSR

Still wine by price band

There have been declines for still wine at all price points bar Prestige Plus since 2017, with the sharpest falls seen at Premium level and below. This is set to recover for Standard price points and above by 2027

Still wine by price band*

% of purchases that fall within the categories below



Total wine volumes by category

'000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Low-Price (under RMB 35.00)	**16,420.00**	**13,041.00**	-25.5%	-11.5%
Value (between RMB 35.00 and 54.99)	**12,807.49**	**10,804.25**	-17.7%	-0.9%
Standard (between RMB 55.00 and 109.99)	**27,051.67**	**20,218.93**	-15.8%	8.8%
Premium (between RMB 110.00 and 209.99)	**11,990.32**	**9,310.03**	-15.0%	12.4%
Super Premium (between RMB 210.00 and 354.99)	**1,574.84**	**1,055.73**	-8.8%	10.7%
Ultra Premium (between RMB 355.00 and 699.99)	**341.93**	**186.00**	-8.4%	16.0%
Prestige (between RMB 700.00 and 1,499.99)	**157.31**	**69.35**	-12.3%	14.0%
Prestige Plus (RMB 1,500.00 and over)	**1.57**	**1.80**	38.8%	2.1%

Source: IWSR

* Ultra Premium, Prestige and Prestige Plus omitted from pie chart due to low percentage value

Still wine consumption per capita

China has a low per capita still wine consumption, which decreased significantly on the back of recent sharp volume decline

Per capita consumption of still wine

Litres per annum (adult LDA+ population)

		2021	2022	CAGR 17-22	CAGR 21-22
1	St. Martin and St. Maarten	46.67	49.01	-5.5%	5.2%
2	Portugal	43.00	45.71	-0.9%	0.1%
3	Montenegro	41.76	42.62	-1.1%	1.9%
4	Italy	42.16	39.95	-2.8%	-0.7%
5	Slovenia	37.63	37.82	-2.8%	2.8%
6	St. Barths	33.89	37.21	4.7%	4.4%
7	Switzerland	36.14	34.94	-1.0%	-0.4%
8	France	35.71	33.93	-4.8%	-2.2%
9	Greece	27.95	33.79	0.2%	1.2%
10	Hungary	31.52	32.65	0.4%	0.8%
11	Denmark	33.37	30.99	-0.6%	-0.4%
12	Austria	30.93	30.12	-0.9%	-0.3%
13	Turks and Caicos	27.56	30.08	-0.7%	1.6%
14	Romania	27.55	27.87	-1.1%	-0.4%
15	US Virgin Islands	27.78	27.86	-2.7%	1.8%
16	Germany	26.52	25.26	-1.8%	-1.1%
17	Argentina	25.28	24.91	-1.6%	-1.5%
18	Malta	21.17	24.33	-5.6%	6.8%
19	Slovakia	22.95	23.39	-0.1%	0.6%
20	Uruguay	25.63	23.31	-0.8%	-2.5%
120=	China	0.56	0.44	-19.4%	-22.5%

Source: IWSR

Sparkling wine volumes by origin

Most leading sparkling wine producing countries have experienced a decline to their total volumes sold in China, though this is set to recover for all but domestic producers by 2027

Total sparkling wine volumes and market share by origin

’000s 9-litre cases

		2021	2022	CAGR 17-22	CAGR F 22-27	Market Share
	Total	1,344.90	980.60	-9.5%	11.0%	
1	Italian	504.40	352.00	-12.8%	14.4%	36%
2	Spanish	259.60	206.20	-8.1%	8.3%	21%
3	French	270.60	192.70	-2.4%	12.4%	20%
4	Chinese	127.50	89.70	-12.5%	-6.1%	9%
5	German	66.90	69.30	5.9%	8.9%	7%
6	International*	35.20	23.00	0.7%	8.8%	2%
7	Australian	28.10	20.30	-24.9%	8.2%	2%
8	South African	13.10	9.70	2.0%	15.9%	1%
9	Hungarian	19.60	6.90	56.0%	25.3%	1%
10	Portuguese	6.00	4.90	-15.3%	17.6%	0%

Market context:

Champagne, Cava and Prosecco all declined as occasions and venues disappeared

Executive Summary Report 2023 China

*International refers to wine where grapes are from multiple countries of origin

Source: IWSR

Sparkling wine retail price by origin

The top seven producers of sparkling wine have all experienced price increases in China which could indicate a premiumisation of the market. Prices of domestically-produced sparkling wine had the highest growth rate

Historic and forecast growth: Retail price

Five-year CAGR % calculated using a fixed exchange rate

		Retail price per 0.75l 2022 (US$)	CAGR 17-22	CAGR F 22-27
	Total	25.09	6.1%	0.7%
1	Italian	13.91	1.5%	0.0%
2	Spanish	14.15	4.3%	1.6%
3	French	71.34	3.2%	-0.7%
4	Chinese	9.18	9.2%	6.9%
5	German	16.56	0.1%	0.0%
6	International*	13.81	0.2%	0.1%
7	Australian	17.56	1.6%	0.5%
8	South African	14.60	-0.3%	0.0%
9	Hungarian	13.31	-0.1%	1.7%
10	Portuguese	12.63	0.0%	0.0%

*International refers to wine where grapes are from multiple countries of origin

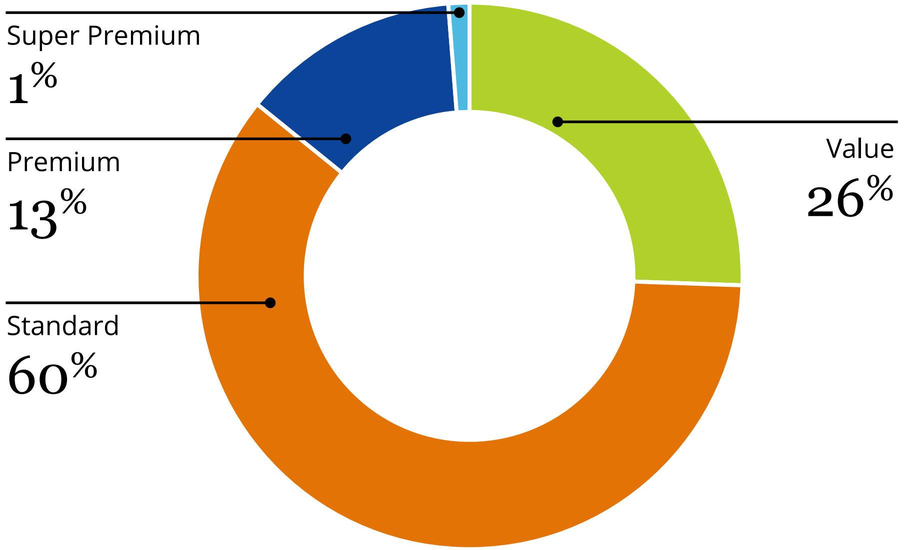
Source: IWSR

Sparkling wine by price band

Super Premium – which makes up just 1% of the total market share – was the only sparkling wine price band to grow from 2017-22. All other price bands declined; though this is set to reverse substantially by 2027

Sparkling wine by price brand*

% of purchases that fall within the categories below



Sparkling wine volumes by price band

'000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Value (under RMB 55.00)	318.60	221.20	-17.1%	7.1%
Standard (between RMB 55.00 and 109.99)	677.36	521.79	-7.2%	10.8%
Premium (between RMB 110.00 and 209.99)	159.08	112.01	-5.5%	13.6%
Super Premium (between RMB 210.00 and 354.99)	28.45	10.80	6.3%	20.4%
Ultra Premium (RMB 355.00 and over)	0.18	0.10	n/a	18.1%

Note: Sparkling Wine includes all sparkling wine types except Champagne, and includes Low and No sparkling wine types

*Ultra Premium omitted from pie chart due to low percentage value

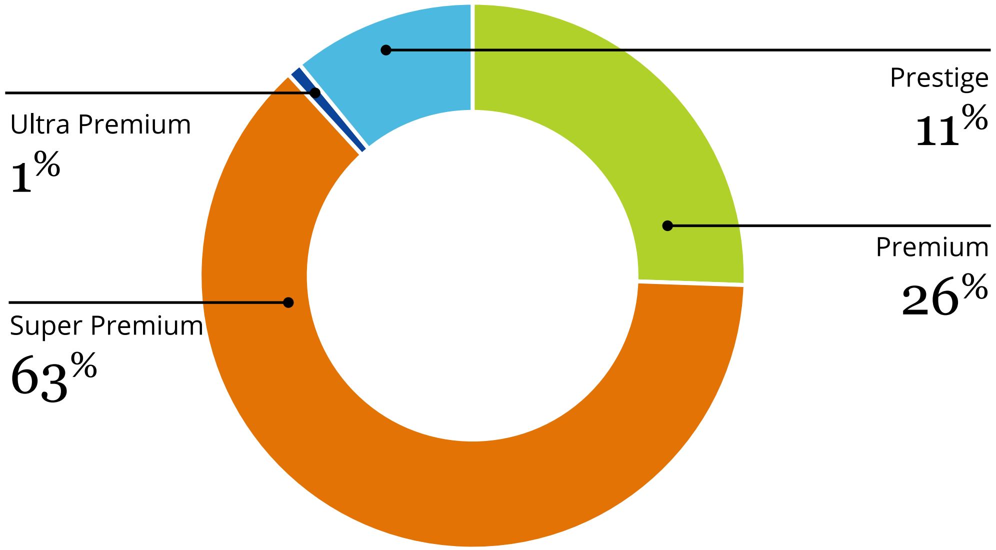
Source: IWSR

Champagne by price band

Unlike the overall sparkling wine category, almost all price bands of Champagne experienced an increase to their volumes between 2017-22 and are expected to continue growing through 2027

Champagne by price band*

% of purchases that fall within the categories below



Champagne volumes by price band

'000s 9-litre cases

	2021	2022	CAGR 17-22	CAGR F 22-27
Premium (under RMB 420.00)	40.50	29.00	21.2%	19.3%
Super Premium (between RMB 420.00 and 999.99)	103.80	71.20	-9.4%	14.2%
Ultra Premium (between RMB 1,000.00 and 1,499.99)	1.00	1.00	14.9%	3.7%
Prestige (between RMB 1,500.00 and 3,499.99)	14.70	12.40	6.9%	5.9%
Prestige Plus (RMB 3,500.00 and over)	1.20	1.10	17.1%	4.9%

*Prestige Plus omitted from pie chart due to low percentage value

Source: IWSR

Sparkling wine consumption per capita

China's already low per capita consumption rate for sparkling wine declined between 2017-22. By contrast, many markets in the top 20 saw increases over the same period

Per capita consumption of sparkling wine

Litres per annum (LDA+ adults)

		2021	2022	CAGR 17-22	CAGR 21-22
1	St. Barths	12.47	13.58	8.4%	7.3%
2	St. Martin and St. Maarten	6.29	8.34	2.5%	6.9%
3	Italy	7.87	7.38	-1.2%	0.2%
4	Turks and Caicos	5.27	6.50	-0.2%	2.0%
5	Germany	5.31	5.51	-1.2%	-0.2%
6	Lithuania	4.88	5.06	6.1%	2.3%
7	Latvia	4.47	4.89	1.4%	1.9%
8	France	4.73	4.86	-0.8%	0.6%
9	Guadeloupe	4.17	4.81	-1.3%	2.7%
10	Martinique	4.22	4.43	-4.2%	2.7%
11	Estonia	4.08	4.34	3.3%	3.2%
12	Belgium and Luxembourg	4.28	4.27	-0.8%	1.0%
13	Austria	3.44	3.54	0.6%	0.2%
14	Switzerland	3.23	3.33	1.5%	1.7%
15	Cayman Islands	3.13	3.31	4.2%	6.3%
16	Sweden	3.28	3.30	7.8%	1.7%
17	United Kingdom	3.16	3.01	0.4%	-0.5%
18	Slovenia	2.89	3.01	3.0%	3.1%
19	New Zealand	3.13	2.94	-0.1%	0.5%
20	Reunion	2.55	2.93	1.1%	2.7%
135=	China	0.01	0.01	-10.0%	-27.3%

Source: IWSR

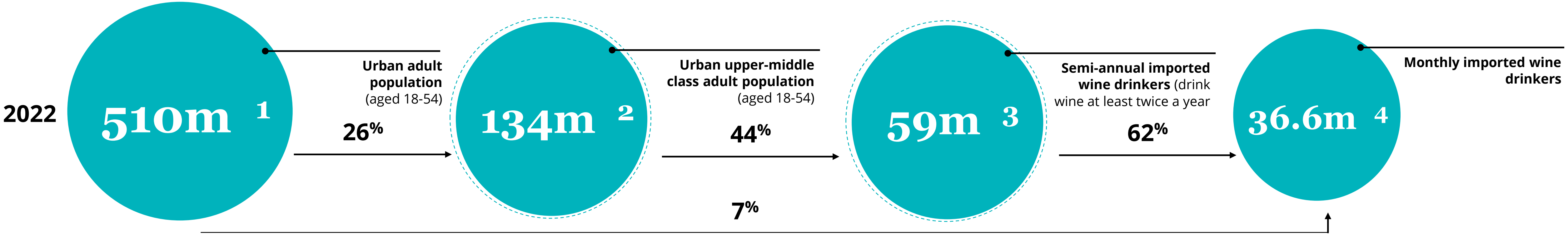
Market Demographics

China Wine Landscapes

2023

Chinese semi-annual wine drinkers

Just over four in ten urban upper-middle class adults in China consume still wine at least twice a year, while one in four drink the beverage monthly



- **Upper-middle class:**
  - Personal monthly income at least 6,000 RMB in Beijing, Shanghai, Guangzhou, Shenzhen and Hangzhou
  - Personal monthly income at least 5,000 RMB in Wuhan, Chengdu, Shenyang, Changsha, Chongqing, Zhengzhou and Guiyang
- **Semi-annual imported wine drinkers:** drink imported wine at least twice a year

1 National Bureau of Statistics China (Census 2020)
2 Wine Intelligence estimation
3 Wine Intelligence China calibration online survey, 2022 (n=1,004) Chinese urban residents aged 18-54 in selected cities and Wine Intelligence estimation for other cities. Wine=still light wine (red, white, rosé)
4 Wine Intelligence, Vinitrac® China, April 2023 (n=1,001) Chinese urban upper-middle class drinkers aged 18-54 of imported wine in Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, Shenyang, Chongqing, Wuhan, Chengdu, Changsha, Zhengzhou and Guiyang

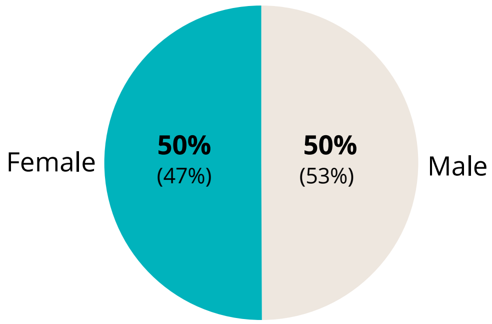
Demographics

There are significantly higher proportions of high-earners and of Gen X consumers in the Chinese wine market compared to pre-pandemic

Chinese semi-annual imported wine drinkers*, who are they?

All semi-annual imported wine drinkers in China in 2023 compared with 2019

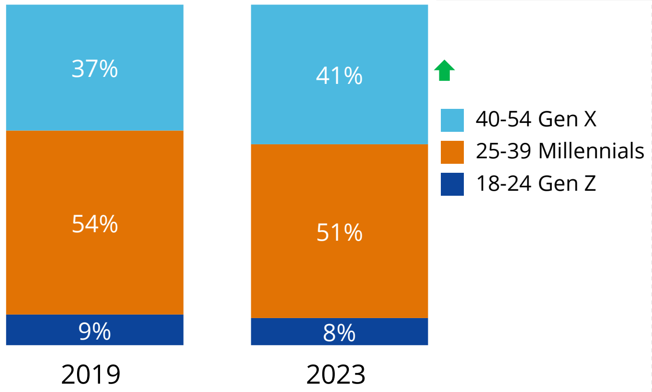
Gender



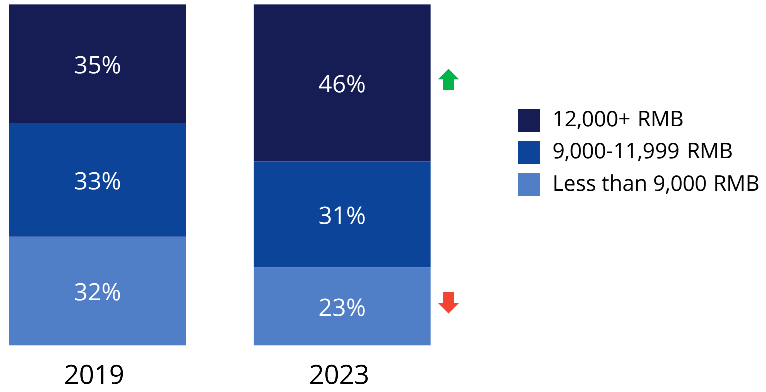
Cities

	2019	2023	Tracking
Shanghai, Hangzhou	20%	21%	→
Beijing	17%	12%	↓
Shenyang, Zhengzhou	10%	9%	→
Guangzhou, Shenzhen	18%	24%	↑
Changsha, Wuhan	8%	10%	→
Chengdu, Guiyang	12%	12%	→
Chongqing	15%	11%	↓

Generations



Income



Market context:

China's birth rate is among the lowest in the world and well below replacement rate. The country's population is ageing rapidly and the working-age population may already have peaked.

Executive Summary Report 2023 China

Data in brackets: 2019 data

*Chinese urban upper-middle class semi-annual imported wine drinkers

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

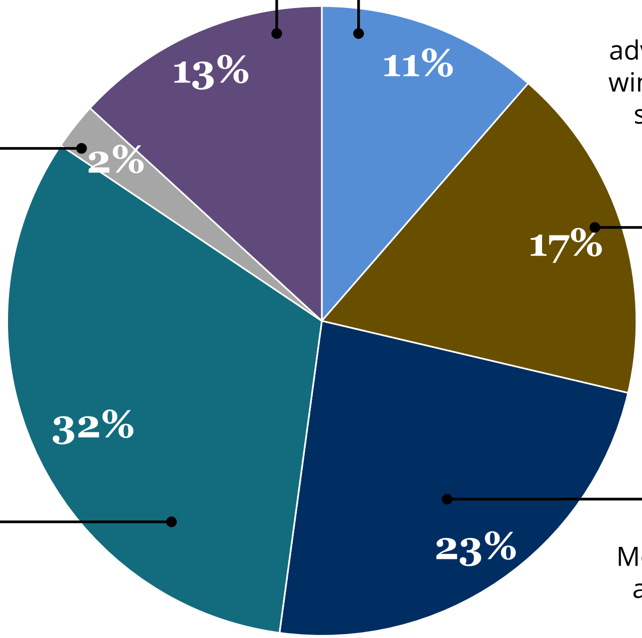
China Portraits: Wine drinker segmentation

Percentage share of Chinese urban upper-middle class semi-annual imported wine drinkers as defined by Portraits segments 2023

FRUGAL OCCASIONALS
Younger, lower income drinkers. They have little knowledge and confidence about wine. Usually, they drink in order to relax and at informal meals at home. Mostly buy wine online. Influenced by what's on promotion and stick to known brands when selecting wine

HEALTH SIPPERS
The oldest segment, with lowest incomes who only drink wine at home and rarely in the on-trade. Usually drink as a healthy treat. Mainly purchase wine at hypermarkets and online. Tend to buy red wine, brands they recognise and wines on promotion

SOCIAL NEWBIES
Lower income consumers living in Tier 2 and 3 cities, with lower knowledge and engagement levels. They mostly drink for social and business occasions. They buy wine where it is convenient and offers good deals, such as hypermarkets. They tend to buy mainstream brands for social and business occasions



ENGAGED EXPLORERS
The youngest and highest income drinkers. They are the most confident segment who enjoy drinking and learning about wine. They are adventurous and enjoy the experiences that come with discovering new wines and expanding their repertoires. They have the broadest range of shopping channels of all drinkers, especially duty free and overseas. A broad repertoire of grape varieties, regions and brands, with a good mixture of both mainstream and niche products

MAINSTREAM CASUALS
Mid- to older-aged, frequent wine drinkers and knowledgeable. Drinking wine is part of their routine and they frequently enjoy wine as a treat alone or with friends and family. Their go-to retail channel is specialist wine shops, but they are also confident buyers in online channels. Mostly mainstream grape varieties, origins and brands. Occasionally they treat themselves with something special

STATUS SEEKERS
More affluent, fairly-frequent and high-spending wine drinkers who are also knowledgeable. Wine is a medium to demonstrate their taste and social status to others. Buy from exclusive sources they trust, such as wineries or brokers they are familiar with. Happy to try niche, lesser-known varietals and origins

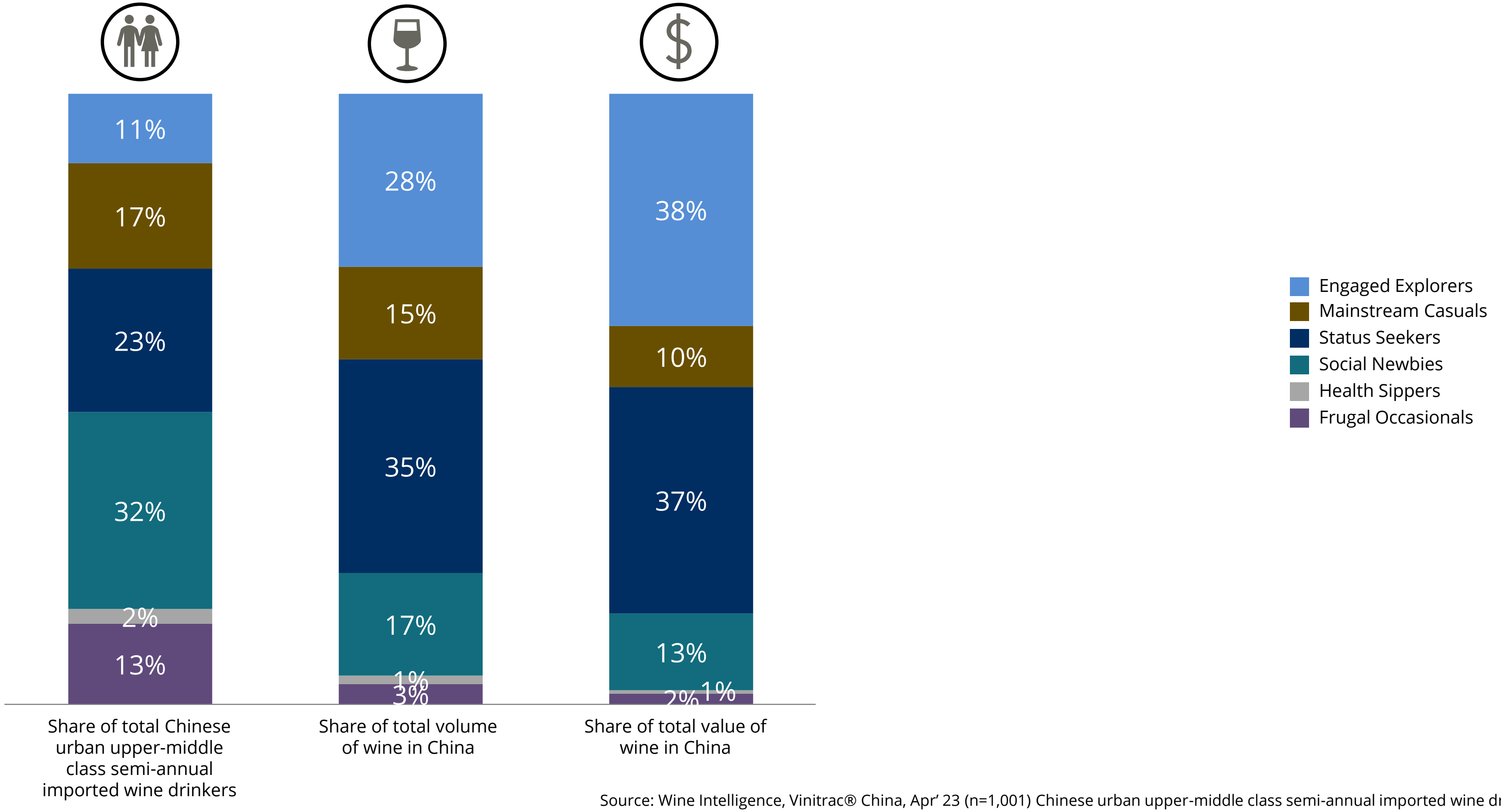
Note: Percentage might not total to 100% due to rounding

Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

China Portraits market sizing

Though Engaged Explorers are the second smallest Portrait segment in China they make up the largest share of value within the market, highlighting their importance to the wine category in China



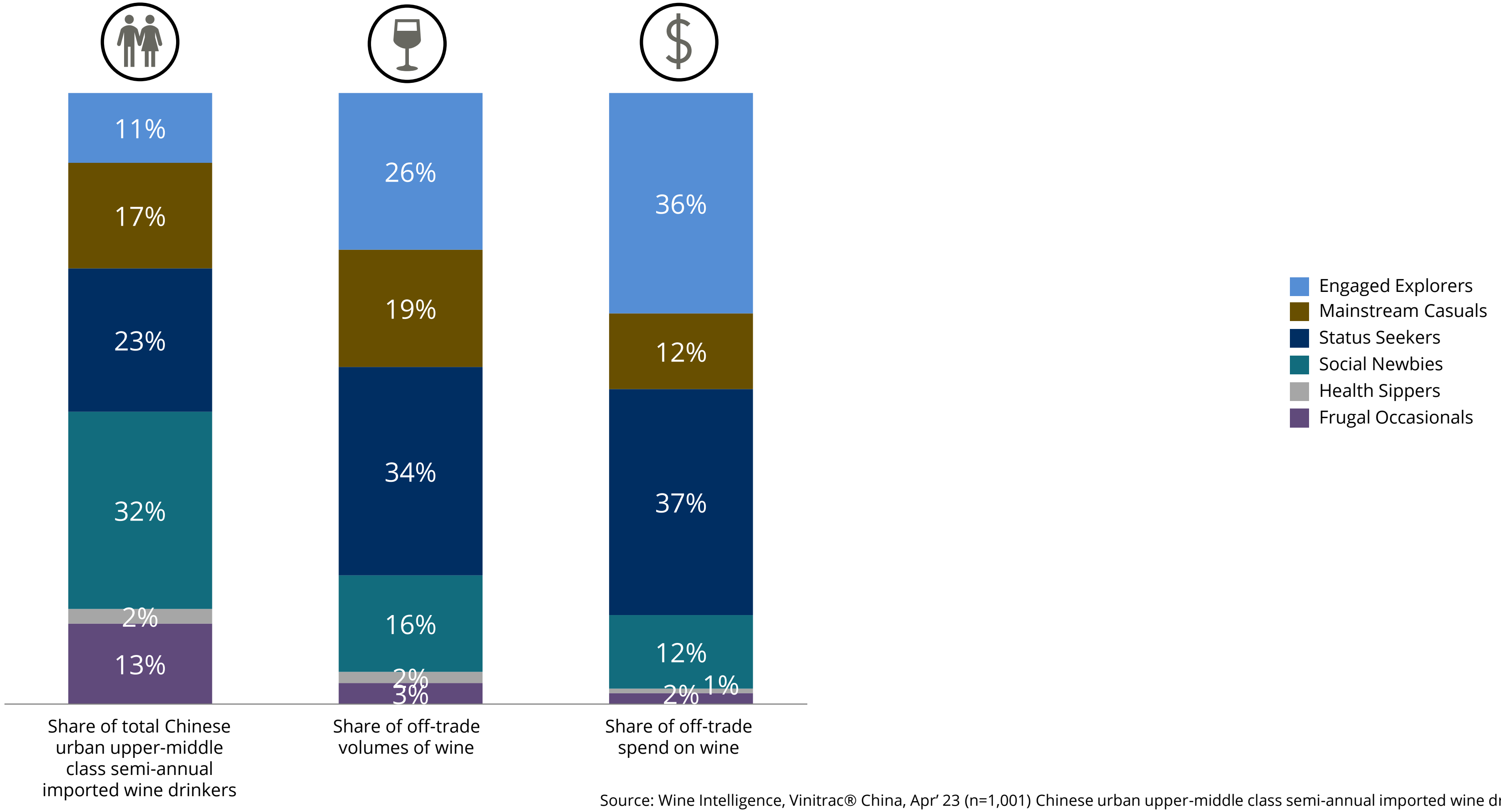
Note: Percentage might not total to 100% due to rounding

Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

China Portraits market sizing: Off-trade

Engaged Explorers and Status Seekers are the leading Portrait segments in terms of both volume and spend in the off-trade



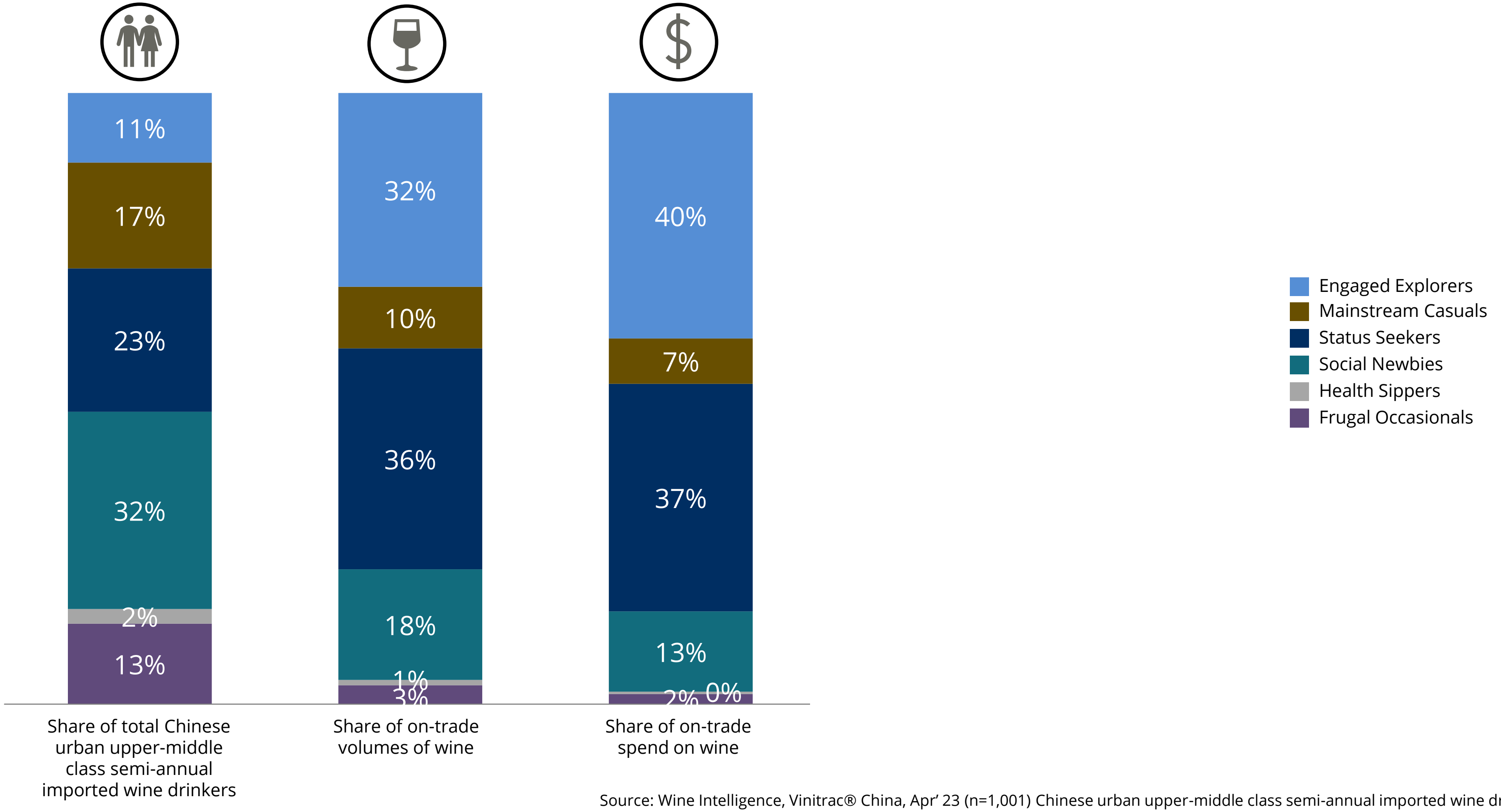
Note: Percentage might not total to 100% due to rounding

Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

China Portraits market sizing: On-trade

In line with the off-trade Engaged Explorers and Status Seekers are also dominant in the on-trade, with both segments making up over 75% of the total spend



Note: Percentage might not total to 100% due to rounding

Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Hot Topic: Consumer Sentiment

China Wine Landscapes

2023

HOT TOPIC

Consumer sentiment

Overall, Chinese respondents seem to be in a buoyant mood, with their confidence levels increasing significantly over the past year. Wine drinkers' attitudes to the on-trade have dramatically changed with much larger proportions of them saying that they are travelling and going out more compared with 2022

Consumer sentiment: tracked

Net score of % who agree with the negative statement subtracted from the % who agree with the positive statement
Minimum value: -3%, Maximum value: 85%
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Source: Wine Intelligence, Vinitrac®, China, Apr '22, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

Consumer sentiment

Attitudes towards wine, finances and well-being are broadly similar among the three generational groups

Consumer sentiment: by generation

Net score of % who agree with the negative statement subtracted from the % who agree with the positive statement
Minimum value: 19%, Maximum value: 86%
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)

Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

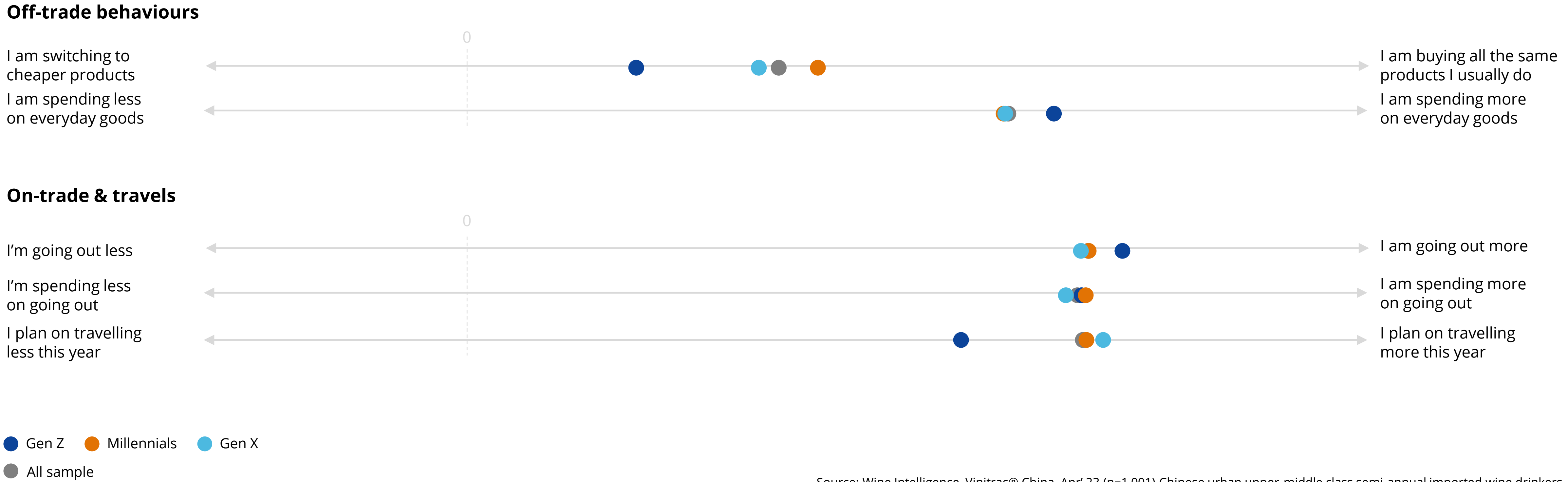
HOT TOPIC

Consumer sentiment

Greater proportions of Gen Z are down-trading but also spending more on everyday goods, suggesting they are more exposed to economic pressures than the other generational groups

Consumer sentiment: by generation

Net score of % who agree with the negative statement subtracted from the % who agree with the positive statement
Minimum value: 19%, Maximum value: 86%
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)



Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Drinking Repertoire

China Wine Landscapes

2023

Beverage repertoire

Chinese wine drinkers have been broadening their alcoholic repertoires since 2019, with higher consumption incidences seen for Beers, Ciders, Spirits and RTDs.

This is creating added competition for wine. However, consumption of traditional Chinese beverage Baijiu has declined over the same period

Alcoholic beverage repertoire: Top 15 tracking

% who have drunk the following beverages in the past 12 months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Red wine	82%	80%	81%	→	→
2	Beer	62%	66%	68%	↑	→
3	White wine	56%	54%	53%	→	→
4	Whisky	42%	45%	47%	↑	→
5	Champagne	42%	46%	44%	→	→
6=	Baijiu	42%	44%	39%	→	↓
6=	Rosé wine	40%	39%	39%	→	→
8	Cocktails	32%	37%	32%	→	↓
9	Cider	27%	30%	31%	↑	→
10=	Sweet sparkling wine	29%	31%	30%	→	→
10=	Brandy	30%	32%	30%	→	→
12=	Cognac	24%	26%	28%	↑	→
12=	Sparkling wine from Australia, New Zealand or USA	31%	36%	28%	↓	↓
14	Pre-mixed / ready-to-drink alcoholic beverages	21%	30%	27%	↑	→
15	Sake	20%	18%	16%	↓	→

= Represents equal ranking

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Varietal consumption

Chinese wine drinkers are focusing on a narrower range of grape varieties for both red and white wines compared to the past year

White varietal consumption: Tracking

% who have drunk the following varietals in the past six months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Sauvignon Blanc	22%	22%	23%	→	→
2	Riesling	25%	23%	22%	→	→
3	Moscato	16%	26%	21%	↑	↓
4	Chardonnay	21%	19%	19%	→	→
5	Chenin Blanc	14%	17%	14%	→	↓
6	Pinot Grigio	11%	14%	13%	→	→
7	Viognier	9%	10%	7%	→	↓

Red varietal consumption: Tracking

% who have drunk the following varietals in the past six months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Cabernet Sauvignon	45%	43%	42%	→	→
2	Pinot Noir	21%	21%	18%	→	→
3	Zinfandel	17%	19%	17%	→	→
4	Gamay	15%	17%	16%	→	→
5	Carménère	13%	16%	15%	→	→
6	Merlot	15%	17%	14%	→	↓
6	Shiraz / Syrah	13%	16%	13%	→	→
8=	Cienna	10%	14%	11%	→	↓
8=	Grenache	11%	16%	11%	→	↓
10=	Tempranillo	9%	13%	10%	→	↓
10=	Malbec	9%	13%	10%	→	↓
12	Pinotage	9%	11%	9%	→	→

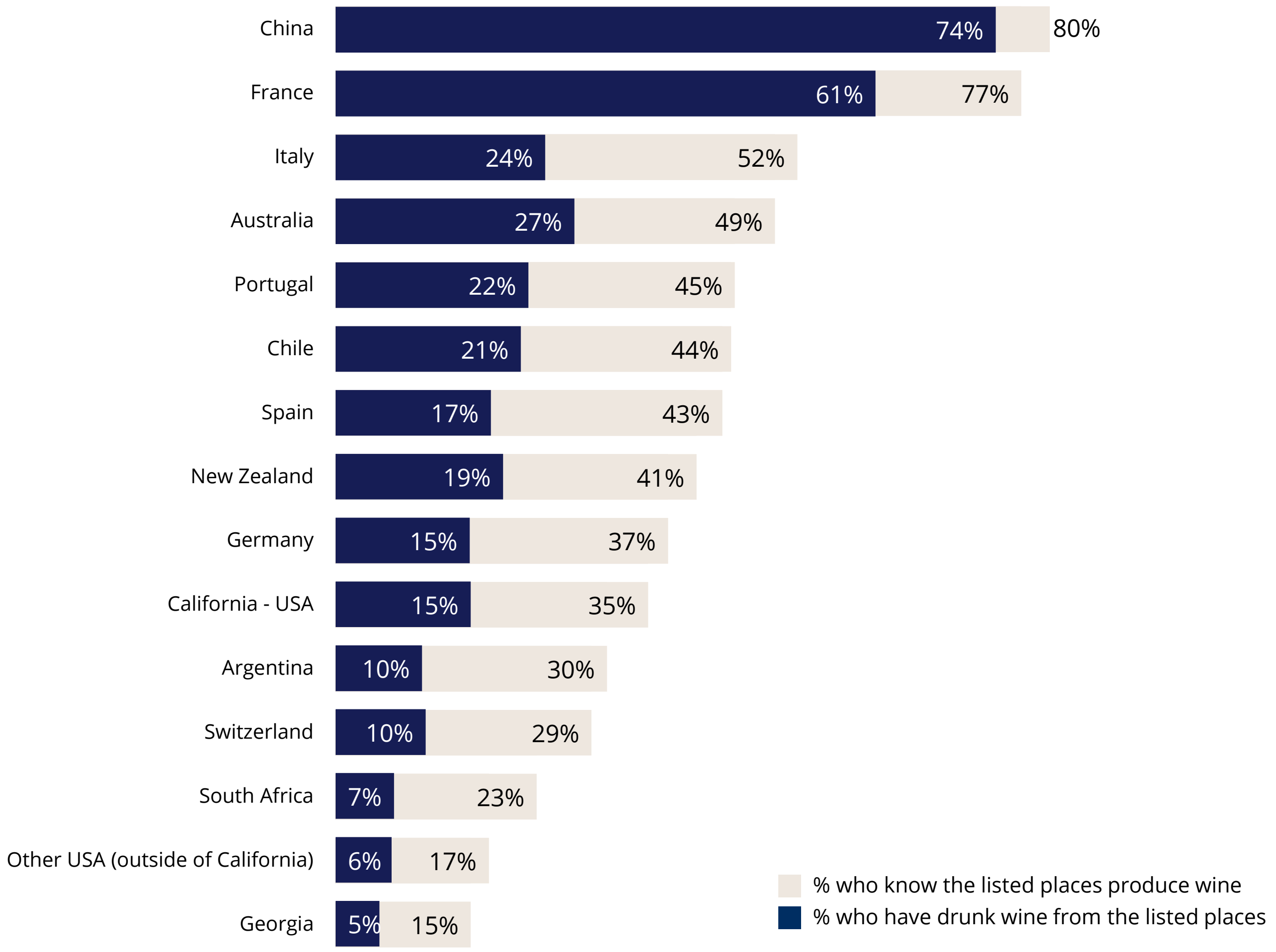
= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Country of origin awareness / consumption

Domestically-produced wine scores highest among Chinese consumers for both awareness and purchase incidences, closely followed by France

Country of origin: Top 15 awareness and consumption purchase levels

% of those who know of or have drunk wine from the following places
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)



Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Country of origin awareness

Awareness of domestically-produced wine has increased, with China overtaking France to be the most well-known wine producing country. The US – including California – and South Africa have lower awareness compared to 2019

Country of origin awareness: Tracking

% of those who know the following places produce wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	China	75%	78%	80%	↑	→
2	France	76%	78%	77%	→	→
3	Italy	52%	54%	52%	→	→
4	Australia	53%	51%	49%	→	→
5	Portugal	41%	46%	45%	→	→
6	Chile	45%	41%	44%	→	→
7	Spain	42%	45%	43%	→	→
8	New Zealand	39%	43%	41%	→	→
9	Germany	35%	34%	37%	→	→
10	California - USA	39%	40%	35%	↓	↓
11	Argentina	33%	29%	30%	→	→
12	Switzerland	30%	28%	29%	→	→
13	South Africa	28%	23%	23%	↓	→
14	Other USA (outside of California)	25%	16%	17%	↓	→
15	Georgia	15%	14%	15%	→	→

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Country of origin consumption

Domestically-produced wine has seen a boost in consumption. Australia, California, Italy and South Africa have all dipped over the last year

Country of origin consumption: Tracking

% who have drunk wine from the following places in the past six months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	China	64%	72%	74%	↑	→
2	France	58%	62%	61%	→	→
3	Australia	32%	30%	27%	↓	↓
4	Italy	23%	28%	24%	→	↓
5	Portugal	16%	22%	22%	↑	→
6	Chile	22%	21%	21%	→	→
7	New Zealand	18%	21%	19%	→	→
8	Spain	16%	20%	17%	→	→
9=	California - USA	20%	20%	15%	↓	↓
9=	Germany	13%	14%	15%	→	→
11=	Switzerland	10%	11%	10%	→	→
11=	Argentina	9%	11%	10%	→	→
13	South Africa	8%	9%	7%	→	↓
14	Other USA (outside of California)	9%	6%	6%	↓	→
15	Georgia	5%	5%	5%	→	→

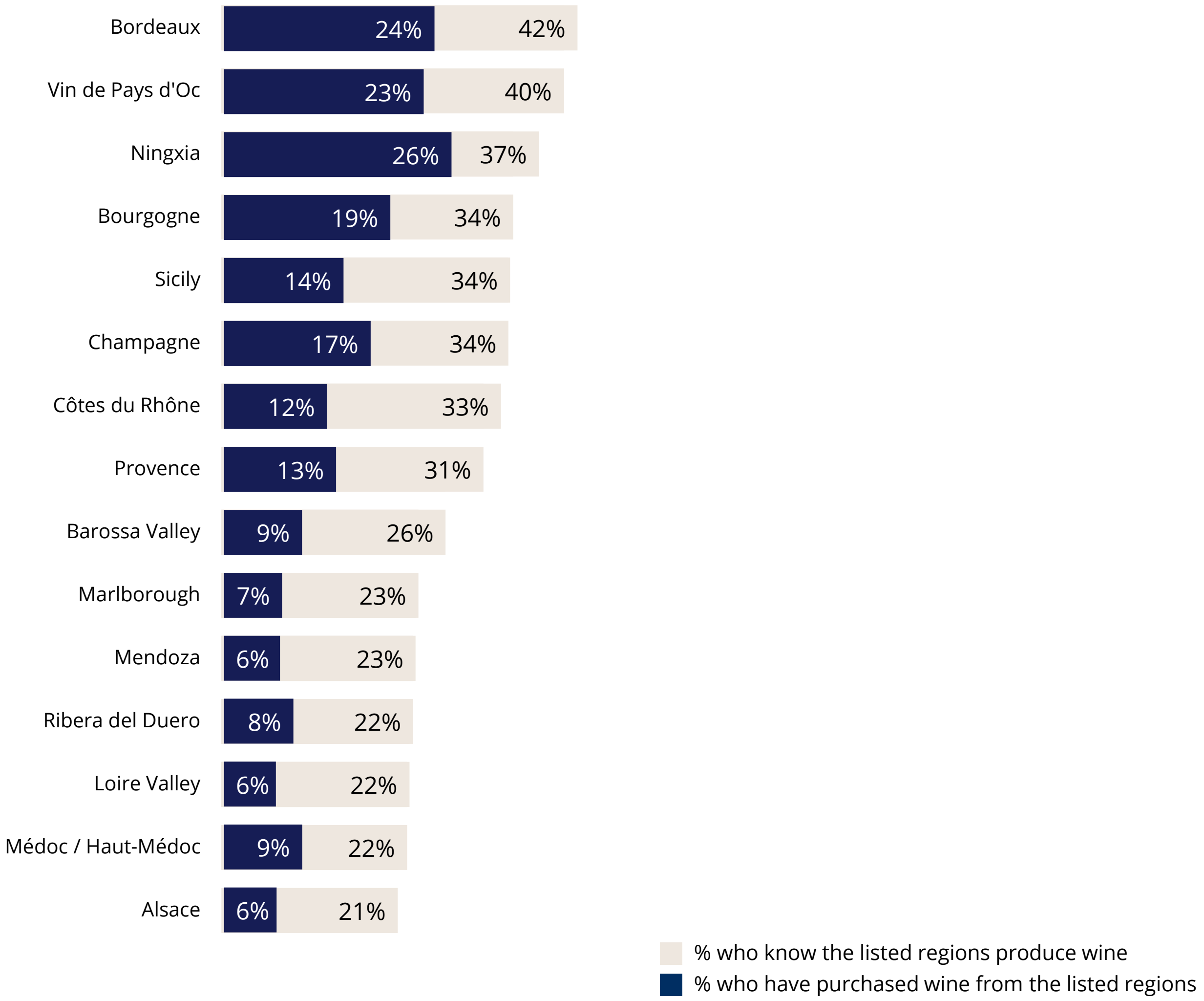
= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Region of origin awareness / purchase

Although it is not the most well-known region among respondents, China's Ningxia has the highest purchase incidence of all tested regions. French regions are dominant among Chinese wine drinkers in terms of both awareness and consumption

Region of origin: Top 15 awareness and respective purchase level

% of those who know of or have purchased wine from the following regions
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)



Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Region of origin awareness

Bordeaux remains the best-known region among respondents, though it has seen a significant decline in awareness since 2019 along with other French region Provence

Region of origin awareness: Top 15, tracking

% of those who know the following regions produce wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Bordeaux	46%	42%	42%	↓	→
2	Vin de Pays d'Oc	34%	40%	40%	↑	→
3	Ningxia	37%	41%	37%	→	↓
4=	Bourgogne	34%	33%	34%	→	→
4=	Sicily	32%	33%	34%	→	→
4=	Champagne	31%	31%	34%	→	→
7	Côtes du Rhône	31%	33%	33%	→	→
8	Provence	35%	37%	31%	↓	↓
9	Barossa Valley	25%	27%	26%	→	→
10=	Marlborough	21%	23%	23%	→	→
10=	Mendoza	22%	22%	23%	→	→
12=	Ribera del Duero	19%	24%	22%	↑	→
12=	Loire Valley	24%	23%	22%	→	→
12=	Médoc / Haut-Médoc	21%	24%	22%	→	→
15	Alsace	20%	21%	21%	→	→

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Region of origin purchase

Chinese region Ningxia has a significantly higher purchase incidence when compared to 2019, which market experts attribute to ‘sophisticated drinkers’

Region of origin purchase: Top 15, tracking

% who have bought wine from the following wine-producing regions in the past three months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Ningxia	23%	28%	26%	↑	→
2	Bordeaux	31%	25%	24%	↓	→
3	Vin de Pays d'Oc	17%	22%	23%	↑	→
4	Bourgogne	17%	18%	19%	→	→
5	Champagne	14%	15%	17%	→	→
6	Sicily	11%	14%	14%	↑	→
7	Provence	14%	17%	13%	→	↓
8	Côtes du Rhône	12%	14%	12%	→	→
9=	Médoc / Haut-Médoc	8%	10%	9%	→	→
9=	Barossa Valley	9%	10%	9%	→	→
11	Ribera del Duero	7%	10%	8%	→	→
12=	Margaret River	7%	9%	7%	→	→
12=	Napa Valley	7%	7%	7%	→	→
12=	Tuscany	6%	7%	7%	→	→
12=	Navarra	6%	6%	7%	→	→

Market context:

In more recent years, boutique wineries, especially in the Ningxia region, are producing high-quality wines targeting sophisticated wine drinkers, and are exporting as well. Considered China’s most promising wine region, Ningxia has enjoyed unparalleled attention from both local and central governments

Executive Summary Report 2023 China

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar ’19, Apr '22. Apr ‘23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying Behaviours

China Wine Landscapes

2023

Wine-buying channel usage

Chinese wine drinkers are purchasing their wines from a narrower range of retail channels when compared to both 2019 and 2022. Use of online retail has also dropped slightly.

This could indicate that respondents are purchasing lower volumes of wine compared to previous years, and making fewer purchases as a result

Wine-buying channel usage: Tracking

% who have bought wine from the following channels in the past six months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Wine shop / shop specialised in alcohol	59%	62%	55%	↓	↓
2	From an online retailer	n/a	54%	52%	n/a	→
3	Department store	37%	35%	34%	→	→
4=	Boutique supermarkets	29%	35%	31%	→	↓
4=	Hypermarkets	39%	29%	31%	↓	→
6	From a supermarket / hypermarket website	n/a	37%	30%	n/a	↓
7	From a winery's website	n/a	32%	29%	n/a	→
8	Imported food and drinks stores	35%	35%	28%	↓	↓
9	Directly from broker	27%	28%	27%	→	→
10	Duty free (at airports, etc)	36%	28%	26%	↓	→
11	From a winery during a visit	n/a	27%	22%	n/a	↓
12	Overseas	24%	17%	16%	↓	→
13	Supermarkets	17%	14%	15%	→	→
14	Discount supermarkets	15%	15%	14%	→	→
15	Convenience stores	12%	12%	10%	→	→
16	From a delivery app	n/a	10%	8%	n/a	↓

↓**77%** are online wine buyers vs **81%** in 2022

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying retailer usage

JD.com remains the clear market leader when it comes to where Chinese consumers buy their wine. Fewer Chinese consumers are using bricks-and-mortar stores like Vanguard, Carrefour and Hualian compared with previous years

Wine-buying retailer usage: Top 15

% who mainly use the following retailers to buy wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	JD.COM	38%	48%	48%	↑	→
2	Tmall.com	35%	39%	38%	→	→
3	Walmart	36%	37%	35%	→	→
4	Sam's Club	16%	33%	33%	↑	→
5	RT-Mart	24%	28%	26%	→	→
6=	Vanguard	21%	25%	22%	→	↓
6=	Carrefour	26%	24%	22%	↓	→
8	Taobao.com	16%	23%	21%	↑	→
9=	Jiuxian.com	19%	24%	20%	→	↓
9=	Metro	17%	22%	20%	→	→
11	Wine9.com	16%	19%	17%	→	→
12	Amazon.cn	23%	24%	16%	↓	↓
13	Ole'	13%	17%	15%	→	→
14	Hualian / BHG Market Place	12%	17%	12%	→	↓
15=	GJW.COM	8%	14%	11%	↑	↓

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Consumption frequency

The frequency of consumption of domestically-produced, grape-based wine has increased, while sparkling wine has declined from its post-pandemic peak

Off-trade: Wine consumption frequency

Base = Those who buy wine in the off-trade

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
Grape-based wine from China	**33**	**38**	**37**	↑	→
Imported grape-based wine	**29**	**29**	**29**	→	→
Sparkling wine (including Champagne)	**21**	**24**	**22**	→	↓

Note: Table above shows the number of days per year that consumers are drinking these wine types

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

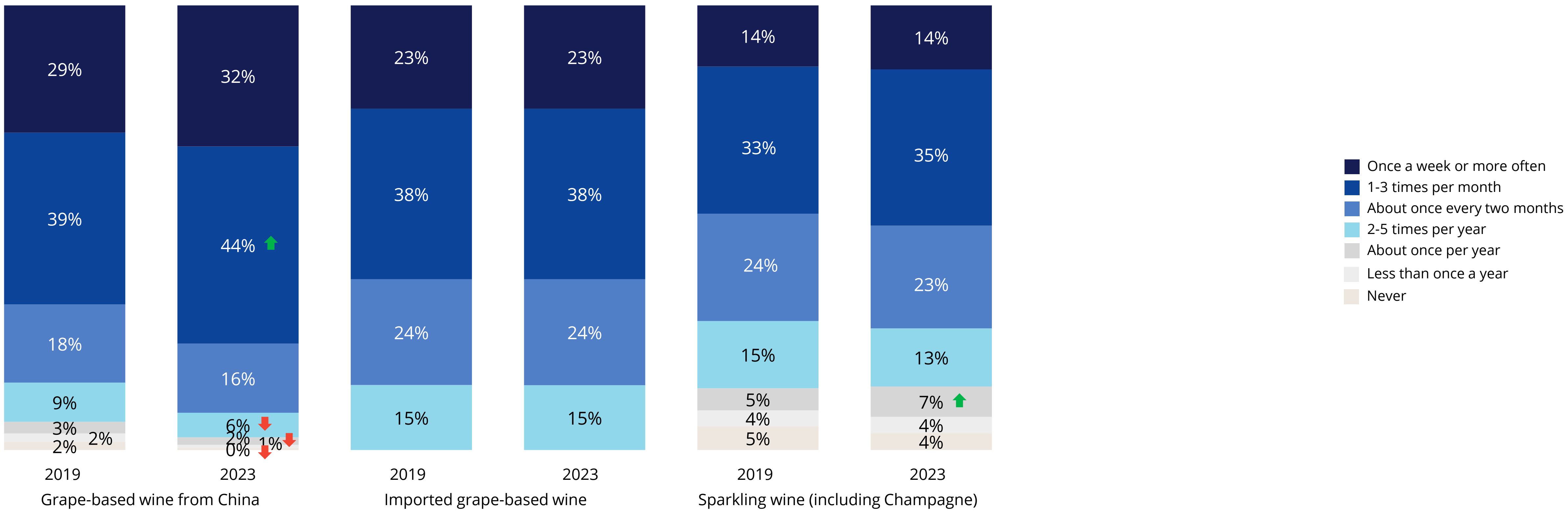
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Consumption frequency

Chinese consumers are drinking domestically-produced, grape-based wine more often, although this has not affected their consumption of imported wines

Off-trade: Wine consumption frequency

Base = Those who buy wine in the off-trade



/: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Consumption frequency

Wine is being consumed more often as a relaxing end-of-day drink, while consumption of wine at formal dinner occasions has decreased. This could indicate that wine is increasingly being viewed as a more casual beverage rather than solely for special occasions

Off-trade: Wine consumption frequency by occasion

Base = Those who buy wine in the off-trade

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
A relaxing drink while relaxing at home	**38**	**43**	**41**	⬆	➡
With an informal meal at home	**25**	**25**	**25**	➡	➡
When inviting guests home for dinner	**18**	**19**	**17**	➡	⬇
Celebrating a special occasion at home	**15**	**15**	**15**	➡	➡
BYO (bring your own wine to a bar / restaurant)	**15**	**16**	**14**	➡	➡

Note: Table above shows the number of days per year that consumers are drinking wine at these occasions

⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

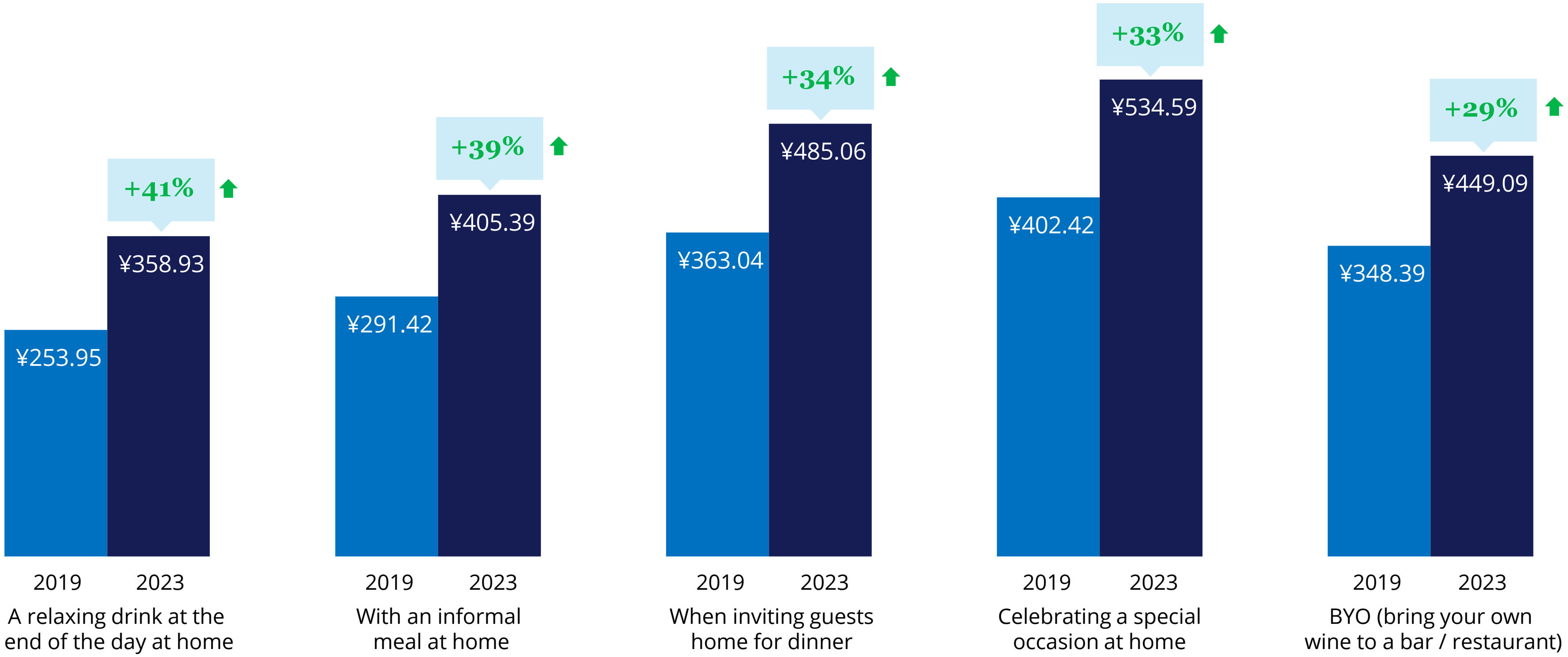
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Typical off-trade spend

Though consumption frequency has remained broadly stable, the amount being spent on wine across all occasions since 2019 has increased significantly

Off-trade: Typical spend per bottle by occasion

Base = Those who buy wine in the off-trade



⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

On-trade consumption frequency

Consumption frequency of wine at informal meal occasions has increased significantly compared to 2019, indicating that consumers are starting to see wine as suitable for more than just formal occasions

On-trade: Wine consumption frequency by occasion

Base = Those who buy wine in the on-trade

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
With an informal meal in a restaurant	**19**	**23**	**22**	↑	→
With a more formal meal or celebration in a restaurant	**15**	**16**	**16**	→	→
An informal night out at a bar / café / club / karaoke	**18**	**20**	**19**	→	→
At a party / celebration / big night out at a bar / café / club / karaoke	**16**	**17**	**15**	→	→
During a business lunch or dinner	**17**	**19**	**19**	→	→

Note: Table above shows the number of days per year that consumers are drinking wine at these occasions

↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

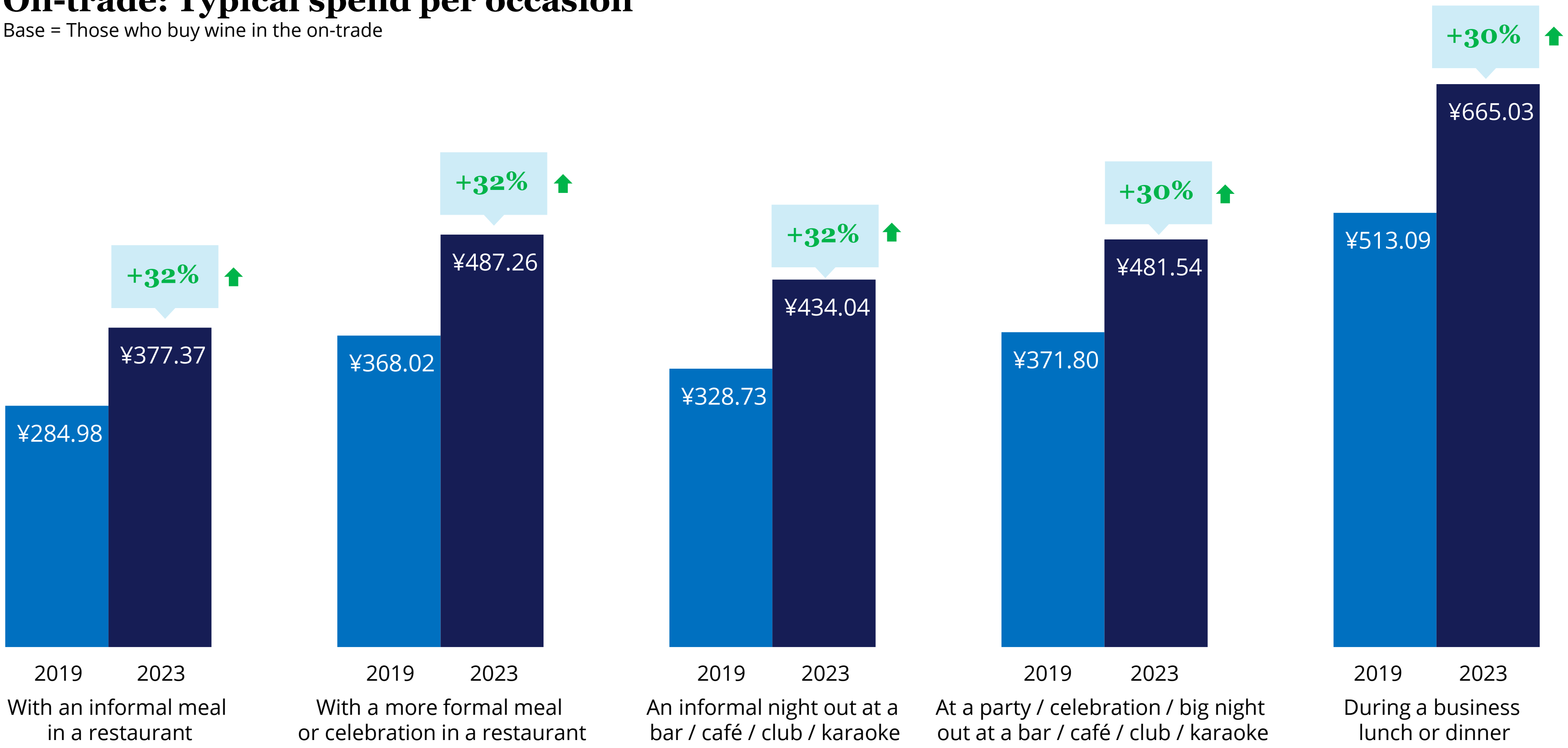
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Typical on-trade spend

In line with the off-trade, the amount being spent on wine in the on-trade across all occasions has increased significantly since 2019

On-trade: Typical spend per occasion

Base = Those who buy wine in the on-trade



⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine Views and Attitudes

China Wine Landscapes

2023

Attitudes towards wine

Chinese wine drinkers have become increasingly willing to experiment with their wine selections. Half of all respondents enjoy trying different styles – an attitude that is broadly consistent across generational groups

Attitudes towards wine: Tracking

% who 'agree' or 'strongly agree' with the following statements
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
I enjoy trying new and different styles of grape-based wine on a regular basis	46%	53%	55%	↑	→
I don't mind which grape-based wine I buy so long as the price is right	13%	12%	11%	→	→
I know which grape-based wines I like and I tend to stick to what I know	41%	35%	34%	↓	→

Attitudes towards wine by generation

% who 'agree' or 'strongly agree' with the following statements
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)

	All Chinese UUMC semi-annual imported wine drinkers (n=1,001)	LDA-24 Gen Z (n=83)	25-39 Millennials (n=511)	40-54 Gen X (n=406)
I enjoy trying new and different styles of grape-based wine on a regular basis	55%	57%	59%	50%
I don't mind which grape-based wine I buy so long as the price is right	11%	10%	10%	12%
I know which grape-based wines I like and I tend to stick to what I know	34%	33%	31%	38%

% / %: Statistically significantly higher / lower than all regular wine drinkers at a 95% confidence level
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Involvement and perceived expertise (1)

Alongside an increased interest in experimenting with wine, fewer consumers now feel that their wine knowledge compares negatively to that of others

Involvement and perceived expertise in wine: Tracking

% who 'agree' or 'strongly agree' with the following statements
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	I have a strong interest in grape-based wine	**88%**	**88%**	**90%**	➡	➡
2	It's often worth spending more to get a better wine	**91%**	**90%**	**88%**	⬇	➡
3	Grape-based wine is important to me in my lifestyle	**85%**	**85%**	**87%**	➡	➡
4	Generally speaking, grape-based wine is reasonably priced	**81%**	**81%**	**80%**	➡	➡
5	I consider myself to be an expert on grape-based wine	**61%**	**59%**	**62%**	➡	➡
6	Grape-based wine is normally too expensive	**61%**	**59%**	**60%**	➡	➡
7	Compared to others, I know less about the subject of wine	**31%**	**32%**	**25%**	⬇	⬇

= Represents equal ranking
⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Involvement and perceived expertise (2)

There is no significant variation between generational groups in China when it comes to their involvement in the wine category

Involvement and perceived expertise in wine by generation

% who 'agree' or 'strongly agree' with the following statements
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		All Chinese UUMC semi-annual imported wine drinkers (n=1,001)	LDA-24 Gen Z (n=83)	25-39 Millennials (n=511)	40-54 Gen X (n=406)
1	I have a strong interest in grape-based wine	90%	84%	91%	90%
2	It's often worth spending more to get a better wine	88%	84%	90%	88%
3	Grape-based wine is important to me in my lifestyle	87%	84%	86%	89%
4	Generally speaking, grape-based wine is reasonably priced	80%	75%	79%	81%
5	I consider myself to be an expert on grape-based wine	62%	64%	63%	60%
6	Grape-based wine is normally too expensive	60%	61%	59%	60%
7	Compared to others, I know less about the subject of wine	25%	30%	25%	24%

% / %: Statistically significantly higher / lower than all regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac® China, Apr' 23 (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine knowledge and confidence indices

The confidence level of Chinese wine drinkers has increased significantly since 2019 though knowledge levels have declined

Wine knowledge index: Tracking

Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
Knowledge Index	**28.6**	**27.6**	**27.6**	➡	➡

Wine knowledge index (0–100) is calculated based on consumer-reported awareness of wine-growing regions and wine brands.
Wine knowledge index is the 'objective' measurement of consumer knowledge about wine.

-1.0
Index change since 2019

Wine confidence index: Tracking

Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

	2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
Confidence Index	**59.8**	**59.6**	**62.1**	⬆	⬆

Wine confidence index (0–100) is calculated based on the extent to which consumers feel competent about their wine knowledge. Wine confidence index uses consumers' answers to three attitudinal statements: 1) I feel competent about my knowledge of wine / 2) Compared to others, I know less about the subject of wine / 3) I don't understand much about wine.
Wine confidence index is the 'subjective' measurement of consumer confidence about their wine knowledge.

+2.3
Index change since 2019

⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-drinking motivations

The extrinsic properties of wine, such as its relaxation, social or health benefits, have become less important as motivators for respondents since 2019

Wine drinking motivations: tracking

% who selected the following as reasons why they drink wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	It helps me to relax	51%	49%	45%	↓	↓
2=	I like the taste	46%	45%	44%	→	→
2=	It helps to create a relaxed and friendly atmosphere	46%	48%	44%	→	↓
4=	Grape-based wine is good for my health	47%	45%	42%	↓	→
4=	Drinking wine is a good way to celebrate a special occasion	42%	44%	42%	→	→
6	It makes people modern and sophisticated	38%	37%	36%	→	→
7	Drinking grape-based wine will improve my skin	37%	36%	35%	→	→
8	Serving wine is a good way to show respect and consideration for my guests	39%	40%	34%	↓	↓
9	It goes well with Western food	35%	33%	32%	→	→
10=	I enjoy learning about wine	37%	37%	31%	↓	↓
10=	It is a way to enjoy the fact that I have been successful in my career	28%	30%	31%	→	→
12	It makes me feel individual and unique	28%	28%	26%	→	→
13	Most of my friends drink wine	26%	25%	25%	→	→
14	It goes well with Chinese food	22%	22%	22%	→	→

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying choice cues

Written descriptions of a wine's flavour have increased in importance. They are now the joint leading choice cue alongside country of origin

Wine choice cues in off-trade (ranked top 1): Tracking

% who rank the following as the most important factor that influences their decision when buying wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1=	Words describing the flavour of the wine	8%	9%	11%	↑	→
1=	The country of origin	11%	10%	11%	→	→
3=	The region of origin	9%	9%	10%	→	→
3=	Grape variety	11%	8%	10%	→	→
5	A brand I am aware of	12%	10%	9%	→	→
6	Quality indicators	10%	10%	8%	→	→
7	Opportunity to taste the wine before purchase	6%	6%	7%	→	→
8=	Vintage	6%	6%	6%	→	→
8=	Recommendation by friend or family	5%	6%	6%	→	→
10	Back label information	4%	5%	5%	→	→
11=	Recommendations from wine critic or writer	4%	5%	4%	→	→
11=	Traditional bottles and labels	3%	4%	4%	↑	→
13=	Promotional offer	3%	3%	3%	→	→
13=	Recommendations from shop staff or by shop leaflets	2%	2%	3%	→	→
15	Modern and contemporary bottles and labels	3%	4%	2%	→	↓

Note: Top 1 refers to respondents selecting this factor as the most important in influencing their wine-buying decision

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying choice cues

Grape variety and words describing the flavour of the wine are increasingly the two most important choice cues for Chinese wine drinkers when making purchasing decisions in the off-trade

Wine choice cues in off-trade (ranked top 5): Tracking

% who rank the following among the top 5 most important factors that influence their decision when buying wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Grape variety	44%	44%	50%	↑	↑
2	Words describing the flavour of the wine	42%	43%	46%	↑	↑
3=	The region of origin	41%	40%	42%	→	→
3=	Quality indicators	39%	44%	42%	→	→
5	The country of origin	45%	40%	41%	→	→
6	Vintage	37%	37%	40%	→	→
7	A brand I am aware of	39%	35%	34%	↓	→
8	Opportunity to taste the wine before purchase	25%	27%	29%	→	→
9	Recommendation by friend or family	31%	30%	27%	→	→
10	Back label information	26%	27%	26%	→	→
11	Recommendations from wine critic or writer	28%	28%	24%	↓	↓
12	Traditional bottles and labels	19%	19%	22%	→	→
13=	Modern and contemporary bottles and labels	20%	21%	21%	→	→
13=	Promotional offer	21%	18%	21%	→	→
15	Recommendations from shop staff or by shop leaflets	14%	13%	14%	→	→

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying barriers

Concern over a wine's authenticity has declined since 2019 though it remains the biggest barrier to purchase. Uncertainty over a wine's taste could explain why written flavour descriptions have grown in importance

Wine buying barriers (top 1): Tracking

% who rank the following as the biggest barrier when buying imported wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Do not know whether wine is real or fake	16%	12%	12%	↓	→
2	Difficult to tell what the wine will taste like	11%	12%	11%	→	→
3	Prices too high	7%	7%	9%	→	↑
4	Not enough information on back label	8%	8%	8%	→	→
5=	Difficult to see country or region of origin on label	7%	7%	7%	→	→
5=	Shop staff not knowledgeable about wines	7%	8%	7%	→	↓
7=	Difficult to find the wines I'm looking for in my local shop	9%	9%	6%	↓	↓
7=	Difficult to see varietal on label	7%	7%	6%	→	→
9	Cannot find the brand I can recognise on the shelf	7%	6%	5%	→	→
10=	Do not trust shop staff recommendations	4%	4%	4%	→	→
10=	Difficult to remember which wines I've tried before	5%	5%	4%	→	→
10=	Lack of shop staff available to give recommendations	4%	5%	4%	→	→

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Wine-buying barriers

Chinese respondents see fewer barriers to making wine purchases compared with previous years. This is likely linked to their increased confidence levels around the category and an improved retail experience

Wine buying barriers (top 5): Tracking

% who rank the following among the top 5 biggest barriers when buying imported wine
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Difficult to tell what the wine will taste like	50%	46%	42%	↓	↓
2	Do not know whether wine is real or fake	53%	45%	41%	↓	↓
3	Not enough information on back label	43%	38%	38%	→	→
4	Difficult to see varietal on label	39%	35%	33%	→	→
5=	Difficult to find the wines I'm looking for in my local shop	39%	34%	31%	→	→
5=	Difficult to see country or region of origin on label	35%	32%	31%	→	→
7	Prices too high	32%	27%	29%	→	→
8	Shop staff not knowledgeable about wines	36%	33%	25%	↓	↓
9	Cannot find the brand I can recognise on the shelf	30%	26%	23%	↓	↓
10=	Do not trust shop staff recommendations	24%	21%	20%	→	→
10=	Difficult to remember which wines I've tried before	25%	21%	20%	→	→
12	Lack of shop staff available to give recommendations	20%	21%	15%	↓	↓

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Hot Topic: Packaging and Closures

China Wine Landscapes

2023

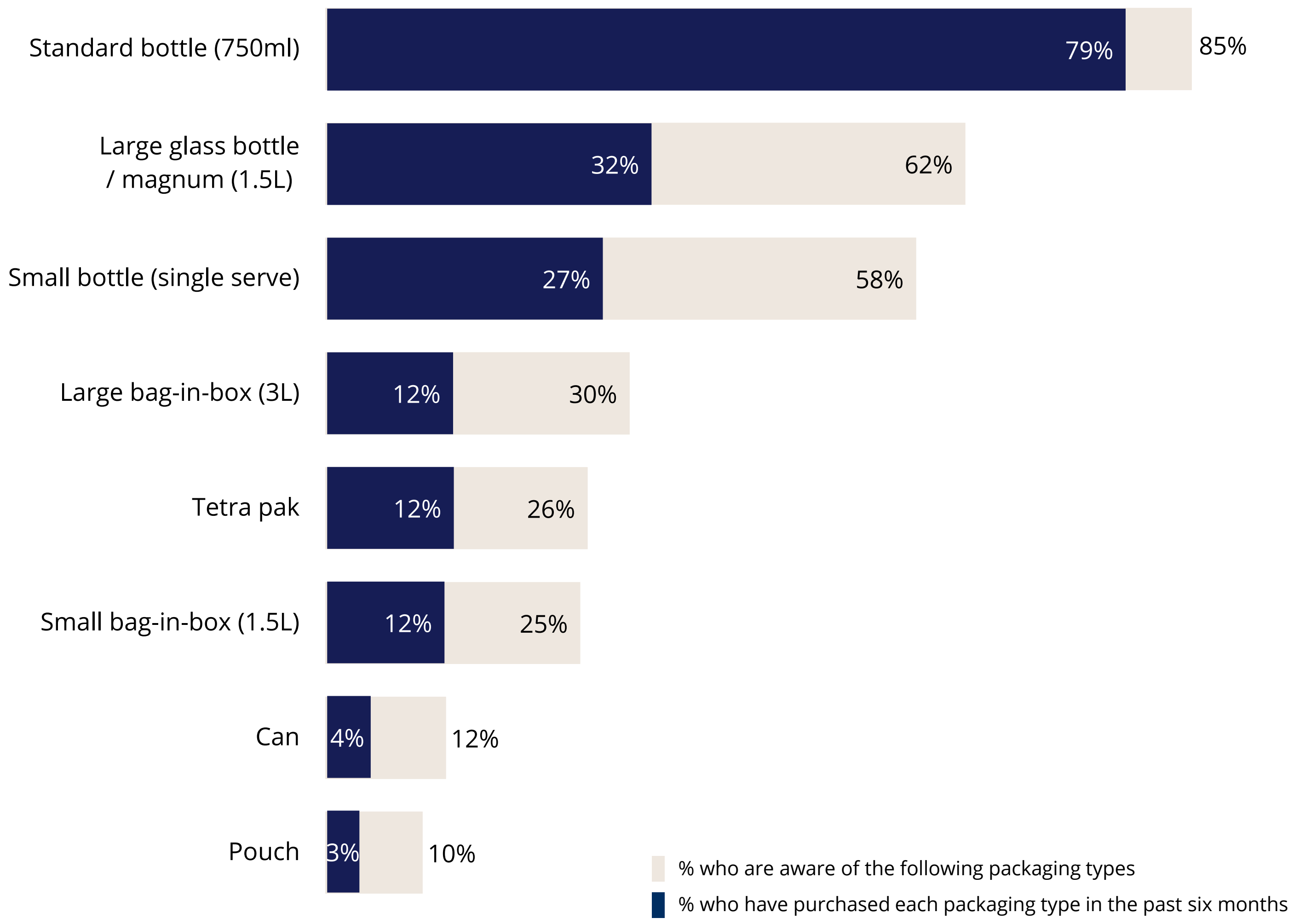
HOT TOPIC

Packaging type consumption / awareness

The standard 750ml bottle is the leading packaging format among Chinese wine drinkers. Magnum and single-serve bottles are both popular alternative formats

Packaging types: Awareness and consumption levels

% of those who are aware of or have purchased wine in the following packaging types
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)



*Urban upper-middle class

Source: Wine Intelligence, Vinitrac®, China, Apr ‘23, (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

Packaging purchase

The range of packaging types that drinkers are purchasing has narrowed over the past year.

Gen Z drinkers have a higher purchase incidence for bag-in-box formats – both large and small – compared with other Chinese consumers

Packaging purchase: Tracking

% who have purchased wine in the following packaging types
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)

Ranking '23		2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '22
1	Standard bottle (750 ml)	**76%**	**79%**	→
2	Large glass bottle / magnum (1.5L)	**37%**	**32%**	↓
3	Small bottle (single serve)	**34%**	**27%**	↓
4=	Tetra pak	**13%**	**12%**	→
4=	Large bag-in-box (3L)	**15%**	**12%**	→
4=	Small bag-in-box (1.5L)	**13%**	**12%**	→
7	Can	**6%**	**4%**	↓
8	Pouch	**4%**	**3%**	→

Packaging purchase: by generation

% who are aware of and have purchased wine in the following packaging types
Base = Those who have heard of each type of packaging

Ranking '23		All Chinese UUMC semi annual imported wine drinkers (n=1,001)	LDA-24 Gen Z (n=83)	25-39 Millennials (n=511)	40-54 Gen X (n=406)
1	Standard bottle (750 ml)	**79%**	**71%**	**82%**	**76%**
2	Large glass bottle / magnum (1.5L)	**32%**	**41%**	**31%**	**31%**
3	Small bottle (single serve)	**27%**	**34%**	**26%**	**27%**
4=	Tetra pak	**12%**	**18%**	**12%**	**12%**
4=	Large bag-in-box (3L)	**12%**	**23%**	**12%**	**11%**
4=	Small bag-in-box (1.5L)	**12%**	**22%**	**10%**	**11%**
7	Can	**4%**	**5%**	**4%**	**5%**
8	Pouch	**3%**	**7%**	**2%**	**3%**

= Represents equal ranking
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
% / %: Statistically significantly higher / lower than all regular wine drinkers at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

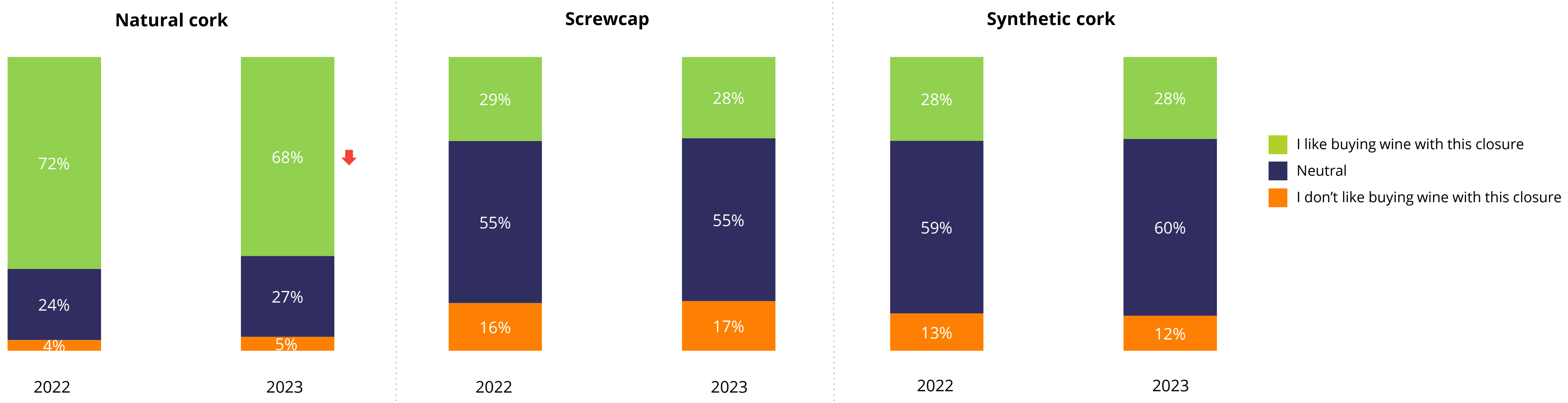
HOT TOPIC

Wine closure preferences

Cork is still the most well thought-of closure, though its popularity has declined slightly over the last year

Wine closure preferences

% who hold the following view of each wine closure type
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,001)



⬆/⬇: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

HOT TOPIC

Views on wine closure types

Natural cork has a strong association with being ‘high quality’, ‘trustworthy’ and ‘sustainable’. By contrast, both screw-cap and synthetic cork are more readily seen as ‘cheap’, ‘low quality’ and ‘outdated’

Wine closure types imagery: positioning map

% who associate the following statements with each type of wine closure
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)

	Natural cork (n=1,001)	Screw-cap (n=1,001)	Synthetic cork (n=1,001)
Practical	31%	29%	26%
Sustainable	32%	24%	26%
Trustworthy	41%	20%	20%
High quality	45%	17%	18%
Modern	23%	29%	25%
Good for everyday drinking	26%	28%	23%
Opening a wine with this type of closure gives me pleasure	38%	19%	17%
Affordable	17%	28%	27%
Traditional	35%	17%	18%
Recyclable	24%	24%	18%
Good for special occasions	31%	18%	18%
Innovative	19%	23%	23%
Cheap	10%	24%	21%
Low quality	12%	18%	18%
Outdated	12%	16%	15%
None of the above	1%	1%	2%

Green / turquoise: Statistically significantly higher than 2 / 1 wine types at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Apr ‘23, (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand Health

China Wine Landscapes

2023

Global Wine Brand Power Index

Brand health measures included in the index

Measure	Definition	Index
Awareness	% who have heard of each brand (when prompted with a list of brand names with logos) Base = All wine drinkers	**Brand awareness index**
Purchase	% who have bought each brand in the past 3 months Base = All wine drinkers	**Brand purchase index**
Conversion	% who have bought each brand in the past 3 months Base = Those who have heard of each brand	
Consideration	% who would consider buying each brand Base = Those who have heard of each brand	
Affinity	% who think each brand is right for people like them Base = Those who have heard of each brand	**Brand connection index**
Recommendation	% who would recommend each brand to a friend Base = Those who have heard of each brand	

Wine Brand Power Index

China Brand Power Index 2023

Domestic brands Great Wall and Changyu are the two most powerful brands in the Chinese market, with French brand Lafite in third place

GREATWALL®

1st

CHANGYU®

2nd

DOMAINES BARONS DE ROTHSCHILD LAFITE

3rd

Chinese Wine Brand Power Index 2023

Great Wall has overtaken Changyu to become the most powerful brand in the Chinese market, with higher awareness and purchase incidences when compared to previous years as many brands experienced declines in scores

Ranking '23		Final Index	Tracking vs 2022	Score difference vs 2022
1	Great Wall	97.6	↑+1	2.0
2	Changyu	96.9	↓-1	-0.5
3	Lafite	89.6	↑+1	8.1
4	Dynasty	84.4	↓-1	2.9
5	Penfolds	77.1	=	4.3
6	Yellow Tail	68.2	=	0.9
7	Rawson's Retreat	65.0	↑+1	0.9
8	Casillero del Diablo	60.0	↑+1	-3.8
9	Torres	58.8	↑+1	-3.8
10	Helan Mountain	58.0	↑+1	-3.6
11	Concha y Toro	56.4	↓-1	-8.2
12	Carlo Rossi	56.1	=	-1.6
13	Jacob's Creek	52.5	=	-3.9
14	J.P. Chenet	50.1	↑+1	-0.5
15	Villa Maria	48.2	=	-3.2

Ranking '23		Final Index	Tracking vs 2022	Score difference vs 2022
16	Les Dauphins	45.7	↓-2	-7.9
17	Gallo Family Vineyards	45.5	↑+12	1.3
18	Maison Castel	45.1	↓-1	-5.1
19	Sur Valles	43.6	↑+9	-0.7
20	Marques de Casa Concha	42.8	↓-2	-6.5
21	Mouton Cadet	42.4	↑+2	-3.4
22	Gato Negro	42.3	↑+9	-1.6
23	Bodegas Aguirre	42.2	↓-1	-3.7
24=	Wolf Blass	41.9	=	-3.7
24=	Robert Mondavi	41.9	↓-5	-6.9
26	Baron de Lestac	41.7	↑+7	-2.0
27	Brown Brothers	41.1	↓-6	-5.8
28	Lindeman's	40.7	↑+25	2.7
29	Dragon Seal	40.5	↑+9	-3.0
30	McGuigan	40.1	↑+19	0.1

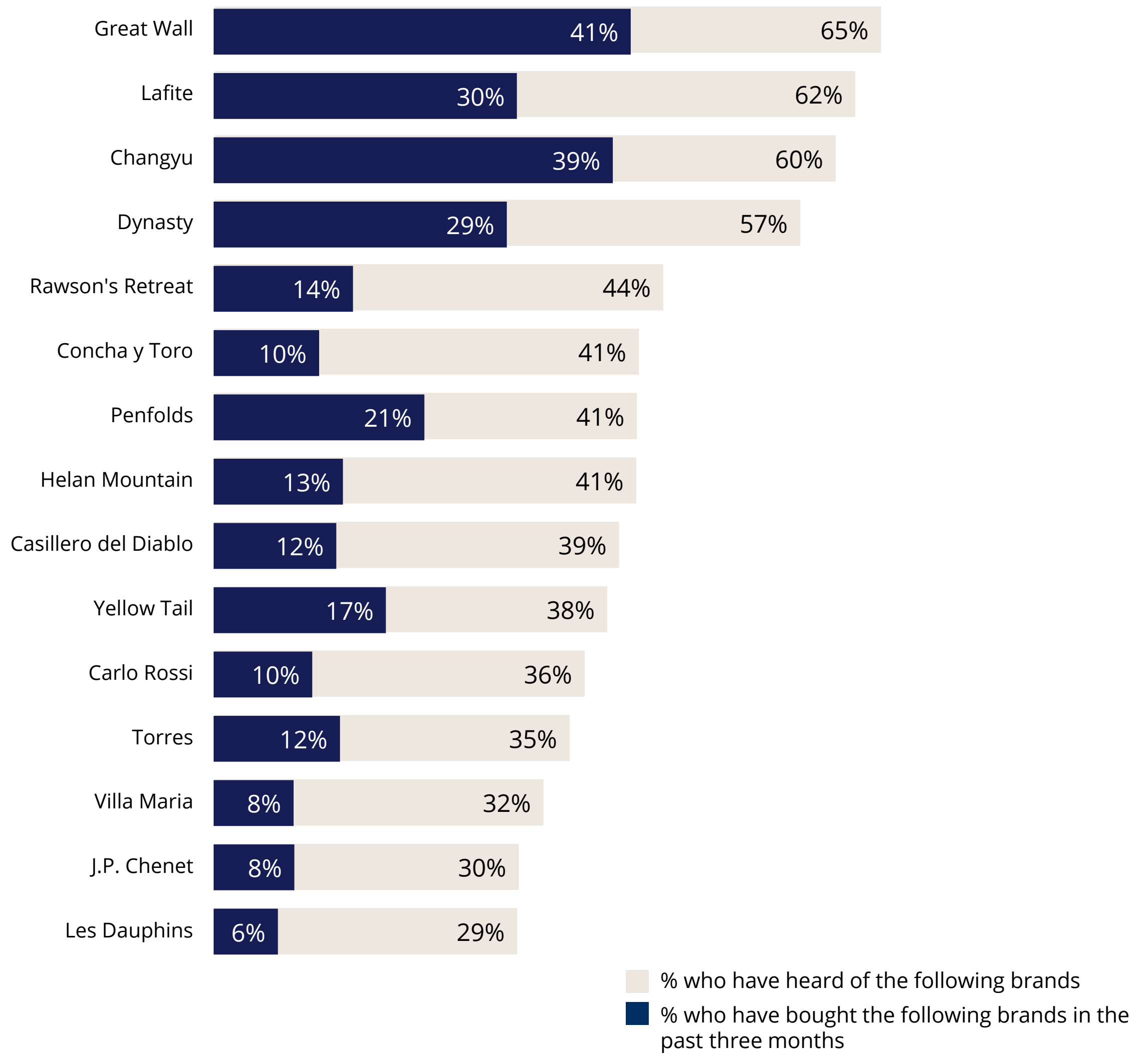
Source: Wine Intelligence, Vinitrac® China, Nov '22, Apr' 23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand health: Consumption / awareness

While Great Wall, Lafite, Changyu and Dynasty all have similar levels of awareness among respondents, Great Wall and Changyu are the leading brands by purchase

Brand health: Top 15 awareness and consumption levels

Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n=1,001)



Source: Wine Intelligence, Vinitrac® China, Apr' 23, (n=1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand awareness

Almost all top-15 brands have seen levels of awareness increase over the last year. This could be due to more knowledgeable staff creating an improved retail experience

Awareness: Tracking

% who have heard of the following brands
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Great Wall	61%	56%	65%	→	↑
2	Lafite	55%	46%	62%	↑	↑
3	Changyu	60%	54%	60%	→	↑
4	Dynasty	50%	50%	57%	↑	↑
5	Rawson's Retreat	40%	38%	44%	→	↑
6=	Concha y Toro	43%	42%	41%	→	→
6=	Penfolds	32%	32%	41%	↑	↑
6=	Helan Mountain	37%	38%	41%	↑	→
9	Casillero del Diablo	35%	33%	39%	↑	↑
10	Yellow Tail	36%	31%	38%	→	↑
11	Carlo Rossi	33%	31%	36%	→	↑
12	Torres	35%	33%	35%	→	→
13	Villa Maria	26%	31%	32%	↑	→
14	J.P. Chenet	25%	26%	30%	↑	→
15=	Les Dauphins	25%	33%	29%	↑	↓

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
15=	Jacob's Creek	31%	29%	29%	→	→
15=	Marques de Casa Concha	24%	28%	29%	↑	→
18	Maison Castel	n/a	28%	27%	n/a	→
19=	Gallo Family Vineyards	24%	24%	26%	→	→
19=	Robert Mondavi	29%	30%	26%	→	↓
21	Tarapacá	25%	25%	25%	→	→
22=	Sur Valles	n/a	25%	24%	n/a	→
22=	Zonin	21%	23%	24%	↑	→
22=	Bodegas Aguirre	n/a	23%	24%	n/a	→
22=	Trapiche	18%	26%	24%	↑	→
26=	Frontera	21%	22%	23%	→	→
26=	Casas Patronales	n/a	21%	23%	n/a	→
26=	Baron de Lestac	23%	25%	23%	→	→
26=	Sunrise	22%	24%	23%	→	→
30=	Dragon Seal	19%	23%	22%	↑	→

Results for all brands available in the data table

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar ’19, Apr '22. Apr ‘23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand purchase

Mirroring the rise in awareness, purchase incidences for the leading brands have also increased significantly in both the long and short terms

Purchase: Tracking

% who have bought the following brands in the past three months
Base = All Chinese urban upper-middle class semi-annual imported wine drinkers (n≥1,000)

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Great Wall	33%	31%	41%	↑	↑
2	Changyu	35%	34%	39%	↑	↑
3	Lafite	23%	20%	30%	↑	↑
4	Dynasty	18%	22%	29%	↑	↑
5	Penfolds	14%	15%	21%	↑	↑
6	Yellow Tail	16%	13%	17%	→	↑
7	Rawson's Retreat	13%	13%	14%	→	→
8	Helan Mountain	9%	13%	13%	↑	→
9=	Torres	11%	12%	12%	→	→
9=	Casillero del Diablo	11%	11%	12%	→	→
11=	Concha y Toro	13%	13%	10%	→	↓
11=	Carlo Rossi	12%	10%	10%	→	→
13=	Jacob's Creek	10%	9%	8%	→	→
13=	J.P. Chenet	6%	7%	8%	→	→
13=	Villa Maria	5%	9%	8%	↑	→

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
16=	Gallo Family Vineyards	5%	6%	7%	↑	→
16=	Sur Valles	n/a	7%	7%	n/a	→
18=	Les Dauphins	7%	9%	6%	→	↓
18=	Baron de Lestac	5%	7%	6%	→	→
18=	Brown Brothers	6%	7%	6%	→	→
18=	Marques de Casa Concha	5%	8%	6%	→	→
18=	Dragon Seal	4%	7%	6%	↑	→
18=	Mouton Cadet	4%	6%	6%	→	→
18=	Lindeman's	3%	5%	6%	↑	→
18=	Tarapacá	6%	6%	6%	→	→
18=	Maison Castel	n/a	8%	6%	n/a	↓
18=	Zonin	3%	6%	6%	↑	→
28=	Bodegas Aguirre	n/a	7%	5%	n/a	↓
28=	Robert Mondavi	6%	9%	5%	→	↓
28=	Trapiche	3%	6%	5%	↑	→

Results for all brands available in the data table

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n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand conversion: Tracking

Leading domestic brands Changyu, Great Wall and Dynasty all have significantly higher conversion incidences when compared to previous years as many of the other brands remained stable in this measure

Conversion: Tracking

% who have bought the following brands in the past three months
Base = Those who have heard of each brand

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Changyu	59%	62%	65%	↑	→
2	Great Wall	54%	56%	63%	↑	↑
3=	Dynasty	36%	45%	50%	↑	↑
3=	Penfolds	44%	47%	50%	→	→
5	Lafite	41%	42%	48%	↑	↑
6	Yellow Tail	44%	41%	44%	→	→
7	Torres	31%	35%	36%	→	→
8=	Mouton Cadet	24%	29%	31%	↑	→
8=	Rawson's Retreat	32%	35%	31%	→	→
8=	Helan Mountain	25%	34%	31%	↑	→
11	Casillero del Diablo	32%	32%	30%	→	→
12	Gallo Family Vineyards	20%	26%	29%	↑	→
13=	Brown Brothers	25%	26%	28%	→	→
13=	Jacob's Creek	31%	30%	28%	→	→
15=	Sur Valles	n/a	27%	27%	n/a	→
15=	Baron de Lestac	23%	26%	27%	→	→
15=	Carlo Rossi	35%	33%	27%	↓	↓
15=	J.P. Chenet	24%	28%	27%	→	→
19=	Dragon Seal	20%	29%	26%	→	→
19=	Marqués del Atrio	n/a	26%	26%	n/a	→
19=	Lindeman's	17%	24%	26%	↑	→
19=	Hardys	20%	27%	26%	→	→
23	Concha y Toro	30%	32%	25%	→	↓
24=	Villa Maria	18%	28%	24%	↑	→
24=	McGuigan	n/a	26%	24%	n/a	→
24=	i heart Wines	n/a	28%	24%	n/a	→
24=	Gato Negro	23%	27%	24%	→	→
24=	Woodbridge	20%	27%	24%	→	→
24=	Sunrise	20%	27%	24%	→	→
30=	Antawara	n/a	28%	23%	n/a	→

Results for all brands available in the data table

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand consideration: Tracking

Consideration levels have increased for a number of brands since 2019 in the Chinese market. With respondents choosing their purchases from a wider portfolio of brands, it will lead to an increasingly competitive brand space

Consideration: Tracking

% who would consider buying the following brands
Base = Those who have heard of each brand

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Changyu	71%	71%	76%	↑	↑
2	Penfolds	68%	66%	75%	↑	↑
3	Great Wall	67%	67%	73%	↑	↑
4=	Yellow Tail	67%	57%	69%	→	↑
4=	Lafite	67%	66%	69%	→	→
6	Dynasty	58%	65%	67%	↑	→
7	Torres	57%	55%	60%	→	→
8	Rawson's Retreat	62%	56%	59%	→	→
9	Casillero del Diablo	57%	57%	58%	→	→
10=	Carlo Rossi	64%	53%	56%	↓	→
10=	Helan Mountain	49%	53%	56%	↑	→
10=	Jacob's Creek	58%	53%	56%	→	→
10=	Gato Negro	37%	44%	56%	↑	↑
14	J.P. Chenet	47%	47%	55%	↑	↑
15=	Mouton Cadet	48%	54%	54%	→	→

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
15=	Concha y Toro	53%	54%	54%	→	→
17=	Wolf Blass	43%	49%	53%	↑	→
17=	Beringer	43%	43%	53%	↑	↑
19=	Maison Castel	n/a	48%	51%	n/a	→
19=	Brown Brothers	48%	47%	51%	→	→
21=	Lindeman's	33%	45%	50%	↑	→
21=	Bodegas Aguirre	n/a	47%	50%	n/a	→
23=	Cono Sur	36%	42%	49%	↑	→
23=	Georges Duboeuf	38%	43%	49%	↑	→
25=	Les Dauphins	49%	45%	48%	→	→
25=	Sunrise	41%	44%	48%	→	→
25=	Oyster Bay	33%	43%	48%	↑	→
25=	Santa Rita	40%	43%	48%	→	→
25=	Dragon Seal	40%	43%	48%	↑	→
25=	Baron de Lestac	40%	45%	48%	→	→

Results for all brands available in the data table

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand affinity: Tracking

In line with other measures, the leading Chinese domestic brands, Changyu, Great Wall and Dynasty all have higher affinity incidences among respondents compared to previous years

Affinity: Tracking

% who think the following brands are right for people like them
Base = Those who have heard of each brand

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Changyu	58%	60%	63%	↑	→
2	Great Wall	52%	53%	59%	↑	↑
3	Penfolds	54%	53%	58%	→	→
4	Lafite	52%	52%	56%	→	→
5	Dynasty	42%	49%	53%	↑	→
6	Yellow Tail	51%	48%	49%	→	→
7	Rawson's Retreat	45%	44%	46%	→	→
8	Torres	43%	44%	45%	→	→
9	Jacob's Creek	40%	39%	43%	→	→
10	Casillero del Diablo	43%	43%	42%	→	→
11	Carlo Rossi	48%	41%	41%	↓	→
12=	Helan Mountain	34%	38%	38%	→	→
12=	J.P. Chenet	30%	37%	38%	↑	→
14	Gallo Family Vineyards	29%	36%	37%	↑	→
15	Villa Maria	33%	39%	36%	→	→

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
16=	Mouton Cadet	35%	41%	35%	→	→
16=	Concha y Toro	36%	41%	35%	→	↓
16=	Wolf Blass	30%	39%	35%	→	→
16=	Les Dauphins	35%	37%	35%	→	→
20=	Sur Valles	n/a	37%	34%	n/a	→
20=	McGuigan	n/a	37%	34%	n/a	→
20=	Gato Negro	31%	36%	34%	→	→
20=	Georges Duboeuf	25%	34%	34%	↑	→
24	Maison Castel	n/a	39%	33%	n/a	→
25	Marqués del Atrio	n/a	34%	32%	n/a	→
26=	Marques de Casa Concha	32%	33%	31%	→	→
26=	Woodbridge	30%	36%	31%	→	→
28=	Zonin	25%	34%	30%	→	→
28=	Robert Mondavi	32%	35%	30%	→	→
28=	Baron de Lestac	28%	35%	30%	→	→

Results for all brands available in the data table

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Brand recommendation: Tracking

Australian brand Penfolds has become the leading brand by recommendation among Chinese regular wine drinkers. Great Wall and Dynasty also have higher recommendation levels compared to previous years

Recommendation: Tracking

% who would recommend the following brands to a friend
Base = Those who have heard of each brand

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
1	Penfolds	58%	55%	61%	→	↑
2	Changyu	56%	57%	60%	→	→
3	Lafite	64%	59%	59%	→	→
4	Great Wall	49%	52%	57%	↑	→
5	Dynasty	47%	52%	54%	↑	→
6	Yellow Tail	52%	47%	52%	→	→
7	Rawson's Retreat	48%	43%	46%	→	→
8=	Casillero del Diablo	46%	45%	42%	→	→
8=	Torres	46%	42%	42%	→	→
8=	Jacob's Creek	42%	40%	42%	→	→
11	Carlo Rossi	47%	40%	41%	→	→
12=	Concha y Toro	38%	43%	38%	→	→
12=	J.P. Chenet	35%	36%	38%	→	→
14=	Bodegas Aguirre	n/a	41%	37%	n/a	→
14=	Maison Castel	n/a	39%	37%	n/a	→

Ranking '23		2019 (n=2,000)	2022 (n=3,013)	2023 (n=1,001)	Tracking vs. '19	Tracking vs. '22
14=	Mouton Cadet	39%	42%	37%	→	→
17=	Dragon Seal	28%	34%	35%	→	→
17=	McGuigan	n/a	33%	35%	n/a	→
17=	Baron de Lestac	33%	36%	35%	→	→
20=	Trapiche	30%	37%	34%	→	→
20=	Villa Maria	33%	37%	34%	→	→
20=	Helan Mountain	35%	38%	34%	→	→
23=	Casas Patronales	n/a	34%	33%	n/a	→
23=	Gallo Family Vineyards	31%	35%	33%	→	→
23=	Sur Valles	n/a	38%	33%	n/a	→
23=	Lindeman's	23%	36%	33%	↑	→
23=	Brown Brothers	39%	41%	33%	→	↓
23=	Wolf Blass	31%	43%	33%	→	↓
23=	Beringer	31%	35%	33%	→	→
23=	Robert Mondavi	34%	37%	33%	→	→

Results for all brands available in the data table

= Represents equal ranking
n/a = tracking unavailable for this wave
↑/↓: Statistically significantly higher / lower than the previous wave(s) at a 95% confidence level
Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

Research Methodology

China Wine Landscapes

2023

Research methodology

QUANTITATIVE

The data was collected in China from March 2015

The following waves March 2019 and April 2022 were tracked against April 2023

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

Respondents were screened to ensure that they met the following requirements:

- 18-54 years old
- Urban upper-middle class: personal monthly income before tax of at least 6,000 RMB in Beijing, Guangzhou, Shanghai, Hangzhou and Shenzhen; or at least 5,000 RMB in Wuhan, Chengdu, Shenyang, Chongqing, Changsha, Zhengzhou and Guiyang
- Residents of Beijing, Guangzhou, Shanghai, Wuhan, Chengdu, Shenyang, Hangzhou, Shenzhen, Chongqing, Changsha, Zhengzhou and Guiyang
- Drank imported grape-based wine at least twice a year

Invalid respondents (those who sped through the survey or gave inconsistent answers to selected questions) were removed before analysis

The data is representative of Chinese urban upper-middle class imported wine drinkers in terms of gender, age, city and income

The distribution of the sample is shown in the table:

		Mar-19	Apr-22	Apr-23
	n=	2,000	3,013	1,001
Gender	Male	53%	53%	50%
	Female	47%	47%	50%
	Total	*100%*	*100%*	*100%*
Age	18-24	9%	7%	8%
	25-29	25%	24%	14%
	30-34	17%	18%	22%
	35-39	13%	15%	16%
	40-44	18%	16%	14%
	45-49	13%	10%	15%
	50-54	6%	9%	12%
	Total	*100%*	*100%*	*100%*
City	Shanghai, Hangzhou	20%	25%	21%
	Beijing	17%	17%	12%
	Shenyang, Zhengzhou	10%	9%	9%
	Guangzhou, Shenzhen	18%	19%	24%
	Changsha, Wuhan	8%	7%	10%
	Chengdu, Guiyang	12%	12%	12%
	Chongqing	15%	11%	11%
	Total	*100%*	*100%*	*100%*
Personal monthly income before tax	Less than 9,000 RMB	32%	27%	23%
	9,000-11,999 RMB	33%	34%	31%
	12,000+ RMB	35%	39%	46%
	Total	*100%*	*100%*	*100%*
Imported wine consumption frequency	2-5 times per year	15%	15%	15%
	About once every two months	24%	24%	24%
	1-3 times per month	38%	38%	38%
	Once a week or more often	23%	23%	23%
	Total	*100%*	*100%*	*100%*

Source: Wine Intelligence, Vinitrac®, China, Mar '19, Apr '22. Apr '23, (n≥1,001) Chinese urban upper-middle class semi-annual imported wine drinkers

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