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BI Daily

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GLOBAL TRENDS

Think Out-of-the-Wine-Box

Warning: This might sound controversial. Wine brands are boring. The wine inside the bottle might be exciting and offer a great tasting experience, but the overall product presentation often ends with the overused term 'storytelling.' This usually means: A passionate winemaker (even better if they're a former banker, dentist, or architect—in other words, a wine lover with a well-padded bank account) ventured out into the world to passionately produce wine. And of course, it's never about the money, but about self-fulfillment.

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The Cost of Premiumisation

"When I talk to people who are privy to sales data that is not publicly available, they always tell me that one of the reasons that wine has lost everybody younger than the oldest GenX is because they don't want to pay \$20 for a product they know nothing about," Siegel goes on. "At the entry level, quality wines are gone. If wine becomes relegated again to a rich person's beverage or a special occasion beverage, then we're going to see a continued decline."

Consolidation at the retail level, coupled with consolidation at the wholesale level, means the kinds of wine on offer are mostly the big, commercial brands — exactly the kinds of wines being rejected by younger consumers.

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Now That TikTok Wine Ads Are Legal, Marketers Are Bullish on the Platform's Potential to Reach New Audiences

Could wine ads on TikTok be a game changer for flagging wine sales? Social marketers at agencies and big brands are optimistic about the new rules allowing them to advertise on the platform—a social media giant with 170 million U.S. users, many of whom are wine lovers with money to spend.

“We have a ton of clients, and a lot of them have always been hesitant to even be on the platform because of its limitations and also its restrictions,” she said. “I'm hoping that this now gives us an opportunity to sell the service and also be able to reach our target demographic on the platform where they're spending the majority of their time on.”

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Vineyard resting trial enters second round after positive results

A vineyard resting trial in South Australia began its second round yesterday, aiming to enable red winegrape growers to save up to \$2,000 per hectare in input, water, and management costs. The goal of the trial is to provide growers additional time to make diverse business decisions as the state's wine industry continues to experience an oversupply of red winegrapes, following challenging market conditions and changing global preferences.

Research undertaken by South Australian Research and Development Institute (SARDI) in collaboration with Wine Australia demonstrated that the application of the plant growth regulator Ethephon appeared to be the most effective option to consistently reduce yield, to the point where harvest was not required.

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SA's beverage industry shows a thirst for growth and innovation

South Africa's dynamic beverage industry offers a diverse selection of alcoholic and non-alcoholic options that appeal to a wide array of consumers. This sector is not just a major contributor to the country's GDP; it is a cornerstone of economic growth, fuelled by evolving consumer habits, urbanisation, and a rising population.

The industry's impressive performance has drawn attention from both domestic and international investors, positioning it as a key player in the nation's economy and paving the way for further consolidation in the future. In recent years, the beverage industry has outpaced the broader consumer packaged goods sector. The industry's contribution to GDP is evident through direct manufacturing, job creation, and the robust distribution networks that sustain both the formal and informal markets.

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