

# The Dutch Taste for "New World" Wines Grows

By Wendalin Kolkman

**U.S.** wine sales are gaining momentum in the Dutch market, and demand is expected to continue to grow. Dutch per capita wine consumption is rising, and younger consumers seem willing to give American wines a try. As a result, U.S. wine consumption in the Netherlands is rising slightly, taking some market share from traditional suppliers such as France, Germany, Italy and Spain. While U.S. wines can compete in both price and quality, they still have to overcome lingering consumer perceptions that they are inferior to European wines.

French wines dominate the Dutch market, with a 53-percent market share. However, the market share of U.S. wines increased 31 percent from 1999 to 2000 and now stands at 1.7 percent. More and more frequently, U.S. wines are found on liquor store and supermarket shelves.

## Consumption Trends

In the Netherlands, wines are consumed primarily at home. An increasing number of Dutch consumers drink wine during dinner. Wines are also consumed in place of beer and spirits, reducing sales of those items.

The number of Dutch who drink wines on special occasions increased from 3.3 million in 1978 to 9.2 million in 2000. Therefore, wine is evolving from its perception as an elitist beverage to a generally popular drink. Dutch per capita wine consumption reached 18.8 liters per person in



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2000. In comparison, U.S. per capita wine consumption is about 7 liters. By 2005, forecasters expect Dutch consumption will rise another 5 percent, with an increasing demand for a higher quality product.

According to Jacqueline Snoeker, wine manager for supermarket chain Albert Heijn (owned by supermarket giant Ahold), the Dutch drink more red wines than white because of the cool climate. In addition, the Netherlands is a meat-eating country, and red varieties are traditionally chosen to accompany meat entrées. Red wines also are preferred with Dutch cheeses and sausages, which are often served during cocktail hours. White wines and rosé or blush wines are preferred at the increasingly popular outdoor cafés. Rosé demand increased 20 percent from 2000 to 2001.

Many consumers in their twenties and thirties are breaking away from the drinking patterns of their parents and grandparents and seem eager to try U.S. wines at store promotions and wine festivals. The

mainstream market remains more difficult to crack.

However, consumer studies show that about 75 percent of Dutch customers do not know which wine they are going to purchase when they enter a supermarket or liquor store. Consumers often have only a preference for red or white wine.

## Prices and Production

The Dutch seem to be willing to pay higher prices for their wines, if they are sold on the quality. Rising incomes, greater knowledge of wines and a willingness to experiment with new varieties have led to an exploration of U.S. wines. German wines have low prices, and also an image of low quality.

Dutch wine production is minuscule, so most wines are imported. With more and more people drinking wines, the prospects for wine companies in the Netherlands are bright.

## Trade Regulations

The United States and the European Union (EU) are currently negotiating a bilateral agreement on wine. Discussions have focused primarily on differences in wine-making practices and the use of generic names such as burgundy or champagne. Many U.S. vintners are moving away from

## Labeling Requirements

- The word "wine"
- Geographic origin
- Net contents of the bottle, in milliliters, centiliters or liters
- Importer or bottler in the EU
- Country of origin
- Alcohol content
- Product identification number

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AND PRODUCTION LOW, THIS  
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BRIGHT PROSPECTS.**

## Important Contacts

### Product Board for Wine

Mr. W.F. de Graaf, Secretary General  
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NL-2502 LS, The Hague, Netherlands  
Tel.: (011-31-70) 370-8328  
Fax: (011-31-70) 370-8408  
E-mail: pw@wijninfo

### Dutch Wine Information Center

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NL-2517 JL, The Hague, Netherlands  
Tel.: (011-31-70) 370-8326  
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### Wine Institute of California

Mr. Paul G. Molleman, Director Europe  
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NL-2400 AE, Alphen aan den Rijn  
The Netherlands  
Tel.: (011-31-70) 471571  
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Internet: www.wineinstitute.org

### Royal Association of Dutch Wine Merchants

Mr. R.B.J. Wallast Groenewoud  
Secretary General  
Van Eeghenlaan 27  
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using European geographic labels. The United States hopes the result of these negotiations will be reduced tariffs and subsidies.

Any U.S. wine exported to EU countries must be accompanied by documentation that certifies its geographic origin and its fulfillment of EU standards. EU labeling regulations allow a U.S. wine to be blended from two vine varieties, provided the wines are made exclusively from those vines. Both varieties must be listed using the same print,



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with the variety making up the larger share of the content topping the list.

### Trade Trends

While U.S. wines face stiff competition in the Netherlands from European and even South African wines, they are making gains. The growth in recent years is partly due to greater sales of American wines in Dutch supermarkets and liquor stores, as well as U.S. wineries increasingly using the Netherlands as their distribution center for the entire West European market.

Currently, more than 50 Dutch importers handle U.S. wines, and more than 100 U.S. wineries are represented in the Dutch market. About 600 different U.S. wines can be bought in the Netherlands.

An estimated 95 percent of U.S. wine exports to the Netherlands originate from California, and the state's winemakers are extremely active in promoting their products here. The Wine Institute of California's European office is located in Alphen aan den Rijn, Netherlands, and every year this office participates in tastings and festivals

For details, see FAS Report NL1064. To find it on the Web, start at [www.fas.usda.gov](http://www.fas.usda.gov), select **Attaché Reports** and follow the prompts.

throughout the country to promote U.S. wines. For example, in March 2001, the Institute organized a California Wine Festival that attracted more than 55 Dutch wine importer companies eager to sample what California has to offer.

Rising consumption and limited production mean that the prospects for wine exporters in the Netherlands remain extremely bright. With effective packaging, good quality and competitive prices, U.S. wines are set to claim an increasing share of the market. ■

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