

# WINES BY GEOFF HARDY TOASTS SUCCESS IN INDIA

EXPORT CASE STUDY | JULY 2018

Wines by Geoff Hardy, a family-owned and operated wine company with a unique heritage, sees India as an important future wine market in the Asian region.

The Hardy family name is one of the most famous in the Australian wine industry. Geoff Hardy is a fifth-generation descendant of Thomas Hardy, often referred to as the father of the South Australian wine industry.

Since its foundation in 1980, Wines by Geoff Hardy has won several awards, including Winestate Magazine's Australian Wine Company of the Year 2012 and 2014, and the Optus My Business Awards Australian Exporter of the Year 2017. Australian wine critic James Halliday rated Wines by Geoff Hardy as a 5 Red Star Wine Company.

In 2011, the Australian domestic market accounted for 90 per cent of the company's revenue. In 2018, the domestic market accounted for 36 per cent of its revenues and exports accounted for 64 per cent. Wines by Geoff Hardy exports to Canada, China, Finland, Hong Kong and the UK. It also supplies major international airlines.

Wines by Geoff Hardy's growth in business, especially exports, has increased revenue and created jobs in the local economy, as the company sources more grapes, bottles and packing materials; and uses transport, shipping and freight services.

## A market with solid potential

Given the growing wine market in India, the country is an increasingly important part of Wines by Geoff Hardy's export strategy. The company has been selling its premium wines in India since 2015. Starting from a small base volume, Wines by Geoff



Wines by Geoff Hardy is one of Australia's most renowned wine brands.

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Richard Dolan, CEO, Wines by Geoff Hardy

Hardy is now growing at 24 per cent per annum in the market.

Wines by Geoff Hardy operates in India through a distribution agreement with a leading wine importer based in Mumbai, the commercial capital of India. The company has a top-down and bottom-up approach for the Indian market, where it works with an importer that assists with in-market promotional activities, wine listings in five-star hotels and restaurants, export documentation and regulatory issues.

Eighty per cent of wines sold in India are in the cities of Mumbai and Delhi, and 80 per cent of those wines are sold in five-star hotels, where much of the wine promotion in the market occurs.



Australian Government

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## Building relationships

Wines by Geoff Hardy also plays a significant role in developing the market by actively building relationships with key centres of influence, sommeliers and retailers in India, spreading knowledge of the company's premium wine offering. The Wines by Geoff Hardy team visits India up to twice a year and is involved in developing a sustainable promotional program alongside its importer and Austrade.

Equally, Wines by Geoff Hardy works hard at home in Australia to build links within the Indian and Australian business community and to promote trade with India, with its CEO, Richard Dolan, serving as a member of the Branch Executive of the Australia India Business Council SA.

'India is a hard market for wines, given high import duties, regulatory requirements, multiple provincial registrations, shipments and documentation issues across inter-state borders,' says Dolan. 'But if it was easy everyone would be here already!

'I see India as a significant future market for wines as barriers to market entry will doubtlessly be removed in the coming years as the demand for imported wine inevitably grows.'

## Austrade assistance

When Wines by Geoff Hardy decided to enter the Indian market, the company participated in the South Australian Government's Business Mission to India in 2015, which was supported by Austrade. Austrade also introduced Wines by Geoff Hardy to large and established wine importers based in Mumbai and Delhi. Based on the introductions, the company signed a distributorship agreement with a leading wine importer in Mumbai. Austrade and the South Australian Government office in India also introduced Wines by Geoff Hardy to leading five-star hotels and modern retailers; these businesses now offer the company's wines on their menus and shelves. In addition, Wines by Geoff Hardy participates in Austrade's wine promotion events.

'It will take a lot of hard work to succeed in India, but it's a market where one should work harder, even for a lower return in the initial years, as this will pay dividends later,' says Dolan. 'You should be committed to the market from day one and set some initial modest yet realistic expectations.'

'In summary, get in early, do the hard work, don't expect immediate results and be prepared to win over the long-term.'

Mark Morley, Trade Commissioner – South Asia, Austrade, has these words of advice for Australian winemakers hoping to emulate Wines by Geoff Hardy's success in India:

'The success of Wines by Geoff Hardy is a strong testimony of the demand for Aussie premium wines in India. Keys to success in the wine market in India will include identifying the right partner with a strong network, listing in modern retail stores and five-star hotels, cost-effective advertising and marketing promotions, and having a long-term view of the market. Wines by Geoff Hardy's approach in India ticks off all the boxes.'

## About Austrade

The Australian Trade and Investment Commission – Austrade – contributes to Australia's economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- › develop international markets
- › win productive foreign direct investment
- › promote international education
- › strengthen Australia's tourism industry
- › seek consular and passport services.

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