



South African Wine Exports

The Bigger Picture

19 January 2023





What is our vision for South African wine?

South African wine is globally
recognised as
premium quality, exciting and
distinctive



What do we need to do to realise our vision for South African wine with the resources we have?





WoSA's focus and investment strategy is driven by two factors:

- Future source of **value focused** growth for South African wine
- Maintenance of current volume in established markets with the emphasis on value growth

The current WoSA strategy is focused on targeting specific markets

Established / mature markets:

- UK
- Germany
- Netherlands
- Sweden
- Canada

The **strongest value** markets
still remain within Europe
(UK, Germany, Netherlands)

Emerging / growth markets:

- USA
- Asia¹
- Africa²

The **rate of growth** is
higher in
Africa, U.S. and Asian
markets

1. China, Hong Kong and Japan.

2. Angola, Kenya, Tanzania, Uganda, Ghana, Nigeria.

Drive a strong focus on communicating SA's key differentiators in the international market

Diverse and exciting

Old world history with new world innovation

**Global leaders in production of distinctive varietals:
Pinotage and Chenin Blanc**

Certification and responsible production

Wine tourism

Brand SA needs to be seen as premium and desirable in these markets.

Focus on specific activities in these priority markets

WOSA FOCUS AREA

Build SA image: seen as premium

- Differentiators recognised and valued
- Wine tourism increased
- Bulk wine premiumised

WOSA FOCUS AREA

Establish marketing platforms for producers

- In-market govt & SA partner support for SA wine established
- Trade shows and other platforms established
- Key in-market influencers enrolled

INDUSTRY SUPPORT

Strong brand champions

- Multiple well-known, powerful SA brand champions at each level of the price ladder
- Regionality leveraged

Demand-led production

- Focus on good quality, premium wines
- Focus on IPW and more organic wines
- Increased production of “Big 5” varieties to support Bulk premiumisation

GOVT. SUPPORT

Trade barriers

- Tariff and non-tariff barriers in international markets reduced

Tourism

- Wine tourism embedded as core to SA tourism messaging and strategy

Certain critical enablers from both the industry and government need to be in place to support international market value growth.

South African wine is globally recognised as premium quality, exciting and distinctive

SA wine viewed as premium & desirable

Strong marketing platform to enable trade

Link to SA wine tourism strengthened

Transformation is embedded

World class in Sustainability practices

**Build SA image:
Seen as premium**

Establish marketing platforms for producers

**INDUSTRY
SUPPORT**

Brand champions

Demand-led production

**GOVT.
SUPPORT**

Trade barriers

Wine tourism

DRIVE SA'S DIFFERENTIATORS

- Diverse and exciting
- Old world history with new world innovation
- Distinctive varietals
- Certification and responsible production
- Wine tourism

**PRIORITY
MARKETS**

**SEED & PROTECT
MARKETS**

East Africa

Ghana, Angola, Nigeria

UK & Germany

Sweden, Netherlands

USA & Canada (targeted)

Greater China

Japan, HK

To drive Brand South Africa internationally so that the SA wine industry can thrive



What is the progress?

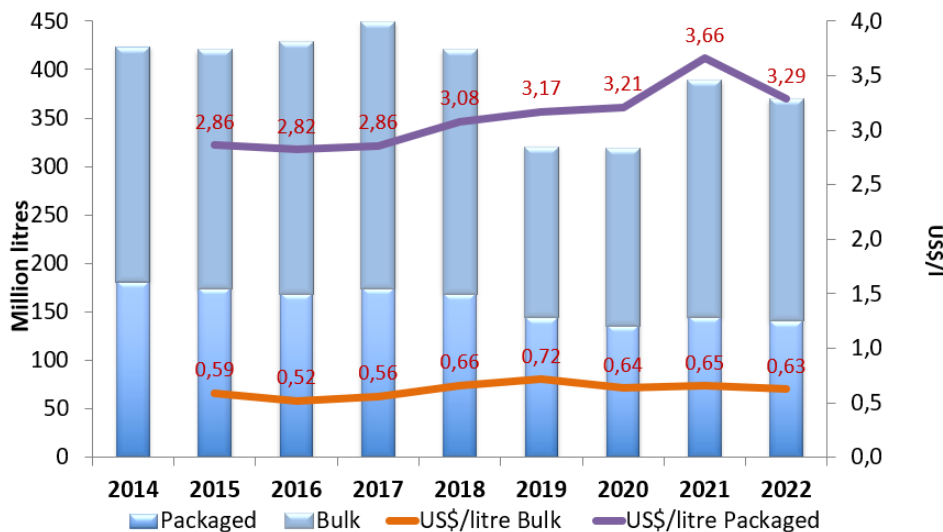
The progression of export volumes over time

WOSA



±62% of SA's export volumes are from bulk wine, whereas 76% of our value is derived from packaged wine

*Export – total wine all countries
(Value in USD/ litre)*



Current

ST change LT change

	Jan - Dec 2022	2022 vs 2021	2015-2022 CAGR
Total volume exported	369 million litres • 38% Packaged • 62% Bulk	-5.0% -3.0% -6.2%	-1.8% -3.0% -1.0%
Total value exported	R9.9 billion • 76% Packaged • 24% Bulk	-2.8% -3.3% -1.2%	+2.7% +2.5% +3.6%
Total price per litre	R26.84 / litre • R53.69 / litre Packaged • R10.20 / litre Bulk	+2.2% -0.4% +5.3%	+4.7% +5.7% +4.6%

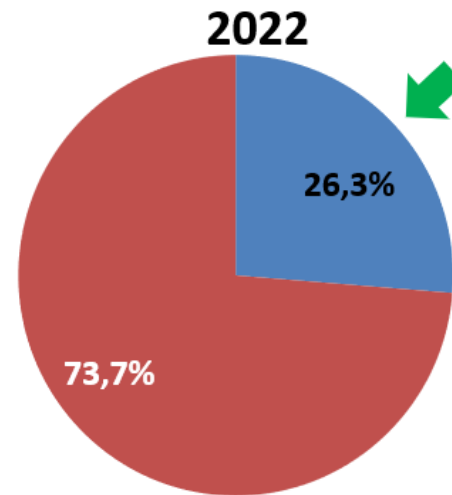
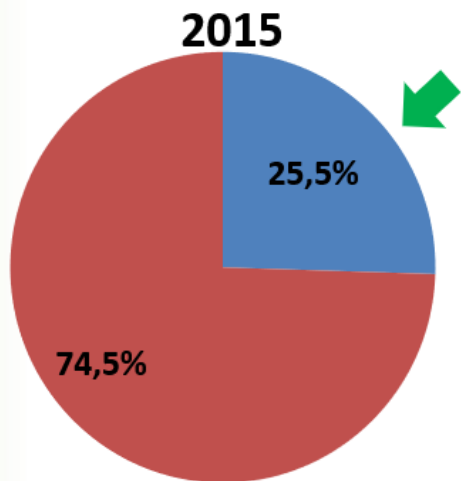
Over the long-term, we have seen value growth, with price per litre (USD) growing by >4% over the past 6 years.



*Let's look a little closer at the UK – our biggest export market
and see what progress has been made*

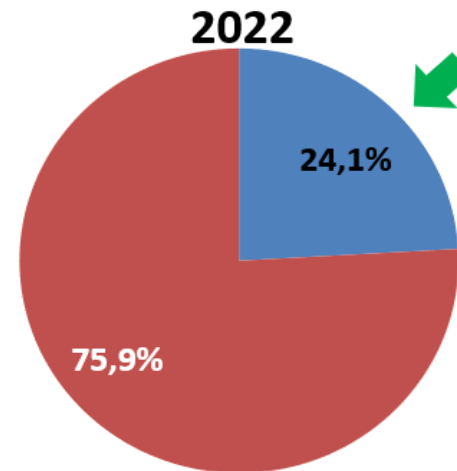
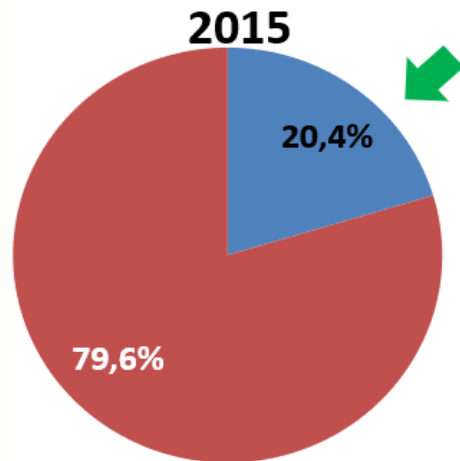
UK Exports 2015 versus 2022 : Total Exports

VOLUME %



+0.8%

VALUE %
US\$



+3.7%

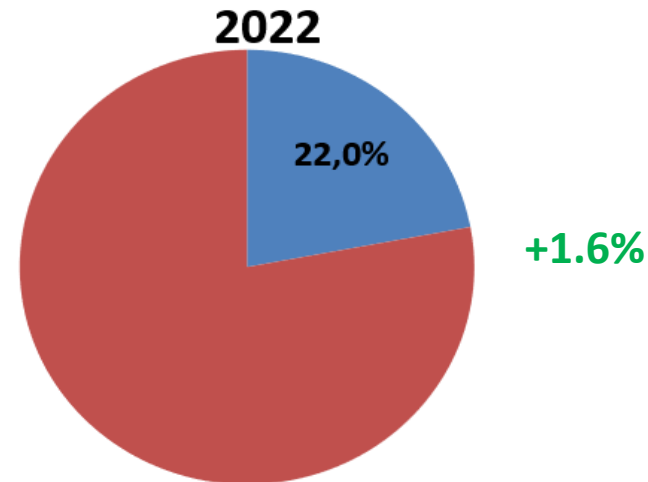
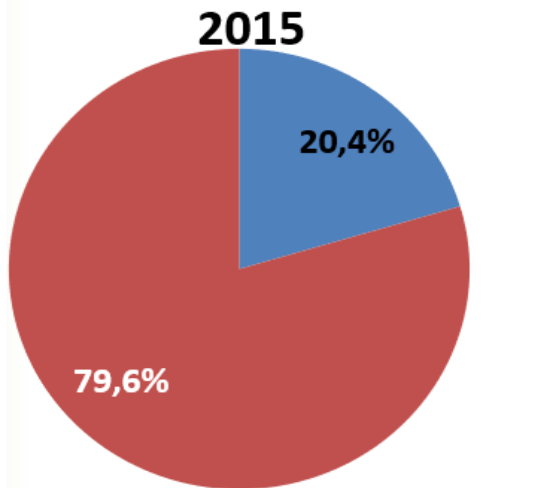
■ UK ■ All Other Markets

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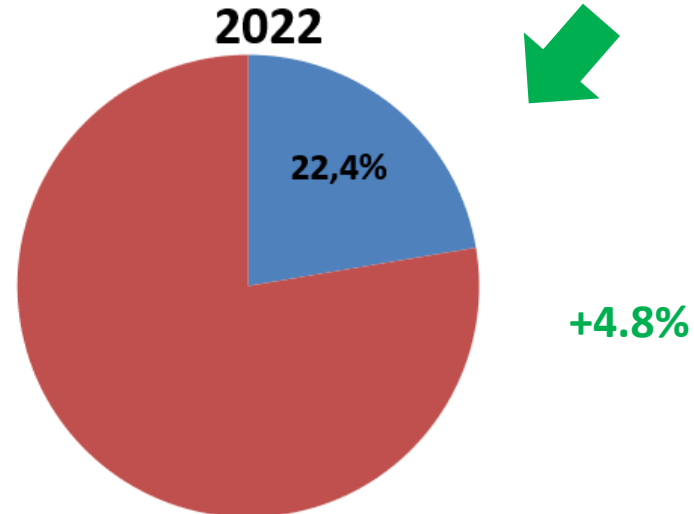
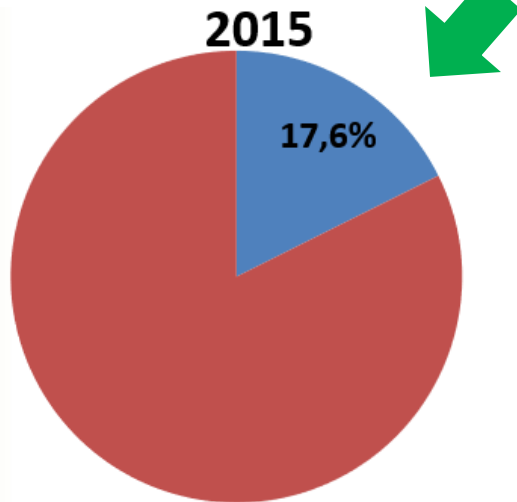
UK Exports 2015 versus 2022 : Packaged Wine



VOLUME %



VALUE %
US\$



■ UK ■ All Other Markets

■ UK ■ All Other Markets



Thank You

