

SECTOR CAPSULE: WINE IN JAPAN

29 June 2023

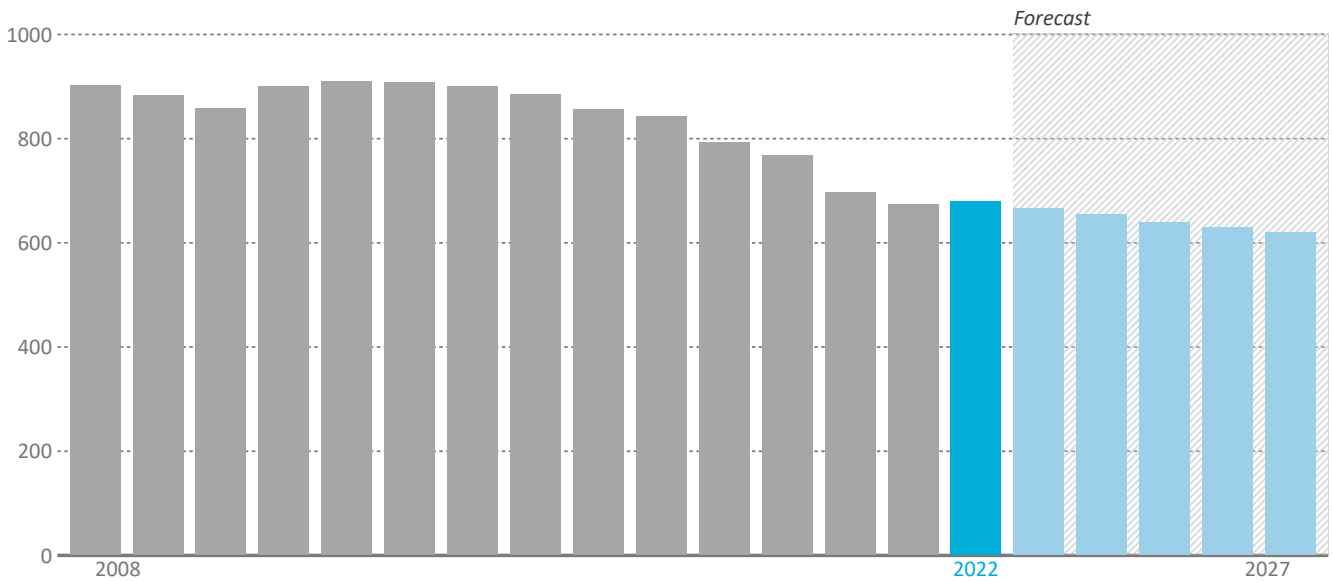
KEY DATA FINDINGS

- Total volume sales grow by 1% in 2022 to 679 million litres
- Non alcoholic wine is the best performing category in 2022, with total volume sales rising by 34% to 1.5 million litres
- Suntory Spirits Ltd is the leading player in 2022, with a total volume share of 10%
- Total volume sales are set to fall at a CAGR of 2% over the forecast period to 620 million litres

Market size Wine

Total Volume - million litres - 2008-2027

678

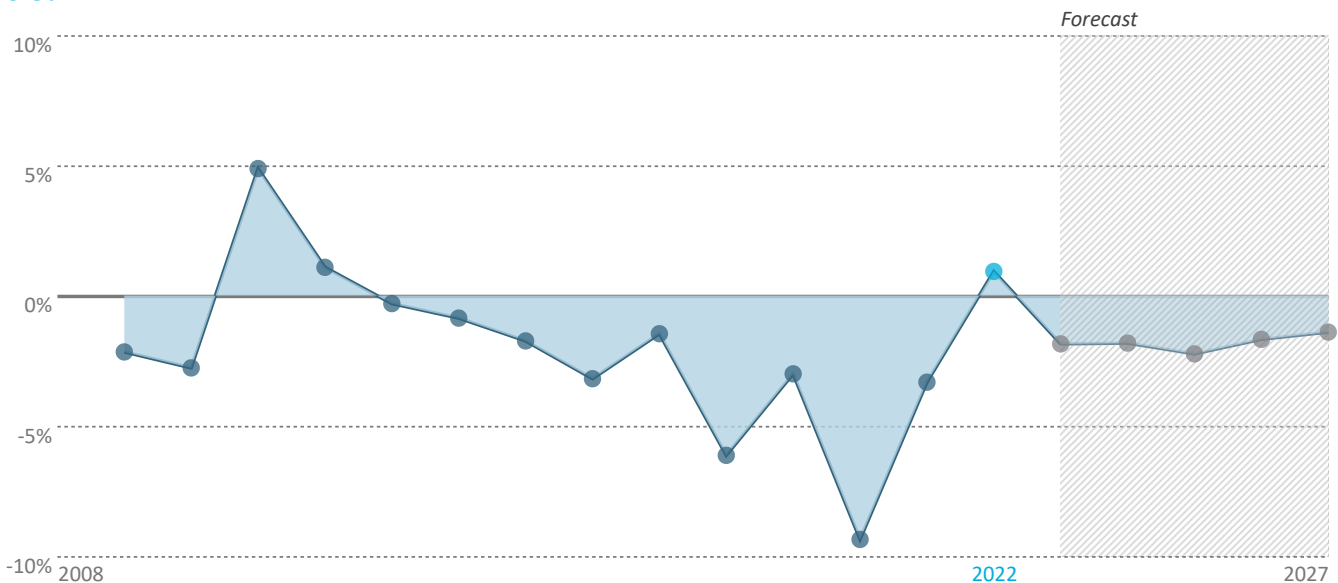


Source: Passport by Euromonitor International

Sales Performance Wine

%Y-O-Y Total Volume-Growth 2008-2027

0.9%



Source: Passport by Euromonitor International

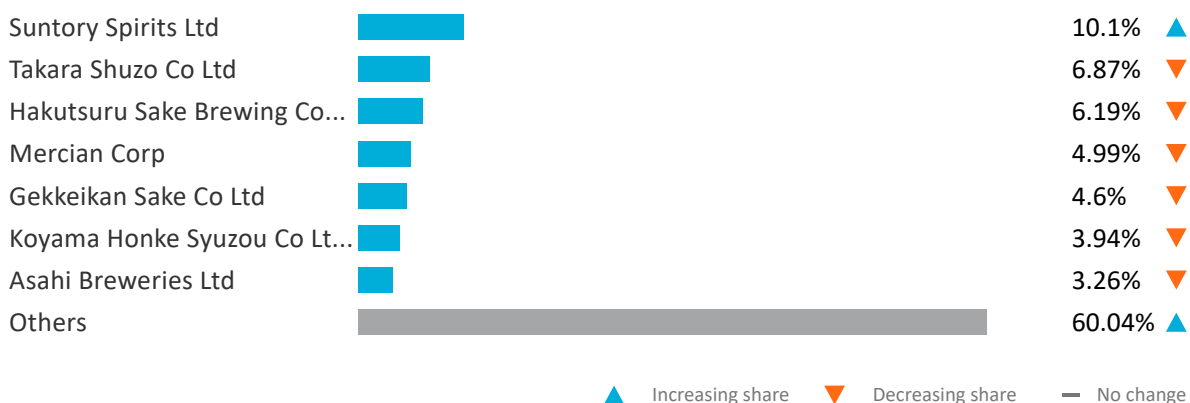
2022 DEVELOPMENTS

In 2022, total volume sales of wine recorded slight growth thanks to a rebound in sales in the on-trade channel. In March 2022, Japan ended the COVID-19 quasi-emergency in all prefectures, and foodservice outlets were able to operate without any restrictions. As a result, on-trade wine volumes recorded significant growth. Nevertheless, in 2022 on-trade volume sales recovered to only less than 70% of those seen in 2019, pre-pandemic. This is because working from home has taken root, and the opportunities for after-work drinks have remained lower. Also, compared with pre-pandemic, people tend to spend less time at bars and restaurants. Before the pandemic, it was common for people to go to multiple bars and restaurants for second parties and third parties, but in 2022, such habits did not return, as many people ended their meal and stopped drinking at the first restaurant. This created a difficult situation for wine. Compared with other alcoholic beverages, such as beer and highballs (a mix of whisky and carbonated water), people tend to take more time to enjoy wine. Beer and highballs also tend to be chosen from the very beginning of the meal, but wine tends to be chosen mid-meal, or at bars or restaurants for second parties and third parties. Thus, the reduction in the amount of time spent at foodservice outlets and the disappearance of after-parties resulted in the loss of consumption opportunities for wine, and limited the recovery of on-trade sales.

About 60% of the grape wine consumed in Japan is imported from overseas. In 2022, the procurement environment for imported wine deteriorated. Disruption to international logistics networks due to the impact of Russia's invasion of Ukraine, coupled with soaring raw materials prices and the weakening of the Japanese currency, caused procurement prices to soar. The impact of this was directly reflected in the price of imported wine.

Company Shares of Wine

% Share (NBO) - Total Volume - 2022



Source: Passport by Euromonitor International

NATIONAL BRAND OWNERS TABLE

Company Name (NBO)	Brand (GBO)
Akita Meijyo Co Ltd	Ranman (Akita Meijyo Co Ltd)
Akita Shurui Seizoh Co Ltd	Takashimizu (Akita Shurui Seizoh Co Ltd)
Asahi Breweries Ltd	Rela (Asahi Group Holdings Ltd), Santa Helena (Santa Helena SA)
Asahi Shuzo Co Ltd	Dassai (Asahi Shuzo Co Ltd)
Asahi-Shuzo Sake Brewing Co Ltd	Asahiyama (Asahi Shuzo Co Ltd)
Bacardi Japan Ltd	Martini (Bacardi & Co Ltd)
Cordon Vert Co Ltd	Cordon Vert (Cordon Vert Co Ltd)
E-don Co Ltd	Nikkori Makkori (E-don Co Ltd)
Gekkeikan Sake Co Ltd	Gekkeikan (Gekkeikan Sake Co Ltd)
Hakubotan Shuzo Co Ltd	Hakubotan (Hakubotan Shuzo Co Ltd)
Hakutsuru Sake Brewing Co Ltd	Hakutsuru (Hakutsuru Sake Brewing Co Ltd)
Hokkan Syuzou Co Ltd	Hokkan (Hokkan Syuzou Co Ltd)
Ichinokura Co Ltd	Ichinokura (Ichinokura Co Ltd)
Jinro Japan Inc	Jinro Makkori (Hite Jinro Co Ltd)
Kenbishi Sake Brewing Co Ltd	Kenbishi (Kenbishi Sake Brewing Co Ltd)

Kikkoman Corp	Manns Wine (Kikkoman Corp)
Kiku-Masamune Sake Brewing Co Ltd	Kikumamune (Kiku-Masamune Sake Brewing Co Ltd)
Kikusui Sake Co Ltd	Kikusui (Kikusui Sake Co Ltd)
King Zyoizou Co Ltd	King Zyoizou (King Zyoizou Co Ltd)
Kiyosuzakura Brewery Corp	Kiyosuzakura (Kiyosuzakura Brewery Corp)
Kizakura Sake Brewing Co Ltd	Kizakura (Kizakura Sake Brewing Co Ltd)
Koyama Honke Syuzou Co Ltd	Koyama Honke Syuzou (Koyama Honke Syuzou Co Ltd)
Mercian Corp	Bistro (Kirin Holdings Co Ltd), Bon Rouge (Kirin Holdings Co Ltd), Franzia (Wine Group Inc, The), Frontera (Viña Concha y Toro SA), Oishii Sanka Boushizai Mutenka Wine (Kirin Holdings Co Ltd), Sunrise (Viña Concha y Toro SA)
MHD Diageo Moët Hennessy KK	Moët & Chandon (LVMH Moët Hennessy Louis Vuitton SA), Veuve Clicquot Ponsardin (LVMH Moët Hennessy Louis Vuitton SA)
Mottox Inc	Santero (Santero SpA)
Nihonsakari Co Ltd	Nihonsakari (Nihonsakari Co Ltd)
Ozeki Co Ltd	Ozeki (Ozeki Co Ltd)
Pernod Ricard Japan KK	Café de Paris (Pernod Ricard Groupe)
Sapporo Breweries Ltd	Taittinger (Champagne Taittinger), Ureshii Wine (Sapporo Holdings Ltd)
Sawanotsuru Co Ltd	Sawanotsuru (Sawanotsuru Co Ltd)
Smile Corp	Cono Sur (Viña Concha y Toro SA)
Suntory Spirits Ltd	Carlo Rossi (E&J Gallo Winery Inc), Delica Maison (Suntory Holdings Ltd), Freixenet (Oetker-Gruppe), Saishoku Kenbi (Suntory Holdings Ltd), Sankaboushizai Mutenka no Oishii Wine (Suntory Holdings Ltd), Santa Carolina (Viña Santa Carolina SA), Seoul Makkori (Suntory Holdings Ltd)
Takara Shuzo Co Ltd	Mio (Takara Holdings Inc), Pagoda (Zhejiang Pagoda Brand Shaoxing Wine Factory), Sho Chiku Bai (Takara Holdings Inc)
Tatsumi-Honke Brewing Co Ltd	Hakushika (Tatsumi-Honke Brewing Co Ltd)

Source: Passport by Euromonitor International

DEFINITIONS AND METHODOLOGY

WINE

This is the aggregation of still and sparkling light grape wines, fortified wine and vermouth and non-grape wine. In terms of alcohol content, light wine usually falls into the 8-14% ABV bracket while fortified wine ranges from 14-23% ABV. Low and non-alcoholic wine is also included in the data (attributed to each sector as appropriate).

METHODOLOGY

This report is derived from Euromonitor International's Passport information system. Industry research is carried out by a global team of more than 600 in-country analysts and is based on a core set of research techniques:

- National-level desk research, company research and analysis, store checking, trade interviewing with national players and market analysis
- International-level desk research, multinational company research and analysis, trade interviewing with international players and market analysis

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