

Report on the Dutch Market for Wine, Sparkling Wine and (Grape) Juices



Amsterdam, October 2020

With just 350 hectares of vineyards in total, Dutch wine production is insignificant making the Dutch market completely dependent on imports. The Netherlands is the 5th import market for wine in the world, although some wine is bottled here and then re-exported. Large supermarket chains are dominating the Dutch market and pricing remains an important factor in the Dutch consumer's decision. As the supermarket segment is highly concentrated and very hard to penetrate, the middle to premium segments offer better opportunities for Brazilian producers, especially by emphasizing their Unique Selling Points as competition still is fierce. A continued increase in sparkling wines is playing into the cards of Brazilian bubbles producers.

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The Netherlands: macroeconomic outlook

The Netherlands is the sixth largest economic power in the Eurozone and the fifth largest exporter of goods. The country is very open to trade and consequently to the global economic conjuncture. For the past few years, the recovery in Europe has allowed the Dutch economy to grow at a dynamic pace, and despite a maturing business cycle the country's growth remained resilient in 2019, at 1.8% of GDP (from 2.6% one year earlier). The main growth drivers were domestic demand and exports, however trade uncertainty at global level and lower business investments should contribute to a moderate slowdown of the Dutch economy in the short term. According to the updated IMF forecasts from 14th April 2020, due to the outbreak of the COVID-19, GDP growth is expected to fall to -7.5% in 2020 and pick up to 3% in 2021, subject to the post-pandemic global economic recovery.

In recent years the government's fiscal policy has been expansionary, nevertheless the Dutch public finances remained sound: in 2019 the budget balance was estimated at 1.5% of GDP by the European Commission, as higher government spending was offset by higher tax revenues (especially for indirect taxes). A further increase in government expenditure should lead to a lower surplus of 0.5% in 2020. The debt-to-GDP ratio fell to 49.2% in 2019, well below the 60% threshold set by the EU as an objective for member countries, and is forecast to decline further to 47.3% in 2020 and 45.5% in 2021. Inflation picked up in 2019 and reached 2.7%, following a rise in the reduced VAT-tariff and an increase in wages, although is expected to decrease to 0.5% in 2020 (due to the COVID-19) and increase to 1.2% in 2021 (April 2020 World Economic Outlook IMF). The government is planning to increase expenditures related to pensions and climate change, as well as infrastructure and housing. The future of Brexit process could also have an impact on the Dutch trade outlook, as the country is considered the most exposed to the conjuncture in Great Britain.

The Netherlands presents a very high income per capita, which is distributed in a relatively equal manner. The GDP per capita is above the EU average and was estimated at USD 53,024 in 2018 (World Bank). Unemployment rate is relatively low, at 3.4% in 2019 (down from 3.8% a year before). At the same time, the workforce expanded significantly in the last couple of years, reaching a post-crisis high. However, the IMF expects the unemployment trend to be heavily affected by the negative economic impact of the COVID-19 pandemic, the rate being currently estimated to increase to 6.5% in 2020 and decrease to 5% in 2021.

Main Indicators	2017	2018	2019 (e)	2020 (e)	2021 (e)
GDP (billions USD)	833.58e	914.52	902.36	930.99	970.52
GDP (Constant Prices, Annual % Change)	2.9	2.6	1.8	-7.7	5.0
GDP per Capita (USD)	48,800e	53,228	52,368	53,873	55,999
General Government Balance (in % of GDP)	1.3	0.9	0.5	0.0	0.1
General Government Gross Debt (in % of GDP)	56.9	52.4	49.2	47.3	45.5
Inflation Rate (%)	1.3	1.6	2.7	0.5	1.2
Unemployment Rate (% of the Labour Force)	4.9	3.8	3.4	6.5	5.0
Current Account (billions USD)	90.19	99.45e	88.88	88.10	89.95
Current Account (in % of GDP)	10.8	10.9	10.9	9.0	9.4

Source: IMF – World Economic Outlook Database, 2016

Note 1: (e) Estimated Data

Note 2: The following indicators were updated by the IMF in April 2020: GDP (Constant Prices, Annual % Change), Inflation Rate (%), Unemployment Rate (% of the Labour Force) and Current Account (in % of GDP); the rest of the indicators were last updated in October 2019.

Note 3: The indicator GDP (Constant Prices, Annual % Change) was updated by the IMF in June 2020.

Main Sectors of Industry

The agricultural sector represents almost 1.6% of the country's GDP and employs 2% of the active population (World Bank, 2019). This sector produces high yields, which is due in part to the intensive farming of arable land. Nearly 60% of the production is exported, either directly or through the food industry. This makes the Netherlands the second largest exporter of agricultural products in the world (after the U.S.). The main crops exported are cereals, potatoes and horticultural products. The Netherlands is also the largest flower exporter in the world.

Industrial activity generates around 17.9% of the Dutch GDP, mainly through food-processing, the petrochemical industry, metallurgy and the transport equipment industry. The Netherlands is also one of the largest producers and distributors of oil and natural gas. The secondary sector employs 16% of the workforce. The World Bank estimates that the manufacturing sector alone accounts for 11% of the country's GDP. Services account for over 69.9% of national revenue and employ 82% of the workforce. The services sector is focused mainly on transportation, distribution, logistics, banking and insurance, water engineering and new technologies. The country is also Europe's leading service provider in ocean freight, which is not surprising as its economy largely depends upon exports.

Breakdown of Economic Activity By Sector	Agriculture	Industry	Services
Employment By Sector (<i>in % of Total Employment</i>)	2.2	16.1	81.6
Value Added (<i>in % of GDP</i>)	1.6	17.9	70.4
Value Added (<i>Annual % Change</i>)	-2.5	3.9	3.3

Source: World Bank, Latest Available Data.

Chapter 1 General and comprehensive overview of the Dutch market for (sparkling) wines

Including Top-10 trends

Introduction

The Netherlands is small (200km wide, 300km long), but it always tries to play a significant role, whether it be economically, political or in sports. In wine, Holland is the fifth import market in the world, and also that is surprising considering the size of the country.

The total market is approximately 400 million bottles annually. Average price in the supermarket is low at under €4 per bottle (albeit this average price includes the most basic and cheap aromatic and fruit wines, without them the average price would be significantly higher), including 21% VAT and €0.72 of duty (still wines).

Geographically, the Netherlands can be divided in 'de Randstad' which is one big urban area comprising the main cities Amsterdam, The Hague, Rotterdam and Utrecht, and the rest of the country (patronisingly referred to as 'the province'). 'De Randstad' is responsible for the vast majority of wine sales and for all new trends and developments –both off and on trade.

As for the on trade, Holland is currently one of Europe's hottest culinary destinations, and blessed with a vibrant offer of one, two and three Michelin restaurants. De Librije in Zwolle, Interscaldes in Kruijningen and De Leest in Vaasen are leading with three Michelin stars closely followed by no less than 19 two Michelin star restaurants. Most well known sommeliers are Ruben Kwakman (Zarzo, Eindhoven, 1 star), Jasper van den Hoogen (Bord'Eau, Amsterdam, 2 stars), Petro Kools (Da Vinci, Maasbracht, 2 stars), Noël Vanwittenbergh (Ciel Bleu, Amsterdam, 2 stars), Ronald Opten (La Rive, Amstel Hotel, Amsterdam), Roy Pelgrim (Cordial, Oss, 1 star) and Peter Bruins (De Bokkedoorns, Overveen, 2 stars). Despite this luxury situation in the premium on trade category, the total on trade is relatively small compared to Belgium or Germany (with just 15% of the total Dutch market).

What trends offer opportunities on the Dutch wine market?

Trends

Trend #1 Price points moving up, but pressure on price remains

"As long as it is cheap", Handjes (De Monnik) says. Having said that, price seems to be less critical in the Dutch market than five years ago. Subsequent duty increases by the Dutch Government (the latest a 5.75 percent increase five years ago, lifting it to €88.36 per hl from €59.02, ten years ago) have skillfully killed the entry level €1.99 price point. This is confirmed by the Nielsen Statistics: in 2015 the €1.99 price point had a volume market share of 3.5 percent versus just 0.1 percent last month. But the pressure on price remains, and Snelten (Delta Wines) sees a continued growth of wines of basic quality from the New World imported in bulk and bottled in the EU as a result. Pressure on prices is also fuelled by deep discounting, a relatively recent phenomenon in the Dutch market.

Trend #2 Deep Discounting

"Discounting as such is not automatically leading to increased sales anymore", says Handjes, "in the current market conditions it is the depth of your discounting which makes the difference". Snelten agrees: "Buy one, get one free (BOGOF) offers, introduced in Holland by Albert Heijn with the Dragon wines from Berberana, are now more generally offered in supermarkets". "A phenomenon blown over from the UK market where they have learned the hard way that BOGOFs are disastrous to brand loyalty and the trade in general", says Snelten, "creating promo junkies and retailers addicted to the temporary sales boost and higher fair shares but also to discounts which need to get repeated more and more often to sustain the growth." Discounting however, could not prevent Dutch wine consumption from stalling in the past five years. It is also expected that the Dutch government is going to announce legislation to curb deep discounting soon. BOGOFs will soon be something of the past.

Trend #3 Stagnating consumption overall

Total Dutch wine consumption had plateaued in 2017-2018. Thanks to Corona, on trade consumption has plummeted, however, off trade is enjoying huge growth. When asked to Paul Diterwich at Wijntransport earlier this year, he admitted “I am almost ashamed to say, but it has been Christmas now for six months in a row”. Whether the off trade growth will continue, is too early to tell, however, it is likely that on trade will not return to the level of 2019 anytime soon. Overall, we don’t expect growth in 2020-2021. Growth of consumption may pick up in 2022 again but for now the stagnation is continuing for some five years which is remarkable as wine consumption in The Netherlands has grown uninterrupted since World War II –including in times of recession. A factor which also plays a role is the increased competition with other drinks such as non alcoholic wines, ciders and fruit flavoured beers. It also explains the phenomenon of blurring.

Trend #4 Blurring

The wine category is getting blurred with the popularity of mixed drinks based on wine with flavours such as elderflower (Hugo: a mix of spumante, elderflower/mint waters and concentrated lemon juice), Pomegranate, Raspberry, Red Fruits and Peach. The so called cocktail wines which have been introduced since five years now are still enjoying huge growth - wines with fruit flavours, often frizzante in style, to lure younger consumers (since 2016, by the way, the legal drinking age has been increased from 16 to 18 years) away from ciders and fruit flavoured beers to wine. The Senior Category Manager at Albert Heijn confirms a much broader selection on offer than a few years ago. Nielsen figures confirm that mixed drinks based on wine have more than tripled in the past 52 weeks compared to the same period two years ago.

Trend #5 Category sparkling wines keeps growing

Although Champagne is greater in value, more liters of Prosecco are consumed in Europe and Prosecco also grows significantly faster. In the Netherlands, however, the situation is the other way around: here Prosecco is bigger, but Champagne and Cava are gaining ground. Cava and champagne are now growing double digits for five years in a row.

Prosecco sales in Europe are € 789m in 2016, compared to Champagne sales of € 1.4bn, according to the latest figures from IRI, the provider of big data and predictive analytics for FMCG manufacturers and retailers. But while champagne outperforms its lower cost rival by nearly double the market value, the figures show that Prosecco remains the most chosen 'bubble' among consumers in Europe, with 77 million liters sold (25% more than Champagne) and a 24% growth in value and 23% in volume. In the Netherlands the situation is the other way around. Prosecco sales in the Netherlands amount to more than € 30 million, making Prosecco three times larger than Champagne. However, Prosecco is losing ground - down 14% in sales and 19% in volume - while champagne is growing.

In the Netherlands, € 80 million is sold in total sparkling wines, of which Champagne turnover amounts to approximately € 10 million and shows a growth of 5% in value but a slight decrease of 1% in volume. The Champagne market in Europe has a value of € 1.4 billion and shows a growth of 0.9% in value, but a decrease of -0.3% in liters. All countries show volume growth for Champagne, except for the largest market, France. The total Prosecco market is valued at € 789m in Europe, a growth of 24% in value and 23% in volume. Prosecco is the cheapest in Spain, almost a quarter of the UK price. In Spain, people drink 200 times more Cava than Prosecco. Cava is growing strongly in volume in most countries, also in the Netherlands Cava is growing by 19% in volume, but declining in its home country Spain. The British drink 2.5 times more Prosecco than the Italians and pay almost twice as much per liter. Germany has the highest turnover for total sparkling wine at € 1.34 trillion, but Germany drinks Sekt, not so much Champagne or Prosecco.

Trend #6 More whites and paler rosés

In most northern European countries reds have a bigger market share than whites. Holland is no exception. However, Snelten has the impression that currently white wines are growing at the cost of reds and rosés, which is confirmed by Marten Suurmeijer, Senior Consultant of the Nielsen Company: “Although white wines have not yet surpassed reds in the Dutch market, we are nearing the moment it will”. Regarding the rosé category a separate trend is visible. Handjes says that each year the colour of rosé is getting paler and paler. This is caused by the trendiness of Provence Rosé, which started in speciality stores and the high street (with brands like AIX, ProByVence, MIP, La Légende, and Mad) and now has blown over to supermarkets. Multiple grocers are selling ‘Provence like’ rosés from other regions and/or varieties but with similar colour and style. For reds, full body blockbusters (‘Parker-wines’) are out of fashion, elegance, and drinkability is in. Lighter style

reds (which are increasingly served cool in restaurants) and lower alcohol wines enjoy increasing popularity too. Amongst other things, it has resulted in a revival of premium dry German wines in Holland.

Trend #7 Retailer concentration

The past ten years have seen a continued concentration of supermarket chains in Holland. And most of the remaining supermarkets have been concentrating their purchasing power in a buying group, called Superunie. Jumbo Supermarkets is growing fastest. This regional player started opening supermarkets nationwide in 2000, had 100 stores in 2007, 300 in 2013 (after acquisition of Laurus) and now some 600 stores (after acquisition of C-1000 and Sligro's Em-té). As a result, Holland has two giant multiple grocers (Albert Heijn and Jumbo) and a third big buying group taking care of the remainder smaller supers. For all, wine is an important category. When Albert Heijn decided to change the shelf navigation to style rather than origin, most Superunie (number 3) supermarkets followed suit.

Trend #8 Changing shelf navigation

More and more retailers like market leaders Albert Heijn and Jumbo have adopted shelf navigation based on taste profile rather than origin. According to the Senior Category Manager Wines at Albert Heijn, this has been done in an effort to make it easier for consumers to choose. "With this navigation in 10 different taste profiles, we feel that consumers also get a better overview over our total portfolio." Not everyone is convinced of the new system; Handjes: "I get lost in the supermarkets nowadays; I used to find my wines at their usual spot on the shelves, now I have to convert my wine into a taste profile first, in order to find it back." The new system also poses some challenges to brand managers as visibility of the brand is significantly reduced, and facings widely spread. It also makes the wine shelves more messy with many different brands and bottle shapes next to each other. Snelten: "A dilemma for many category managers."

Trend #9 Internet sales growing double digit for a decade now

Wijnvoordeel.nl (literally: wine advantage) is a web based direct marketing organisation, part of the Eluscius Group. In the past, Wijnvoordeel.nl had a series of commercials on national television and radio, promoting Casa Safra, an ordinary Terra Alta blend from 2007, as 'Gran Reserva Seleccion Oro', a rare wine which was offered to Wijnvoordeel.nl by way of favour. The commercials resulted in massive ordering and more than 80,000 new email addresses to Wijnvoordeel.nl. Wijnvoordeel.nl also recently used social media to expose a 'secret discount code' which would give an additional 20 euros off the bill for a wine which was already discounted by 50%. Six bottles could be bought for a tenner whereas the 'regular' price was €48. This marketing trick (most consumers assumed it was a mistake by Wijnvoordeel.nl) resulted again in massive ordering and thousands of new email addresses. Most offers at Wijnvoordeel.nl illustrate the effect of (perceived) deep discounting (versus strongly inflated 'regular prices') to trigger the consumer to order. Internet is also growing in other segments of the Dutch market, even in the premium segment. Wineinblack.nl, a German based website, offers premium wines at usually significant lower retail prices than available elsewhere, and is gaining ground rapidly.

Trend #10 Organic wines are here to stay

Increasing interest for sustainability, health, nature and environment stimulate the demand for organic wine, biodynamic wines, and Fair Trade (and Fair for Life) wines. More and more consumers have an interest in the way wines are made, the people behind the bottles on the shelf and the vineyards and social responsibility issues. In its slip stream there is increased demand for 'no sulphur added' wines and vegan friendly wines. Authenticity, according to the trendwatchers in The Netherlands, will become even more a factor in society in the decade to come. And this could play even more in the cards of organic wines, who knows.

More whites than ever.

Although in northern European countries red wine usually is dominant, recent research of SAMR Marktvinders, led by researcher Goos Eilander, showed that the Dutch drink significantly more white wine than a decade ago. A trend bolstered by significant volumes of Prosecco consumed in The Netherlands. Eilander's research also showed women drink more often white wine and rosé than men, although the number of glasses consumed per occasion remains low (1.7 glasses per consumption moment). White and red now have an equal market share in The Netherlands. Sparkling wines have benefitted from the abolition of the so-called 'bubble tax' (a

special tax on sparkling wines depending on the pressure in the bottle). Instead of the bubble tax, sparkling wines have now been taxed as if they were still wines as of January 1, 2017. In terms of sales channels, the supermarket is still dominating: 75% of wine for all consumption moments is purchased in the supermarket.

France still in pole position

The Dutch still drink more French wine than from any other country, and although France is losing ground each year, their loss of market share the past years is getting smaller and smaller. Eilander: "South African wine now is the solid number 2 in the Dutch market. Relatively speaking, Australia and South American wines have improved their market share in Holland compared to the past."

Country	2010 volume	2017 volume	2010 value	2017 value
French wines	33.3%	28.2%	32.6%	30.8%
South African wines	22.2%	24.2%	21.4%	22.7%
Spanish wines	7.7%	9.5%	8.3%	9.4%
Chilean wines	8.5%	8.8%	9.6%	10.1%
German wines	9.3%	8.7%	6.0%	5.8%
Australian wines	6.5%	7.0%	8.2%	8.5%
Italian wines	3.9%	3.9%	4.9%	4.7%
Argentine wines	2.6%	2.4%	3.2%	2.9%
American wines	2.1%	1.8%	2.2%	2.2%

Source: GfK (Productschap Wijn, 2018)

Average consumption has increased from 0.6 litres per capita in 1949 to 22.1 litres per capita in 2011. Then consumption plateaued. In 2015 and 2016 per capita consumption even decreased and then got back to 22 litres again.

Wine and beer didn't do well, so, the question is which alcoholic products actually did better? According to Nielsen's research special beers and alcohol-free beers did very well, both with approximately 30% annual increase, however, the most spectacular growth has been the so-called fruit fusion wines with almost 200% growth and the combined alcohol-free drinks category with 85% growth. Fruit fusion wines are led by Hugo and the alcohol-free category by Radler beer and Heineken 0.0.

Two thirds of all consumers who buy wine in a supermarket drink wine at least once a week. Some 34% of them drink wine multiple times per week, mostly at home (86%), only 16% on premise. Whether this is because "Dutch men don't take their wives out for dinner" as a senior member of the international trade used to joke, I don't know but fact is that Holland is a model 'take home market'. Two thirds of all wine drinkers also drink beer and this maybe one of the reasons why both beer and wine are under pressure. In the past 3-4 years approximately one third of all wine drinkers has turned from wine and beer to alcohol-free beer (mainly Radler, Bavaria's brand, 2% alcohol) and this trend might put continued pressure on wine sales in the near future.

Health

From the Nielsen research it seems clear that more women are reducing wine consumption than men, and overall in the age categories young adults (age 18-24) and mature adults (age 40-64). Instead, men in the age 25-39 are significantly increasing their wine consumption. Of all consumers who currently reduce their intake of wine, 41% says the main reason is health.

Peter van Houtert, chairman of the Royal Association of Wine Traders (KVNW) says "The SAMR research also confirms the fact that the Dutch wine market is not growing anymore and that the consumer in Holland is drinking more responsibly. Instead of drinking more, the Dutch are drinking better. As since three years we got rid of the 'bubble-tax', which had positive consequences. In any case, these figures fit the efforts of the KVNW for more enjoyment of wine, albeit in a responsible way."

Significant in this respect is the initiative of the 'IkPas' (I pass) movement for an alcohol-free month, be it January or February. According to Peter van Houtert this initiative has been clearly felt by the trade during the

first two months of the year. Martijn Planken of IkPas says the trend for an alcohol-free month has blown over from the UK (which already had a Dry January) and Australia (with its OcSober month). “In Holland we saw each year more of these initiatives albeit local and small. IkPas tries to combine all these initiatives to turn it into a national challenge and to get more media attention. And that works.”

On line

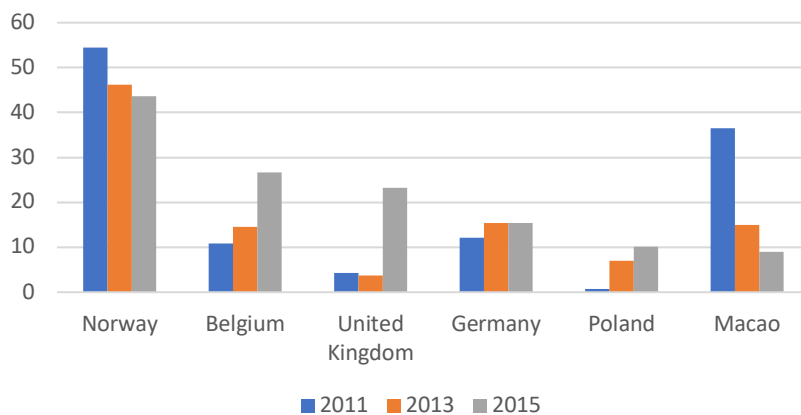
The reason Suurmeijer included on line purchases in his research is that Holland is one of the most sophisticated on line markets in the world. Based on very recent Internet World Stats data from 2019, Holland has almost 16.5 million internet users which represents 96.5% of the total population. In 2018, more than 12 million Dutch have at least once bought something online. This is 94% of all active internet users in the country. In total 46 million online orders were placed, a growth of 10% compared to the same period one year ago. The Dutch also like to pay with iDeal, an online payment method developed by the Dutch banking community. In terms of wine, according to SAMR the total percentage online is 7% of all consumption moments corresponding to 10% of the total volume. Nielsen only researched supermarket buyers –of whom only 4% buy on line. But even in Nielsen’s research it is evident that on line buyers do spend significantly more on wine than buyers in supermarkets or specialty stores. Offer and price are the main reasons for on line shoppers to search for wine.

As mentioned before in this report, a portion of wine which is imported in bulk gets bottled in the Netherlands and re-exported.

Wine exports from the Netherlands

The Netherlands are a small wine exporter in Europe with exports amounting to €203 million, showing an average annual increase of 3.4% between 2015 and 2017. These exports consist mainly of re-exports. The largest export markets for the Netherlands are other North and West European countries.

Figure: leading six export destinations for wine from the Netherlands between 2011 and 2015 in € million



Source: Eurostat, 2016

Tips:

- Consider the Netherlands as a hub to market your wines in other North and West European countries through re-exports.

Chapter 1A The Dutch market for (Grape)juices

Exporting (grape)juice to Holland

For the purpose of this paper, grape juice is included in fruit juice. Europe is the largest market for fruit juices in the world, representing 55% of the total world imports. The import continues to grow, in spite of the decreasing consumption of retail-packed juices. This is because imported juices are increasingly used as ingredients in different types of beverages. Large importing and consuming markets such as the Netherlands, Belgium, France, Germany and the United Kingdom continue to offer opportunities for exporters from developing countries. The best opportunities can be found in the high-value segments of not-from-concentrate (NFC) juices, superfruit juices and the use of fruit juices as ingredients in soft-drink “detox” beverages. Exports to Europe are generally done as semi-finished product (bulk tanks, drums, containers), packing of consumer products is done by European bottling companies.

Regarding trade classification, all fruit juices are classified under the four-digit code 2009 by the [Combined Nomenclature \(Eurostat\)](#) and by the [Harmonised System \(World Customs Organisation\)](#). When “fruit juice” is referred to in this survey, it involves both single-strength and concentrate as specified in the different eight-digit codes under code 2009, unless stated otherwise.

Product definition

Generally, fruit juice is defined as the unfermented liquid of the edible part of the fruit. Although juices can be made by squeezing of fresh fruit, the majority of fruit juices on the world market are made from raw materials such as concentrated juices or purées. Fruit juices may contain pulp but do not contain:

- pieces of shell;
- seeds;
- coarse or hard substances;
- excess pulp.

Juice intended for export is usually concentrated and later reconstituted with water. This is because of practical reasons for lowering transport costs. In this way, transport costs for water and packaging can be saved.

Fruit purées and concentrated fruit purées are used in the manufacturing of specific juices (such as strawberry, peach, apricot, and so on). They are obtained by suitable processes; for instance, by sieving, grinding and milling the edible part of the whole or peeled fruit, without removing the juice.

Vitamins and minerals can be added to fruit juices. You can find approved list of additives in the European Regulation on the [addition of vitamins and minerals and in the regulation on food additives](#). Other allowed ingredients include restored flavour, pulp and cells.

The name “fruit juice” is reserved for 100% fruit juices. However, if sugar, sweeteners or acid are added to fruit juice which is diluted with water, the product must be called nectar or fruit drink.

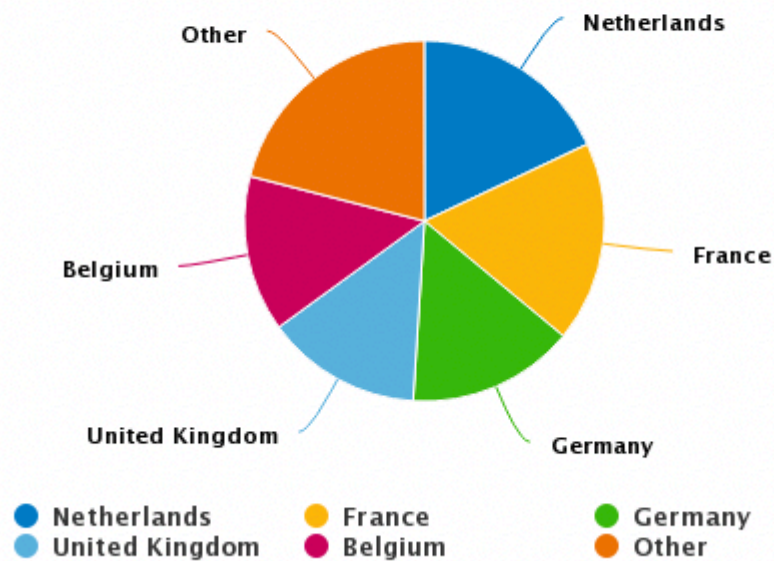
Import of fruit juices continues to increase slowly to Europe

- The import of fruit juices in Europe over the last five years grew by 2%, both in value and in quantity, reaching € 7.7 billion or 7.6 million tonnes in 2017. Internal European imports are growing by an average annual rate of 3%, while the import from developing countries is growing by an average annual rate of 2%.
- Although there is an overall trend of decreasing consumption of packed fruit juice on mature markets such as Germany, especially by volume, the supply of raw materials such as concentrated juices still provides opportunities for exporters from developing countries. This is due to the fact that imported fruit juices are used as ingredients for the production of different types of beverages or in other food industries and not only for the production of 100% fruit juices.
- The industry is also actively campaigning to reverse the negative trend started by health concerns, trying to find a new appeal to consumers. Sustainability and new formulations with exotic ingredients are an important part of this response.
- Since 2013, the Netherlands has increased its imports of fruit and vegetable juices by 187,000 tonnes, thus becoming an interesting destination for Brazilian (grape)juice.

Five large importing countries for fruit juices in Europe

- There is no single country in Europe which dominates the import market and therefore export opportunities can be found in several countries. The largest quantities of imported fruit juices are shared between the five largest importers, which have similar import shares. The largest importers: the Netherlands (18%), France (18%), Germany (15%), the United Kingdom (15%) and Belgium (15%) together share almost 80% of the total European imports.
- In addition to the largest importing countries, a constant growth of imports is also noted in Central and Eastern European countries such as the Czech Republic, Romania and Bulgaria.

Figure 2: European imports of fruit juices by country 2017
in share of imported quantity



Source: ITC Trademap

Figure 2: European imports of fruit juices by country 2017 in share of imported
Source: ITC Trademap

Brazil leading supplier to the European market

- The supply of fruit juice to Europe is headed by Brazil, followed by different European countries.
- In addition to Brazil, important external suppliers of European fruit juices are Costa Rica, Turkey, Mexico, Argentina and Thailand.
- Among the largest suppliers from developing countries, countries gaining European market share over the last years were Vietnam (42% average annual growth rate; tropical juices and pineapple juice), Egypt (76%; orange juice), the Philippines (27%; coconut water and concentrated pineapple juice) and Peru (different tropical juices such as passion fruit and others).

Brazil is the leading supplier but in several cases Brazilian fruit juices are re-exported from these countries intra-EU.

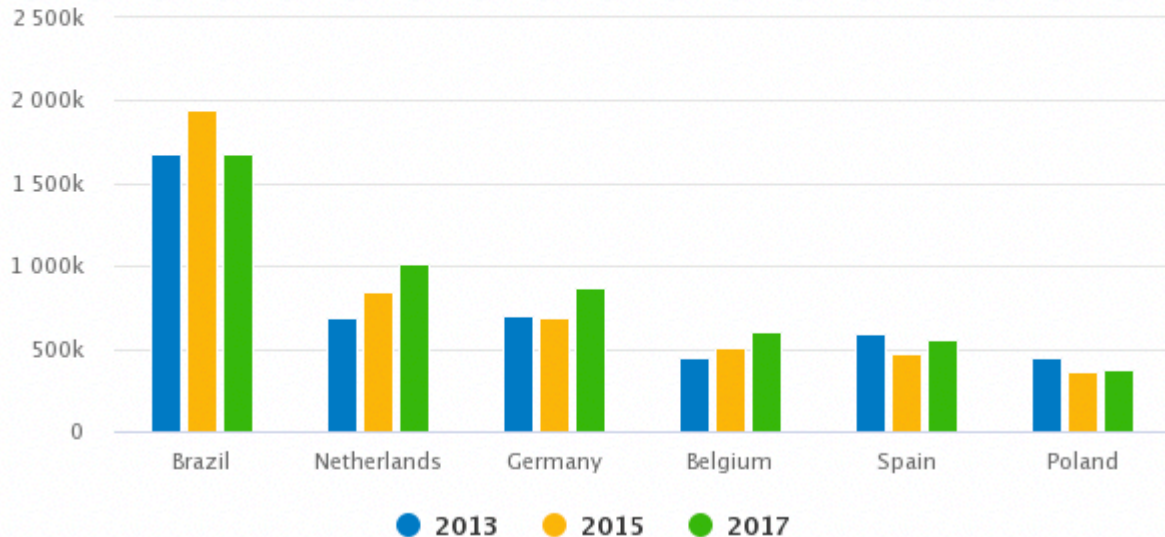
Figure 3 shows this reality.

Brazil is exporting between €1.5m and €2m to the EU whereas some of this juice is re-exported within the EU.

The Netherlands is re-exporting up to €1m of fruit juice within the EU.

Figure 3: Leading suppliers of fruit juices to the European Union 2013–2017

in € thousand



Source: ITC TradeMap

Figure 3: Leading suppliers of fruit juices to the European Union 2013–2017 in € thousand

Source: ITC TradeMap

Orange juice most imported fruit juice in Europe

- The largest share of European imports of fruit juices is made up of concentrated orange juice, followed by mixtures of fruit juices and apple juice. The supply of concentrated orange juice is dominated by Brazil, which is a very strong competitor to other developing countries. However, opportunities can be found in the export of tropical and exotic juices which are not produced in Europe.
- The fruit juice types which showed an increased import to Europe over the last five years were not-from-concentrate (NFC) orange juice, followed by mixtures of juices, single-citrus juice (lime and lemon) and pineapple juice.

Exports

European exports of fruit juices mainly intra-European

Since 2013, European exports of fruit juices have increased by an average annual rate of 2% in both value and quantity, reaching € 6 billion or 5.7 million tonnes in 2017.

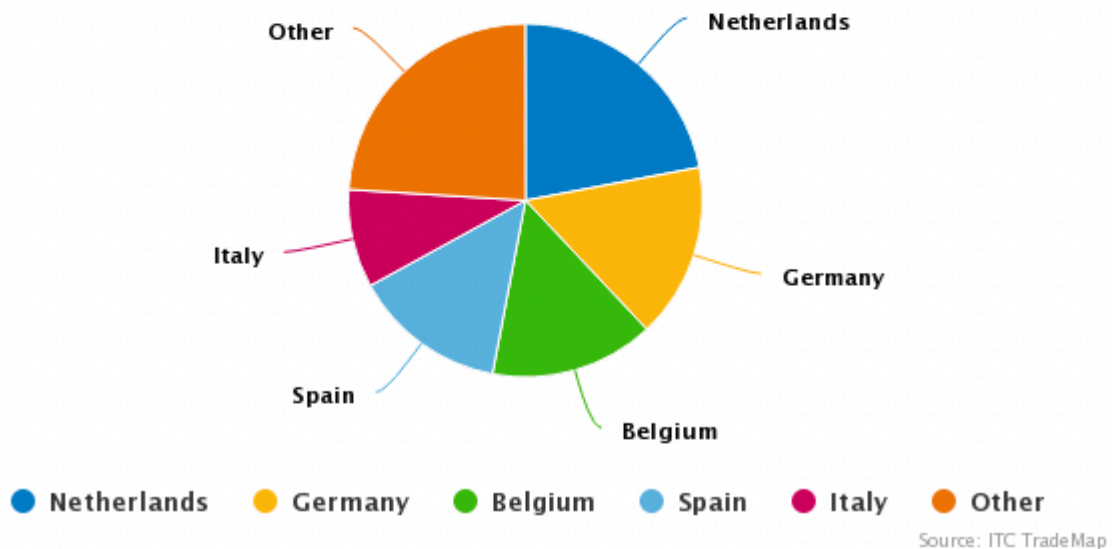
The largest part of exported fruit juices consists of concentrated and not-from-concentrate orange juice (31%). A large part of this export is represented by re-exports of imported orange juice from Brazil. The European-produced juice with the largest export share is concentrated apple juice.

The European countries with the highest export growth in quantity over the past five years were Romania (25% annual growth; especially NFC orange juice), Cyprus (22%; especially single-citrus juices) and the United Kingdom (16%; especially in mixtures of fruit juices).

About 90% of all European Union exports are intra-European. The main external destinations are the United States, Japan, Russia and Switzerland.

**Figure 4: European Union exports of fruit juices by country
2017**

in share of exported quantity



After several years of slight decline, the production of fruit juices and nectars in Europe is increasing since 2017. The production of fruit juices in Europe is represented by the processing (bottling and blending) of raw fruit juices which are imported or locally produced. In addition to the fruit juice industry, a large proportion of imported concentrated fruit juices and purees are used as ingredients in soft drinks, sport drinks and other types of fruit drinks.

The last five years have seen an increase in so called 'fruit wines', combinations of a sparkling base wine (Prosecco or Sekt) mixed with grape juice and exotic juices and herbs and fruit sirups. This trend is definitely offering opportunities for Brazil as the exotic juices are rarely produced in Europe.

The total sold production of fruit juices and nectars reached € 9.8 billion in 2017, which is an increase from 2016.

The production of private-label juices decreased more than the production of branded juices.

The most-produced type of juices in Europe are orange juices (24%). Other important types of juices produced in Europe are mixtures of juices (21%), apple juices (15%) and grape juices (8%).

Note that the figures above display the production of manufactured goods, which include intermediate goods as well as final goods. This implies that it is possible that there is overlap in production data and import data, since raw materials may be imported and further processed.

Top 10 Trends in (fruit) juices in Holland

Trend #1 Lowsugar

Lowsugar and "superfood" products are appreciated by consumers. Due to this trend, nectars, soft drinks and flavoured waters which are naturally sweetened are more promising. More sweeteners such as stevia, lucuma or coconut water will be used in beverages.

Trend #2 Certification increasingly important

Food safety certification supported with frequent laboratory tests can additionally provide a great advantage for suppliers to the European market.

Trend #3 CSR.

Corporate social responsibility standards are also becoming more important in the mix with price and quality.

Trend #4 Special juices such as Vegan, Gluten-free and Natural are increasing

Consumer interest in vegan, gluten-free and natural food also offers opportunities for Brazilian exporters.

Trend #5 Organic is here to stay

The consumption of organic products is increasing in Europe and is positively influencing the consumption of juices. Therefore, the consumption of organic juices is likely to increase too.

Trend #6 Fairtrade

Opportunities for Brazilian exporters are also seen in added value segments such as not- from-concentrate (NFC) juices, organic, Fairtrade and juices with reduced fruit acid.

Trend #7 Coconut popular

Specific opportunity exist in the increasing consumption of coconut water and coconut water drinks. Coconut water has recently been categorized as a type of juice in the European Union.

Trend #8 Fruit wines booming

Fruit wines have gone from non-existing to a leading category in less than five years. These are blends based on sparkling base wines (such as Prosecco and Sekt) mixed with grape juice, exotic juices, sirups and herbs. The most well known fruit wine has been Hugo but it has been complemented with multiple alternative flavoured wines.

Trend #9 Superfruit juice is likely to grow sustainably*

The consumption of superfruit is increasing. This will positively influence the consumption of frozen berries too, which are used as ingredients for berry types of fruit juices. The increased consumption of berry drinks does not necessarily mean an increase in imports of berry juices, as berry juices may be prepared from frozen ingredients at home using blenders and juicers.

*Superfruit is a marketing term that refers to fruits with exceptional nutritional qualities. European legislation does not have an official definition of superfruit, so this term is used by many manufacturers as a marketing tool to create consumer demand.

The term superfruit usually refers to types of fruit with high levels of antioxidants and anthocyanins. However, many producers and traders of juices and juice ingredients are trying to broaden the perception of superfruit in the European market, applying the term superfruit on a growing number of fruits.

The main application for superfruits is in the production of fruit juices and beverages. They are also increasingly used in dried forms and as ingredients in dietary supplements and the cosmetics industry.

Various raw materials are used for the production of superfruit juices, such as: concentrated fruit juices, fruit puree and fruit powder. Superfruit juices are often used as ingredients in mixed juices instead of single strength juices. Ingredients in powdered form are also used in the production of other types of beverages, such as smoothies and soft drinks.

Trend #10 Brexit will have an adverse effect

Considering uncertainties in the Brexit process, the European Fruit Juice Association expects that the European market for fruit juice will slightly decrease in 2021 but may again increase in 2022. By 2023, the EU consumption of fruit juice and nectars is forecast to reach around 8.2 billion litres.

Chapter 2 How to find buyers for (sparkling) wine in the Dutch Market?

Including a detailed list of importers, distributors, trade fairs/events, specialized press, history

The vast majority, some 85% of the wines in the Netherlands are sold in the off-trade (including >10% online) and only 15% on premise. Whether this is because “Dutch men don’t take their wives out for dinner” as a senior member of the international trade used to joke, I don’t know but fact is that Holland is a model ‘take home market’.

Currently, some 70% of all wines sold in the off-trade go through multiple grocers, less than 20% through independents. According to the Slijtersunie (www.slijtersunie.nl, in Dutch only), the main body representing Dutch independents, there are about 450 members and 1,050 independents (“amongst them many mom and pop stores” according to the Chairman of the association. ‘Slijters’ are independents holding a liquor license, originally (1882) designed to curb the abuse of alcohol. In the association’s definition, if you run less than five wine stores you are regarded as an independent, running five and more shops you are deemed part of the multiple grocer category.

Following this logic, it means that some 400 bigger multiple specialists including Dirck III (owned by multiple grocer Dirk van den Broek, 58 stores) and Gall & Gall (owned by Royal Ahold, 480 stores) as well as 1,000 so-called ‘borrelshops’ (take-away shops within multiples like Emté and Plus without permanent employees) are not included in this number.

However, if you would add them to the estimated 1,000 existing independents you get an idea of how many ‘slijters’ Holland still has –even though less than it used to. From almost 4,000 fifty years ago to 2,800 in 2005, now down to 2,400. When supermarkets were allowed to sell beer and wine (as from the 1970s) many of the slijters were forced out of business. But from the ashes of the fallen independents have arisen small clusters of new enterprises, mostly franchises and partnerships, joining the ranks of a handful high street merchants who also survived the advance of the multiple grocers.

In order to build a picture of the Dutch independents scene, I shone a spotlight on ten of these. Some have been around for centuries, others sprung up in the past thirty years; some have built their business around a single location, others are spread over the country. However, for all their diversity of size, site and specialism, what unites these businesses is their entrepreneurial spirit, passion and knowledge of wine. It is also worth noting that few of them entirely relies on pure retail; most of them also supply the (local or regional) horeca.

1) See for a complete list of listed importers in Holland and Belgium:

-[Royal association of Dutch wine traders \(KVNW\)](#) – The Netherlands (website www.wijn.nl is also very useful; it lists all importers and the wines they already import)

-[Vinum and Spiritus Association Belgium](#) – Belgium

Traditional high street merchants

The high street import themselves and sell directly to the final consumer. Some of them have setup a franchise of independents to increase coverage and points of sale.

Okhuysen: “happily independent”

Established in Haarlem in 1867 and now owned and run by the Kat family. Okhuysen’s portfolio is about 1,000 wines with an average price of €30 per wine. Average price of sales is about €8.50 per bottle. Expected turnover this year is €9.5 million with 26 employees. Specialize in Rhône, Bordeaux and Burgundy although Xavier Kat is quick to add that “the wines may come from anywhere as long as the quality is outstanding.” Okhuysen have 13 qualified Vinologists to assist their customers and deliver directly to their homes. Kat: “It is about three things at Okhuysen: care for the wine, care for the supplier and care for the customer.” Amongst the long term brands in the portfolio are J.L. Chave, Grailot, Guffens, Lucien le Moine and Rostaing.

De Bruijn Wijnkopers: “We are the oldest”

Established in 1772 and now run by the seventh generation brothers Eric and Joost de Bruijn and their 18 employees. “Our portfolio is some 450 wines with a focus on price points €7-€3,500”, says Eric. “Our specialty is France.” And that’s what it is: De Bruijn is built around 125 French suppliers; with the exception of Bernardus

from California they have resisted taking on board any wines from the New World. De Bruijn also services the top gastronomy with brands such as Leflaive, Comtes Lafon, Bonneau du Martray en Tardieu-Laurent.

Robbers & Van den Hoogen: Almost 175 years in business

From their one hectare large cellars with unique museum and events facilities Robbers & Van den Hoogen sell mainly between €7 and €20 per bottle. Turnover is €3 million with 15 employees. The business, owned by the family Donders, is currently in transition from a traditional high street merchant to a wine experience center concept and direct mail.

Heeren van Heusden: Leveraging Louis Latour

Although only established in 1983, managing director and co-owner Jan Janssen built this company around the wines of Maison Louis Latour. In the meantime his portfolio has grown to 300 wines with an emphasis on the €7-€13.50 price point. Turnover is €5 million with 10 employees. They only do European wines and have been successful in aligning with top-5 brands (quality wise) from their respective regions. They sell directly to consumers (via direct mailing and internet) and service the top gastronomy.

Wijnhandel B.J. de Logie: I Amsterdam

Family business in Amsterdam since 1848, specializing in classic European wines. From a small but monumental building at the Beethoven street a small crew of 6 employees is selling 250 wines to both winelovers as well as restaurants in Amsterdam and the urban region called the Randstad. Price points are up to €10 to €40. Turnover €3 million. Fine wine business with majority of the wines from own imports (95%) and a clear house style which can be characterized by elegance and finesse.

Verbunt-Verlinden: “#1 supplier of branded wines”

(Franchise: De Wijnkring)

Established in 1844 as a family business until the fifth generation, Frans Verbunt, sold the company in 2010 to Salentein Holding. The Wijnkring, a group of 108 independents with a portfolio of 450 wines, is a Verbunt initiative from 1982. Members buy outside Verbunt too, albeit that at all times it must be visible that Verbunt is the dominant supplier. The Wijnkring sells mostly between €6-€20 although they offer much more expensive wines too. Verbunt acquired Verlinden in 2016. Peter van Houtert, the iconic commercial director of Verbunt and chairman of the KVNW (the Royal Association of Wine Merchants), proudly claims: “we are the number one supplier of branded wines in Holland (amongst those Graham’s, Viña Errázuriz, Pol Roger, Jackson Family and Salentein), and the Wijnkring is the biggest association between an importer and independents.”

Résidence: “our range is our strength”

(Franchise: De Gouden Ton)

The franchise of Residence is called De Gouden Ton (the golden barrel), 10 of which Holland, and one in Willemstad on Curacao. Résidence carries some 600 wines, 100 other drinks (like water and spirits) and 45 oil & vinegar products. They also are exclusive distributor for Coravin and Riedel Glassware. The focus is on on-trade and the Gouden Ton franchise. Turnover is €18.5 million with 23 employees. Fonger Kranenburg, general manager of Résidence says: “the depth of our portfolio is our strength as well as the core of our brands such as Enate, Alois Lageder, Gosset, Artadi and Billecart Salmon.” “In the on-trade we tend to focus on family business and with De Gouden Ton we work with people with passion for wine. True specialists with identity, service and expertise.”

Wijntransport: bridging the gap with the supermarket

(Franchise: De Wijnproevers)

Established in 1978 by Leen Diterwich, an independent retailer who was (and still is) convinced that “good wine doesn’t need to cost a fortune”. Have developed an impressive network of independents throughout The Netherlands (Germany and Belgium). The franchise is 40 stores with a portfolio of approximately 500 wines. Members buy externally as well (about 20% versus 80% from Wijntransport). The strength and focus is on everyday drinking wines priced €2.99-€9.99. Turnover of Wijntransport is €35 million with 15 employees. In the portfolio are brands like Caliterra, Jean Bousquet, Paul Mas and Oude kaap, but they also specialize in beers and spirits, all competitively priced. Slogan of the partners is “take care of yourself, benefit from the synergies and never forget that slim margins on many bottles also generate good profits”.

Partnerships

Independents from all over Holland joined forces, specifically regarding selection and sourcing of wines, and promotion. These are two of the best known.

Les Généreux: 40 is the limit.

A partnership of 38 independents who control 40 stores (two partners own 2 shops). They carry 800 wines from over 150 suppliers, 95% of which is imported by themselves. The strength of the portfolio lies between €8 and €12, but the focus is on wines up to €15 (which is half of the range). Annual turnover is over €20 million with 5 employees at the main office. Ton Schaapveld, owner of the Zutphen store says: "Our USP is strong entrepreneurship of the independent shops in combination with co-ownership of the association, which benefits individual partners (healthy profit margin through price uniformity, regional exclusivity, focus on sales and service) and the group as a whole." Les Généreux do not carry big brands but specialize in handpicked high quality producers from around the globe.

Henri Bloem's Wijnkoperijen: high quality, affordable prices

The group currently has 19 stores in The Netherlands. The portfolio is huge with 1,100 wines, although the business model is focused on offering high quality for affordable prices; main strength is in wines between €5 and €10 although they offer wines from around the globe in all price categories. The idea is to stimulate sales, even if it has to be bottles rather than boxes at prices to bridge the gap between the supermarket and the specialist. In that respect, they claim to take lower margins than most competitors. All franchise members are independent entrepreneurs; the organization is decentralized and flat with just 3 employees at the main office. Brands include Avignonesi, Alain Brumont, De Martino en Domaine de Vogue.

Wine clubs

De Wijnbeurs: independent wine club

A direct mail membership business owned by Baarsma with approximately 800 wines on an in-out concept. Few brands are permanent such as la Pauline, Coupole, Commandeur, Black Hawk and Montebello. Prices vary between €6 and €30 with a turnover of €26 million and just 17 employees. Wijnbeurs does not represent wineries or brands; they select wines from regions based on scores in their blind tastings. In that sense they are truly independent. Furthermore, they offer concepts like collective barrel buying, wine subscriptions and cellar service.

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Other notable independents

Wijnhandel Jean Berger, Roermond

www.jeanbergerwijn.nl

Chabrol Wines

www.chabrolwines.com

Léon Colaris, Weert

www.colaris.nl

Grape district, Amsterdam

www.grapedistrict.nl

Wijnhandel Herman, Axel

www.wijnhandelherman.nl

Overmars, Amsterdam

www.tonovermars.nl

Pasteuning, Amsterdam

www.pasteuning.nl

Peeters Rotterdam

www.wijnhandel-peeters.com

Schermer, Hoorn

www.schermerwijn.nl

Sauter Wijnen, Maastricht

www.sauterwijnen.nl

Wijnkoperij Alex Storms-Mertens, Heythuysen

www.storms.nl

Thiessen, Maastricht

www.thiessen.nl

Vojacek, Maastricht

www.vojacek.nl

Trade fairs/events

Only one trade fair exists in Holland which is the Wine Professional at the Horecava in January each year in Amsterdam. This is a small trade show focussing on the on trade suppliers mainly.

Most importers will visit Prowein as a valuable platform to develop their contact base, meet their suppliers and find new ones. A trade fair which is hosted in Amsterdam as well is the each year more important [World Bulk Wine Exhibition](#) (Amsterdam, the Netherlands). This trade fair serves as a meeting place for both buyers and sellers of bulk wine. If you are producing bulk wine, this trade fair may be the best possible opportunity to promote and market your bulk wine.

Besides these international wine trade fairs, you could consider participating in local and niche trade fairs in your target market. Examples are:

- 1) [Biofach](#) (Nuremberg, Germany)

Biofach is the most important international exhibition for organic food and fair trade products, held every February. It is an important niche trade fair for companies that sell natural wines.

- 2) [London Wine Fair](#) (London, United Kingdom)

The London Wine Fair is an annual wine fair, predominantly focused on wine trade in the United Kingdom.

Dutch Wine magazines

Two Dutch wine magazines are a good opportunity to promote your wine and/or winery: Perswijn (for the connoisseur and Winelife for the amateur. Through an article you can communicate your Unique Selling Points to a broad public within the wine industry, ranging from wine experts to wine importers and wine specialty shops.

Another way to get in touch with the Dutch wine market would be tapping into matchmaking programmes and trade missions.

Embassies and chambers of commerce can provide interesting business opportunities as they are usually involved in trade missions and matchmaking programmes. These platforms have strong relations with businesses in your target market and can help you to get in contact with them.

PR Agencies and Social Media

Wine communications in Holland is in transition from the traditional print media to social media. And the current key players might not be the key players in five years from now. I consulted representatives of the Dutch trade about the who is who in wine communication including but not limited to the agencies TOT PR, MoeskopsVroom, Pitch PR and Melman Communications.

“A decade ago, when I would distribute a press release (for a brand or generic body), it would generate a free publicity score of 80%. Today it is 10-20%. If you are lucky..” For Anouk Heida, owner/manager of Tot PR, an integrated PR and communications agency “with a passion for the finer things in life”, the wine communications landscape in Holland is changing dramatically. The traditionally dominant print media (general press and wine magazines) are losing territory to bloggers and influencers, although at the moment it is still “thrilling” when your brand is recommended by the likes of Onno Kleyn or Harold Hamersma.

The challenge according to Elise Moeskops, co-owner of Moeskops & Vroom, a full service PR agency in food and drinks, is wine communication to younger wine drinkers, especially the Millennials. “No one under 30 still reads printed media”, she says. “Wine recommendations via the digital platforms of the general press and wine magazines usually do not reach them as you need a paid subscription. And wine bloggers tend to reach this segment neither -yet- as they are in Holland in an infancy stage. Too few and too small. Yes, we are in a transition phase of wine communication.”

Heida sees the Dutch market ahead of Belgium and France but lagging the UK and US in terms of integrated media mix, especially regarding the use of social media. In addition, “wine as a category is doing a much worse job than spirits and beer”, says Moeskops. “Our rum brand has an international team at the headquarters responsible for social media communication, from who we get a social media directions and geo targets to certain urban centers where we should focus our posts and campaigns. In wine we do not see this. And it is not just a matter of budgets.”

So, the question is, where to go in Holland, if you want to communicate your brand to the Dutch market? Let’s take a look at all existing channels, from general press, wine magazines, bloggers and influencers.

Print media

Wine communication in Holland used to be the exclusive domain of the general press and a few wine magazines. Sale of wines recommended in newspapers like (in random order) De Telegraaf (Pieter Nijdam), De Volkskrant (Onno Kleyn), AD (Nicolaas Klei), Het Parool (Harold Hamersma), FD (Hillary Akers) and De Gelderlander/Stentor (Cees van Casteren MW) would truly spike after a recommendation. In Holland, it is not Vinologists (like Hillary Akers) or Masters of Wine (like Cees van Casteren MW, also Vinologist) who write for the biggest newspapers but people with no formal wine education whatsoever. Of these, Onno Kleyn, mainly a food writer, is also in wine regarded as ‘very credible’ and importers see a direct response after his reviews. Nicolaas Klei and Harold Hamersma each publish a wine guide next to their write ups in the newspaper. As these guides focus mainly on supermarket wines, both of them are mostly associated with this segment and important for the likes of Albert Heijn, Jumbo and the rest. Of them, Harold Hamersma is the most visible and probably most influential as he also appears on television and radio. And from the grapevine we have heard he is working on an on line platform too.

Regarding print media, demographically, things are changing though. NOM (the National Inquiry Multimedia), responsible for registration and certification of circulation figures and digital census data, published new research in October 2018 showing that just 41% of all Dutch under the age of 13 still read a printed newspaper, down from almost 90% in 1970. The decrease in the circulation of print media has been compensated in some way by the increase in the popularity of their digital platforms. For most newspapers the digital platform nowadays plays a dominant part in their total range, as illustrated by the table. Leading national newspapers such as AD and De Telegraaf do have modest wine coverage in their Food & Drinks sections but the majority of the readers (the ‘on line only’ column in the table) do not have access to these write ups as you need a subscription to enjoy them.

Newspaper	National Range (%)	National Range (x 1,000)	On line only (x 1,000)
AD	51.6	7,400	4,300
De Telegraaf	49.7	7,100	3,600
De Volkskrant	26.4	3,800	1,400
NRC	22.6	3,200	1,100
Trouw	16.8	2,400	1,450
Parool	14	2,000	1,200
De Gelderlander	13.3	1,900	1,200
De Stentor	11.9	1,700	1,000
FD	8.5	1,200	700

Source: NOM, October 2018

On top of this, Anouk Heida says: “most newspapers have reduced the coverage of wine over the years, editors have been minimized and *audi alteram partem* now seems old fashioned. Plus our clients have been reducing the print budget year after year.” With free publicity getting harder and harder in print media, the budgets for on line have been increasing. Heida hopes on line platforms will jump into this gap because there is a clear opportunity. In this regard, she refers to lifestyle magazine Linda as an example how to expand the range with a spectacular on line offering and organization of events.

Wine magazines

Other print media includes wine magazines Perswijn and Proefschrift –now not printed anymore and quickly losing relevance- which used to be predominantly important for distributors who would use ratings and medals in their promotions to consumers. Between the two, Perswijn is the undisputed benchmark in the Dutch language for fine wine lovers and professionals. A third magazine, Winelife, used to be the favorite magazine for the more mainstream casual wine drinker, but under the current ownership and editor, it doesn’t seem to generate the same sparkle as under ousted editor Sharon van Lockhorst. Winelife also lacks a solid on line platform. In that regard, Harriet Boekholt of Pitch PR, ‘trendsetting in food, wine and hospitality’, appreciates what Perswijn is doing: “Perswijn is renewing itself with a new look and feel of the website, a blog of editor Ronald de Groot each Monday and a video of the wines they are about to test. Fun watching.” Other trade magazines like Hans van de Meeberg’s Misset Horeca and Entrée Magazine also feature wine but very on trade focused. Finally, we mention the sponsored magazines which are pretty well read but lack objectivity.

Influencers and bloggers

The alternative to print media should be on line communicators who, in other markets than Holland, can have an equally interesting reach, depending on the number of followers. “But the conclusion is”, says Heida, “that real on line influencers in wine for the Dutch market do not exist (yet).” Boekholt agrees: “The established wine writers who do have experience and knowledge do not truly blog as it doesn’t generate any income to them.” Notable exception, according to Boekholt, is eminence grise Hubrecht Duijker who publishes each month his magazine on line (hubrechtduijker.com) with many tasting notes including wines at the lower price points, so relevant for both the wine lover and the trade. However, hubrechtduijker.com doesn’t have an Instagram link and less than thousand followers on Facebook.

Han Sjakes (sjakes.com) is a trade platform only with a few hundred followers on Instagram and Facebook. Romy Kooij writes for Perswijn on line and winelane.nl. Anne Wies van Oosten writes on her website and Instagram and Charlotte van Zummeren now publishes in Winelife and daily updates her website winebusiness.nl. However, winebusiness.nl is also for and about the trade rather than consumers, and also lacks integration with social media. Other influencers who are mentioned are Sharon van Lockhorst, Esmee langereis and Barbara van Beek although they are still quite print oriented. In addition, there is Sommos, Barbara Haverkamp and Vinoniek, but their ranges are still quite small. Niek Beute with his platform Vinoniek uses Youtube in a clever way but only has a few hundred subscribers on his channel. In short, all of the above have knowledge and to a certain degree authority, but they currently all lack significance on line.

Next

For the new generation bloggers, it is not about showing knowledge as much as sharing discoveries in the brave new wine world. Boekholt: "That is exactly why Youtube and Instagram are so successful: followers recognize themselves in it." However, looking at the numbers in the table below, all of them are still minute with only one blogger to stand out: Goswijn Simons with 'the story of my wine'. " However, Goswijn Simons publishes in English and has relatively few followers in the domestic Dutch market. [Felicity: I would like to add a few words from an interview with Goswijn here about who reads his blog.. But he will return Sunday from a wine trip and I could only call him on Monday. I could also get a picture of him if appropriate?]Goswijn publishes Instagram stories and a daily wine review. Approximately 15% of his viewers of Instagram stories are Dutch and Holland is also a significant market in terms of followers for 'thestoryofmywine' (after the USA, Italy, Brazil, Spain and France). The age categories relevant for both 'thestoryofmywine' and Instagram stories is mainly 25-34 followed by 35-44. This makes 'thestoryofmywine' by far the main blogger in Holland -even though all of his write ups are in English.

Blogger	Website	Instagram followers	Facebook followers
Goswijn Simons	thestoryofmywine.com	89,700 (thestoryofmywine)	89,000
Cynthia Schultz	cynthia.nl	5,408 (cynthiaenwijn)	3,000
Nadien de Visser	leclubdesvins.nl	2,072 (leclubdesvins)	2,000
Esther Groenewoud	wijnjesmetesther.nl	1,973 (wijnjesmetesther)	2,400
Anne Wies van Oosten	Anne-wies.nl	1,553 (annewiesnl)	1,300
Romy Kooij	winelane.nl	1,227 (misswinelane)	871

Source: Leonie van der Voet (CorknClever, 751 followers Instagram, 156 Facebook)

Most of these are also active on Twitter and in some cases LinkedIn. Nadien de Visser and Esther Groenewoud either have a newsletter (leclubdesvins with 400 members) and/or notify their subscribers when new posts have been published. However, most PR agencies complain that none of the above really present the right platform for brands to share their stories. Heida: "Compare wine to food and the contrast couldn't be bigger. Foodbloggers have 300,000-750,000 visitors on their websites and typically 70,00-80,000 followers on Facebook. And there are many of them. Macro-influencers." Moeskops adds: "In food, as a result, fees of hundreds of euros are paid per commercial post. But in wine, most Dutch bloggers do not make a living out of it (yet) and are happy with a free lunch or nice bottle of wine."

Heida: "Apparently, it is easier to blog about food than wine and that is a pity. Because this way, the stigma remains that 'wine is complicated'. A beginning wine drinker in Holland would greatly benefit from an approachable wine blogger with practical tips, stories and inspiration."

The conclusion of this overview is that it is not clear yet who will be the wine communicators of the next decade in Holland. In addition, there seems to be an opportunity for an on line platform which jumps into the gap of wine communication between the current and next generations of wine lovers. Finally, it is a blurred picture in the current transition period between print and social media. That's maybe why PR agencies travel all avenues to reach the consumer. Including concerts and festivals which are hugely popular in Holland. The Dutch have more than 800 festivals per year attracting some 20 million visitors including lifestyle and pure wine events like Taste, Bacchus and the Amsterdam Wine Festival.

"Currently, a media mix is key", concludes Harriet Boekholt of Pitch PR, "just print and on line is insufficient. If you really want to reach the consumer you will have them to get them to taste as well..".

Historic perspective

Some historic information of Brazilian wine exports to the Netherlands. Some of the Brazilian wines imported into the Netherlands were imported because of the World Cup in Brazil in 2016 and Dutch importers wanted to benefit from the huge attention on Brazil and the event. However, Ahold and Kwast were early adopters of Brazilian wines into Holland in 2010 respectively 2014.

KWAST Wijnkopers (an on-trade only importer, family business, focusing on horeca and developing their own brands) imported RIO SOL WINES produced by ViniBrasil (São Francisco Valley - northeast region of Brazil) a

joint-venture with Dão wines from Portugal. It was the first Brazilian wine brand sold in the Dutch market. Kwast Wijnkopers had just a blanco and a tinto and sold them since 2008-2009. The reason they took the wines was their current relationship with the producer from Dão. They kept a storage in Portugal and Kwast could easily put a pallet of the Brazilian wines on the truck to Holland. They didn't need to import a full container load from Brazil. At some point, just before the World Cup, the Portuguese winery sold its shares into the Brazilian winery and the Brazilian winery thought they could import container loads of Brazilian into the Dutch market. Kwast, not interested in taking container loads, let them free to pursue their dreams. In the end, they never sold a single bottle into the Dutch market again. Rio Sol because a victim of their own greed;

Albert Heijn (the leading supermarket in The Netherlands, together with their multiple specialist Gall&Gall they have a combined market share of 50% of all wine sold in the off trade in Holland) imported MIOLO WINES, both Cabernet Sauvignon, Gamay, Brut, Merlot and Chardonnay (5 SKUs) at €6,99. However, without sufficient promotional support, it became a regular shelf product and didn't get close to the supported wines from the rest of South America and eventually was stopped in 2017;

ACTIVIN (a supplier of branded wines to supermarkets and specialist stores) imported MIOLO FINE WINES as Ahold was not interested in the fine wines. However, without Ahold also Activin soon lost interest and discontinued in the same year;

WIJNKOPERIJ WIELINGA (is a small, regional specialist) imported CASA VALDUGA: they imported a range of wines from Casa Valduga for some years. Then, Valduga was parallel imported from Germany in Holland and Wielinga lost interest.

Sligro imported a while LIDIO CARRARO: this started some 10 years ago but between the FIFA Brazil World Cup and the Olympic Games, LIDIO CARRARO also sold a special edition of their wines to Holland. However, immediately after depletion of the stock the relationship was ended because of lack of sales.

Although the Dutch import stats do not reveal any significant imports from Brazil into Holland (21,000bt in total in 2018), we found the following wines still present on the Dutch market by Googling:

- het Gouden glas is a small retailshop (not an importer) in Utrecht who mainly buys from Verbunt-Verlinden but bought some Brazilian wines from
- drinksco.nl is Pernod Ricard's wine platform selling Miolo, Pizzato, Casa Valduga again and Lidio Carraro; they do not import but represent other importers
- vinexus.nl is the Dutch side of Vinexus.de from Germany, a mainly online business which started some 15 years ago in Frankfurt. It currently offers wines of four producers: Miolo, Vinicola Salton, Casa Valduga and Rio Sol. These are imported most probably from importers in Germany.
- wijnhandel-slijterij.nl Brouwer again is a tiny retail shop, similar to het Gouden Glas in Utrecht who predominantly buy from Verbunt-Verlinden.

Chapter 2A How to find buyers for (grape)juice in Holland?

Including a detailed list of associations, trade fairs and events

Find buyers among the members of processed fruit and vegetables associations

The European processed fruit and vegetables sector has several industry associations that represent the interests of member companies. These associations can be good sources for finding potential buyers, as they generally have extensive networks. Some of them even offer international memberships and participation in annual conferences, where suppliers can meet with potential buyers directly.

A good way to start engaging with associations at an international and European level, is looking for membership possibilities. European associations put information on their websites about national association members. In turn, the national associations provide information on their websites about their members, which can be target companies for your offer.

In Holland, you should contact the [NZV](#), the Dutch Association for trade in dried fruit, nuts, spices and related products (website in Dutch only). For information about membership and members you should [contact the secretariat of the association](#).

Associations in other European countries are:

The largest trade associations in the other leading European markets for processed fruit and vegetables include:

– Waren-Verein <https://waren-verein.de/en/startseite-en> is the association of German importers and brokers of processed fruit and vegetables, honey and related products. You can search the

- [NDFTA](#) is the United Kingdom's National Dried Fruit Trade Association. Provides networking opportunities, promotes consumption and informs members about legislative developments. You can search the [list of members or consider becoming a member](#).

- [UNILET](#) is the French association of frozen fruit and vegetables companies (in French only). Find a list of French frozen fruit and vegetables companies in the [member directory](#)

- [VEGEBE](#) is the Belgian association of frozen and other vegetable processors and traders. Search the [member list](#)

- [ADEPALE](#) is the French processed fruit and vegetables industry (in French only). Search the [list of members](#)

- [VDF](#) is the German Fruit Juice Association (in German only). You can search the lists of members to find [fruit juice producers](#)

Attend trade fairs and industry events to meet your buyers face-to-face

Food trade events in the European Union include some of the largest exhibitions worldwide. In 2019, ANUGA (the leading food fair in the world) gathered 7,590 exhibitors and about 170,000 visitors. Trade events are used by companies to promote their offer, to find potential buyers and meet with existing customers. One of the main advantages of a trade fair is that companies can meet potential customers face-to-face. This is particularly important in the processed fruit and vegetables sector, as this helps build trust.

Bear in mind that participating in a trade event abroad can be costly. Therefore, you should only invest in event participation after making a cost-benefit calculation. Instead of exhibiting, you can visit selected events and search for potential buyers among exhibiting companies from Europe. Study the list of exhibitors before your visit and make appointments with potential buyers. Also, establishing contact with buyers before the exhibition will save you the time you need for first introductions and make communication easier.

Apart from trade fairs, one of the best opportunities for networking with potential buyers can be found during conferences and annual meetings of relevant European associations. Each of the subsectors within the processed fruit and vegetables market in Europe is organised in the form of European and international associations. There are specific trade associations for processed products (jams, canned and frozen), for juices and for dried fruit and edible nuts. The leading trade fairs you should consider to visit are the following:

- [Anuga](#) the largest trade fair for food and beverages in the world. It takes place in Cologne, Germany every other year on odd years, and hosts relevant sections for processed fruit and vegetables, including the beverages section for fruit juice concentrates and purees, frozen food section (for frozen fruit and vegetables) and the delicatessen fine food section (for jams, edible nuts, dried fruit and canned produce).

- [SIAL](#) held every other year in Paris, France. It is a general trade fair of food and beverages, with a strong focus on France. It has similar sections for processed fruit and vegetables as Anuga, including Pavilions of the World, Infood and Organic Food.

- [Food Ingredients Europe](#) a smaller trade fair focussing exclusively on ingredients, including raw materials and semi-finished products offered for sale to the food industry. The trade fair is held at a different location in Europe every year.

- [Biofach](#) a trade fair focused exclusively on certified organic products. It is surprisingly large for such a specific niche and takes place every year in February in Nuremberg, Germany. Processed fruit and vegetable exporters can be accommodated in the sections with international pavilions. Biofach also includes an annual conference on the developments in the global organic industry.

- [PLMA](#) the world's leading trade fair for private label manufacturers. It takes place every year in Amsterdam, the Netherlands. It is the most relevant trade fair for companies willing to supply products to the European retail chains. In order to do this, companies need to be certified with food safety standards and equipped with packing equipment.

Major juice manufacturers in the Netherlands:

<https://www.riedel.nl>

<http://www.refresco.nl>

<https://www.hoogesteger.nl>

<https://www.hero.nl>

<https://www.innocentdrinks.nl>

<https://www.vorselaars.nl>

<https://www.vrumona.nl>

<https://www.ranjadriinks.nl>

<http://infrafoodbrands.nl>

<https://www.vankempenfruitsappen.nl>

<https://fruity-line.nl>

Chapter 3 Mandatory and complementary imports requirements

What requirements should wine comply with to be allowed on the European/Dutch market?

Buyer requirements for wine can be divided into legal and non-legal requirements, both of which your product must comply with if you want to sell to Europe. These include:

- Compliance with European Oenological Practices. To prove compliance with allowed oenological practices, all wine imported to Europe needs to be accompanied with a certificate and analysis report for wine.
- Labelling and Presentation: there are strict rules on which information should be shown on the label and how this information has to be visible.
- Food Safety: traceability, hygiene and control. Search in the [European Union's Rapid Alert System for Food and Feed \(RASFF\) database](#) for wine to see examples of withdrawals.
- Avoid Ochratoxin A and lead contamination. Check the European Commission's [factsheet on food contaminants](#). Read more about [contaminants in the EU Export Helpdesk](#). Find out more about prevention and reduction of [Ochratoxin A](#) and [lead contamination](#) in wine in the Codes of Practice published by the Codex Alimentarius.

Tips:

- Check whether your current practices comply with the European requirements for winemaking.
- Ensure compliance with European legislation on Hygiene of foodstuffs (HACCP).

Compliance with EU oenological practices

The European Union has a set of allowed and restricted oenological practices. To prove compliance with allowed oenological practices, all wine imported to the European Union needs to be accompanied by a certificate and analysis report for wine. The certificate and analysis report must be presented in a single document (the so-called "V I 1 document").

Allergen declaration

An important item for wine in the analysis report is the sulphur dioxide content. There are maximum levels set in legislation for different types of wine, and wines containing sulphite must be labelled with "contains sulphites". However, some importers will need information on biogene amines and the type of fining agent you use.

Labelling and Presentation

The European Union has set compulsory labelling particulars for wine:

- The name of the Protected Denomination of Origin (PDO)/ Protected geographical Indication (PGI) or Wine of 'producing country'/Produced in 'producing country'/Product of 'producing country'
- Actual Alcoholic strength (AAS)
- Nominal volume
- Lot number
- Importer details
- Allergenic ingredients:
 - All wines containing over 10 milligrams of sulphite per litre must be labelled with the indication "Contains sulphites". This information is crucial for individuals who are sensitive to sulphites and experience problems such as shortness of breath, coughing, and wheezing. If your wine contains only a few mg or no sulphites, you can mention this on the label to serve these consumers.
 - Egg and milk derivatives must also be mentioned on the label.
 - Allergens must be mentioned in the language of the target market

What additional requirements do buyers often have?

Next to the legally binding requirements, you also have to comply with the following non-legal requirements in order to be able to find a buyer:

- [Food safety certification](#): many supermarket importers of wine require the implementation of a food safety management system. Examples of internationally acknowledged systems are [HACCP](#), [BRC](#), [IFS](#), [FSSC 22000](#) and [SQF](#).
- [Corporate social responsibility](#): Several larger retailers participate in initiatives such as the [Ethical Trading Initiative](#) (ETI), or the [Business Social Compliance Initiative](#) (BSCI). These initiatives focus on improving social conditions in their members' supply chains. This implies that you, as a supplier, are also required to act in compliance with their principles.
- Buyers generally prefer low sulphite levels (e.g. < 100 mg /l for white wine). However, sulphite is a preservative and lower sulphite levels may lead to off-tastes and reduced shelf life.

Tip:

- Suppliers can apply a basic [HACCP](#) system which would be welcomed at any importer. However, supermarket buyers appreciate certified food safety management systems recognised by the Global Food Safety Initiative, such as ISO22000, BRC or [IFS: Food Safety Management Systems](#).

Chapter 3A Labelling and Packaging of (Fruit)Juices

Labelling

The product must be labelled as fruit juice, concentrated fruit juice or fruit nectar.

Fruit nectars must declare a percentage volume of the fruit juice on the packaging. However, imports of nectars are not very common in the majority of the European countries.

The labelling of concentrated fruit juice, not intended for delivery to the final consumer, shall indicate the presence and quantity of added lemon juice, lime juice or acidifying agents.

In the case of retail packaging, product labelling must be in compliance with the European Union Regulation on [food information to consumers. This regulation more clearly defines the nutrition labelling, origin labelling, allergen labelling and legibility \(minimum font size for mandatory information\).](#)

[In the common case of export bulk packaging, the information required above must either be placed on the container or be given in accompanying documents. "Fruit juice or concentrated fruit juice" as well as the name and address of the manufacturer or packer must appear on the container. It is common that product specification declares the Brix and acid level.](#)

Picture 3: Shipping label example

Source: Integrated Business Communications Alliance

Picture 4: Example of allergen advice on retail packaging

Old

INGREDIENTS: Water, Carrots, Onions, Red Lentils (4.5%) Potatoes, Cauliflower, Leeks, Peas, Cornflour, Wheatflour, Salt, Cream, Yeast Extract, Concentrated Tomato Paste, Garlic, Sugar, Celery Seed, Vegetable Oil, Herb and Spice, White Pepper, Parsley.

New

INGREDIENTS: Water, Carrots, Onions, Red Lentils (4.5%) Potatoes, Cauliflower, Leeks, Peas, Cornflour, **Wheat**flour, Salt, **Cream**, Yeast Extract, Concentrated Tomato Paste, Garlic, Sugar, **Celery** Seed, Vegetable Oil (sunflower), Herb and Spice, White Pepper, Parsley.

Source: QuickLabel Systems

Packaging

The most common export types of packaging for concentrated fruit juices are aseptic or sterile filled:

- [bag-in-box 20 l;](#)
- [plastic container 20 l;](#)
- [steel drum 200–250 l;](#)
- [plastic drum 200–250 l;](#)
- [stainless steel container \(200–800 l\);](#)
- [foldable container, usually 1,000 l;](#)
- [truck tankers, usually 25,000 l.](#)

[Regarding retail packaging, most fruit juices on the European market are sold in cartons, followed by plastic and glass.](#)

What requirements must fruit juices comply with to be allowed on the European market?

General information on buyer requirements for processed fruit and vegetables is given in our study of Buyer requirements on the European market for processed fruit and vegetables. The section below deals with specific requirements applying to fruit juices in Europe.

Legal requirements

Fruit juice quality requirements

The composition and quality of fruit juices are covered by a specific European Fruit Juice Directive. This directive stipulates the specific characteristics of fruit juices and fruit-based drinks in order to guarantee that

the best possible products are put on the European market. It defines the composition of various products that can be produced, including not only fruit juices but also dehydrated fruit juice and fruit nectars.

The directive also specifies the criteria with which various products must comply:

which fruits can be used;

what the minimum content of the fruits is;

what ingredients can or cannot be added;

how these products must be designated on the label.

As an example, if a product has been sweetened or has been obtained from concentrated juice, this must be clearly indicated on the label.

The most common issues regarding illegal additions of non-permitted substances into fruit juices which European importers are facing are the addition of C4 sugar, non-declared fruit and water to NFC juices.

Border control

In case of repeated non-compliance of specific products originating from particular countries, stricter conditions may apply. These stricter conditions in practice mean obligatory laboratory checks for the defined number of imported containers or trucks. Products from countries that have shown repeated non-compliance are put on a list included in the Annex to the Regulation for an increased level of official controls on imports. At the moment (October 2018), there is no increased control on imported fruit juices.

Food safety

In June 2015, the Codex Alimentarius Committee on Contaminants in Food adopted a standard to reduce the maximum level of lead in fruit juices and nectars. The maximum level of lead was changed from 0.05 mg/kg to 0.03 mg/kg. The maximum level of lead for fruit juices and nectars from berries and other small fruit is retained at 0.05 mg/kg.

The European Union has set maximum residue levels (MRLs) for pesticides in and on food products. MRLs apply to 315 fresh products and to the same products after processing, including fruit juices, adjusted to take account of dilution or concentration during the process.

In January 2016, the European Union announced four changes in regulations concerning maximum residue levels in fruit and vegetables. The specific increase of the maximum residue levels is set for chlorpyrifos, fosetyl and several other pesticides. Therefore, fruit juice producers from developing countries should integrate those changes in their supply chain and cooperate with fruit producers through integrated pest management practices.

In addition to general certification schemes for food safety, retail companies require sector-specific certifications

and voluntary schemes for food certification. In the fruit juice industry, the most recent development is SGF certification. SGF certifies fruit-processing companies, packers and bottlers, traders and brokers for fruit juices as well as transport companies and cold stores in almost 60 countries worldwide. SGF certification has a particular focus on authenticity and safety checking for conformity and food fraud by analyses and traceability checks. Already more than 80% of imported fruit juice products in Europe are coming from production sites with SGF certification.

Phytosanitary requirements

Fruitjuices are subject to certification and inspection for import

A large number of products may be imported into the EU without an import license, but are subject to a certificate and inspection obligation. A phytosanitary certificate issued by the authorities of the country of origin is required. This means that these products must be inspected before they are brought into the EU. The phytosanitary certificate in combination with the import inspections provides guarantees to prevent the introduction of harmful organisms. No import license is required for the import of fruitjuices, but only a phytosanitary certificate is required. For an example see: <https://www.nvwa.nl/onderwerpen/import-planten-groenten-fruit-plantaardige-producten/documenten/import/fytosanitair/nvwa-import-fytosanitair/publicaties/checklist-eisen-aan-fytosanitair-certificaat-bij-import>

The basic principle in the regulations for the import of plant products is that the phytosanitary control takes place at the external border. From a customs point of view, the consignment may only be imported after the

phytosanitary control has been completed. In concrete terms, this means that a shipment remains under customs supervision until the phytosanitary control has been completed.

Labelling requirements

Allergen labelling (where allergens have to be highlighted in the list of ingredients) as well as requirements applicable to non-prepacked foods including those sold in restaurants and cafés are important. A relevant allergen in the beverages industry is sulphur dioxide, which is used in the production of soft drinks. The maximum allowed level of sulphur dioxide and sulphites is 10 mg/kg in terms of the total SO₂.

Packaging requirements

Packaging used for fruit juices must:

- protect the organoleptic and quality characteristics of the product;
- protect the product from bacteriological and other contamination (including contamination from the packaging material itself);
- protect the product from moisture loss, dehydration and, where appropriate, leakage as far as technologically practicable;
- not pass on any odour, taste, colour or other foreign characteristics to the product.

Common and niche requirements

Food safety certification is a common request from importers in the European Union. The most common certification schemes accepted on the European market are IFS, FSSC 22000 and BRC.

Environmental protection, organic and Fairtrade certification schemes are becoming more and more popular in the European Union. For organic production, you can consider IFOAM standards. The European Union regulates organic food and drinks produced and/or processed within Europe as well as organic goods from elsewhere (Commission Regulation (EC) No 1235/2008, with detailed rules concerning imports of organic products from third countries).

Organic products can readily be imported from non-European countries whose rules on organic production and control are equivalent to Europe's. However, this is not the case for most developing countries, with the exception of Argentina, Costa Rica and Tunisia.

For all other non-European countries, importers can have their organic products certified for import into the European Union by independent private control bodies approved by the European Commission.

Chapter 4 Imports and local taxes on (sparkling) wines

Tax and excise increases impact the wine market

The Dutch government has repeatedly increased taxation and excises on wine. In 2012, wine VAT was increased from 19% to 21%, while in January 2013 the excise on wine increased by 18% and in 2014 by an additional 5.75%. These policies resulted in an 8% reduction in Dutch wine sales in the second half of 2013 according to the Association of Dutch Wine Traders. Since then VAT has been stable. The current excise duties on wine are €88.36 per hl of still wine (with an alcohol content exceeding 8.5%) as well as for sparkling (which used to be €254.41 per hl (with an alcohol content exceeding 8.5%). In case alcohol content is lower than 8.5%, the excise duty on still and sparkling wine is €44.18.

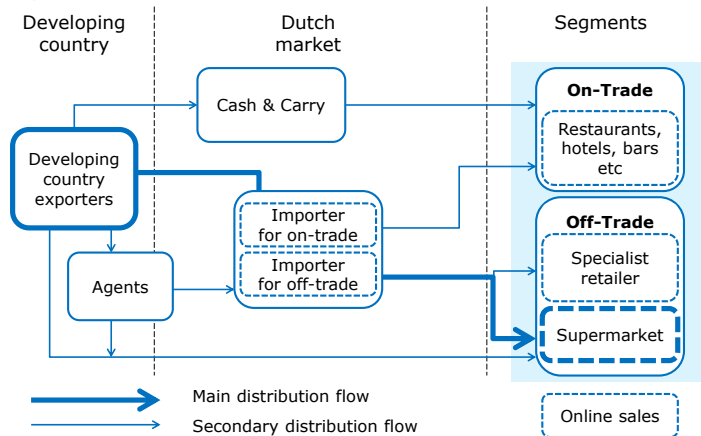
Chapter 5 NL logistics for (sparkling) wines

Through what channels can you get wine on the Dutch market?

Trade channels

The trade channels for wine in the Netherlands are presented in the Figure. The vast majority of the wines (85%) is sold in the off-trade channel, while only 15% is destined for the on-trade channel.

Figure: trade channels for wine in the Netherlands



Market share of supermarkets keeps growing

In the last decade, supermarkets have significantly increased their share in the Dutch wine market. Currently, more than 70% of wines in the off-trade are sold through the multiple grocers. As a result of the growing market share of supermarkets, there is increasing pressure on smaller, non-specialised importers, who are either consolidating or disappearing.

Dealing directly with supermarket chains can be difficult for exporters as margins are low and they expect product exclusivity. Importers can play an intermediary role which can protect producers from the high risks involved when trading with supermarkets. Importers can spread sales to different channels under different labels and help exporters to understand the requirements of the supermarkets.

In the coming years, supermarkets are nevertheless expected to bypass importers more often in their sourcing strategies and source directly from producers. This will mostly happen with established wine exporters that can guarantee the right price points and consistent quality of the product.

Tips:

- Only target supermarkets if you have significant experience in exports and if you are able to guarantee high volumes at low prices.
- Most large supermarkets do not want to see “their” brands in other channels, which makes you dependent on only one sales channel, leading to higher risks of your business’s sustainability.
- Aim for importers that can help you supply the supermarket channel.

Pricing is an important market driver

Within the Dutch market, pricing remains the most important market driver. Dutch consumers not only prefer off-trade market channels because prices are lower and have sharply priced offers; they also demand low prices in the on-trade market channel.

Prices for wine are currently on a tipping point where it is no longer sustainable to continue the low pricing. In the future, they will have to go up in order to sustain sufficient margins for all players in the supply chain.

Specialist retailers are searching for new opportunities

Despite the dominance of high-volume trade, opportunities are available for higher quality producers in the specialist trade in the coming years. Dutch specialist retailers are working hard to find new customer bases, present a more attractive assortment compared to supermarkets and have an innovative marketing and client approach. However, this segment is expected to become less important within the overall trade channel,

Tip:

- Develop unique selling points, like unusual origins, varieties, wine show medals, production or region stories and/or sustainability certification to gain access to the specialist retail channel.

Online Sales

In the Netherlands, online sales account for an estimated 10% of the wine market and this channel is expected to grow double digit for the foreseeable future. The leading online wine retailer in the Netherlands is Wijnvoordeel.nl. This company does not have any physical stores and generates all of its sales online. Premium wines sell well online as consumers are willing to pay more for a less common wine which they cannot buy at the supermarket.

In general, online sales development is interesting for new market entrants from developing countries, as they can use the online space to provide more information on their products.

Tips:

- Build up a clear background story for your wines, highlighting your unique selling points, which can be used by your customers for their online sales.
- Do not invest in online sales yourself, as distribution and customer service from your own country can be very difficult.
- To start with sales to the specialist retailer or on-trade importer in the European Union, it is necessary to have a European warehouse.

	<i>Organic</i>	<i>Fair trade</i>	ISO quality	ISO social	Screw cap	Bag-in-box	Bulk wine	Online sales
<i>High volume segment</i>	++	+	+	+	+++	-	+++	+
<i>Low volume segment</i>	+	+	+	+	+	-	---	++

Table: Appreciation for product options in the Dutch wine market

What are the end market price in the Netherlands for wine?

Average Dutch consumer price indications for wine are presented for on-trade and off-trade in table. The large price difference between the segments is mostly due to the price calculation in the on-trade channel which also has to cover exploitation costs of the hospitality facility.

Table: Average consumer prices per trade channel

Trade channel	Price indications per bottle
<i>Off-trade</i>	
Supermarkets	<€5
Specialist retailers	<€10
<i>On-trade</i>	<€25

Packaging

Bottled wine

- Screw caps are commonly accepted in the Netherlands, even for more expensive wines. Only in the premium segment, Dutch consumers commonly expect a traditional cork.
- PET bottles are also becoming more popular on the Dutch market as it is more often used for outdoor use (e.g. festivals, camping, etc.) especially in the lower price class.
- Bag-in-box is in general under appreciated by the Dutch consumers as the common volume of a bag-in-box (3 litres) is too high for most Dutch consumers.
- Tetra Pak packaging and canned wines are only accepted on the Dutch market for the low entry market level as it is perceived to be low quality wine.
- On the premium wine market in the Netherlands, glass bottles are the most common type of wine packaging. Glass bottles are usually coloured to reduce the effect of UV light and typically contain 0.75 litres.

Bulk wine

- Packaging-related quality problems with bulk wine hampered development of bulk wine trade for a long time. Recent improvements in storage technology, handling facilities, and quality protocols have contributed to better quality preservation and, consequently, to the wider use of bulk wine.
- Different types of packaging are available for the transport of bulk wine. The two most common are:
 - Flexi-tanks are disposable plastic bags intended for installation in a standard 20ft shipping container.
 - ISO tanks are reusable steel tanks, which need to be cleaned between shipments. ISO tanks offer all the advantages of flexi-tanks but are more polluting and expensive in transport due to higher weight. One advantage of an ISO tank is its reliability; they have a lower risk of defects compared to flexi-tanks.
- Defective seals or the use of permeable material can permit oxidation, which will degrade the wine. This can result in negative taste alterations and a shorter shelf life.

Sustainable and Fairtrade supplies

Despite increased demand for sustainability in the wine sector, demand for organic and Fairtrade wine doesn't really increase significantly. Organic and Fairtrade wines are both estimated to be around 2% of total sales. In the Netherlands, many consumers are not fully aware of the characteristics or benefits of organic and Fairtrade wine or have doubts about the organic certification claims. Therefore, developing country producers must be aware that certification can be an expensive process and the return on investment might be low in the current market.

Nonetheless, buyers in the Netherlands expect suppliers to apply sustainable practices which is not limited to organic and biodynamic production methods. Sustainability can also refer to energy and water conservation, use of renewable resources and reduction of CO2 emissions during transport.

Tips:

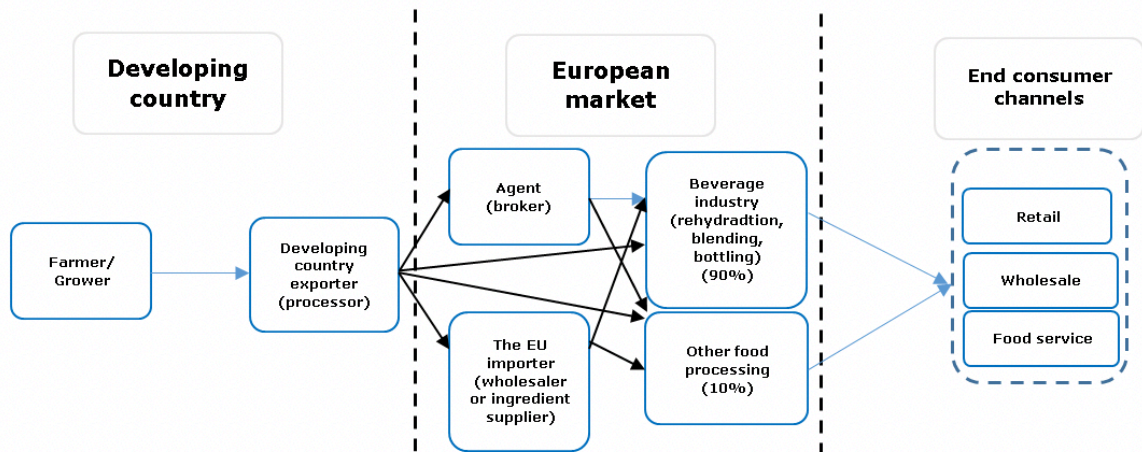
- Show your sustainable production practices by implementing a quality and resource management system.
- Through storytelling you can also show the sustainable aspects of your product. However, do not make any exaggerated or unrealistic claims about your product
- Reduce chemicals, energy and water use and report on your efforts to improve the sustainability of your production.
- Only opt for organic or biodynamic certification if conversion costs are low.

Chapter 5A NL Logistics for (Grape) juice

Through which channels can you get fruit juices on the European market?

The specialized processor (bottling company) is the preferred channel for market entry in this sector. Many importers also conduct trading and wholesale activities.

Chart: European channels for fruit juices



Source: Market researcher insights from industry sources

The majority of imported fruit juices in Europe are used by the beverage industry in three main different ways: with reconstitution of water for the bottling and production of 100% fruit juice; as ingredients for the production of fruit nectars and fruit drinks; for the bottling of not-from-concentrate fruit juices.

In the beverage market channel, the share of private-label brands is expected to increase, especially in the sub-segment of high-quality 100% fruit juices and not-from-concentrate private-label juices. This means potentially lowering the prices of branded products in order to be more competitive with lower-priced private-label juices and beverages.

Specifically, for juices, new channels such as juice bars, fresh juice stores, raw food restaurants and juice corners are increasing in market share. Those channels are in line with the general healthy living trend. A smaller portion of imported concentrated fruit juices are used by the fruit preparations industry. Here, the juices are used as ingredients in the production of marmalades, jellies, candies, cereal-based products, ice creams and fruit yogurts.

Chapter 6 Business opportunities for (sparkling) wines

What competition do I face in the Dutch market for wine?

What are the opportunities and barriers when I try to enter the Dutch market?

Listing fees remain high

It can be very costly to buy yourself into the Dutch market due to listing fees charged by supermarkets. In addition, most Dutch supermarkets do not want to see “their” brands in other channels.

Tips:

- Directly sourcing to supermarkets is only possible if you can supply a high volume at low price points. Both for branded as for private label wines.
- Be aware that retailers usually ask for exclusivity –like most importers in Holland as the market is geographically so small
- Supermarkets do not like to work with brokers. They prefer direct lines with the producer. Try to avoid intermediaries. Importers can be of service especially to get to the independents market (specialist on trade). They generally mitigate the risks of directly trading with specialists and can reach a bigger market which you cannot reach yourself. Importers can also help you spread risks by supplying your wine to multiple market channels under different brands.

Suppliers to neighbouring countries are better prepared for market entry

The bargaining position of producers and importers can be further improved if you are already serving important neighbour markets such as the UK market or Belgium. It can serve as a good stepping stone for entering the Dutch market to demonstrate success in these markets and being listed by reputable importers.

What are substitute products for sparkling wines?

Fruit wines are becoming trendy

Innovative wine drinks, such as fruit fusion wines or wine cocktails are very popular in the Netherlands. Fruit fusion wines such as Hugo have enjoyed double digit growth figures; million of liters are annually sold, especially to the millennial generation. These are off dry to sweet cocktails based on Prosecco or Sekt which are easier to drink for the young generation than regular sparkling wines. However, to access this market, the price has to be in the basic or popular premium segment.

Buyer power is strong due to growing price-sensitivity

The Dutch wine market is characterised by concentration with only a handful of retailers (i.e. mostly large supermarket chains, three parties dominate the landscape: Albert Heijn, Jumbo and Superunie, a buying group) dominating the off-trade channel. Dutch buyers are very price sensitive: they offer little room for price negotiation. However, buyers are increasingly looking for sustainable business models with stable supplier relations. They aim for long-term contracts where they can get a long-term supply guarantee.

Retailers can still switch

Retailers have a relatively low tendency to switch as switching costs are high. When changing to a new supplier, a retailer needs to change for example labels, barcodes, etc. However, retailers do have their limits to their loyalty and will switch if the price of the wine is significantly higher than introducing a new wine.

Tips:

- Live up to your promises with your Dutch buyers: supply the agreed volume, quality and price. It is better to be realistic in your offer and point out your limitations than to disappoint the buyer. The former approach is the basis for long-term sustainable trade.
- Aim for importers as they also deal with lower volumes and can think along with you in terms of marketing.

- When bargaining for a better price with retailers, keep in mind that their flexibility is very limited.
- Without a large budget for promotion, premium priced wines are deemed to remain a niche product.

More need for unique selling points

Competition amongst suppliers in the Dutch wine market is high, especially in the middle to premium market segment. Suppliers of these segments need to show their exclusivity through for example origin, branding, a Geographical Indication, wine show medals or certificates, such as Fairtrade or organic. In addition, developing country suppliers can differentiate themselves from traditional wine producing countries by emphasising their exotic features and focussing on the USPs.

Tips:

- Map the unique selling points of your wine and actively promote these characteristics. Brazil in Holland has a good reputation, mainly because of your football (players).
- Every wine has a unique story. The history of a winery, passion and dedication of people working at the winery and location of a winery are elements of stories about wine. Trade fairs and tasting events provide particularly good opportunities to tell your story. Online webshops also offer a platform for story telling in addition to magazines and wine blogs.
- Cooperate with other wine exporters in your region to develop a [Geographical Indications](#) (GI). Champagne is a good example of a GI which adds considerable value to a wine.

The market for entry level wine in Holland is big. Price is all important. Most cheap wines are low in tannin, low in acidity, smooth and fruity. Wines with these characteristics can be sold in large volumes. However, there are many niches for different wines with unique characteristics. These niches are particularly interesting for wineries with small production quantities. For more information on the entry level on the Dutch wine market please read the next section channels and segments for wine in The Netherlands.

Tips:

- Distinguish yourself from the competition by having fashionable packaging (e.g. special bottle or well-designed label). Consult your packaging supplier to find out whether production of special packaging is feasible or not.
- Unlike other West-European countries, it is possible to sell under the same label to the specialist retailers and the on-trade segment in the Netherlands.

New shelf navigation increases competition from new world

Some of the leading Dutch retailers, such as Albert Heijn, Jumbo and most supermarkets wityhin Superunie, present wines by taste profile and matching drinking occasion instead of country of origin. Grape District, a small multiple specialist, started this trend. This is increasing competition from the producing countries of the New World as consumers will start focusing less on the country of origin. Moreover, Dutch consumers are in general open to try wines from New World countries.

Tips:

- Gain recognition for your wine from professionals by participating in wine shows. Medals and awards are very influential promotion instruments.
- Describe the taste profile of your wine, preferably based on expert opinions, and match this with suitable occasions or food. Use this information to promote your wine.