

China's Changyu brand challenges Moët & Chandon for valuable wine brand

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Changyu Pioneer Wine Company, China's largest winery, is now a major contender in the global wine brand ranking, putting up a strong fight against the long-standing champion, Moët & Chandon.

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The most noteworthy development was Changyu's impressive ascent in the rankings. This Chinese wine company, known for producing large quantities of wine, jumped two places and now holds the second position with a brand value of \$1.2 billion - a remarkable 33 per cent increase.

Changyu, established in 1892, has emerged as a leader in China's wine industry with almost 50 per cent of the local market share. The brand owes its success to the increasing popularity of Chinese-produced wines, which has considerably elevated its value. The demand for locally made wines in China is expected to soar to \$19.5 billion by 2022, compared to the current \$16.5 billion, as per the 2021 IWSR/Vinexpo report.

US Chandon ranked third with a valuation of \$1 billion, following Changyu. It beat out other brands such as Veuve Clicquot, Dom Perignon, Barefoot Wine, Penfolds, Beringer, Concha y Toro, and Jacob's Creek.

Henry Farr, Associate Director at Brand Finance said, "Within the Wine & Champagnes sector, Wines have performed better in terms of brand value growth. High-end Champagnes have taken a hit. Difficult growing conditions, reduced availability and price hikes have steered some consumers towards lower-end sparkling wines as an alternative. For those less

affected by harsher financial situations, this could be due to not wanting to appear vulgar or ostentatious by indulging in luxury products when others are struggling with the rising costs of living.â

Changyu, a wine brand, has been recognised as the second most valuable brand in the market. Additionally, it has been awarded the title of âthe strongest wine brand in 2023â by Brand Finance for achieving an impressive BSI score of 83.2 out of 100, giving it a AAA- rating. This prestigious recognition is a result of the brand's consistent growth in brand strength for three consecutive years.

China's biggest wine producer is no match for Kweichow Moutai, the country's top Baijiu producer, with a market valuation of over \$2.3 trillion.

This year, Penfolds - an Australian brand - has emerged as the fastest-growing Wine and champagne brand, experiencing an impressive 48 per cent increase in brand value, reaching a total of \$ 659 million. It has also received the second-highest strength rating in its category, with a BSI of 81.6 out of 100 and an AAA- rating.

The scoring was reached after evaluating a set of metrics including marketing investment, stakeholder equity, and business performance. Compliant with ISO 20671, Brand Financeâs assessment of stakeholder equity incorporates original market research data from over 100,000 respondents in 38 countries and across 31 sectors.