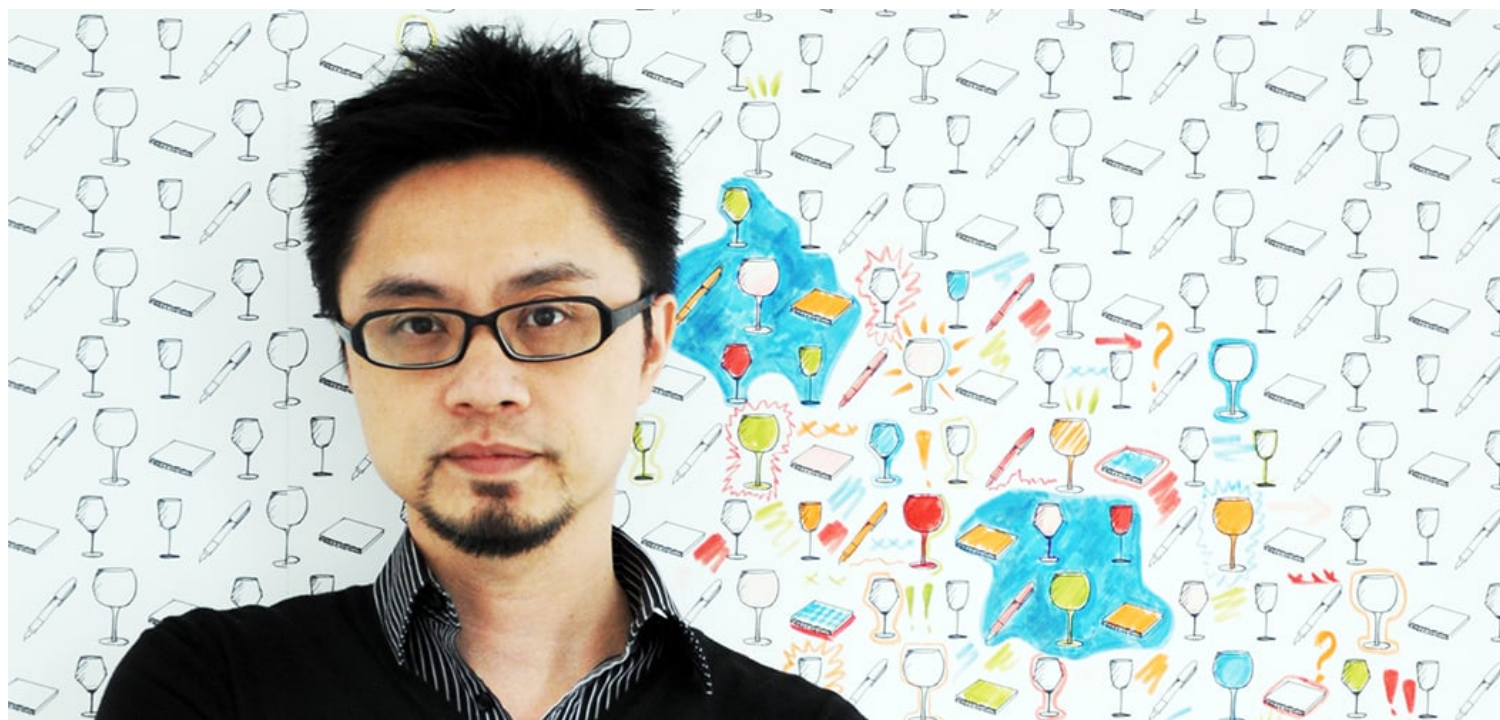


Highlight

Sicily and the Wine Market in China. Interview with Ronny Lau

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Hong Kong is an important hub for international commerce and distribution of wine addressed to the Asia-Pacific area and above all to China. We spoke about it with Ronny Lau who is the chairman of Hong Kong Wine & Spirits Writers Association, and former chairman of Greater China Wine Critics Association. He is also an independent wine critic in the Greater China since 1980s and author of 6 wine books. Curator of "Music & Wine: The Perfect Matching", and "Red: A Music & Wine Party", the innovative music and wine pairing CDs, in 2012 he was invited by Italian wine producer to take up the role as winemaker and released the first Super Tuscan made by Chinese.

Q. Ronny, can you please tell us briefly the main characteristics of HK market and how the relationship with Chinese mainland works exactly?

A. Hong Kong is a special administrative region of China, after the handover in 1997, under "One Country, Two System" policy, Hong Kong has got its own law and currency. Since Hong Kong was a British colony, wines (mostly French wines) were imported to the city for a very long time. Since the Hong Kong government abolished the import tax for wine in 2008, wine trade is a big thing, the industry is very competitive, wines from almost all wine producing countries can be found in the market.

Q. According to your opinion, which is the perception of Italian wine, and Sicilian wine in particular, by Chinese people?

A. In terms of value, France is the top on the chart, followed by Australia, USA and Italy. Italian wine gained 3.6% growth in 2018, but the market share is only 2.7%, which is quite low when compared to French wines (61.5%). However, some of Italian wines are getting more popular, mostly are the heavily promoted ones, such as some expensive Super Tuscans, and wines from Barolo, Barbaresco, Brunello di Montalcino and Amarone della Valpolicella. At the same time, less expensive wines such as Prosecco and Pinot Grigio from Veneto are popular in the supermarket too. Most Chinese would put Sicilian wines in the "supermarket wine" sector, as the region used to export products in a lower price range. However, Etna wines are getting much attention in the connoisseur circle, which started to change the perception of Sicilian wine in Hong Kong. China is a bit left behind, apart from Shanghai, which is quite international, Italian wines in other cities are still quite "unknown". Thanks to Italian Trade Agency in China, I have started the "Italian Wine & Spirits Course" in more than 10 cities since 2016, there's a significant increase in awareness of Italian wines in the country, but the market share is still only about 7%.

Q. According to you, how can Sicilian wine leverage the interest of Chinese people?

A. China market is extremely promotions driven, Sicilian producers must come in person to showcase their wines and tell their stories. More exposure means more popular. I also suggest the producers not to promote all their products at the same time, but just focus on 2 or 3 key wines, otherwise it's not easy for the consumer to remember the characteristic of the wine estate. Organize wine masterclasses for both the trade and wine lovers is also a key to promote Sicilian wines in both Hong Kong and other cities in China.

Q. We often see that the online distribution is growing more and more, what about HK and Chinese mainland? Is the traditional distribution still working?

A. Traditional retail shop is still important in Hong Kong, but not in other cities in China. Most of the wines are sold online in mainland China.

Q. According to your opinion, what is the socio-demographic profile of the Sicilian wine Chinese consumer?

A. I think the age group of 18-35 is what Sicilian wine producers should target at.

Q. What is the importance of the social networks for a Chinese wine lover and what networks are of some interest in China?

A. Social network is the most important media for promotions in Hong Kong and China. Facebook, Instagram and YouTube are top on the list in Hong Kong, but all are banned in mainland China, while they have their own popular social networks such as WeChat and Youku.

Q. We know WeChat is the most important social network. Can you tell us how Italian producers can make a good use of it to connect with the Chinese wine lovers?

A. You must set up a team in China to do it properly. It's impossible to communicate in Italian or English on WeChat, Chinese is the only language, and it must be written in a casual way with slang, which means you can't translate anything from Italian articles directly. The contents must be created by local people who have good knowledge of wine.

Q. Speaking of you. What do you read to catch up on the wine business? Is the print press still alive?

A. As a wine writer, I travel to the wine regions in order to get all the first hand information, I don't read any wine magazine. There are still some wine magazines in Hong Kong, but the circulation is small.

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