

Wine Export, South Korea: Arione Spa's perspectives, potential and strategies

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South Korea represents a **flourishing market for the wine export business**, a dynamic and modern economy characterized by consumers more and more aware and open to innovation.

We interviewed **Elisa Budri, Arione SPA Export Manager**, to deepen the perspectives, potential and strategies that are used to penetrate this important Asian market.

According to Wine Business International, the wine consumers population in South Korea grew to almost 1 million consumers from 2017 and the wine import in 2021 reached the impressive figure of 559 million dollars (+69% in value and +41% in volume with respect to 2022). What is the direct perception on the field that you are having, is it really such an explosive growth?

This year, with respect to the 2019 data, there has been a growth in terms of both volume and value. We registered a slowing down in 2020 and a following recovery starting from 2021 which has been confirming itself in the current year. Indeed, there is a growth trend, we are not talking about exaggerated increases; we are referring to a positive trend that we are observing in some products in particular. For example, we registered a strong growth for sparkling wines, so this is not a tout court growth.

Wine Intelligence identified South Korea as one of the main performing Countries: it was ranked the 2nd place in the Top 15 Most Attractive Markets 2021 (in 2019 it was ranked at 10th place). According to you, which are the main reasons for this success?

First of all, South Korea economy is a lively one, which, still being affected by the actual crisis (inflation, logistic and energy costs), keeps growing. The biggest well-being is mirrored in our compartment which depend on the economic availability of the consumers. Moreover, South Korea has evolved in the wine knowledge. The products knowledge also concerns the high-quality products and there is openness to innovation, especially among Millennials.

In South Korea wine is seen as a drink to taste mainly at home, during meals or as a pleasure at the end of the day. Which are the factors that determined this situation and how do you think we can intercept this “domestic” request?

According to me it is important to guarantee a product portfolio which can meet the large-scale distribution and food service's needs. It is necessary to suggest wines that have a great price-quality ration and which allow a daily-consumption, not only high-quality products.

We have also seen that the low alcohol strength wines' growth is also appreciated mainly for the home consumption and with a daily frequency.

The import growth of the Italian wines is due also to the fact that our cuisine is popular and Italian restaurants are present in the greater part of the Korean cities. According to you, which perspectives and potential does the food-wine pairing have for your export in these Asian Country?

The food-wine pairing is crucial not only for us but for the whole Italian wine compartment. Our wines can be well paired not only with the Italian cuisine, but also with the Korean one. Our red wines, such as the Barbera, for example, are ideal with typical Korean barbecues or delicate courses made with fish that are very much loved in South Korea and which can be perfectly paired with our white wines (Gavi and Arneis) and with the sparkling wines.

Pushing the clients and the consumers to try our wines and pair them with the local food is important and the potentials are remarkable. For example, the Moscato d'Asti is booming in South Korea thanks to its pairing with some of their courses.

Even though red wine is by a great deal the most important segment (+66% of the wine import in 2021), in South Korea the white wine has driven greater part of the market's growth in 2021 (+61% in volume and +71% in value). Do you agree with these numbers? What is your strategy regarding white wines?

White wines are not only at the center of our offer, but we have seen a growth in our numbers as well. For example, starting from this year the Gavi request has grown even though the numbers are contained.

Surely, in the white wine front, even if it is sweet, the Moscato d'Asti DOCG keeps registering great performances on the South Korean market.

The premiumization will play an important role in the South Korean wine future. It is, indeed, a relatively rich country, where high-quality brands matter. Which strategies are you putting in place to capture this "premium" consumers range's interest?

There is not specific strategy for the “premium” range, the quality is our guiding light at all levels. Through the OCM programme we are trying to point to Italian high-quality wines’ promotion (Barolo, Barbaresco, Barbera d’Asti, Moscato d’Asti) and to spread and let knowledge and awareness on these products grow. In fact, on Tuesday, November 22, we will participate in a b2b tasting organized with the support of IEM, an experienced event organizer that provides consulting and support in promotional event planning, which will be held right in the Korean capital.

In collaboration with the importer, we insert various price typologies and ranges in the different distribution channels. In South Korea inside the GDO high-quality products can be found since there is a request coming from the consumers. The restaurants prefer clearly to suggest etiquettes that are not present in the GDO and because of that we have different product lines but I think it is wrong to say that the references dedicated to the GDO are of a lower quality. There is more and more the will of putting high-quality products into the shelves of the large-scale distribution, the important thing is let people know the different wine typologies.



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