



Hong Kong

A mature market, with an appetite for high-end Bourgogne wines

Key figures for Bourgogne wines in Hong Kong (first 11 months of 2018¹)



4th biggest market in terms of revenue

13th biggest market by volume

Exports: 1 million bottles (up 9.7% over the same period in 2017), **55.5 million euros** (up 17.8% over same period in 2017), **by volume**

▶ Still white wines:	46.0%
▶ Still red wines:	53.5%
▶ Crémant de Bourgogne:	0.5%

In the first 11 months of 2018, Bourgogne wines accounted for 7% of the total volume of French AOC wines exported to Hong Kong, and 14% of the revenue.

Hong Kong is a mature market, the world's seventh biggest wine importer in terms of revenue. French wines accounted for 64% of total revenue of Hong Kong imports over the first 10 months of 2018. During that period, Hong Kong imported 426,360 hectoliters of wine (equivalent to 56.84 million bottles), worth 1.084 billion euros.

In this context, Bourgogne wines performed well, setting a new record in terms of revenue (55.5 million euros) and volume (1 million bottles), after strong growth in 2016 and 2017.

New record in terms of revenue for Bourgogne wines

Revenue from Bourgogne wines was up 24% in the first 11 months of 2018 to 55.5 million euros - a new record, following on from strong growth in 2017.

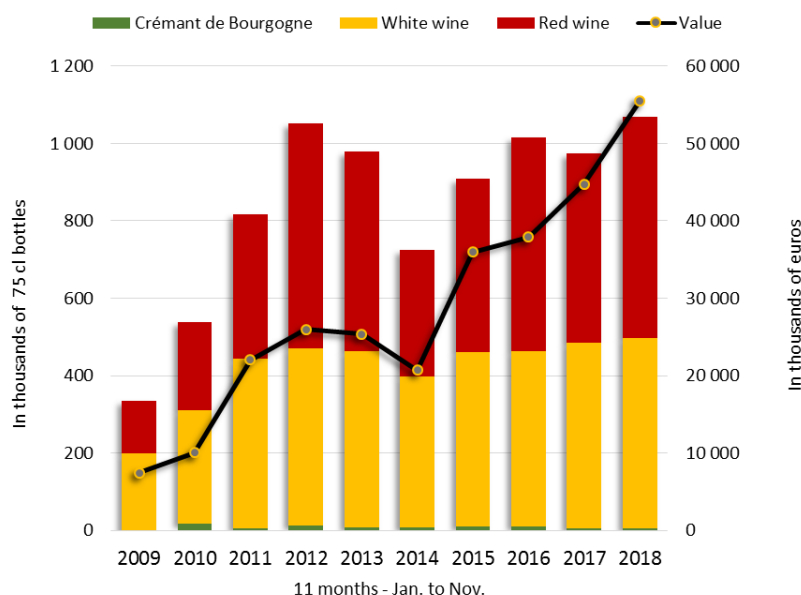
2018 confirmed the high sale prices for Bourgogne wines on Hong Kong distribution circuits.

Volumes were also up, by 9.7% over the same period in 2017.

¹ 11 months from 1 January to end-November 2018.

exports of Bourgogne wines to Hong Kong

(source: Custom / BIVB)



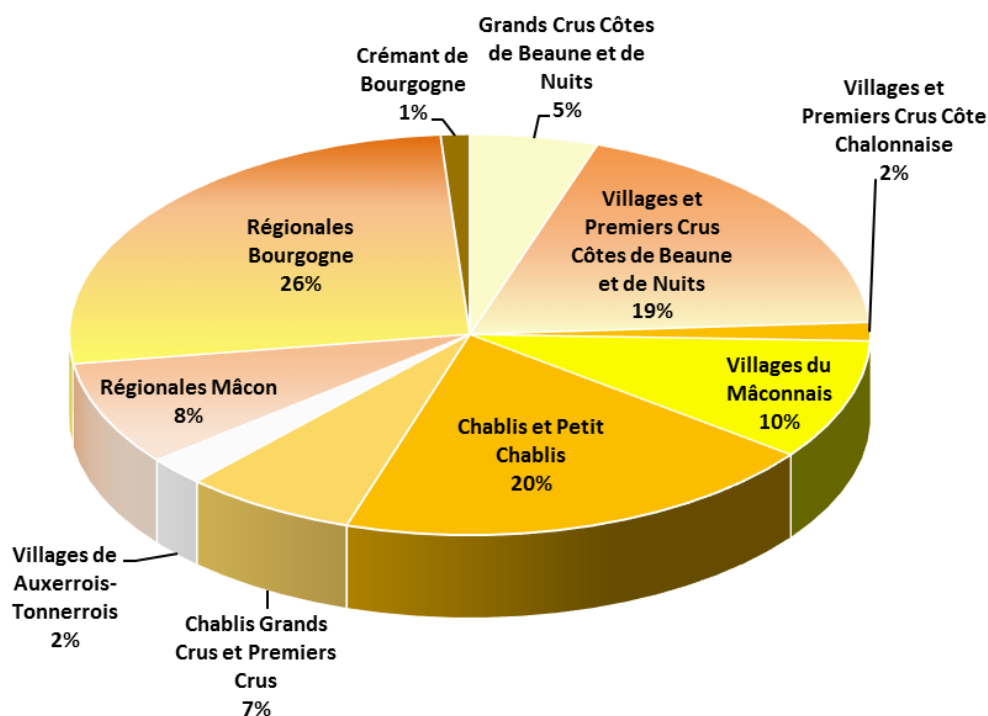
Red wines showed strong performance, both in terms of volume (up 19% over 2017) and revenue (up 17%). White wines also showed healthy sales: Up 2% by volume and 43.5% in terms of revenue over the same period in 2017.

Crémant de Bourgogne, however, remained fairly marginal, accounting for only 0.5% of imports.

Bourgogne red wines now account for the majority of sales

Exports of Bourgogne wines in 2018 (11 months, January to November)

White wines and Crémant de Bourgogne



Over the first 11 months of 2018, **the volume of Bourgogne white wines exported to Hong Kong continued to grow, reaching the equivalent of 490,500 75cl bottles**. Revenue was up a healthy 43.5% to 13.46 million euros. This is quite unusual in Asia, where markets are traditionally oriented towards red wines.

Two groups of appellations were driving the success of white wines, with strong results in terms of volume and revenue:

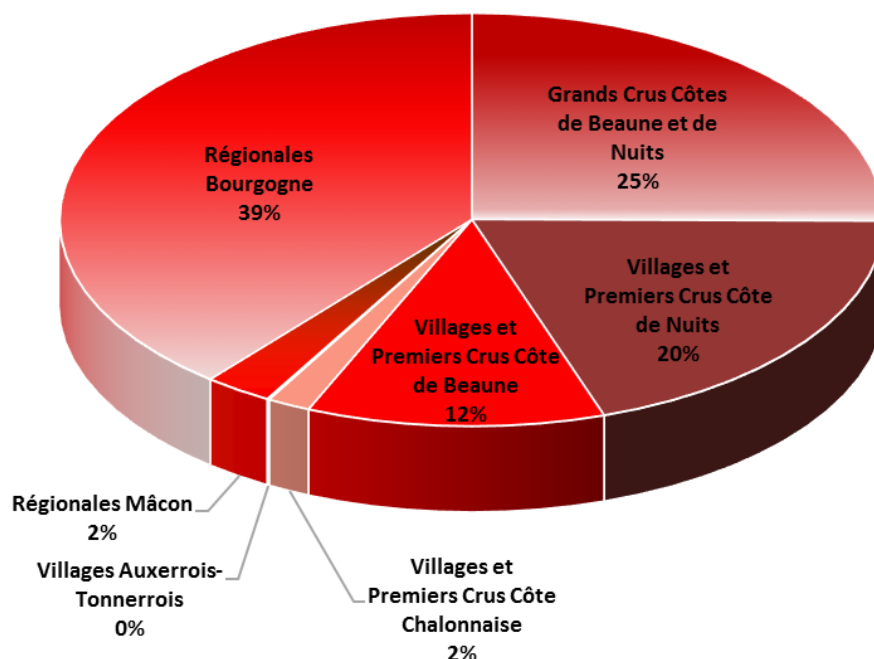
- ▶ The **Grand Cru, Village, and Village Premier Cru appellations of the Côte de Beaune and Côte de Nuits**: Up 22% by volume (they accounted for 24% of white wines), and up 75.2% in terms of revenue.
- ▶ **Village appellations of the Mâconnais** saw sales more than double: Up 163.5% by volume (they accounted for 10% of white wines) and 124.6% in terms of value.

Sales of the **Chablis and Petit Chablis appellations remained hampered by a lack of available wine** (the 2016 and 2017 vintages having been hit by spring frost). They were down 10.7% by volume and down 4.8% in terms of revenue. The arrival this year of the more abundant 2018 vintage should allow the Chablis AOC to return to growth.

The *Régionale* Bourgogne and Mâcon appellations dropped by 12.7% over the same period in 2017 (just under 25,000 bottles), but continued to sell for strong prices, revenue topping 3.6 million euros (up 17.8% over the same period in 2017).

Exports of Bourgogne wines 2018 (11 months, January to November)

Red wines



Red wines played an important role in the performance of Bourgogne wines in Hong Kong, accounting for 76% of total revenue (42 million euros in the first 11 months of 2018), and slightly over half of the volume exported (see page 1).

Bourgogne Régionale red wines dominated the market, with 39% of total exports (down 6.3% on the first 11 months of 2017).

Village and Village Premier Cru appellations of the Côte de Beaune and Côte de Nuits came second, with 31% of the volume exported and 29% of all revenue (up 25.6% on the first 11 months of 2017).

As with the whites, **Grand Cru red wines remained the big winners** (up 90% by volume in the first 11 months of 2018). The tastes of Hong Kong wine lovers remain strongly oriented towards the higher-price wines, since in the first 11 months of 2018, revenue from *Grand Cru* reds was up 26.4% to 17.7 million euros (64% of all revenue from Bourgogne red wines).

Bourgogne wines perform well on high-end distribution circuits

Bourgogne wines a strong presence in hotels and restaurants

Among the global offer of wines, **the Bourgogne region was the leader in terms of the number of references per point of sale** (28.2, up 2 points on 2017).

Bourgogne wines accounted for 14.3% of the offer in the establishments surveyed (up 0.2 points in terms of the number of references on 2017).

Among all Bourgogne appellations, those of Chablis were the most widely available, and could be found in 73% of establishments (up 6 points on 2017). They were closely followed by the *Village* and *Village Premier Cru* appellations of the Côte de Beaune (66%, up 1 point on 2017).

Source: 2018 survey of 175 points of sale

Bourgogne wines well represented in specialist wine stores

Bourgogne wines did well in this sector, in second place in terms of the number of references per point of sale among the worldwide offer of wines. They were available in 91% of the stores surveyed, accounting for 17.8% of the offer.

As for the overall presence in specialist stores, as in restaurants, **Chablis appellations were the most widely available, found in 83% of stores** (stable on 2017). **Régionale Bourgogne appellations were also available in 83% of points of sale** (up 9 points on 2017), followed by **Village and Village Premier Cru appellations of the Côte de Beaune** (77%, up 1 point on 2017).

In terms of number of references per point of sale, *Grand Cru* appellations from the Côte de Beaune and Côte de Nuits were in top place (an average of 53 references). *Village* and *Village Premier Cru* appellations from the Côte de Nuits were in second place, with an average of 29.3 references, just ahead of the *Village* and *Village Premier Cru* AOCs of the Côte de Beaune (27.3 references on average). Chablis appellations were in fourth place with an average of 6.8 references per point of sale (up 13.6% on 2016).

Source: 2018 survey of 35 points of sale

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(Sources: Customs - GTI - BIVB - MIBD Market)*

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