



Right international time for Indian wines

Peter Csizmadia-Honigh

In international markets, the most common reaction is of a surprise that there is such a thing as Indian wine. The primary reason is that a very small quantity of wine is exported from India. Some have never tasted Indian wines before and others may remember the modest quality of the early years of the Indian wine industry. However, those who have recently tasted Indian wines are positively taken by the good and, at times, high quality.

Most exported Indian wines fall in the mid-range or higher price points, as entry-level wines can't stand competition in value for money against their Australian, Chilean, Argentine or South African counterparts. So, it is lucky because India is judged on the basis of the best it can offer.

One reason for Indian wines not growing globally could be an expanding and thirsty consumer base in the domestic market. This renders export attraction not so appealing with its increased costs, fierce competition and extra red-tape.

However, now more and more Indian wines are being exported with good feedback from both trade and consumers.

EXPORT EFFORTS MUST BE INNOVATIVE

It is the right time for Indian wines to come on international markets, as interest in new countries, regions, varieties or styles has never been more immense than now. Of course, sustained quality and value must be guaranteed, as novelty value wears off quickly in highly developed wine markets such as the UK.

It is welcome news that APEDA, an agency of the Ministry of Commerce, Government of India, has started assisting Indian wine producers in realizing their export aspirations. However, much coordination and cooperation is needed between the Government of India and the wine producers to make export efforts more efficient. Of course, the efforts must be frightfully strategic, innovative and hugely proficient as the competition is tough, just think of Wine Australia or Wines of Chile!

That is why sweeping the issue of pan-India alcohol and wine policy under the carpet does no good for the industry, even if it will be a politically sensitive and mammoth task. Yet, I believe the sooner a Prime Minister takes it on with a pragmatic approach, the better for the industry.

NOTHING WRONG IN USING FOREIGN GRAPES

In India, all quality wines rely on imported, hence non-indigenous grape varieties, but I don't think this should be an issue. Why force something indigenous if it is not good. In today's global market place, consumers have a wide choice and they are ever more demanding when it comes to quality.

Still, in India, lots of indigenous grape is used in wine production, mostly Bangalore Blue and Bangalore Purple. However, these varieties are capable of modest quality only. So, these are used in large quantities in the production of sub-entry-level wines only, which we don't talk about a lot.

Instead of the 'Indian' factor in grape selection, I'd love to see the 'organic' or 'biodynamic' and 'socially responsible' or 'green' factors to become more dominant.

MATURING CONSUMER SHIFTS TO DELICATE STYLES

It is said that Indians prefer red wines. I am not aware that consumer preference studies have been conducted in India. But most new or developing wine-consuming countries prefer red wines. This was true for Eastern Europe or more recently China too. Probably, because red wine is "the real thing" and is "serious stuff", as opposed to whites, which have a reputation to be easy, light and chilled, which you drink by the next vintage.

Interestingly, novice consumers may prefer red, but they often drink sweet or semi-sweet reds, maybe highly fruity and simple ones. So, the colour is important because it is visible, giving the impression of being serious and sophisticated about your game, whilst the touch of sweetness or generous fruits make it palatable to drink the wine.

As the market matures, preference for red wines changes, which we saw in Eastern Europe in the 1990s or today in China. Lighter and more delicate styles will appear gentler, and handling of oak will surface, as is already the case with some labels in India. A good example is how Rasa by Sula has evolved in India. Now, Grover Zampa is also introducing premium oak-aged white wines or Moët-Hennessy is entering the market with two delicate high-end Indian sparkling wines only.

These changes reflect how consumers get more educated and savvy, which will eventually shift the red and white divide to some extent. Remember though, India is a young and hugely dynamic country as far as the demographics are concerned, so regular consumer research would be invaluable.

WINE EDUCATION WILL MAKE QUALITY IMPORTANT

I think it is with much pain that wine education is taking place in

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A graduate of Eötvös University in Hungary and the Budapest Business School, Peter holds the WSET's Diploma in wines and spirits. He is also a certified sherry educator. Between 2005 and 2014, he was responsible for the study and education programmes of the Institute of Masters of Wine in Europe, North America and Australasia.

Peter serves as a judge at the International Wine & Spirit Competition and the Decanter World Wine Awards.



India, so all my respect to those educators, producers, importers, restaurateurs, journalists and whoever else who do it.

Trade education is supposedly done in hotel management schools but we know many hotel chains need to bring in specialists to fill in the gaps. This can be through WSET courses, educators' own material, importers or so. Knowledge can be passed on, the culture of wine will take longer to become popular.

Credit must be given to writers and publishers too, as India needs accessible and good quality content. Sommelier India, DelWine Newsletter and others fill this gap. The broadsheets still need to wake up.

With increasing education, people will realise the value of better quality, assuming marketing schemes don't undermine this by conditioning the consumer to huge discounts. Again, the hugely distorting tax and duty system needs to be reformed India-wide to normalise price-value relations.

CHALLENGES IN A NUTSHELL

According to me, the wine producers in India are facing the following challenges

- Lack of pan-India regulatory environment (alcohol duty and taxes, wine policy, commercial licences, etc.).
- Lack of competent institutional infrastructure; just recall the acid issue with the port of Mumbai last year when Pernod Ricard had to challenge them.
- Underdeveloped physical infrastructure, for example, transportation, warehousing, etc.
- Lack of sufficient wine knowledge across the value chain, for example, distributors often deal with wine as if it were beer or spirits, waiting staff serves wines opened days before, etc.

As told to Heer Kothari