



A division of the IWSR Group

Global Compass 2023

Top 50 most attractive markets for wine businesses



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Introduction

Global Compass 2023

Introduction

Getting the best out of this report

Compass is designed to answer the question: **which are the most attractive markets for wine right now?**

It is constructed as a **reference guidebook** to allow users to compare the opportunities offered by different wine markets. The data tool shows key metrics for each market, and these are combined to show a ranking of **50 key wine markets**, calculated using a composite weighted attractiveness, combining overall economic factors and specific wine market factors.

The market attractiveness ranking, along with the global market classification, shows a snapshot of the worldwide wine market at this particular moment. Wine markets are constantly changing, especially in light of Covid-19 and associated economic disruption, and the scores should be considered as **relative measures** for comparing markets rather than absolute measures of investment attractiveness.

Wine Intelligence's evaluation method is based on a **hypothetically neutral investor with no legacy assets**. In reality, most businesses already have some assets and relationships and, therefore, will internally need to adjust attractiveness to reflect their existing strategic position. For instance, attractiveness of individual markets will increase with regional proximity, existing presence and established routes-to-market. Therefore, the attractiveness model can be optimised by tailoring the specific dynamics of an individual business, region or country to enable the assessment of their greatest opportunities.

This business-level assessment can be performed using the data from this report **combined with your own internal metrics of attractiveness/market hierarchy**. If required, Wine Intelligence can help in this process. Over the past five years we have completed a number of successful benchmarking exercises with clients to adapt the model to their specific market strengths and opportunities. If you would like to know more about the report's underpinnings or adapt the model for your specific circumstances, please contact Luis Osorio at the IWSR on luis.osorio@theiwsr.com

Key Takeaways

Global Compass 2023

Key takeaways

Global context

1. Long-term inflation is slowing but continues to shape consumer behaviour

Rising inflation has influenced global beverage alcohol markets and consumer retail sectors. In 2022, a record-breaking 8.9% global inflation rate reshaped the wine industry, impacting spending habits, and favouring quality over quantity. The trend is slowly shifting as inflation eases to a global rate of 6.1%, improving the economic outlook and boosting consumer sentiment, especially in key markets including the US.

2. The on-trade slowly recovers but the off-trade strengthens

The popularity of drinking wine at home persists but the on-trade is making a gradual comeback. Despite numerous challenges, such as cost-conscious consumers and competition from e-commerce, recovery is on its way, particularly driven by a thriving luxury hospitality sector.

3. Evolving trading environment

New Zealand and Europe have signed a free-trade agreement for up to 30% trade growth while a UK FTA slashes tariffs on 97% of New Zealand exports, potentially boosting wine trade by 60% in the long term. Australia is hopeful of a brighter future relationship with China after a barley deal. Meanwhile, the UK has implemented a new alcohol duty regime which could impact its attraction to wine producers.

Key takeaways

Global context

4. Moderation increasingly shapes the wine landscape

Alcohol takes centre stage in public health initiatives. Since 2020, the EU has been aiming for a 10% reduction in per capita consumption by 2025, developing strategies to deter consumers from buying alcoholic beverages. Meanwhile, the World Health Organisation's recent declaration that "no amount" of alcohol is safe has generated considerable attention. The Covid-19 pandemic renewed awareness of health issues and persuaded many people to reconsider their relationship with alcohol, which has contributed to a growing moderation trend.

5. The persistent threat from climate change

Climate change continues to challenge wine producers around the world, causing unpredictability and affecting markets on many different levels. Producers are adapting, developing new techniques, planting different varieties or even relocating. Warmer weather in usually cooler places such as the UK has attracted winemakers, with renowned brands investing, bringing England a growing opportunity for wine production.

Key takeaways

Market attractiveness

1. US dominates opportunities

Despite a macroeconomic slowdown, the US continues to assert its dominance as the most attractive market for both still and sparkling wine opportunities. With 86 million regular wine drinkers, it remains the largest and most lucrative market in the world. The US market value for sparkling wine has been evolving at a much higher pace than volume, enhancing the premium opportunity, which already accounts for 65% of volume.

2. Challenges in Europe

European countries present an increasingly complex landscape for wine opportunities. Escalating inflation and shifting consumption patterns – including the influence of moderation – have resulted in falling volumes and shrinking wine-drinking populations in most established or mature European markets.

3. APAC in the spotlight

Asia-Pacific is on the rise as an attractive region for both still and sparkling wine. Developing Asian economies such as **Thailand, Malaysia, Vietnam, the Philippines** and **Indonesia** are becoming more appealing, due to recovering economies, expanding alcohol consumption and strong reliance on exports and premium segments.

Key takeaways

Market attractiveness

4. Latin America's potential

Latin American markets – particularly **Mexico**, **Colombia** and **Brazil** – demonstrate increased potential for both still and sparkling wine. With an adult population of 95 million, Mexico is among the 15 largest economies in the world and the second biggest in Latin America. Mexico has experienced steady growth in per capita consumption of wine, and increasing still wine volume and value, with value increasing at a higher pace.

5. South Africa recovering

Despite economic challenges, the South African wine industry is showing positive signs in both still and sparkling wine.

Global Factors Affecting the Industry

Global Compass 2023

Global factors

Long-term inflation is slowing but continues to shape consumer behaviour

As prices soared, inflation had a ripple effect on the beverage alcohol market and retail sectors

2022 saw a notable surge in inflationary pressure, impacting all economies around the world. The global inflation rate hit 8.9% at the end last year⁽¹⁾.

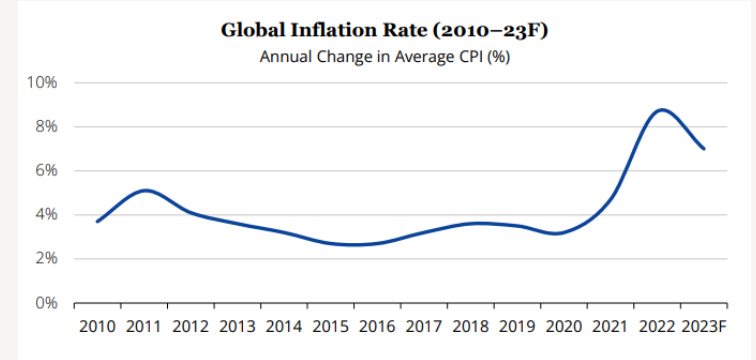
Surging inflation and the subsequent cost-of-living crisis had repercussions in both off-trade and on-trade channels and ultimately reshaped the wine landscape.

Escalating prices have deterred many consumers from spending, as wages have not kept pace with inflation.

The impact has been especially severe for those on lower incomes. Younger consumers in particular have become more price-conscious.

Wine drinkers have been buying in lower quantities or less frequently, becoming increasingly aware of quality and choosing to drink less but better, a trend that emerged from the pandemic and was accelerated by the fragile global economy.

These shifts have been beneficial to premium-and-above segments at the expense of lower-end, value and standard wines, especially in mature markets.



Inflation has started to slow down since the beginning of 2023 and now sits at 6.1%⁽¹⁾, and the overall economic outlook is improving.

Easing inflation is gradually bringing a recovery in consumer sentiment in several key wine markets, including the US, in which consumer sentiment hit its highest peak since October 2021, in the middle of 2023⁽²⁾.

(1) Inflation rate, end of period consumer prices, IMF (The International Monetary Fund), April 2023

(2) US Consumer Sentiment Rises to Highest Since 2021 as Prices Ease, Bloomberg, July 2023

Global factors

The on-trade slowly recovers but the off-trade strengthens

The on-trade is slowly recovering, but continues to be challenged by the persistent popularity of drinking wine at home

In 2022, workers reclaimed their offices to varying degrees after the restrictions on their movements imposed by the pandemic. Consequently, there has been a marginal decline in the consumption of alcohol at home, with a gradual shift back towards bars and restaurants.

The on-trade has faced many residual difficulties from the pandemic and the cost-of-living crisis that followed, including higher energy costs, labour shortages and more cost-conscious consumers.

Despite a worldwide relaxation of pandemic restrictions, the on-trade continues to face

intense competition from at-home consumption, a habit retained by many wine drinkers. Consumers have appreciated the advantages of comfort, convenience and cost associated with drinking at home.



The experience of at-home drinking has led consumers to be more discerning, with broader tastes and greater understanding of their own preferences and the options available.

The visibility of retail alcohol prices has made consumers more aware of the true value of what they drink and of on-trade mark-ups, with many people tending to opt for higher-quality drinks at home.

E-commerce also poses challenges for the on-trade, providing convenience, a wide range of options, price comparisons and reviews. Fast delivery services allow customers to create personalised entertainment spaces at home by ordering a range of products.

Despite the challenges, the global hospitality industry is recovering, with luxury enterprises in particular performing better than they were before the pandemic⁽¹⁾.

(1) Post-Pandemic Hospitality Trends To Watch At Midyear 2023, Law360, July 2023

Global factors

Trading environment: tariffs and agreements

New Zealand has strengthened its economic relationships with Europe

In July 2023, the EU and New Zealand signed a free-trade agreement (FTA) with ambitions to grow bilateral trade by up to 30%⁽¹⁾.

An FTA between New Zealand and the UK came into force in May 2023, eliminating tariffs on 97% of exports⁽²⁾. The agreement aims to support future growth in the UK market, which is New Zealand's second largest export market for wine by volume, and should boost bilateral trade by nearly 60% on the long term⁽³⁾.



Australia is hopeful of a brighter future for its wine in China

Commercial relationships between China and Australia seem to have become smoother as the two countries reached an agreement on barley trade. The Australian trade minister said he intended to use this as a template to solve the ongoing conflict over wine. Currently, tariffs of up to 212% are applied to Australian wine going into China⁽⁴⁾.

The UK government has increased alcohol duty, further weakening the wine market

In August 2023, the UK increased duty rates for most alcoholic products produced in, or imported into, the territory⁽⁵⁾. The measure is hitting still wine particularly severely as those at 11% ABV or higher will typically be taxed 5p per bottle higher.

People who drink stronger alcoholic products will pay more, assuming the tax increases are passed on in retail prices. With an expected negative impact on wine businesses and consumers, the measures will make the market less attractive.

(1) EU and New Zealand sign ambitious free trade agreement, European Commission, July 2023

(2) Free trade agreement between UK and New Zealand confirmed, The Drinks Business, May 2023

(3) UK government announces free trade deals with Australia and New Zealand in boost for wine exports, Harpers, May 2023

(4) Australia eyes backdown on wine after China agrees to scrap barley tariffs, The Guardian, August 2023

(5) Alcohol duty: rate changes – Gov.uk, July 2023

Global factors

Moderation increasingly shape the wine landscape



Increased public health concerns and interest in wellness have led to a growing moderation trend

Alcohol is a long-standing public health concern and at the heart of many government health initiatives. Since 2020, the EU has been on a mission to achieve a 10% reduction in per capita alcohol consumption

by 2025⁽¹⁾. Key strategies to achieve this include awareness programmes, higher taxes, labelling regulations, marketing restrictions and reduced availability.

The World Health Organisation announced earlier this year that there is “no safe amount” of alcohol consumption⁽²⁾, conclusively ending the debate over alcohol’s potential health benefits.

A quarter of WHO members enforce health warnings on labels and marketing restrictions. A few apply a total ban on alcohol advertising. Last year, Ireland proposed labelling wine bottles with a warning linking alcohol to cancer – a measure seen to date in South Korea⁽³⁾. State monopoly retailers in some countries have built their reduced-ABV offerings, to the detriment of standard alcoholic drinks. The

no/low market is most developed in Sweden where it holds 20% share of total beverage alcohol volumes.

The Covid-19 pandemic prompted a renewed focus on personal health, leading many people to reconsider their alcohol consumption habits. Heightened awareness of the long-term risks of drinking has encouraged more consumers to opt for moderation, along with broader lifestyle changes.

The likelihood of a long-term moderation movement being established poses a real threat to the sustainability of wine in developed markets, while offering opportunities for businesses to diversify and adjust to new consumer behaviour.

(1) *With 2010 as a base*; European framework for action on alcohol, WHO (World Health Organisation, September 2022

(2) Health and cancer risks associated with low levels of alcohol consumption. Lancet Public Health, January 2023

(3) Distilling the message: Irish plans for alcohol warning labels, The Lancet, March 2023

Global factors

The persistent threat from climate change

Global warming continues to challenge vineyards in most parts of Europe and the New World, while benefitting a few countries and regions

Heavy rain, hail, frost, heatwaves, wildfires, crop disease, unpredictable weather ... these have become recurrent challenges in vineyards as climate change disrupts vine growing and winemaking.

It can have a negative impact on production volumes, wine character, quality, taste and prices. This is leading producers to look at adopting new techniques and processes to counter the impact of climate change.

For some producers, adapting has meant planting different grape varieties, ceasing the production of a wine⁽¹⁾ or even relocating to cooler areas⁽²⁾.



Climate change has also turned the world's attention towards typically cooler-climate countries, of which England is one good example.

As summers become warmer in the UK, the climate is becoming more favourable to grape growing. The south of England is increasingly seen as a land of opportunity for wine, with more land being turned into vineyards.

England's attraction for winemakers and investors is gaining momentum, bringing in renowned producers such as Taittinger, Pommery and Henkell-Freixenet, which has bought Bolney Wine Estate in Sussex. Taittinger has acquired 250 acres in Kent and plans to launch its first English sparkling wine in 2024. Pommery is launching the Louis Pommery English sparkling wine brand.

(1) Roederer Rings the Climate Changes, Wine Searcher, August 2023
 (2) Climate change: How it's endangering Australian wine, BBC, April 2023

Market Attractiveness

Global Compass 2023

Research scope

50 markets analysed



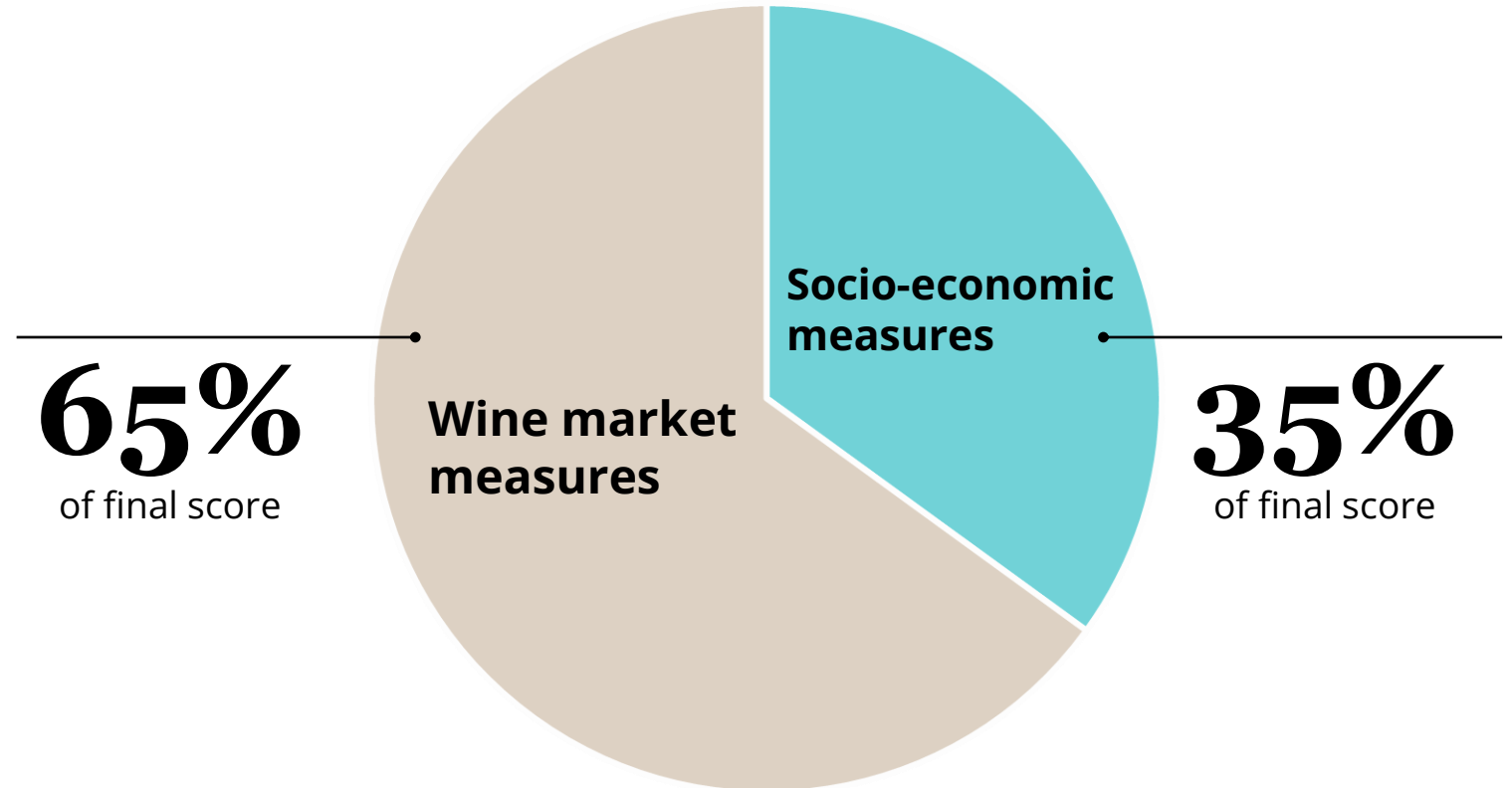
Model components

Global compass model evaluation rationale

Evaluation of the attractiveness of 50 wine markets is based on a set of economic and wine market measures (listed on the next page and explained in detail in the methodology slides at the end of this report).

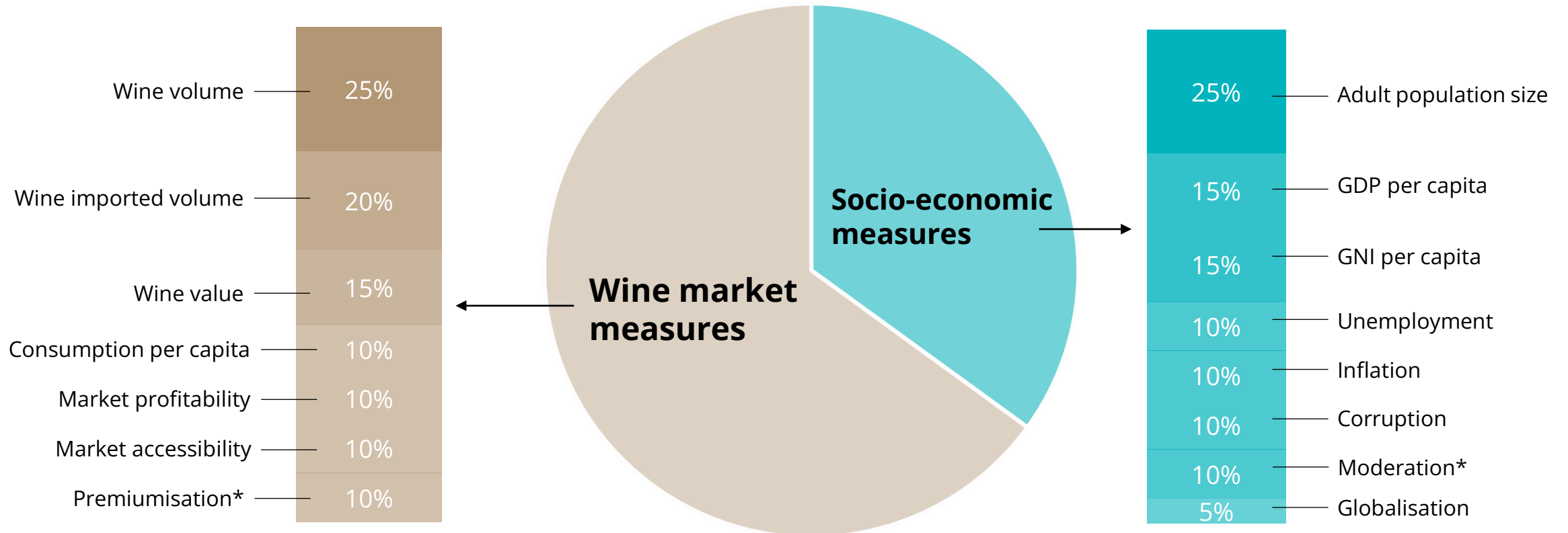
A score of 1–10 is attributed to each market within each measure.

Each measure is assigned a weighting, based on how significantly it impacts wine market attractiveness, and the resulting calculations lead to a single final score for each market.



Model detail

Global compass model evaluation rationale



* New measures introduced in the 2023 model

Updates to the 2023 report

Methodological changes in the new model

Wine measures

Premiumisation: This new metric carries a weight of 10% and is designed to assess the market share of premium-and-above price categories by volume. It considers both short- and long-term trends as well as forecasted volume data. This addition reflects an acknowledgment of the increasing significance of premiumisation in shaping market trends.

Accessibility and profitability: These two measures, which previously carried more weight, have each been adjusted to 10%. This recalibration aligns with the evolving landscape and ensures a more balanced evaluation of market dynamics.

Forecast: We have increased the five-year forecast CAGR (2022–27) sub-measure from 20% to 25% to ensure a more accurate representation of market prospects and a deeper insight into the trajectory of volume and value dynamics.

Socio-economic measures

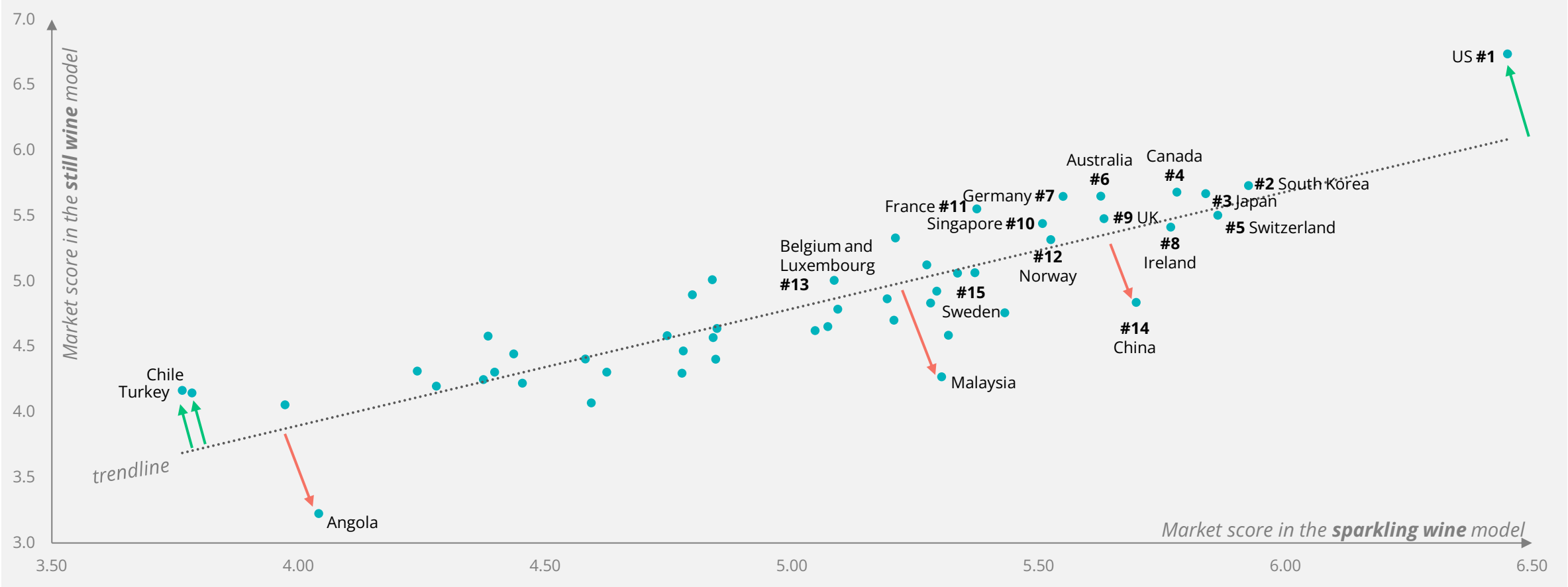
Wealth measures: Previously, Gross Domestic Product (GDP) and Gross National Income (GNI) collectively accounted for 40% of the assessment. In the new framework, their cumulative weight has been reduced to 30%. This adjustment reflects a recognition of the need to broaden the scope of analysis beyond traditional economic indicators.

Moderation: This has been introduced as a new measure, constituting 10% of the overall assessment. This measure focuses on the evolution and projected trend of litres of pure alcohol (LPA) per adult within each market. By incorporating this new measure, the analysis acknowledges the growing importance of this consumer trend and associated risks for the wine market.



Still x sparkling wine models

Still wine and sparkling wine market performance correlation



Rank by average between the two models, Top 15
 → / →: Main overperformers / underperformers in sparkling wine opportunities

Top 50 ranking

Despite a macroeconomic slowdown and negative forecast for still wine volumes, the **US** continues to top the ranking as the **#1** most attractive market. With 86 million regular wine drinkers, it remains the largest and most lucrative market in the world.

Ireland (#6) is one of the major movers in the top 10, climbing seven places. This impressive progression can be attributed to its high scores in wealth measures, with the third best GNI per capita at US\$ 81,000, after Switzerland and Norway. Growth in population and a decline in unemployment have contributed to its improved position. Wine-related performances are also improving, to a more optimistic position, mostly due to an adjusted five-year CAGR forecast.

The **UK (#8)** continues to tail off. It remains broadly stable economically, except for a less positive short-term trend in GDP growth and a less optimistic five-year forecast in this area. All wine indicators are down. The market is shaped by a strong moderation trend, resulting in falling volumes and a shrinking of the wine drinking population.

Other Northern European markets such as **Germany (#10)**, **France (#14=)**, **Sweden (#14=)**, **Netherlands (#21)**, **Belgium and Luxembourg (#22)** experience similar challenges. Rising inflation has accentuated falling market volume and value, resulting in lower per capita wine consumption.

Asia-Pacific markets have all climbed up the rankings with **South Korea (#2)**, **Japan (#4)**, **China (#7)** and **Australia (#8)** leading the way. Australia, up nine places, is stable in terms of wine performance and has improved its socio-economics metrics. Its adult population is growing, both GNI and GDP per capita have increased and GDP's long-term prospects have improved. Unemployment has also dropped.

Methodology note: Tracking represented in this table is based on results published in 2022. Therefore, ranking and score differences are both the reflect of methodology change and individual market performance. To see the tracking based on market performance solely, please refer to the Appendix at the end of this report.

Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference
1	United States	6.45	=	-0.19
2	South Korea	5.93	↑ 2	-0.18
3	Switzerland	5.86	=	-0.34
4	Japan	5.84	↑ 2	-0.19
5	Canada	5.78	↑ 3	-0.21
6	Ireland	5.77	↑ 7	-0.09
7	China	5.70	↑ 2	-0.29
8	United Kingdom	5.63	↓ -3	-0.44
8	Australia	5.63	↑ 9	-0.09
10	Germany	5.55	↓ -8	-0.76
11	Norway	5.52	↑ 1	-0.35
12	Singapore	5.51	↑ 6	-0.15
13	Denmark	5.43	↓ -4	-0.54
14	France	5.37	↓ -3	-0.56
14	Sweden	5.37	↑ 2	-0.42
16	Mexico	5.34	↑ 8	-0.04
17	Thailand	5.32	↑ 11	0.26
18	Malaysia	5.30	↑ 20	0.53
19	Spain	5.29	↓ -4	-0.51
20	Brazil	5.28	↑ 2	-0.17
21	Netherlands	5.27	↓ -15	-0.76
22	Belgium and Luxembourg	5.21	↓ -8	-0.61
22	Taiwan	5.21	↑ 5	-0.04
24	Hong Kong	5.19	↓ -4	-0.35
25	Vietnam	5.09	↑ 19	0.55

Top 50 ranking

Developing Asian economies such as **Thailand (#17)**, **Malaysia (#18)**, **Vietnam (#25)**, **the Philippines (#29)** and **Indonesia (#34)** have greatly increased their attractiveness. They have been recovering from the pandemic and their economy is growing ahead of previous projections. Wine consumption has rebounded and there is increasing interest in alcohol. High unit prices characterise these wine markets, with premium- and above product segments growing rapidly. However, macroeconomic volatility is an ever-present threat in these emerging markets, which demand caution.

Mexico (#16) is another major mover in this year's ranking, climbing eight places. With an adult population of 95 million, Mexico is among the 15 largest economies in the world and the second largest in Latin America. The Mexican wine market has experienced steady growth in per capita consumption, and in still wine volume and value, with value increasing at a higher pace. **Colombia (#40)** has also demonstrated positive trends in Latin America.

Other relatively small markets such as **UAE (#27)** and **South Africa (#44)** present increased opportunities for wine businesses [see slide 25].

The outlook is negative for southern European markets. After benefiting from a tourism rebound and return to normal social activities in 2021, **Spain (#19)**, **Italy (#31)** and **Portugal (#34)** have faced severe inflation, which contributed to a decline in wine volumes and per capita consumption. Eastern European countries such as **Poland (#28)**, **Austria (#33)**, **Romania (#41)** and **Slovakia (#42)** have also suffered.

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Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference
25	New Zealand	5.09	=	-0.23
27	United Arab Emirates	5.07	↑ 5	0.07
28	Poland	5.05	↓ -9	-0.53
29	Finland	4.85	↓ -4	-0.48
29	Philippines	4.85	↑ 11	0.10
31	Greece	4.84	↑ 2	-0.11
31	Italy	4.84	↓ -10	-0.63
33	Austria	4.80	↓ -10	-0.59
34	Portugal	4.78	↓ -6	-0.28
34	Indonesia	4.78	↑ 8	0.15
36	India	4.75	↑ 2	-0.10
37	Slovenia	4.62	↓ -2	-0.31
38	Hungary	4.59	↓ -2	-0.29
39	Czech Republic	4.58	↓ -9	-0.44
40	Colombia	4.45	↑ 6	0.06
41	Romania	4.44	↓ -11	-0.58
42	Slovakia	4.40	↓ -4	-0.37
43	Russia	4.38	↓ -10	-0.57
44	South Africa	4.37	↑ 4	0.12
45	Peru	4.28	↓ -2	-0.32
46	Argentina	4.24	↑ 3	0.06
46	Angola	4.04	↑ 4	0.84
48	Nigeria	3.97	↓ -2	-0.42
49	Turkey	3.78	↓ -8	-0.88
50	Chile	3.76	↓ -5	-0.68

Top 50 ranking

Consistent with last year and results in the still wine model, the **US** is the **#1** most attractive market for sparkling wine opportunities, even improving its 2022 score. The market value for sparkling wine has evolved at a much higher pace than volume, enhancing the premium opportunity in the US market, where the segment already accounts for 65% of total sparkling wine volumes.

South Korea (#2) has made a big jump this year, which is both a reflection of its improving performance in sparkling wine and methodology changes. Sparkling wine opportunities in South Korea now reflect those of still wine. Volume and value have increased by 20% annually (CAGR) over the past five years, with market value growing slightly faster than market volume. With a high average unit price, 70% of the market is in premium-and-above segments.

Aligned with observations made in the still wine model, most northern European countries have suffered from significant declines, including **Germany (#5)**, **Switzerland (#7)**, **France (#11)**, **Belgium and Luxembourg (#12)**, **Norway (#13)** and the **Netherlands (#14)**. The **UK (#8)**, which is the third largest market for sparkling wine by value after the US and France, has remained stable.

Vietnam (#22) is one of the rising stars of the sparkling wine world, climbing 23 places – alongside 19 places in the still wine model. Vietnam has a population of over 75 million adults and a rapidly expanding middle class, with a fast-growing economy. GDP growth has averaged 6% over the past five years. Vietnam has ambitions to become a high-income country by 2045. In the short term, volumes have grown by over 20% for still wine and 50% for sparkling, with premium-and-above price bands standing out as key performing segments. Per capita sparkling wine consumption has significantly improved, though from a small base.

Methodology note: Tracking represented in this table is based on results published in 2022. Therefore, ranking and score differences are both the reflect of methodology change and individual market performance. To see the tracking based on market performance solely, please refer to the Appendix at the end of this report.

Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference
1	United States	6.84	=	0.34
2	South Korea	5.91	↑ 13	0.51
3	Japan	5.84	↑ 9	0.26
4	Canada	5.82	↑ 7	0.22
5	Australia	5.71	=	-0.05
6	Germany	5.69	↓ -4	-0.53
7	Switzerland	5.68	↓ -3	-0.11
8	United Kingdom	5.65	=	0.01
9	Singapore	5.62	↑ 8	0.37
10	Ireland	5.59	↑ 3	0.06
11	France	5.57	↓ -8	-0.31
12	Belgium and Luxembourg	5.51	↓ -5	-0.15
13	Norway	5.49	↓ -4	-0.11
14	Netherlands	5.30	↓ -8	-0.37
15	Sweden	5.24	↓ -1	-0.22
16	Mexico	5.22	↑ 4	0.04
17	New Zealand	5.07	↑ 5	-0.04
18	Hong Kong	5.06	↓ -2	-0.27
19	Italy	5.03	↓ -10	-0.58
20	Austria	5.01	↑ 1	-0.14
21	China	4.99	↓ -2	-0.23
22	Vietnam	4.96	↑ 23	0.90
23	Spain	4.94	↓ -6	-0.31
24	Denmark	4.93	=	-0.03
25	Taiwan	4.88	↑ 2	0.05

Top 50 ranking

Brazil (#26) has notably improved its overall score. The sparkling wine market in Brazil mostly relies on domestic production but import volumes have risen by more than 20% in the short term and are expected to grow by 10% annually. All sparkling wine volumes are forecast to have a 7% CAGR between now and 2027. However, despite positive trends in the wine market and favourable demographics, Brazil's economy remains fragile.

Aligned with its performance in the still wine model, the **United Arab Emirates** (Abu Dhabi, Dubai and the Northern Emirates) (**#27**) has improved its ranking. UAE has the second largest economy in the Middle East and has rebounded post-pandemic thanks to the recovery of the energy and tourism industries and improved political relationships. The average price of sparkling wine sold in UAE is the most expensive of all markets, at US\$50 per bottle. However, the premium-and-above segment accounts for only 15% of the market, though its volumes have increased by 15% in the short term. Total market value has improved by 25%.

Argentina (#42) has remarkably improved its attractiveness due to positive trends in its wine market. Per capita consumption is relatively high (comparable to Austria or Finland) and is increasing. Imports represent only 1.5% of sparkling wine volumes but have doubled in the short term. Value growth is higher, however, artificially driven by hyper-inflation. Premium-and-above products represent half of sparkling wine volumes and growth is expected in this segment. Despite positive indicators, Argentina demonstrates macroeconomic imbalances which challenge sustainable growth.

South Africa (#44) displays a similar performance to Argentina, with a fragile economy but positive trends in sparkling wine opportunities.

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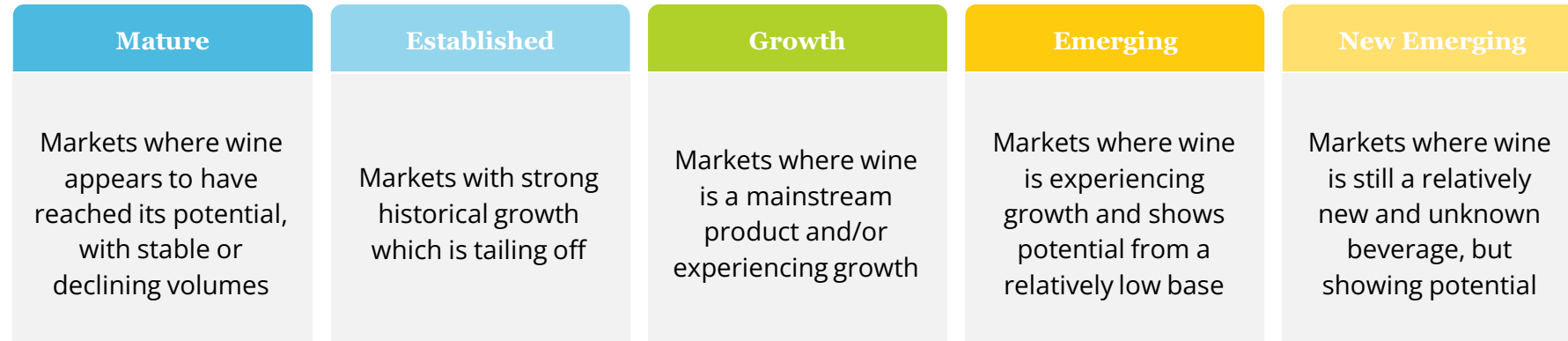
Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference
26	Brazil	4.85	↑ 8	0.29
27	United Arab Emirates	4.83	↑ 2	0.10
28	Finland	4.81	↓ -2	-0.09
29	Thailand	4.72	↑ 15	0.59
30	Greece	4.71	↑ 7	0.15
31	Poland	4.68	↓ -8	-0.37
32	Russia	4.62	↓ -7	-0.32
33	India	4.60	↑ 5	0.09
34	Philippines	4.58	↑ 8	0.41
35	Romania	4.54	↓ -3	-0.06
36	Portugal	4.51	↓ -3	-0.09
37	Czech Republic	4.46	↓ -9	-0.36
38	Malaysia	4.45	↑ 8	0.43
39	Indonesia	4.38	↑ 2	0.17
40	Slovakia	4.36	↓ -9	-0.26
40	Colombia	4.36	=	0.12
42	Argentina	4.33	↑ 7	0.57
43	Slovenia	4.32	↓ -9	-0.24
44	South Africa	4.27	↑ 3	0.34
45	Peru	4.26	↓ -2	0.11
46	Turkey	4.24	↓ -12	-0.31
47	Nigeria	4.23	↑ 1	0.40
48	Chile	4.19	↓ -18	-0.46
49	Hungary	4.09	↓ -10	-0.21
50	Angola	3.40	=	0.85

Market Classification

Global Compass 2023

Market classification

Definitions



← Markets are more or less defined by ...

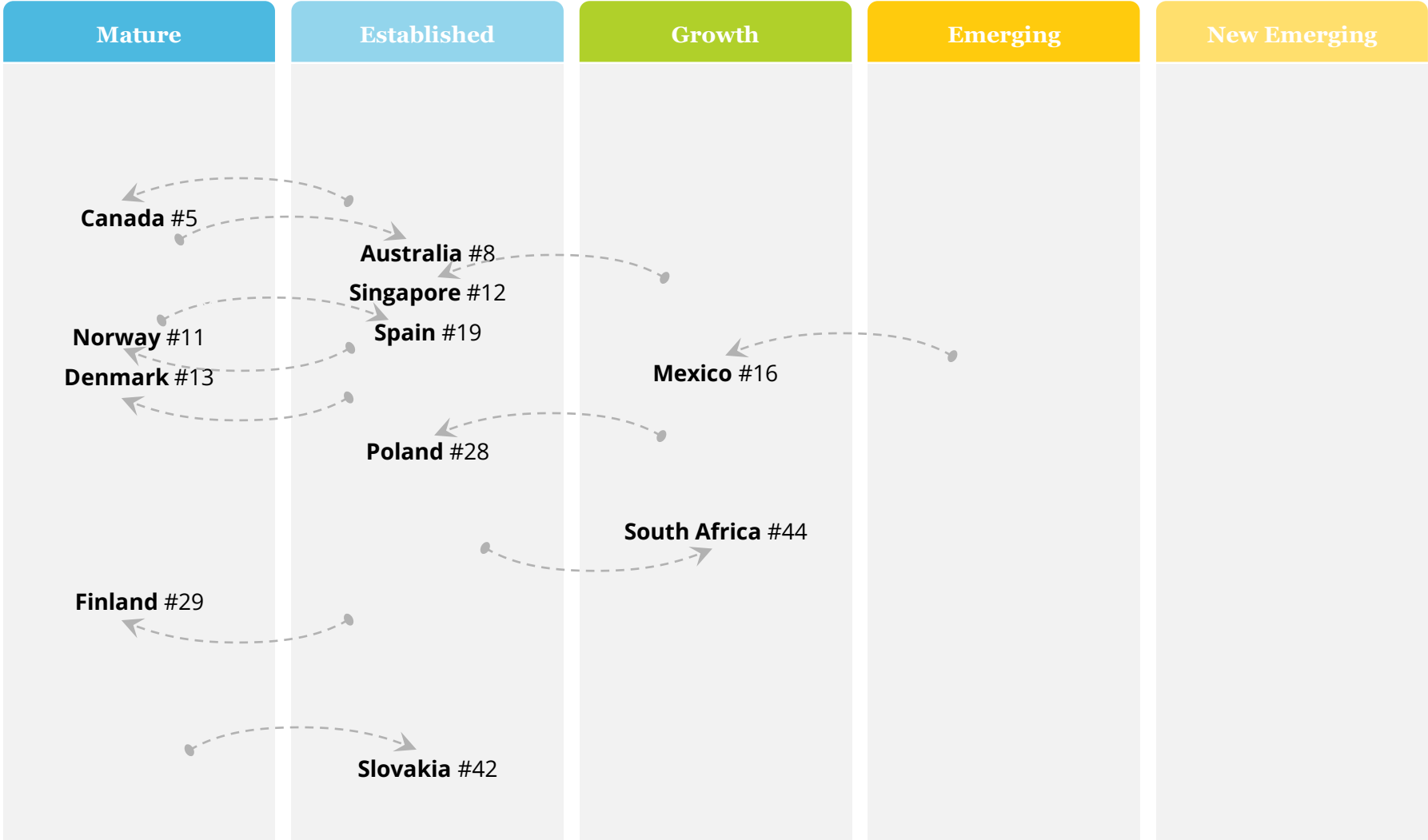


Market classification

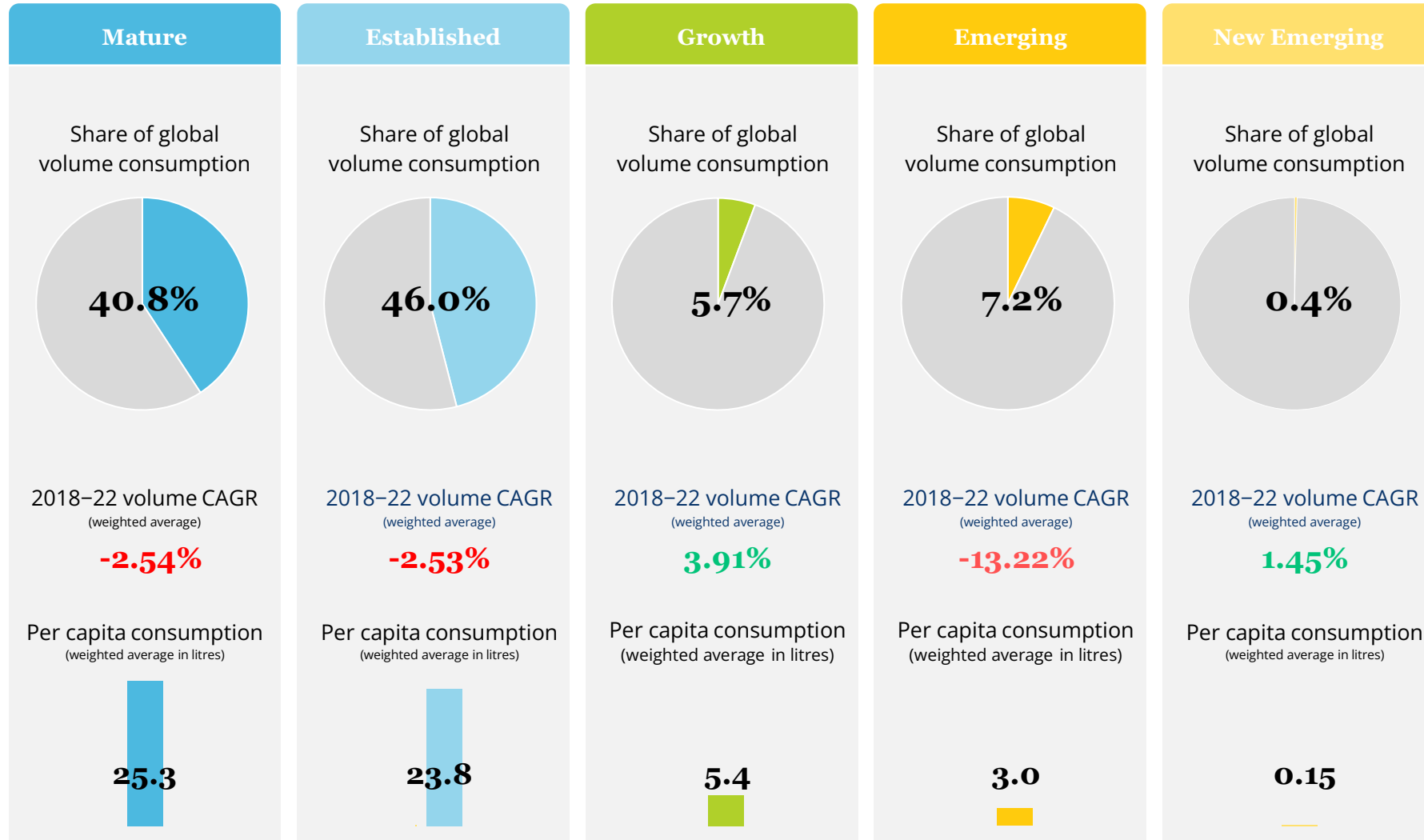
Mature	Established	Growth	Emerging	New Emerging
<p>Switzerland #3</p> <p>Canada #5</p> <p>UK #8</p> <p>Germany #10</p> <p>Norway #11</p> <p>Denmark #13</p> <p>Sweden #14</p> <p>France #14</p> <p>Netherlands #21</p> <p>Belgium and Luxembourg #22</p> <p>Finland #29</p> <p>Austria #33</p> <p>Argentina #46</p> <p>Chile #50</p>	<p>US #1</p> <p>Japan #4</p> <p>Ireland #6</p> <p>Australia #8</p> <p>Singapore #12</p> <p>Spain #19</p> <p>Hong Kong #24</p> <p>New Zealand #25</p> <p>Poland #28</p> <p>Greece #31</p> <p>Italy #31</p> <p>Portugal #34</p> <p>Slovenia #37</p> <p>Hungary #38</p> <p>Czech Republic #39</p> <p>Romania #41</p> <p>Slovakia #42</p>	<p>South Korea #2</p> <p>Mexico #16</p> <p>Brazil #20</p> <p>UAE #27</p> <p>Colombia #40</p> <p>South Africa #44</p> <p>Peru #45</p>	<p>China #7</p> <p>Taiwan #22</p> <p>Russia #43</p> <p>Angola #46</p> <p>Nigeria #48</p> <p>Turkey #49</p>	<p>Thailand #17</p> <p>Malaysia #18</p> <p>Vietnam #25</p> <p>Philippines #29</p> <p>Indonesia #34</p> <p>India #36</p>

UAE: United Arab Emirates (Abu Dhabi, Dubai, Northern Emirates)

Market classification



Market classification

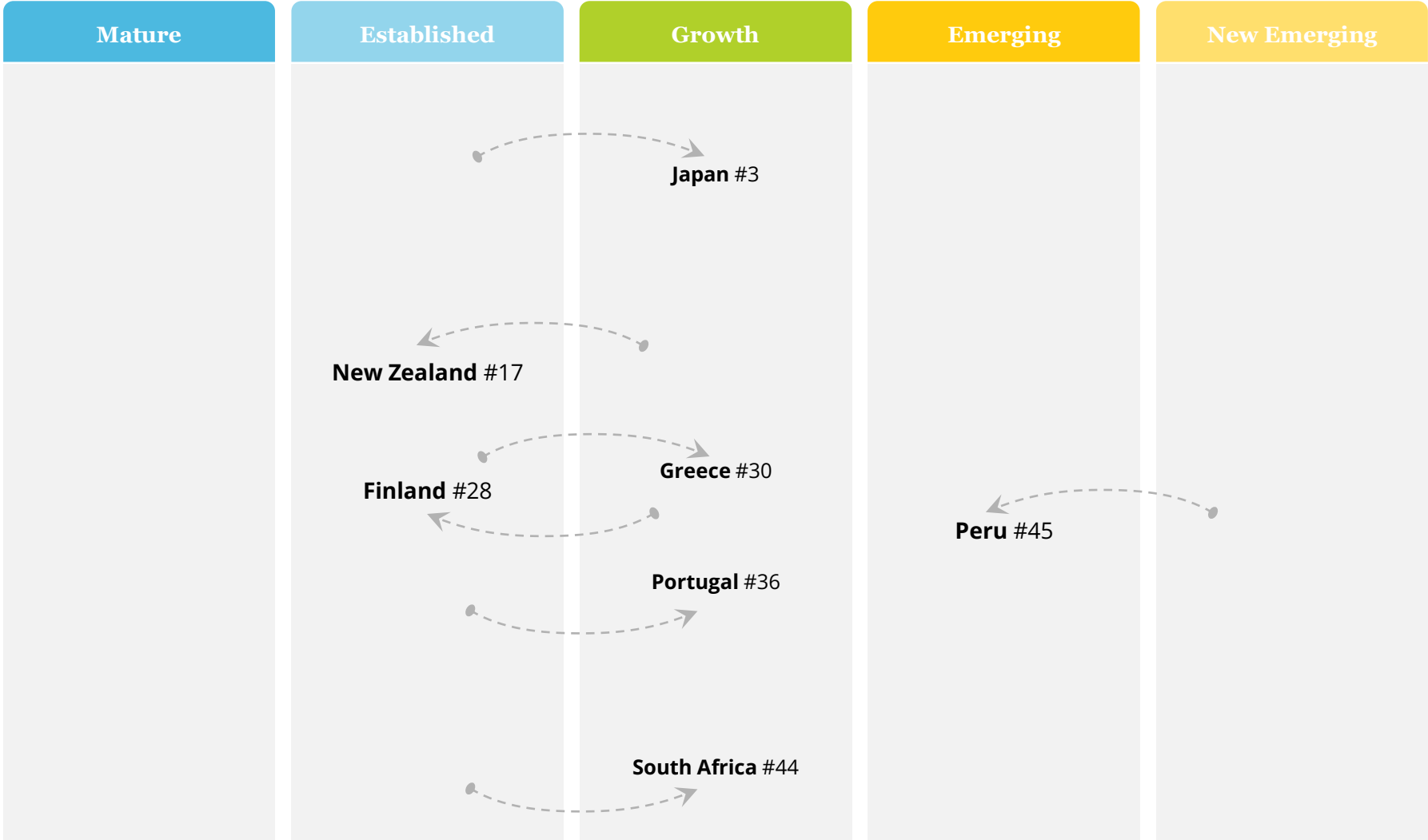


Market classification

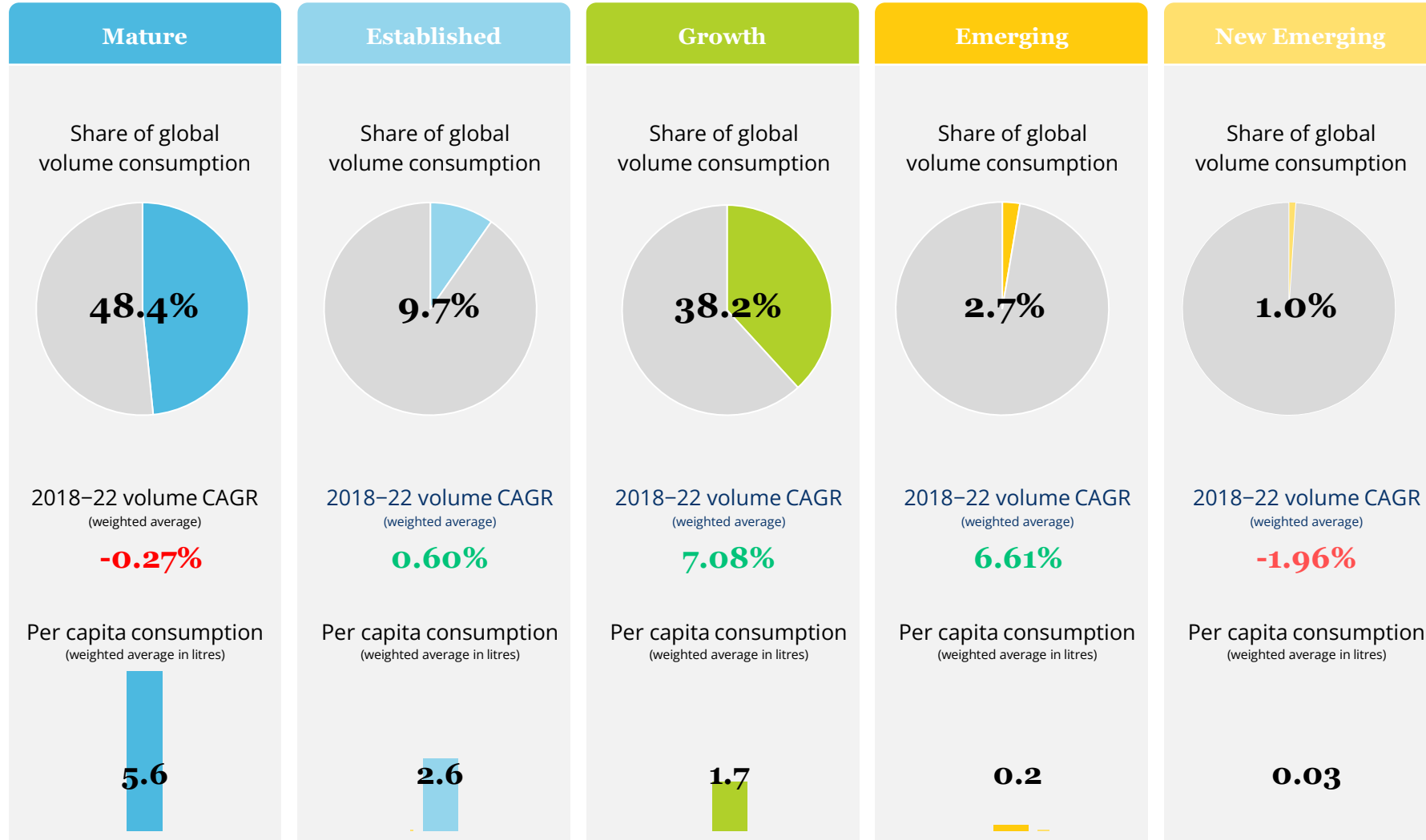


UAE: United Arab Emirates (Abu Dhabi, Dubai, Northern Emirates)

Market classification




Market classification



Market classification

Definitions

Mature	Established	Growth	Emerging	New Emerging
Market saturation	Markets with long-term declining volumes, expected to keep falling. Typically wine-producing countries dominated by local production.			
Import market	Imported wine typically not dominant and following the overall wine trend of decline. Strong competition from domestic production in many markets.			
Market value	Wine is a mainstream product, so total market value is high but stable or declining as volumes decrease.			
Per capita consumption	High levels of wine consumption in these markets, but generally in decline.			
Range and culture	Wine highly integrated into these markets with high levels of involvement. Many of these markets are wine-producing countries.			

Market classification

Definitions

	Mature	Established	Growth	Emerging	New Emerging
Market saturation		Markets with historically high growth that is now slowing or even stagnant. Forecast indicates a stable market in the long term.			→
Import market		High volumes in non-producing countries and with a stable trend. High consumption of domestic wines in wine-producing countries.			→
Market value		Relatively high overall value for wine due to large volumes. The short-term trend is positive, and the forecast is broadly stable.			→
Per capita consumption		Relatively high levels, but wine consumption is levelling off, or even declining in some markets.			↘
Range and culture		Strong relationship with wine, which is a widespread everyday drink. Mixture of wine-producing and importer countries.			High






Market classification

Definitions

	Mature	Established	Growth	Emerging	New Emerging
Market saturation					➔
Import market					➔
Market value					➔
Per capita consumption					➔
Range and culture					Mid

Market classification

Definitions

Mature	Established	Growth	Emerging	New Emerging
Market saturation	High and continuous growth in wine volume but starting from a small base. Some larger-population and more established high-growth emerging markets have total volumes comparative with non-emerging groups.			
Import market	Strong growth in import markets as more people discover or convert to wine. Strong competition from domestic production in some markets.			
Market value	Low to mid overall value, increasing as volumes rise.			
Per capita consumption	Low but increasing level of overall per capita consumption. Development of an involved and aware wine-drinking group with mid to high levels of consumption, but not uniform across the market.			
Range and culture	Wine increasing in importance and awareness in the market, especially for a wine-drinking sub-group. Not yet established as a mainstream alcoholic beverage in the overall market but moving towards it.			

Market classification

Definitions

Mature	Established	Growth	Emerging	New Emerging
Market saturation	Wine is new to the market, so it is starting from a small base, but with high growth rates. Barriers to wine are often in the form of other alcoholic beverages, legislation and religion or culture.			➔
Import market	Little or non-existent local product; the market essentially relies on imports.			➔
Market value	Low overall value but increasing as volumes go up.			➔
Per capita consumption	Low levels of per capita consumption but increasing. In many markets wine is drunk by a small sector of society who may have considerably higher wine consumption than the country's average.			➔
Range and culture	Wine is in its infancy, with minimal cultural associations. Many countries are dominated by other alcoholic beverages with a long, established history, or may not have any alcohol heritage at all. Wine is a niche product and predominately drunk by a small and involved market segment, or by tourists.			?

Market classification

Applying the BCG matrix to the Compass model

BCG (Boston Consulting Group) matrix

is a long-established strategic tool based on the lifecycle and development of products in the context of market growth and share.

The objective of the matrix is to explain the current situation for wine in different markets and to advise on investment decisions.

The classic BCG matrix defines four different stages:

→ Stars

Highly profitable markets, where wine has a high market share among alcoholic beverages and is growing. Stars generate cash but need further investment to maintain the position.

→ Cash Cows

Markets with a high market share for wine and slight growth or stagnation. Cash Cows have stable cash flow and generate profits.

→ Question Marks

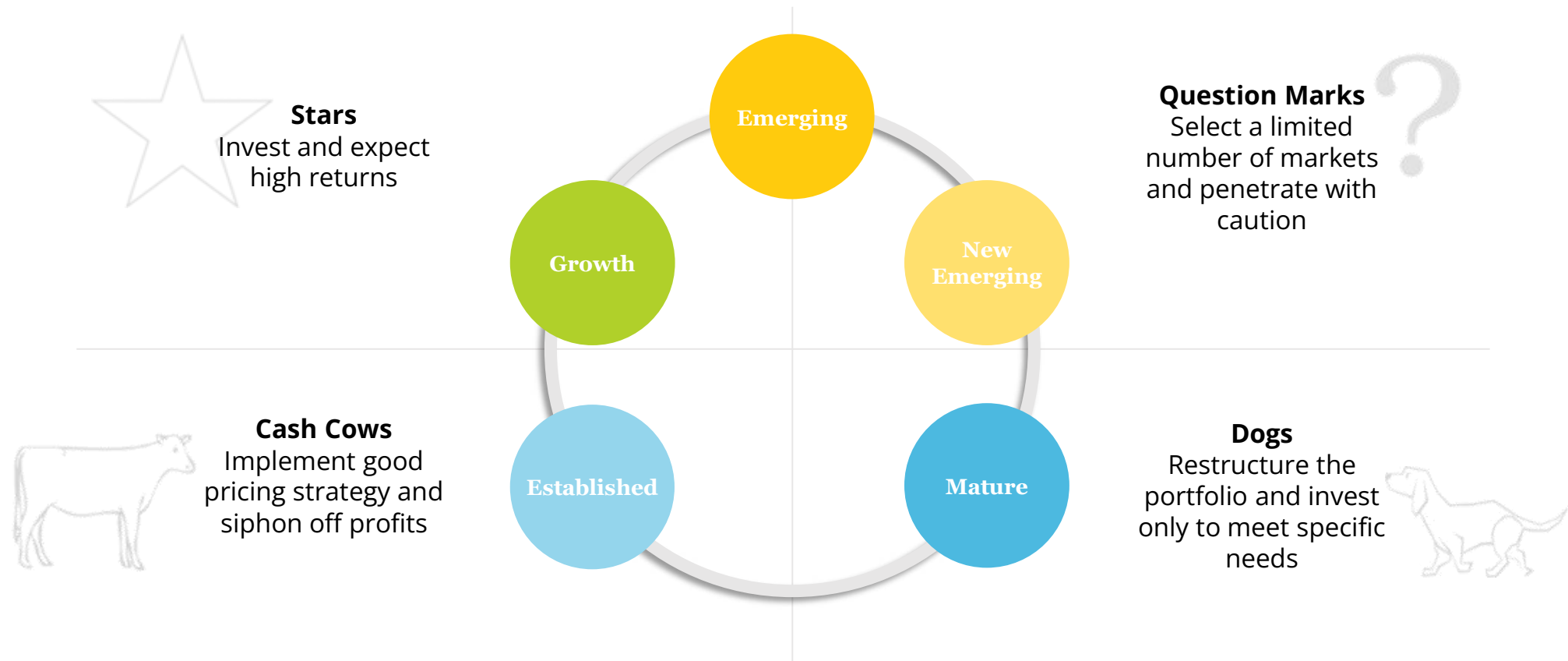
New markets with a low market share for wine but experiencing high growth. Growth needs high investments but with caution, as not all Question Marks necessarily become Stars.

→ Dogs

Markets where wine is in decline. Competitive markets with low or shrinking gross margins. However, they can still be interesting due to large volumes.

Market classification

Applying the BCG matrix: Investment strategies



Socio-economic Measures

Global Compass 2023

Population

Adult population (aged 15+), 2022

	Adult population, millions	Growth (2020-21)	
1	China	1,174	0.5%
2	India	1,046	1.6%
3	United States	276	0.8%
4	Indonesia	204	1.2%
5	Brazil	170	1.1%
6	Nigeria	121	2.8%
7	Russia	119	-0.1%
8	Japan	110	-0.2%
9	Mexico	95	1.4%
10	Philippines	79	2.1%
11	Vietnam	75	1.1%
12	Germany	72	0.1%
13	Thailand	60	0.6%
14	United Kingdom	55	0.5%
15	France	53	0.3%
16	Italy	52	-0.1%
17	South Korea	46	0.5%
18	South Africa	42	1.2%
19	Spain	41	0.7%
20	Colombia	40	2.2%
21	Argentina	35	1.0%
22	Poland	32	-0.2%
23	Canada	32	1.2%
24	Malaysia	26	1.7%
25	Peru	25	2.2%

	Adult population, millions	Growth (2020-21)	
26	Australia	21	1.5%
27	Taiwan	21	0.4%
28	Angola	19	3.6%
29	Romania	16	-0.5%
30	Chile	16	1.8%
31	Netherlands	15	0.6%
32	Belgium and Luxembourg	10	0.6%
33	Greece	9	-0.5%
34	Portugal	9	0.1%
35	Czech Republic	9	-0.2%
36	Sweden	9	1.0%
37	Hungary	8	-0.2%
38	United Arab Emirates	8	0.6%
39	Austria	8	0.4%
40	Switzerland	7	0.7%
41	Hong Kong	7	0.0%
42	Singapore	5	0.8%
43	Denmark	5	0.6%
44	Finland	5	0.4%
45	Slovakia	5	-0.1%
46	Norway	4	0.8%
47	New Zealand	4	2.2%
48	Ireland	4	1.4%
49	Slovenia	2	0.2%
50	Turkey	0	3.4%

Highlighted countries: Top 15 most attractive markets in the still wine model

Source: Adult population size, United Nations (2022)

GDP

Gross domestic product, per capita, 2022

	GDP per capita, US \$		Growth (2018-22)
1	Norway	106,300	1.6%
2	Ireland	103,200	9.1%
3	Switzerland	92,400	1.6%
4	Belgium and Luxembourg	88,800	1.5%
5	Singapore	82,800	2.7%
6	United States	76,300	2.1%
7	Denmark	66,500	2.0%
8	Australia	65,500	2.4%
9	Netherlands	56,500	2.0%
10	Sweden	55,700	2.0%
11	Canada	55,100	1.6%
12	Austria	52,300	1.4%
13	United Arab Emirates	51,300	1.7%
14	Finland	50,700	1.0%
15	Hong Kong	49,200	-0.5%
16	Germany	48,600	0.6%
17	New Zealand	47,200	2.7%
18	United Kingdom	45,300	0.8%
19	France	42,400	1.0%
20	Italy	34,100	0.6%
21	Japan	33,800	-0.2%
22	Taiwan	32,600	3.7%
23	South Korea	32,300	2.2%
24	Slovenia	29,500	3.5%
25	Spain	29,400	0.8%

	GDP per capita, US \$		Growth (2018-22)
26	Czech Republic	27,600	1.3%
27	Portugal	24,500	1.9%
28	Slovakia	20,900	1.6%
29	Greece	20,600	1.8%
30	Poland	18,300	4.0%
31	Hungary	17,300	3.6%
32	Romania	15,900	3.4%
33	Russia	15,400	1.2%
34	Chile	15,100	2.5%
35	Argentina	13,700	0.2%
36	China	12,800	5.3%
37	Malaysia	12,400	3.1%
38	Mexico	10,900	0.4%
39	Turkey	10,600	4.5%
40	Brazil	9,000	1.5%
41	Thailand	7,700	0.9%
42	Peru	7,100	2.3%
43	South Africa	6,700	0.5%
44	Colombia	6,700	3.4%
45	Indonesia	4,800	3.4%
46	Vietnam	4,100	5.7%
47	Philippines	3,600	3.2%
48	Angola	3,400	-0.7%
49	India	2,400	4.1%
50	Nigeria	2,200	1.8%

Highlighted countries: Top 15 most attractive markets in the still wine model

GDP per capita current prices, rounded and average 2018-2022 growth rate. Source: International Monetary Fund (2023)

GNI

Gross national income, per capita, 2021

Economic measure
common to both models

GNI per capita, US \$		
1	Norway	95,500
2	Switzerland	89,500
3	Ireland	81,100
4	United States	76,400
5	Denmark	73,200
6	Belgium and Luxembourg	70,000
7	Singapore	67,200
8	Sweden	63,000
9	Australia	60,400
10	Netherlands	57,400
11	Austria	56,100
12	Hong Kong	54,400
13	Finland	54,400
14	Germany	53,400
15	Canada	53,000
16	United Arab Emirates	49,000
17	United Kingdom	48,900
18	New Zealand	48,500
19	France	45,900
20	Japan	42,400
21	Italy	37,700
22	South Korea	36,000
23	Taiwan	33,700
24	Spain	31,700
25	Slovenia	30,600

GNI per capita, US \$		
26	Czech Republic	26,600
27	Portugal	25,800
28	Slovakia	22,100
29	Greece	21,700
30	Hungary	19,000
31	Poland	18,400
32	Romania	15,700
33	Chile	15,400
34	China	12,900
35	Russia	12,800
36	Malaysia	11,800
37	Argentina	11,600
38	Turkey	10,600
39	Mexico	10,400
40	Brazil	8,100
41	Thailand	7,200
42	South Africa	6,800
43	Peru	6,800
44	Colombia	6,500
45	Indonesia	4,600
46	Vietnam	4,000
47	Philippines	4,000
48	India	2,400
49	Nigeria	2,100
50	Angola	1,900

Highlighted countries: Top 15 most attractive markets in the still wine model

GNI per capita values in USD (current), Atlas Method, rounded. Source: World Bank and National Statistics Republic of China (2023)

Labour

Unemployment rate, 2021

Unemployment rate, %		
1	Thailand	1%
2	Vietnam	2%
3	Philippines	2%
4	Czech Republic	2%
5	Poland	3%
6	Japan	3%
7	United Arab Emirates	3%
8	Singapore	3%
9	South Korea	3%
10	Germany	3%
11	Norway	3%
12	New Zealand	3%
13	Mexico	3%
14	Hungary	3%
15	Taiwan	4%
16	Netherlands	4%
17	Indonesia	4%
18	United Kingdom	4%
19	United States	4%
20	Australia	4%
21	Peru	4%
22	Malaysia	4%
23	Denmark	4%
24	Slovenia	4%
25	Switzerland	4%

Unemployment rate, %		
26	Ireland	4%
27	Russia	5%
28	Austria	5%
29	China	5%
30	Hong Kong	5%
31	Belgium and Luxembourg	5%
32	Canada	5%
33	Romania	5%
34	Nigeria	6%
35	Portugal	6%
36	Slovakia	6%
37	Argentina	6%
38	Finland	7%
39	India	7%
40	Sweden	7%
41	France	7%
42	Chile	8%
43	Italy	8%
44	Brazil	9%
45	Turkey	10%
46	Angola	10%
47	Colombia	11%
48	Greece	12%
49	Spain	13%
50	South Africa	30%

Highlighted countries: Top 15 most attractive markets in the still wine model

Unemployment rate, % of total labour force. Source: International Monetary Fund and National Statistics Republic of China (2023)

Inflation

End of period consumer price change, 2022

Inflation rate, %		
1	China	2%
2	Hong Kong	2%
3	Taiwan	3%
4	Switzerland	3%
5	Malaysia	4%
6	Japan	4%
7	Vietnam	5%
8	United Arab Emirates	5%
9	South Korea	5%
10	Indonesia	6%
11	Spain	6%
12	Brazil	6%
13	Norway	6%
14	Thailand	6%
15	India	6%
16	Singapore	7%
17	Canada	7%
18	United States	7%
19	France	7%
20	New Zealand	7%
21	South Africa	7%
22	Greece	8%
23	Australia	8%
24	Mexico	8%
25	Ireland	8%

Inflation rate, %		
26	Philippines	8%
27	Belgium and Luxembourg	8%
28	Peru	9%
29	Finland	9%
30	Denmark	10%
31	Germany	10%
32	Portugal	10%
33	Slovenia	10%
34	Austria	11%
35	United Kingdom	11%
36	Netherlands	11%
37	Sweden	12%
38	Italy	12%
39	Russia	12%
40	Chile	13%
41	Colombia	13%
42	Angola	14%
43	Slovakia	15%
44	Czech Republic	16%
45	Romania	16%
46	Poland	17%
47	Nigeria	21%
48	Hungary	25%
49	Turkey	64%
50	Argentina	95%

Highlighted countries: Top 15 most attractive markets in the still wine model

Inflation rate, end of period consumer price index (CPI), considers prices at one point of time and is expressed in annual % change.
Source: International Monetary Fund and National Statistics Republic of China (2023)

Corruption

Corruption perceptions index, 2021

Corruption index		
1	Denmark	90
2	Finland	87
3	New Zealand	87
4	Norway	84
5	Singapore	83
6	Sweden	83
7	Switzerland	82
8	Netherlands	80
9	Germany	79
10	Ireland	77
11	Hong Kong	76
12	Australia	75
13	Belgium and Luxembourg	75
14	Canada	74
15	Japan	73
16	United Kingdom	73
17	France	72
18	Austria	71
19	United States	69
20	Taiwan	68
21	Chile	67
22	United Arab Emirates	67
23	South Korea	63
24	Portugal	62
25	Spain	60

Corruption index		
26	Czech Republic	56
27	Italy	56
28	Slovenia	56
29	Poland	55
30	Slovakia	53
31	Greece	52
32	Malaysia	47
33	Romania	46
34	China	45
35	South Africa	43
36	Hungary	42
37	Vietnam	42
38	India	40
39	Colombia	39
40	Argentina	38
41	Brazil	38
42	Peru	36
43	Thailand	36
44	Turkey	36
45	Indonesia	34
46	Angola	33
47	Philippines	33
48	Mexico	31
49	Russia	28
50	Nigeria	24

Highlighted countries: Top 15 most attractive markets in the still wine model

Index score from 1 to 100, where 1 means highest corruption and 100 means lowest corruption. Source: Transparency International (2023)

Globalisation

KOF globalisation index, 2021

Globalisation index		
1	Switzerland	91
2	Netherlands	90
3	Sweden	89
4	United Kingdom	89
5	Germany	88
6	Austria	88
7	Denmark	88
8	Belgium and Luxembourg	88
9	Finland	87
10	France	87
11	Ireland	86
12	Spain	85
13	Czech Republic	85
14	Portugal	85
15	Norway	85
16	Hungary	84
17	Canada	84
18	Greece	83
19	Singapore	83
20	Slovakia	83
21	Italy	83
22	United States	81
23	Poland	81
24	Malaysia	81
25	Australia	80

Globalisation index		
26	Slovenia	80
27	Romania	79
28	South Korea	78
29	United Arab Emirates	76
30	Chile	76
31	Japan	75
32	New Zealand	75
33	Thailand	73
34	Russia	71
35	Mexico	71
36	Turkey	71
37	Argentina	69
38	South Africa	69
39	Peru	68
40	Hong Kong	67
41	Philippines	65
42	China	65
43	Brazil	64
44	Colombia	63
45	Vietnam	63
46	India	63
47	Indonesia	63
48	Nigeria	55
49	Angola	43
50	Taiwan	n/a

Highlighted countries: Top 15 most attractive markets in the still wine model

Index score from 1 to 100, where 1 means least globalised and 100 means most globalised. Source: KOF, Swiss Economic Institute (2023)

Moderation

Litres of pure alcohol (LPA) per capita

Economic measure
common to both models

New measure

LPA per capita consumption		Growth (2018-22)	
1	South Korea	15.23	-0.8%
2	Czech Republic	13.01	0.6%
3	Slovakia	12.45	0.9%
4	Austria	11.59	-0.3%
5	Ireland	11.29	-0.8%
6	Romania	11.11	-1.6%
7	Hungary	11.04	0.9%
8	Germany	10.91	-1.1%
9	Slovenia	10.80	-1.3%
10	Poland	10.80	-0.1%
11	Spain	10.71	0.4%
12	Portugal	10.46	0.5%
13	Denmark	10.33	-0.9%
14	United States	10.28	-0.3%
15	Australia	10.01	-0.7%
16	United Kingdom	9.76	-1.5%
17	France	9.36	-3.2%
18	Russia	9.29	0.6%
19	New Zealand	9.18	-0.5%
20	Switzerland	9.08	-1.1%
21	Italy	8.80	-1.3%
22	Netherlands	8.62	-1.6%
23	Finland	8.33	-2.0%
24	Argentina	8.16	0.3%
25	South Africa	7.94	1.2%

LPA per capita consumption		Growth (2018-22)	
26	Belgium and Luxembourg	7.86	-2.2%
27	Greece	7.77	0.0%
28	Canada	7.70	-0.6%
29	Japan	7.41	-2.1%
30	Norway	7.14	2.3%
31	Mexico	7.10	1.5%
32	Sweden	7.09	1.6%
33	Chile	6.90	-1.6%
34	Thailand	6.89	0.6%
35	Brazil	6.62	0.4%
36	Philippines	5.84	0.7%
37	Colombia	5.44	3.8%
38	Peru	4.45	-0.4%
39	China	3.93	-6.7%
40	Vietnam	3.55	2.3%
41	Angola	2.93	-14.9%
42	Hong Kong	2.65	-3.7%
43	United Arab Emirates	2.53	1.3%
44	Singapore	2.46	3.2%
45	Taiwan	2.44	-0.6%
46	Nigeria	1.70	3.9%
47	India	1.64	0.5%
48	Turkey	1.59	2.2%
49	Malaysia	0.66	-0.1%
50	Indonesia	0.08	-2.4%

Highlighted countries: Top 15 most attractive markets in the still wine model

Source: IWSR (2023) and the World Health Organisation (2023)

Wine Market Measures

Global Compass 2023

Still wine volume

Still wine volume, 2022

All still wine volume, million litres		Growth (2018-22)	
1	United States	2,670	-2.5%
2	Italy	2,070	-3.4%
3	Germany	1,820	-1.5%
4	France	1,760	-5.2%
5	United Kingdom	930	-2.0%
6	Argentina	830	-0.9%
7	Spain	820	-1.6%
8	Russia	630	-5.4%
9	China	490	-21.6%
10	Romania	420	-6.1%
11	Australia	410	-3.5%
12	South Africa	410	1.8%
13	Portugal	400	-0.6%
14	Canada	390	-1.5%
15	Brazil	390	4.8%
16	Greece	290	-0.1%
17	Netherlands	290	-2.9%
18	Japan	290	-2.8%
19	Hungary	260	0.3%
20	Switzerland	250	-1.0%
21	Austria	230	-1.0%
22	Chile	190	-5.5%
23	Sweden	190	0.9%
24	Belgium and Luxembourg	170	-4.2%
25	Denmark	150	-0.4%

All still wine volume, million litres		Growth (2018-22)	
26	Czech Republic	130	-1.2%
27	Poland	130	2.3%
28	Slovakia	100	-0.2%
29	Turkey	89	-5.3%
30	Mexico	81	3.7%
31	New Zealand	77	-1.1%
32	Ireland	72	0.6%
33	Norway	71	3.8%
34	Slovenia	66	-3.6%
35	South Korea	60	13.8%
36	Finland	50	-0.5%
37	Peru	49	3.7%
38	Nigeria	29	2.1%
39	Hong Kong	26	-7.0%
40	Colombia	26	9.6%
41	Angola	26	2.0%
42	Taiwan	21	0.5%
43	India	17	5.2%
44	Philippines	14	-1.2%
45	Vietnam	13	-1.1%
46	Thailand	12	6.1%
47	Singapore	11	-0.7%
48	United Arab Emirates	10	3.8%
49	Malaysia	7	0.4%
50	Indonesia	5	-2.8%

Highlighted countries: Top 15 most attractive markets in the still wine model

Rounded values to one decimal place. Source: IWSR (2023)

Still wine consumption

Still wine consumption, per capita, 2022

Still wine per capita consumption, litres			Growth (2018-22)
1	Portugal	46	-0.6%
2	Italy	40	-3.5%
3	Slovenia	38	-3.6%
4	Switzerland	35	-1.6%
5	France	34	-5.6%
6	Greece	34	0.2%
7	Hungary	33	0.6%
8	Denmark	31	-1.0%
9	Austria	30	-1.4%
10	Romania	28	-4.9%
11	Germany	25	-1.4%
12	Argentina	25	-2.0%
13	Slovakia	23	-0.2%
14	Sweden	22	0.2%
15	Spain	21	-2.3%
16	Netherlands	21	-3.4%
17	Australia	20	-4.9%
18	New Zealand	20	-2.6%
19	Ireland	18	-0.6%
20	United Kingdom	17	-2.7%
21	Belgium and Luxembourg	17	-4.9%
22	Norway	16	2.8%
23	Czech Republic	15	-1.2%
24	Chile	14	-6.4%
25	Canada	13	-2.4%

Still wine per capita consumption, litres			Growth (2018-22)
26	Finland	11	-0.8%
27	United States	11	-3.5%
28	South Africa	10.5	0.6%
29	Russia	5.5	-5.1%
30	Hong Kong	4.2	-7.1%
31	Poland	4.0	2.5%
32	Japan	2.8	-2.7%
33	Brazil	2.4	3.5%
34	Singapore	2.3	-2.0%
35	Peru	2.2	2.2%
36	Angola	1.6	-1.6%
37	Turkey	1.5	-6.4%
38	South Korea	1.4	12.9%
39	United Arab Emirates	1.3	3.1%
40	Taiwan	1.1	0.1%
41	Mexico	0.9	2.4%
42	Colombia	0.7	7.8%
43	China	0.4	-21.9%
44	Malaysia	0.3	-1.3%
45	Nigeria	0.3	-1.1%
46	Thailand	0.2	5.4%
47	Philippines	0.2	-3.6%
48	Vietnam	0.2	-2.4%
49	Indonesia	0.0	-4.3%
50	India	0.0	3.5%

Highlighted countries: Top 15 most attractive markets in the still wine model

Source: IWSR (2023)

Imported still wine volume

Imported still wine volume, 2022

Imported still wine volume, million litres			Growth (2018-22)	Imported still wine volume, million litres			Growth (2018-22)
1	Germany	1,050	-1.3%	26	Hong Kong	26	-7.0%
2	United Kingdom	930	-2.1%	27	Angola	26	2.0%
3	United States	670	-2.0%	28	Colombia	24	9.6%
4	France	410	-3.0%	29	New Zealand	22	3.2%
5	Netherlands	290	-2.9%	30	Taiwan	20	1.2%
6	Russia	290	6.4%	31	Spain	20	8.7%
7	Canada	280	-1.7%	32	Portugal	18	-5.2%
8	China	240	-17.7%	33	Romania	12	3.3%
9	Sweden	190	0.9%	34	Thailand	12	6.3%
10	Japan	180	-3.6%	35	Philippines	12	-0.6%
11	Belgium and Luxembourg	160	-4.5%	36	Singapore	11	-0.7%
12	Switzerland	150	-2.2%	37	United Arab Emirates	10	3.8%
13	Denmark	150	-0.4%	38	Vietnam	10	-1.3%
14	Brazil	140	6.4%	39	Italy	8	-2.8%
15	Poland	120	2.2%	40	Peru	7	0.9%
16	Czech Republic	90	-0.5%	41	Malaysia	7	0.4%
17	Australia	73	-0.9%	42	Hungary	6	0.1%
18	Ireland	72	0.6%	43	India	6	7.9%
19	Norway	71	3.8%	44	Turkey	4	16.9%
20	South Korea	57	16.3%	45	Indonesia	4	-2.9%
21	Mexico	50	3.2%	46	Slovenia	2	-0.7%
22	Finland	50	-0.5%	47	South Africa	2	35.7%
23	Austria	32	-1.1%	48	Greece	2	7.0%
24	Nigeria	29	2.1%	49	Chile	0	-10.9%
25	Slovakia	28	-1.0%	50	Argentina	0	-28.1%

Highlighted countries: Top 15 most attractive markets in the still wine model

Rounded values to one decimal place. Source: IWSR (2023)

Still wine value

Still wine value, 2022

All still wine value, million US \$		Growth (2018-22)	
1	United States	35,101	0.2%
2	United Kingdom	12,484	-0.3%
3	France	10,994	-2.5%
4	Italy	10,425	-2.7%
5	Germany	8,882	-0.2%
6	China	6,986	-16.8%
7	Canada	5,334	1.1%
8	Spain	5,304	2.3%
9	Russia	4,863	4.8%
10	Australia	4,529	-0.2%
11	Brazil	3,133	9.5%
12	Switzerland	2,879	-1.0%
13	Japan	2,870	-0.9%
14	Netherlands	2,203	-1.1%
15	Denmark	2,083	-0.6%
16	Argentina	2,046	42.8%
17	Sweden	1,898	3.5%
18	Portugal	1,887	4.2%
19	Romania	1,873	1.7%
20	Belgium and Luxembourg	1,629	-2.6%
21	Greece	1,532	2.0%
22	Austria	1,349	-0.4%
23	Norway	1,341	5.7%
24	Ireland	1,257	1.9%
25	South Korea	1,203	18.4%

All still wine value, million US \$		Growth (2018-22)	
26	South Africa	1,111	3.2%
27	Hungary	1,060	3.8%
28	New Zealand	987	1.0%
29	Mexico	880	8.8%
30	Poland	879	4.3%
31	Chile	771	-1.8%
32	Czech Republic	754	-0.9%
33	Slovenia	723	-0.5%
34	Finland	689	1.2%
35	Hong Kong	621	-4.0%
36	Slovakia	572	1.9%
37	Turkey	548	17.4%
38	Taiwan	448	3.0%
39	Peru	397	3.9%
40	Singapore	380	2.1%
41	Thailand	370	9.5%
42	India	334	8.8%
43	Colombia	250	11.3%
44	Nigeria	202	20.3%
45	Vietnam	189	1.5%
46	United Arab Emirates	167	3.2%
47	Indonesia	156	-0.4%
48	Malaysia	154	5.5%
49	Philippines	148	2.3%
50	Angola	106	14.1%

Highlighted countries: Top 15 most attractive markets in the still wine model

Rounded values to two decimal places. Source: IWSR (2023)

Still wine premiumisation

Wine measure
STILL WINE MODEL

New measure

Premium and above market share, 2022

Premium and above market share			Growth (2018-22)	Premium and above market share			Growth (2018-22)
1	Hong Kong	55%	-5.7%	26	Chile	11%	4.7%
2	Singapore	54%	1.6%	27	Netherlands	10%	-1.6%
3	Ireland	52%	0.1%	28	Poland	10%	4.6%
4	New Zealand	46%	3.3%	29	France	10%	-3.9%
5	Norway	41%	6.9%	30	Spain	8%	1.4%
6	United States	36%	0.9%	31	Colombia	8%	7.1%
7	Switzerland	34%	-0.8%	32	Philippines	8%	4.8%
8	Canada	34%	2.6%	33	Indonesia	8%	-0.9%
9	South Korea	33%	23.0%	34	Turkey	7%	-1.5%
10	Australia	31%	0.5%	35	Austria	7%	-3.6%
11	Malaysia	30%	6.6%	36	Brazil	6%	11.2%
12	Japan	30%	-2.5%	37	Hungary	5%	0.4%
13	Denmark	28%	-1.5%	38	Slovakia	5%	-1.2%
14	Slovenia	28%	0.0%	39	Greece	4%	1.6%
15	Taiwan	23%	3.2%	40	Portugal	4%	4.7%
16	Vietnam	22%	-2.5%	41	Czech Republic	4%	1.9%
17	United Kingdom	21%	-2.3%	42	Peru	4%	5.5%
18	Belgium and Luxembourg	20%	-2.9%	43	India	4%	-5.5%
19	China	19%	-17.3%	44	Romania	4%	1.3%
20	Thailand	19%	23.0%	45	Russia	4%	-5.0%
21	Finland	17%	2.2%	46	Germany	3%	-1.3%
22	Mexico	16%	2.2%	47	Argentina	3%	10.1%
23	United Arab Emirates	15%	7.7%	48	Nigeria	3%	-2.8%
24	Sweden	15%	11.8%	49	South Africa	2%	1.9%
25	Italy	12%	-1.0%	50	Angola	2%	-6.4%

Highlighted countries: Top 15 most attractive markets in the still wine model

Source: IWSR (2023)

Sparkling wine volume

Sparkling wine volume, 2022

All sparkling wine volume, million litres		Growth (2018-22)	
1	Germany	400	-0.9%
2	Italy	380	0.4%
3	United States	380	7.2%
4	France	250	-0.5%
5	Russia	240	9.2%
6	United Kingdom	160	0.6%
7	Spain	90	0.0%
8	Australia	60	1.5%
9	Poland	40	7.5%
10	Belgium and Luxembourg	40	-0.9%
11	Japan	40	2.9%
12	Argentina	40	0.6%
13	Brazil	40	5.5%
14	Sweden	30	5.5%
15	Austria	30	0.9%
16	Czech Republic	20	7.0%
17	Switzerland	20	1.1%
18	Canada	20	5.8%
19	Netherlands	20	5.0%
20	Mexico	20	8.5%
21	Hungary	20	0.1%
22	South Africa	20	7.4%
23	Portugal	10	7.0%
24	Chile	10	9.0%
25	Romania	10	8.5%

All sparkling wine volume, million litres		Growth (2018-22)	
26	New Zealand	10	0.0%
27	Slovakia	10	8.3%
28	China	10	-11.5%
29	Norway	9	7.5%
30	South Korea	9	20.1%
31	Finland	7	0.9%
32	Denmark	7	1.1%
33	Nigeria	7	4.2%
34	Slovenia	5	3.4%
35	Ireland	5	4.3%
36	Peru	4	3.0%
37	Colombia	4	15.6%
38	India	3	18.2%
39	Turkey	3	21.6%
40	Greece	3	10.8%
41	Hong Kong	2	1.5%
42	United Arab Emirates	2	4.1%
43	Singapore	2	7.6%
44	Thailand	2	2.0%
45	Taiwan	1	6.6%
46	Angola	1	-11.2%
47	Vietnam	1	0.3%
48	Philippines	1	10.7%
49	Indonesia	0	-10.3%
50	Malaysia	0	-3.7%

Highlighted countries: Top 15 most attractive markets in the sparkling wine model

Rounded values to one decimal place. Source: IWSR (2023)

Sparkling wine consumption

Sparkling wine consumption, per capita, 2022

Sparkling wine per capita consumption, litres			Growth (2018-22)	Sparkling wine per capita consumption, litres			Growth (2018-22)
1	Italy	7.38	0.4%	26	Chile	1.03	8.0%
2	Germany	5.51	-0.8%	27	Romania	0.79	9.8%
3	France	4.86	-1.0%	28	Canada	0.74	4.9%
4	Belgium and Luxembourg	4.27	-1.5%	29	Japan	0.40	3.1%
5	Austria	3.54	0.6%	30	South Africa	0.39	6.2%
6	Switzerland	3.33	0.5%	31	Singapore	0.34	6.2%
7	Sweden	3.30	4.8%	32	Greece	0.30	11.1%
8	United Kingdom	3.01	0.0%	33	Hong Kong	0.30	1.4%
9	Slovenia	3.01	3.5%	34	United Arab Emirates	0.24	3.3%
10	New Zealand	2.94	-1.5%	35	Brazil	0.22	4.2%
11	Australia	2.90	0.1%	36	Mexico	0.21	7.1%
12	Czech Republic	2.81	7.0%	37	Peru	0.20	1.5%
13	Slovakia	2.46	8.3%	38	South Korea	0.20	19.2%
14	Spain	2.32	-0.7%	39	Colombia	0.11	13.6%
15	Hungary	2.10	0.3%	40	Taiwan	0.07	6.1%
16	Russia	2.09	9.5%	41	Angola	0.06	-14.3%
17	Norway	2.01	6.5%	42	Nigeria	0.06	0.9%
18	Portugal	1.67	7.0%	43	Turkey	0.05	20.2%
19	Finland	1.63	0.6%	44	Thailand	0.03	1.4%
20	United States	1.53	6.2%	45	Vietnam	0.01	-1.0%
21	Denmark	1.46	0.5%	46	Malaysia	0.01	-5.3%
22	Netherlands	1.46	4.5%	47	Philippines	0.01	8.1%
23	Poland	1.42	7.7%	48	China	0.01	-11.9%
24	Ireland	1.20	3.0%	49	India	0.00	16.3%
25	Argentina	1.13	-0.5%	50	Indonesia	0.00	-11.6%

Highlighted countries: Top 15 most attractive markets in the sparkling wine model

Source: IWSR (2023)

Imported sparkling wine volume

Imported sparkling wine volume, 2022

Imported sparkling wine volume, million litres			Growth (2018-22)
1	United States	240	9.3%
2	United Kingdom	156	0.3%
3	Germany	118	1.1%
4	Russia	55	9.4%
5	Belgium and Luxembourg	42	-1.1%
6	Japan	41	3.0%
7	France	31	12.0%
8	Sweden	27	5.5%
9	Switzerland	23	1.0%
10	Australia	21	4.8%
11	Netherlands	20	5.0%
12	Austria	20	2.1%
13	Canada	19	6.3%
14	Poland	18	15.4%
15	Mexico	17	8.6%
16	Spain	15	2.8%
17	Czech Republic	12	13.0%
18	Norway	9	7.5%
19	South Korea	8	21.6%
20	Italy	8	3.6%
21	China	8	-11.5%
22	Romania	8	20.0%
23	Finland	7	0.9%
24	Denmark	7	1.1%
25	Nigeria	7	4.2%

Imported sparkling wine volume, million litres			Growth (2018-22)
26	Brazil	6	0.2%
27	Slovakia	5	23.3%
28	New Zealand	5	7.4%
29	Ireland	5	4.3%
30	Portugal	4	8.5%
31	Colombia	3	21.7%
32	Hungary	3	4.4%
33	Greece	2	12.2%
34	Peru	2	8.0%
35	Hong Kong	2	1.5%
36	United Arab Emirates	2	4.1%
37	Turkey	2	33.5%
38	Singapore	2	7.6%
39	Chile	1	5.9%
40	Thailand	1	-0.9%
41	Taiwan	1	6.6%
42	Angola	1	-11.2%
43	Vietnam	1	0.3%
44	South Africa	1	6.9%
45	Philippines	1	10.7%
46	Argentina	1	22.9%
47	Slovenia	1	10.0%
48	India	0.5	2.7%
49	Malaysia	0.3	-3.7%
50	Indonesia	0.2	-22.6%

Highlighted countries: Top 15 most attractive markets in the sparkling wine model

Source: IWSR (2023)

Sparkling wine value

Sparkling wine value, 2022

All sparkling wine value, million US \$			Growth (2018-22)
1	United States	7,312	9.4%
2	France	3,686	1.8%
3	United Kingdom	3,380	2.9%
4	Italy	3,175	4.3%
5	Germany	2,823	1.7%
6	Russia	2,099	11.6%
7	Australia	1,198	6.5%
8	Japan	1,170	7.5%
9	Spain	765	3.3%
10	Belgium and Luxembourg	671	2.5%
11	Brazil	539	7.9%
12	Canada	503	8.7%
13	Switzerland	470	1.6%
14	Sweden	432	7.2%
15	Argentina	398	53.1%
16	Mexico	319	17.4%
17	South Korea	313	22.8%
18	Austria	297	0.1%
19	Netherlands	297	6.3%
20	China	295	-6.1%
21	Poland	283	14.5%
22	Czech Republic	221	5.4%
23	Norway	219	11.4%
24	New Zealand	212	2.9%
25	South Africa	165	12.1%

All sparkling wine value, million US \$			Growth (2018-22)
26	Denmark	158	3.2%
27	Nigeria	151	20.9%
28	Finland	143	1.8%
29	Ireland	134	6.1%
30	Portugal	127	8.8%
31	Chile	127	10.0%
32	Hong Kong	121	2.7%
33	United Arab Emirates	120	5.0%
34	Romania	116	14.6%
35	Slovakia	109	11.9%
36	Hungary	91	4.3%
37	Singapore	84	7.8%
38	Peru	61	4.7%
39	Colombia	61	22.4%
40	Thailand	57	-3.2%
41	India	56	0.6%
42	Greece	56	10.5%
43	Slovenia	52	8.5%
44	Taiwan	47	9.8%
45	Turkey	41	38.8%
46	Vietnam	26	2.3%
47	Philippines	20	9.2%
48	Indonesia	19	-14.1%
49	Malaysia	18	-3.1%
50	Angola	11	-0.6%

Highlighted countries: Top 15 most attractive markets in the sparkling wine model

Rounded values to two decimal places. Source: IWSR (2023)

Sparkling wine premiumisation

Premium and above market share, 2022

Premium and above market share			Growth (2018-22)
1	Malaysia	93%	-5.0%
2	Hong Kong	84%	5.3%
3	Ireland	80%	5.2%
4	Canada	73%	9.2%
5	Singapore	71%	6.8%
6	South Korea	67%	21.0%
7	Greece	65%	9.0%
8	United States	65%	9.8%
9	Norway	64%	10.3%
10	Japan	64%	2.8%
11	United Arab Emirates	55%	4.8%
12	Argentina	51%	4.0%
13	Vietnam	47%	7.9%
14	Australia	47%	7.1%
15	New Zealand	43%	5.4%
16	Philippines	41%	5.0%
17	Slovenia	39%	6.5%
18	Turkey	37%	30.8%
19	Switzerland	37%	-1.3%
20	South Africa	37%	4.9%
21	Finland	35%	-2.3%
22	United Kingdom	33%	2.5%
23	Peru	33%	10.4%
24	Chile	30%	10.3%
25	Belgium and Luxembourg	28%	2.8%

Premium and above market share			Growth (2018-22)
26	Sweden	25%	11.0%
27	Taiwan	24%	6.4%
28	China	24%	-7.0%
29	Thailand	21%	0.8%
30	Brazil	21%	0.7%
31	Netherlands	18%	5.9%
32	Austria	18%	5.4%
33	France	17%	-3.5%
34	Nigeria	16%	8.0%
35	Spain	16%	3.0%
36	Colombia	16%	20.6%
37	Italy	16%	3.5%
38	Indonesia	16%	-21.4%
39	Denmark	15%	9.3%
40	Mexico	13%	9.4%
41	Portugal	9%	6.0%
42	Hungary	8%	20.8%
43	Czech Republic	7%	14.8%
44	Russia	7%	7.5%
45	Romania	6%	15.3%
46	Poland	5%	10.6%
47	India	5%	-12.7%
48	Angola	4%	-9.4%
49	Germany	4%	3.7%
50	Slovakia	1%	-5.2%

Highlighted countries: Top 15 most attractive markets in the sparkling wine model

Source: IWSR (2023)

Market profitability and accessibility

Qualitative measures

		Market profitability	Market accessibility
1	Hong Kong	6	9
2	Singapore	7	7
3	Ireland	6	7
4	Belgium and Luxembourg	5	7
5	Denmark	5	7
6	Mexico	6	6
7	Netherlands	5	7
8	New Zealand	5	7
9	Portugal	5	7
10	Romania	5	7
11	Slovenia	5	7
12	Spain	5	7
13	Switzerland	5	7
14	Australia	6	5
15	Austria	5	6
16	Canada	7	4
17	Czech Republic	5	6
18	France	5	6
19	Greece	5	6
20	Hungary	5	6
21	Malaysia	6	5
22	Poland	5	6
23	Slovakia	5	6
24	South Korea	5	6
25	Sweden	7	4

		Market profitability	Market accessibility
26	Taiwan	5	6
27	Thailand	6	5
28	Chile	5	5
29	Finland	6	4
30	Germany	4	6
31	Indonesia	6	4
32	Italy	5	5
33	Japan	5	5
34	Norway	6	4
35	Philippines	6	4
36	Turkey	5	5
37	United States	5	5
38	Vietnam	6	4
39	Argentina	5	4
40	Brazil	6	3
41	China	6	3
42	Colombia	5	4
43	Peru	5	4
44	United Arab Emirates	5	4
45	United Kingdom	4	5
46	Angola	5	3
47	India	6	2
48	South Africa	4	4
49	Nigeria	4	2
50	Russia	3	1

Highlighted countries: Top 15 most attractive markets in the still wine model

Score (/10) was given based on a qualitative assessment by Wine Intelligence analysts. Source: Wine Intelligence (2023)

Customised Analysis Process

Global Compass 2023

Customised analysis process

Incorporating an organisation's individual capabilities

The Wine Intelligence Global Compass report only shows a snapshot of the worldwide wine market. **To evaluate realistic business opportunities for an individual organisation**, the model can be adapted to combine the attractiveness model with an organisation's capabilities, thereby adapting the model to an individual set of business criteria.

Markets will have different levels of fit, with each organisation based on customised capabilities.

These can be:

- Geographical distance
- Existing presence in the market
- Currency advantage/disadvantage
- Cultural/language fit
- Product portfolio/branding fit
- Import tariffs etc.

Capabilities will be customised depending on the client and can vary in number, type and weighting system

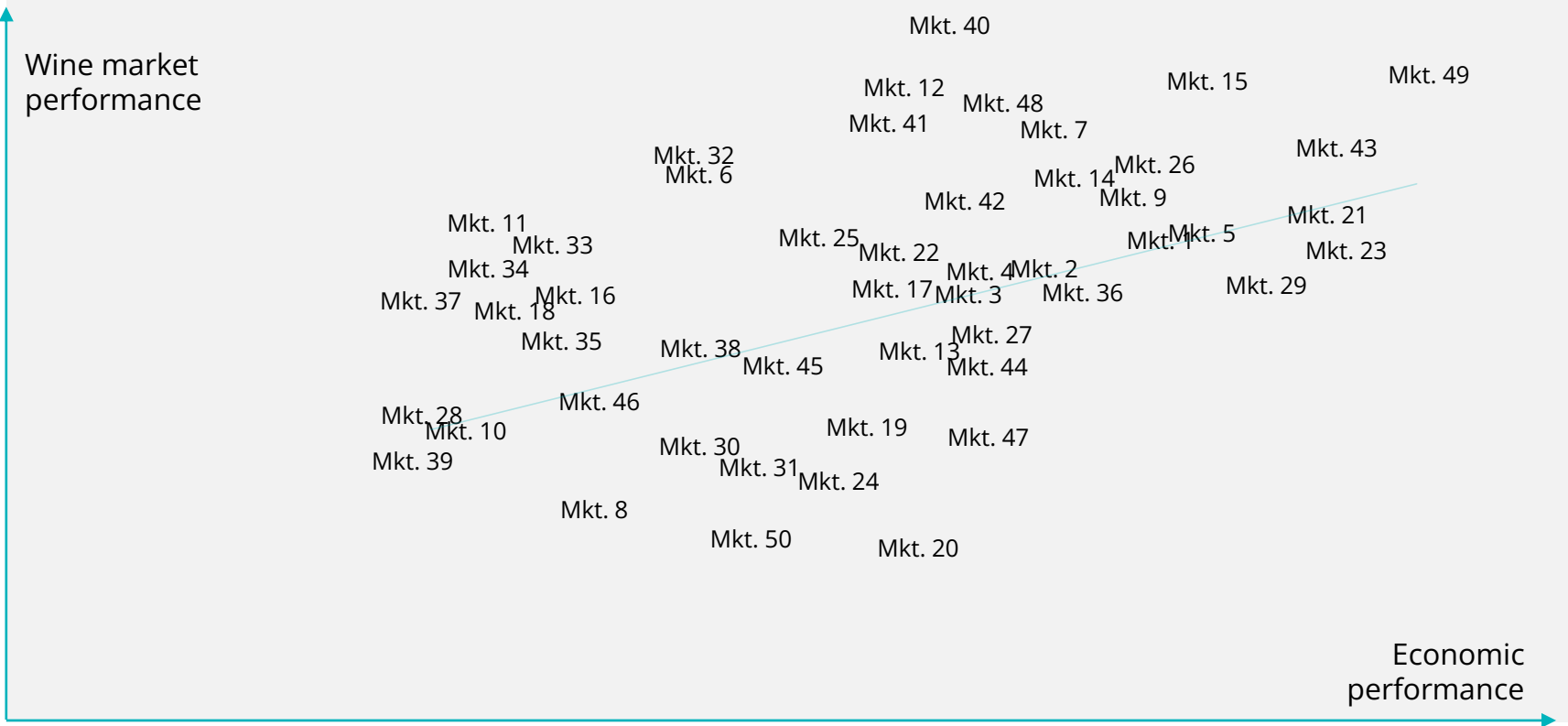
Customised analysis process

Incorporating an organisation's individual capabilities: three stages



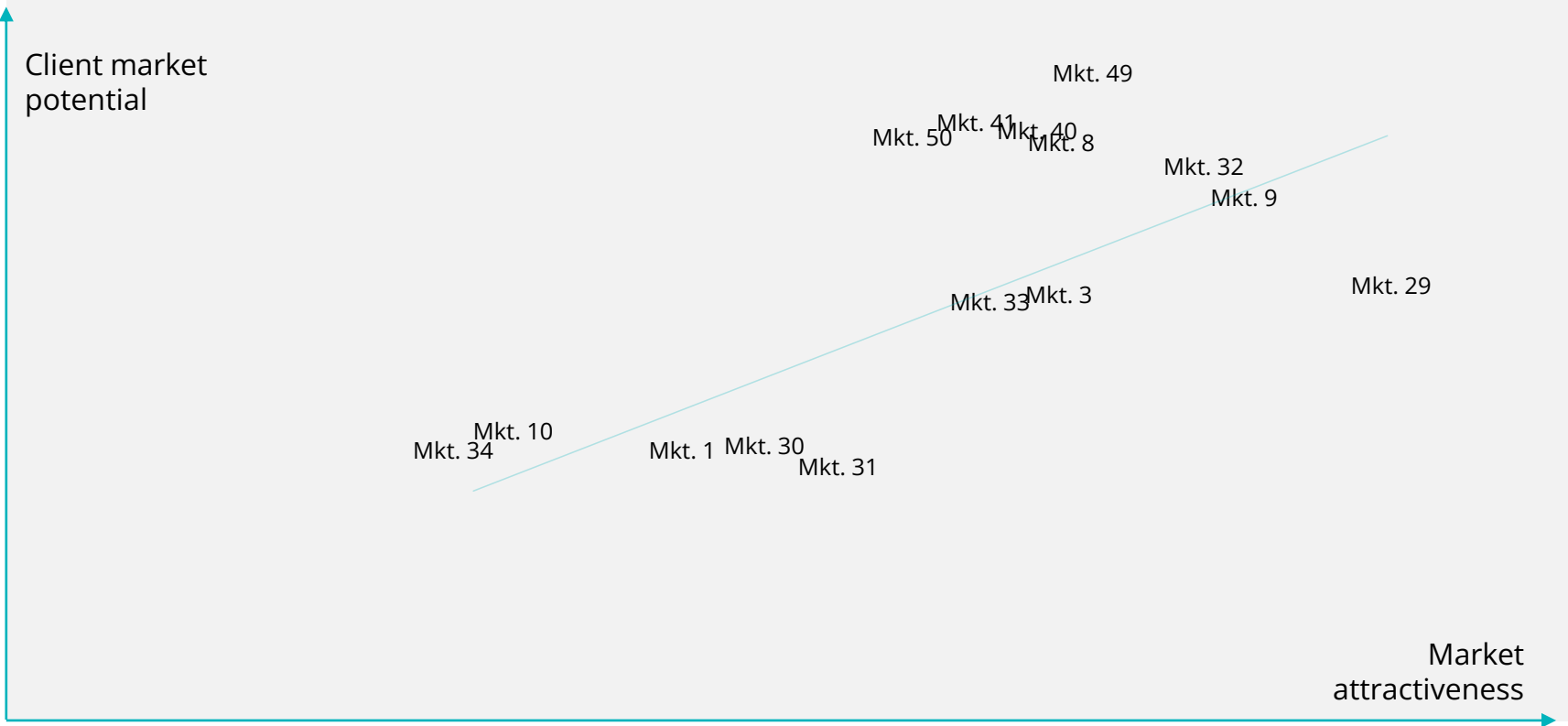
Customised analysis process

Stage 1: Merge the wine and economic measures for each market with a 65% to 35% weighting system respectively, to create a market attractiveness axis



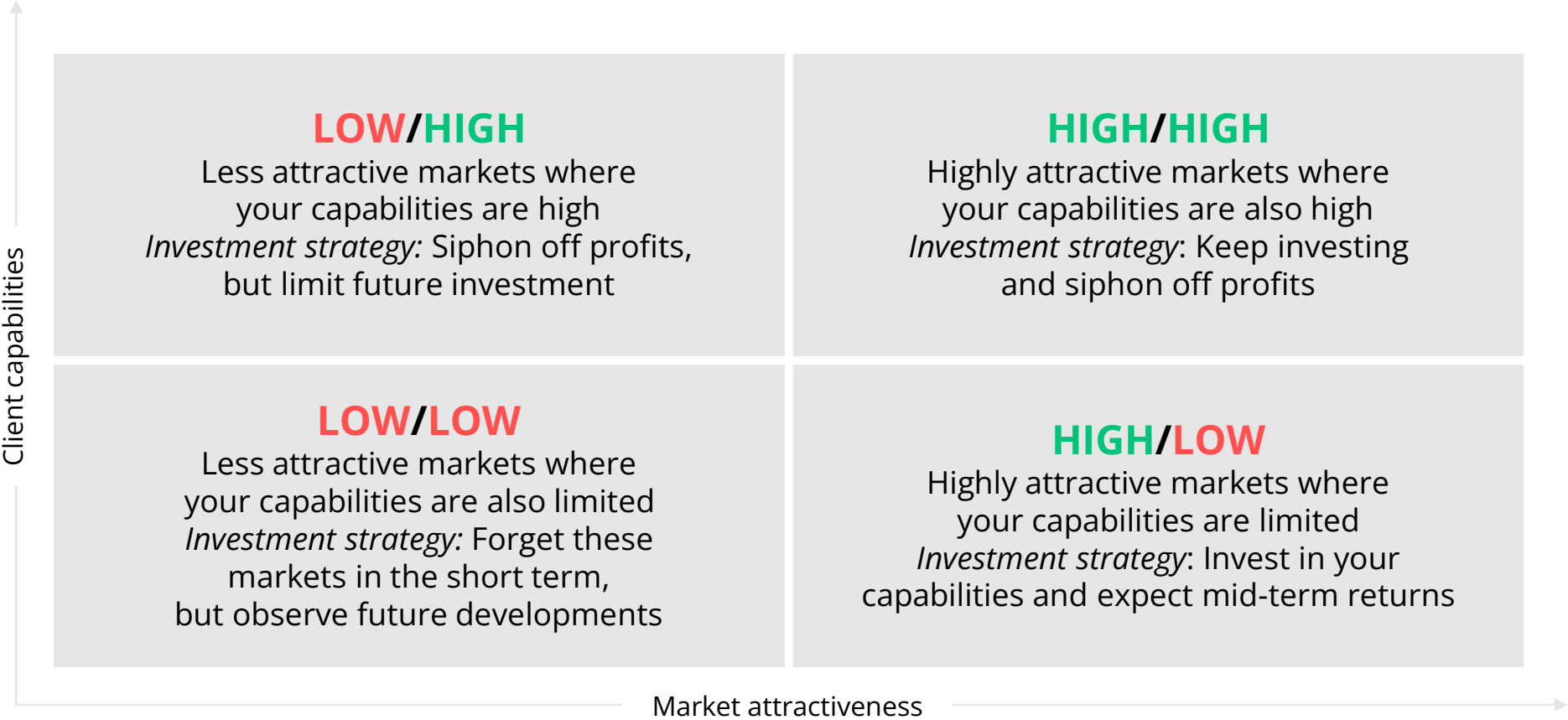
Customised analysis process

Stage 2: Adapt model to an individual organisation's market capabilities and potential



Customised analysis process

Stage 3: Analyse the results and make investment recommendations



Customised analysis process

Opportunities for your organisation

There are a number of ways in which your organisation can take advantage of the Wine Intelligence Global Compass Model.

- 1.** We can build an individual market attractiveness map based on your organisation's capabilities.
- 2.** We can provide an interactive tool that allows you to develop and customise your own market attractiveness model, enabling you to explore scenario planning.
- 3.** We can deliver a strategy workshop with a Wine Intelligence team member to support your investment decisions based on your organisation's customised market attractiveness model.



If you would like to know more about the report's underpinnings or strategy workshop options, please contact Luis Osorio on luis@wineintelligence.com

Appendix

Global Compass 2023

Appendix

Revised tracking due to methodological changes in the new model

Updates to the 2023 model

In the 2023 iteration of our model, we have introduced significant methodological changes aimed at enhancing the accuracy and comprehensiveness of our attractiveness rankings for both still and sparkling wine opportunities. These changes encompass revisions to weightings and the incorporation of new measures, such as premiumisation and moderation (for detailed information, please refer to slide 20).

As a result, it's essential to clarify the implications of these methodological changes on the tracking data.

Implications on tracking & Tracking methods

In the initial section of this report, the tracking information presented alongside the new rankings is derived from results published in 2022. Consequently, any disparities in rankings and scores reflect both the influence of the methodology change and the performance of individual markets.

In the subsequent slides, we continue to showcase the Top 50 rankings, but with a different tracking approach. We have recalibrated the data from the Global Compass 2022 to align with the new 2023 model, taking into account the revised weightings and the inclusion of new measures.

This means that in the following slides, the 2022 data will be presented in a manner consistent with the 2023 methodology. This approach offers a coherent and informative perspective on past market performance.

Top 50 ranking

Please note the tracking in this table does not reflect results published in 2022. The data referencing to last year's Global Compass has been updated using the 2023 methodology. Therefore, the tracking presented below solely represents individual market performance, with no methodology changes affecting the rank nor score differences.

Market		Score (1 to 10)	Tracking 2022-23		Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference				Rank difference	Score difference
1	United States	6.45	=	0.04	25	New Zealand	5.09	↓ -2	-0.12
2	South Korea	5.93	=	-0.21	27	United Arab Emirates	5.07	↑ 2	0.12
3	Switzerland	5.86	=	-0.02	28	Poland	5.05	↓ -7	-0.20
4	Japan	5.84	=	-0.02	29	Finland	4.85	↓ -2	-0.18
5	Canada	5.78	↑ 1	0.01	29	Philippines	4.85	↑ 6	0.09
6	Ireland	5.77	↑ 7	0.25	31	Greece	4.84	↑ 3	0.06
7	China	5.70	↑ 1	-0.03	31	Italy	4.84	↓ -6	-0.34
8	United Kingdom	5.63	↓ -3	-0.16	33	Austria	4.80	↓ -3	-0.12
8	Australia	5.63	↑ 7	0.14	34	Portugal	4.78	↓ -1	-0.04
10	Germany	5.55	↓ -3	-0.20	34	Indonesia	4.78	↑ 2	0.08
11	Norway	5.52	↓ -2	-0.15	36	India	4.75	↓ -4	-0.10
12	Singapore	5.51	↑ 2	0.01	37	Slovenia	4.62	↓ -9	-0.33
13	Denmark	5.43	↓ -3	-0.23	38	Hungary	4.59	=	-0.05
14	France	5.37	↑ 3	-0.05	39	Czech Republic	4.58	=	-0.06
14	Sweden	5.37	↑ 2	-0.06	40	Colombia	4.45	↑ 6	0.22
16	Mexico	5.34	↑ 3	0.02	41	Romania	4.44	↓ -1	-0.19
17	Thailand	5.32	↑ 5	0.08	42	Slovakia	4.40	↑ 2	-0.02
18	Malaysia	5.30	↑ 13	0.39	43	Russia	4.38	↓ -2	-0.19
19	Spain	5.29	↓ -7	-0.25	44	South Africa	4.37	↑ 4	0.20
20	Brazil	5.28	↑ 4	0.09	45	Peru	4.28	↓ -2	-0.17
21	Netherlands	5.27	↓ -10	-0.32	46	Argentina	4.24	↑ 3	0.23
22	Belgium and Luxembourg	5.21	↓ -4	-0.21	46	Angola	4.04	↑ 4	0.88
22	Taiwan	5.21	↑ 4	0.04	48	Nigeria	3.97	↓ -3	-0.36
24	Hong Kong	5.19	↓ -4	-0.11	49	Turkey	3.78	↓ -7	-0.69
25	Vietnam	5.09	↑ 12	0.39	50	Chile	3.76	↓ -3	-0.44

Top 50 ranking

Please note the tracking in this table does not reflect results published in 2022. The data referencing to last year's Global Compass has been updated using the 2023 methodology. Therefore, the tracking presented below solely represents individual market performance, with no methodology changes affecting the rank nor score differences.

Market		Score (1 to 10)	Tracking 2022-23		Market		Score (1 to 10)	Tracking 2022-23	
			Rank difference	Score difference				Rank difference	Score difference
1	United States	6.84	=	0.47	26	Brazil	4.85	↑ 8	0.38
2	South Korea	5.91	↑ 3	0.26	27	United Arab Emirates	4.83	↓ -3	0.03
3	Japan	5.84	=	0.16	28	Finland	4.81	↓ -6	-0.03
4	Canada	5.82	=	0.14	29	Thailand	4.72	↑ 16	0.51
5	Australia	5.71	↑ 2	0.15	30	Greece	4.71	↓ -3	-0.04
6	Germany	5.69	↓ -4	-0.02	31	Poland	4.68	↓ -5	-0.10
7	Switzerland	5.68	↑ 1	0.14	32	Russia	4.62	↓ -4	-0.09
8	United Kingdom	5.65	↑ 1	0.13	33	India	4.60	↓ -3	0.03
9	Singapore	5.62	↑ 7	0.30	34	Philippines	4.58	↓ -1	0.07
10	Ireland	5.59	↑ 1	0.12	35	Romania	4.54	↑ 3	0.15
11	France	5.57	↑ 2	0.14	36	Portugal	4.51	↑ 7	0.25
12	Belgium and Luxembourg	5.51	=	0.05	37	Czech Republic	4.46	↓ -6	-0.06
13	Norway	5.49	↓ -7	-0.12	38	Malaysia	4.45	↑ 2	0.09
14	Netherlands	5.30	↓ -4	-0.18	39	Indonesia	4.38	↓ -2	-0.02
15	Sweden	5.24	↓ -1	-0.10	40	Slovakia	4.36	↑ 2	0.08
16	Mexico	5.22	↑ 3	0.04	40	Colombia	4.36	=	0.07
17	New Zealand	5.07	↑ 3	0.16	42	Argentina	4.33	↑ 7	0.56
18	Hong Kong	5.06	↓ -3	-0.26	43	Slovenia	4.32	↓ -4	-0.06
19	Italy	5.03	↓ -1	-0.16	44	South Africa	4.27	↑ 4	0.27
20	Austria	5.01	↑ 3	0.19	45	Peru	4.26	↓ -1	0.04
21	China	4.99	↓ -4	-0.31	46	Turkey	4.24	↓ -11	-0.21
22	Vietnam	4.96	↑ 14	0.52	47	Nigeria	4.23	↓ -1	0.11
23	Spain	4.94	↓ -2	0.05	48	Chile	4.19	↓ -16	-0.33
24	Denmark	4.93	↑ 5	0.26	49	Hungary	4.09	↓ -2	0.08
25	Taiwan	4.88	=	0.08	50	Angola	3.40	=	0.71

Methodology

Global Compass 2023

Methodology

Overview

The Wine Intelligence Compass model is based on a combination of:

- **Quantitative data** measuring market attractiveness
- Wine Intelligence **qualitative judgements** based on industry knowledge and experience

First, we collected data on a number of variables combining **economic and wine market measures** to assess market attractiveness.

For each measure, countries were given a score of 1–10 based on their performance.

Each measure was assigned a weighting based on its importance.

To test the reliability of the model, a factor analysis was run on the measures using a **Cronbach's Alpha test** resulting in a score of 0.73 suggesting a “good” level of association.

This combined factor was used to **classify the markets into groups** (along with detailed market information) and rank the potential of the markets within each classification group.

Data

Quantitative data for market attractiveness was collected on several measures to classify the wine markets.

The data originated from two main groups:

- **Economic measures:** Used to assess the stability and future potential of the market as a whole
- **Wine market measures:** Used to identify the current and future potential for wine in the market

Data was collected from both secondary and primary Wine Intelligence sources. Wherever possible, a single source was used for each measure and a second source was only used in the absence of data.

Methodology

Measures and sources

Socio-economic measures

- Adult population size (15+); *United Nations*
- Gross Domestic Product per capita, current prices, US\$*; *World Bank, National Statistics Republic of China*
- Gross National Income per capita, Atlas Method, current US\$*; *World Bank, National Statistics Republic of China*
- Unemployment (% of total labour force); *International Monetary Fund, National Statistics Republic of China*
- Inflation (end of period consumer price); *International Monetary Fund*
- Corruption index; *Transparency International*
- Globalisation index; *KOF Swiss Economic Institute*
- Moderation; LPA (Litres of Pure Alcohol) per capita; *The IWSR, The World Health Organisation*

Wine market measures

- Market volume; *The IWSR*
- Imported wine market volume; *The IWSR*
- Per capita consumption; *The IWSR, Wine Intelligence*
- Market value; *The IWSR*
- Premiumisation; *The IWSR*
- Wine market profitability; *Wine Intelligence*
- Market accessibility; *Wine Intelligence*

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

Methodology

Qualitative judgments

Additional Wine Intelligence data and knowledge accumulated over years of experience in the industry was used to support the classification of the markets into groups.

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



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