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## State of the International Wine Markets in 2023. The wine market at a crossroads: Temporary or structural challenges?

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**Abstract.** The global wine trade experienced a decline in volume and value in 2023 due to reduced real incomes, post-pandemic overstocking, and shifting consumer preferences. Non-sparkling red wines were more affected than sparkling wines, white wines and wines in bag-in-box formats, with notable declines in non-sparkling bottled wine imports across major markets. Despite this, an exceptionally low wine harvest in 2023 prevented a global oversupply. Regionally, some countries and appellations face an imbalance where grape supply exceeds demand due to misalignment with current consumption trends. The critical question for the wine sector is whether these declines are due to temporary factors, structural changes, or a combination of both. Excessive inventories accumulated in the post-pandemic period suggest a temporary decline in trade. However, there are growing concerns about changing consumption habits, particularly among younger consumers in Europe and the US. The relative influence of these factors remains uncertain. Premium wines still enjoy demand among traditional aficionados, but there is a clear shift in consumer preferences towards more refreshing products, including white wines, sparkling wines, and low-alcohol wines. To address these challenges, the wine industry must innovate and adapt its regulatory framework to support consumer-oriented innovation and diversified portfolios. The global wine industry is at a pivotal transition point, requiring a strategic response to evolving consumer preferences to maintain its market position.

**Keywords:** global wine trade, wine consumption trends, industry strategies.

### 1. SCOPE AND OBJECTIVE OF THE DISCUSSION PAPER

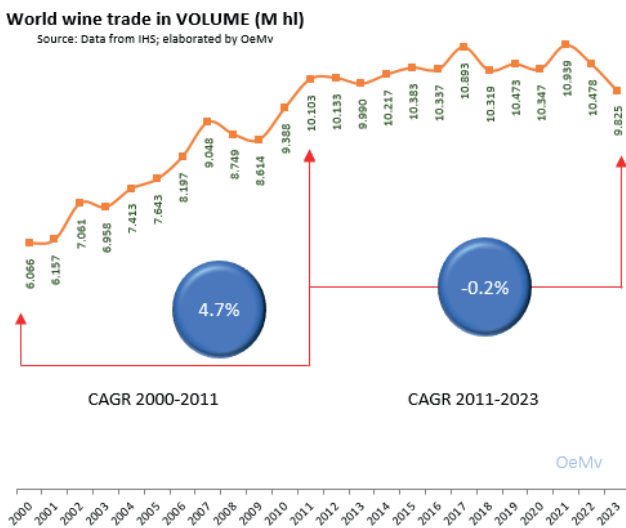
The objective of this discussion paper is to bridge the gap between academic research and industry-relevant insights and trends in the global wine market. Building upon the foundational discussion by Del Rey and Loose [1], this paper offers a comprehensive analysis of the global wine trade's development in 2023, examining both volume and value across various product categories and key markets. In the second chapter, we provide an in-depth

analysis of these trends, highlighting significant shifts and emerging patterns. The third chapter delves into the underlying factors contributing to the current decline in global wine trade, exploring product trends and market polarisation. Finally, we discuss the implications of our findings and propose specific strategic recommendations for the industry to foster and sustain wine consumption across different product categories. This paper aims to provide actionable insights that can inform industry strategies.

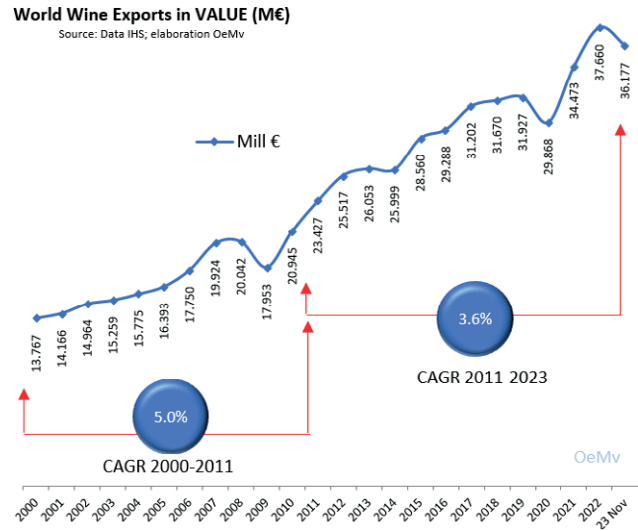
## 2. WORLD WINE TRADE IN 2023

In 2023, the global wine trade experienced a notable decline. World wine exports decreased by 6.5% in volume, amounting to 98.3 million hectolitres, reflecting a loss of 12.9 million hectolitres over the past two years since the post-COVID peak in 2021 (Figure 1). In monetary terms, the trade recorded a negative growth rate of -4.6%, with total revenues falling by 1.8 billion euros to 36 billion euros from the previous year’s peak of 37.8 billion euros (Figure 2). Given the significant international inflation rate of 6.8 percent in 2023 [2], the decline in real value terms was even more pronounced.

This decline in volume follows over 13 years of relative stability, contrasting with the growth observed during the first decade of the century. The unexpected decrease in trade value in 2023 disrupted a long-term premiumisation trend that had only been interrupted during the economic crises of 2009 and 2020 [1]. This cessation has raised concerns among professionals, com-



**Figure 1.** Development of world wine trade in volume 2000-2023, graphic based on data from [5], obtained from GTA/HIS).



**Figure 2.** Development of world wine trade in value 2000-2023, graphic based on data from [5], obtained from GTA/HIS).

panies, and institutions within the wine sector [3, 4]. The extent to which this decline is driven by temporary versus structural factors remains uncertain, necessitating further investigation into their respective influences. The third section of this paper will provide a detailed analysis of these factors.

To gain a deeper understanding of the overall decline, an analysis of the evolution of various wine categories is essential. Subsequent sections will present the development trends of different wine categories, including sparkling wine, non-sparkling bottled wine, bag-in-box wine, and bulk wine. This categorical analysis may offer insights into the underlying causes of the observed downturn in the global wine trade.

### 2.1. Export of sparkling wine

Sparkling wine has been the dominant category in the global wine trade in recent years, a trend that persisted in 2023, albeit at a slower rate (Figure 3). Following the robust post-COVID recovery in 2021 and 2022, revenues from sparkling wine grew by 0.8% in 2023, reaching 8.9 billion euros, while volume declined by -4.0%, particularly in the second half of the year.

Export performance varied by origin (Figure 4). In 2023, Italian sparkling wine exports increased in value by 3.3%, whereas French and Spanish exports decreased by 1.1% and 0.9%, respectively. Notably, a substantial price increase of 10.2% for French sparkling wine led to a volume decline of 10.2%. The price elasticity for Italian sparkling wine, predominantly Prosecco (73%), was

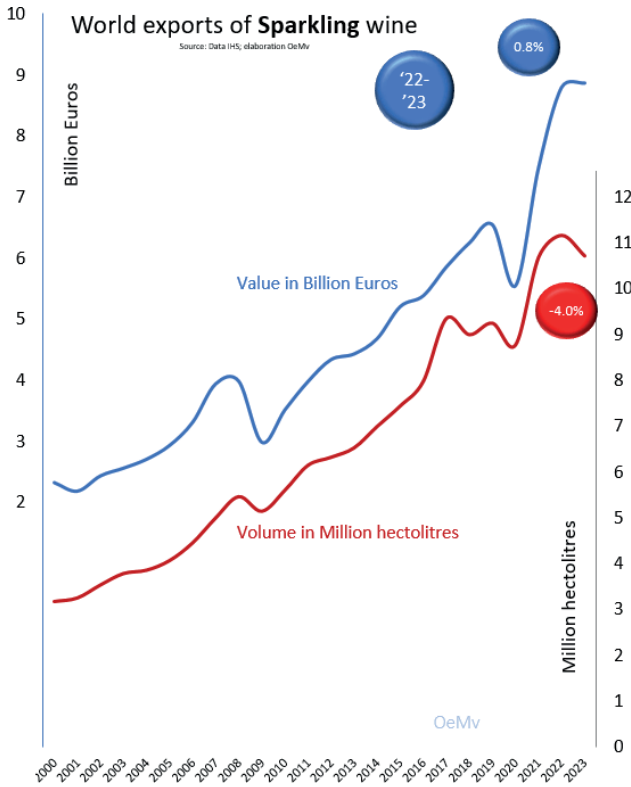


Figure 3. Global export of sparkling wine by value and volume 2000-2023, graphic based on data from [5], obtained from GTA/HIS).

weaker; a 5.6% price increase resulted in a 2.3% volume reduction. Spanish sparkling wine, mainly Cava (79%), experienced the strongest price elasticity, with a 4.9% price increase leading to a 5.5% volume loss.

Italy leads in sparkling wine exports by volume, while France, despite exporting less, commands higher prices. Champagne accounts for 91% of French export value but only 58% of the volume. Thus, although sparkling wine remains the most prominent category in the global wine trade, Italy emerges as the primary volume driver of this segment.

### 2.2. Non-sparkling bottled wine

The category of non-sparkling wine, encompassing still, fortified, and semi-sparkling wines, experienced a significant decline in 2023. Following a robust post-COVID recovery, the trade saw a decrease of 5.3% in value (1.4 billion euros) and 7.6% in volume (4 million hectolitres), resulting in a trade value of 24 billion euros and a volume of 51 million hectolitres (Figure 5). This marks the first interruption in the previously consistent increase in trade value, aside from the crises in 2009 and 2020.

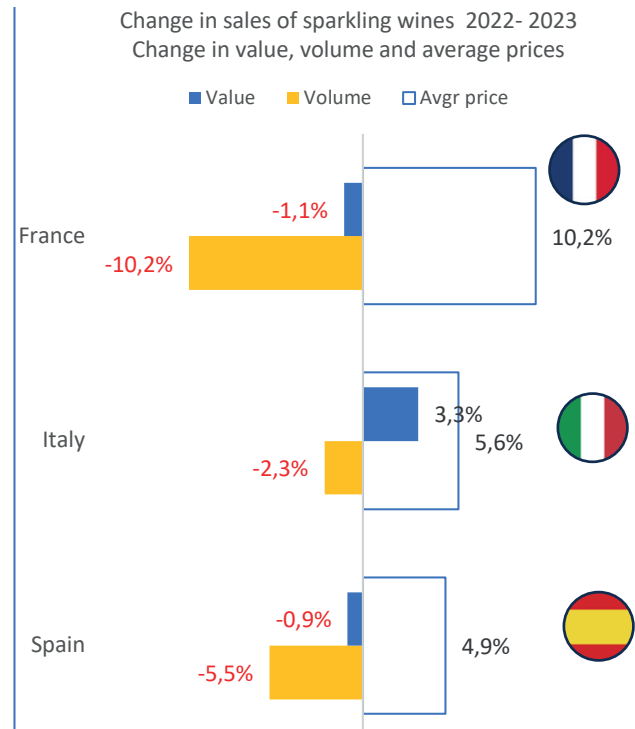


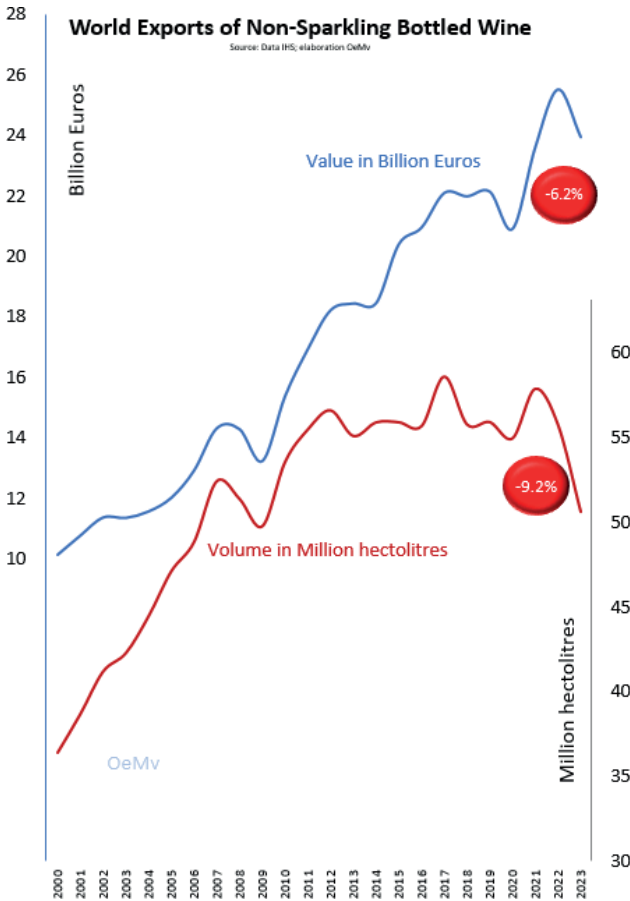
Figure 4. Sparkling wine: change in sales value, volume and average prices by country of origin, graphic based on data from [5], obtained from GTA/HIS).

Despite this, the trend of nominal price increases remained stable. The average value rose by 2.6% to a record 4.69 euros per litre, 12 cents above 2022 and 2 euros higher than 2009, mainly driven by rising production costs (inflation) [1]. However, the substantial volume decline led to an overall drop in trade value in 2023.

The significant decline in global exports in 2023 was primarily due to reduced imports across most markets (Figure 6). Among the top 23 import destinations, only Sweden, Singapore, Macao, and Ireland showed growth. In 19 of these markets, imports of non-sparkling bottled wines fell, with the largest declines seen in South Korea, China, Australia, India, and Canada.

### 2.3. Bag-in-Box wine

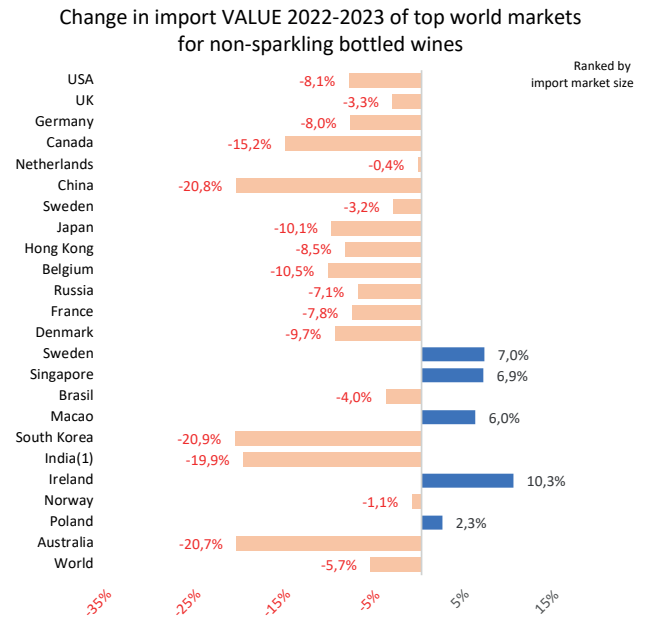
Wines in “bag-in-box” (BiB) represent a small but growing segment of the global wine trade, accounting for 2% of the total trade value and 3.8% of the total volume, compared to over two-thirds and 52% respectively for non-sparkling bottled wines. In 2023, BiB wine exports reached 3.7 million hectolitres, valued at 707 million euros. Despite a volume decrease of 2.4%, BiB export value grew by 0.9% due to a 3.5% increase in



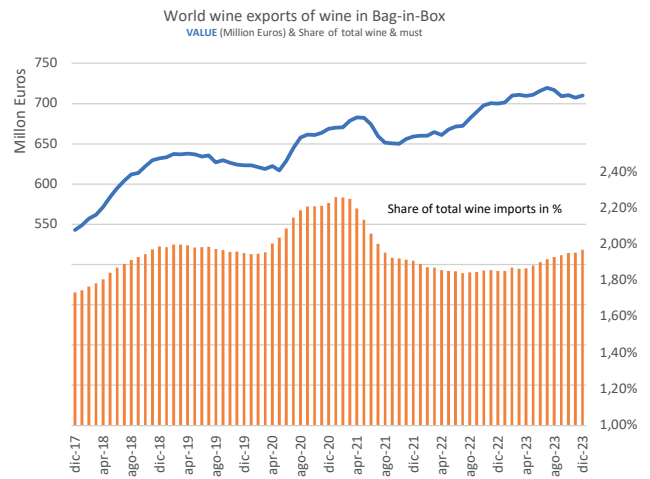
**Figure 5.** Global export of non-sparkling bottled wine by value and volume 2000-2023, graphic based on data from [5], obtained from GTA/HIS).

average prices, reaching 1.89 €/l. Since its official recognition in 2017, BiB has first shown consistent growth in value, driven initially by increased home consumption during the pandemic, and then stabilized towards the end of 2022. Due to the decline in wine sales overall, the BiB’s share increased in 2023.

BiB exports are highly concentrated, with three-quarters handled by six major exporters: France, Italy, Spain, Germany, Portugal, Denmark, and the USA. Similarly, 56% of BiB imports are concentrated in six key markets: Sweden, Norway, Germany, the United Kingdom, the Netherlands, Belgium, and Canada. Once seen as a niche for Nordic markets, BiB is expanding to other regions less focused on traditional wine consumption. Alongside trends in new packaging formats like cans and PET bottles [6], as well as shifts towards fresher and sweeter flavors and lighter wines, the evolution of BiB sales provides valuable insights into changing global wine consumption patterns.



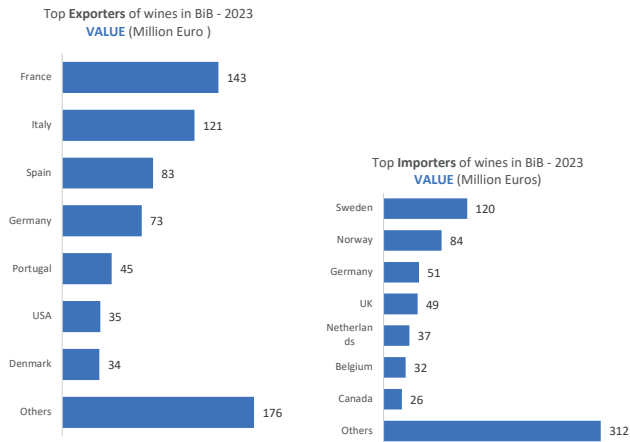
**Figure 6.** Change in import value of non-sparkling bottled wine 2023 vs. 2022 by import market, graphic based on data from [5], obtained from GTA/HIS). Official figures for wine imports in India indicate a striking increase of over 1,600% in 2023. However, this may be an error, and therefore, Indian imports are substituted in this graphic by declared exports of all countries to India.



**Figure 7.** World wine exports of wine in Bag-in-Box, graphic based on data from [5], obtained from GTA/HIS).

#### 2.4. Bulk wine

World trade of bulk wine represents roughly one-third of total wine trade by volume but only 6.6% by value, given its low average price of 0.73 euros per liter at the end of 2023. This price is significantly cheaper than



**Figure 8.** Top exporters and importers of wines in Bag-in-Box for 2023, graphic based on data from [5], obtained from GTA/HIS.

the average price for all wines (3.66 €/l), bottled wines (4.69 €/l), and Bag-in-Box wines (1.89 €/l).

The drivers for bulk wine trade differ from those for regular consumption. A significant portion of bulk wine trade occurs among producers to balance yearly crop variations or to replace domestic consumption in low-price segments. Countries like Italy, France, and Germany import large quantities of cheap bulk wine, especially when local production is low. These imports help supply popular domestic segments with lower-cost wine, allowing more expensive domestic production to be sold in more profitable markets abroad. The high imports of Spanish bulk wine during the low harvest in Italy or the high imports of Spanish bulk wine by French distributors are key examples of this type. This intra-producer trade, typically at low prices, depends on wine availability and crop levels, but could shift if lower-cost pro-

ducers start shipping directly to final markets instead of through foreign distributors.

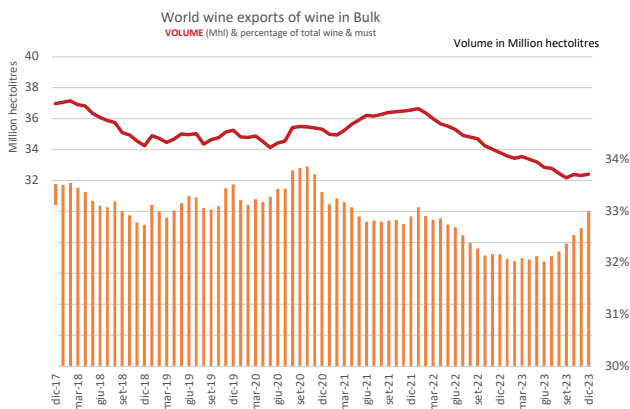
Conversely, there is a distinct segment of bulk wine trade characterized by different actors, higher prices, and different motivations. The reduction of transport costs over long distances and the reduction of carbon dioxide emissions are key factors here. New Zealand exemplifies this with high-quality bulk wine exports at an average price of 2.70 €/l, totaling over 1 million hectoliters. Major destinations include Australia (37%), the United Kingdom (28%), and the USA (25%), which collectively account for nearly 90% of New Zealand’s bulk wine exports. Australia serves as an intermediate hub for shipments to the UK and USA. Efficient bottling facilities in the UK and USA provide competitive access to consumers and enhance sustainability.

France also exports a substantial amount of bulk wine (1.15 million hectoliters) at an average price of 1.54 €/l, more than double the world average. French bulk wine’s top destinations are Germany (28%), Belgium (18%), and Switzerland (12.3%). These exports are likely driven by specific commercial relationships with local retail chains for direct distribution without further processing.

*2.5. Long-term development of import markets*

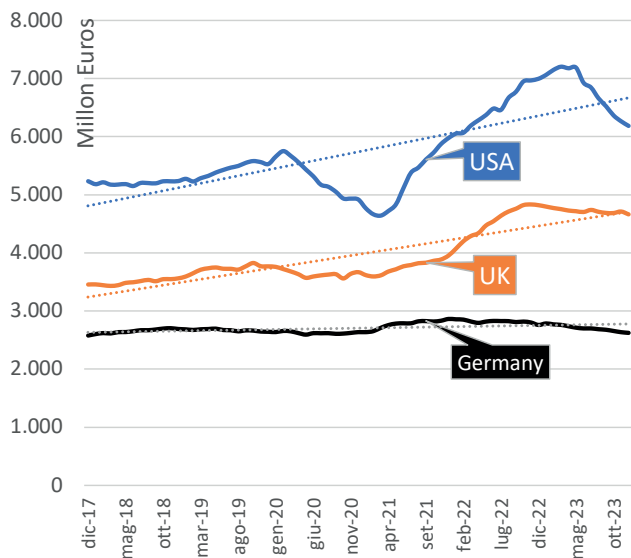
The long-term development of key global wine import markets was impacted variably by the 2023 downturn (Figures 7 and 8). The USA remains the most crucial import market for both sparkling and non-sparkling wines, driven by a significant increase in domestic consumption by value. However, the sharp recovery post-Covid-19 was abruptly halted in mid-2023 with a marked reduction in imports. This shift in US wine consumption could be attributed at least partially to overstocking by importers due to supply chain disruptions in 2021 and 2022 (Del Rey and Loose, 2023). The three-tier system in the US, where importers, wholesalers, and retailers maintain separate stocks, likely exacerbated this effect. McMillan [7] noted that significant stockpiles in US retail needed to be sold off before new orders could be placed. Additionally, younger US consumers are more responsive to health warnings about alcohol in the post-pandemic era and show a preference for other alcoholic beverages [7, 8]. By the final quarter of 2023, the value of US wine imports had fallen below the long-term trend, with new 2024 data needed to determine if this decline is temporary or indicative of a structural shift.

In contrast, the UK, the second-largest import market, experienced a more moderate recovery post-Covid-19 and a less severe decline in 2023. Germany, however, has shown a steady downward trend since 2021,

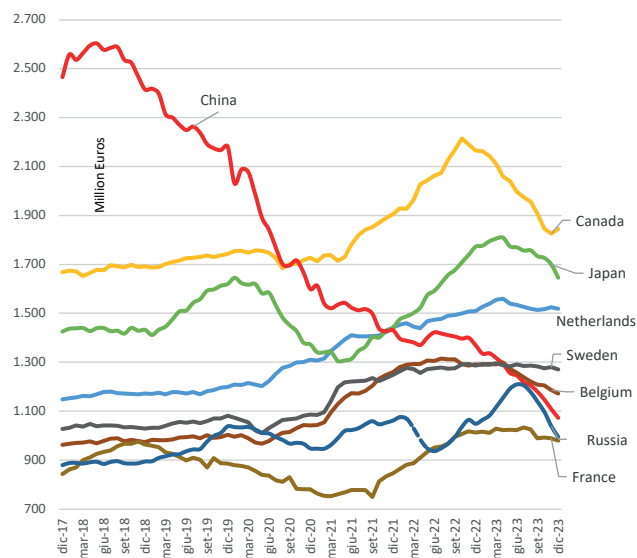


**Figure 9.** Development of world wine exports of bulk wine 2017-2023, graphic based on data from [5], obtained from GTA/HIS.





**Figure 10.** Top-3 import markets by import value in billion Euros – sparkling wine and non-sparkling wine, graphic based on data from [5], obtained from GTA/HIS.



**Figure 11.** Other major import markets by import value in billion Euros sparkling wine and non-sparkling wine, graphic based on data from [5], obtained from GTA/HIS.

largely due to economic challenges from the Russian-Ukrainian conflict. Figure 8 highlights declines in wine imports from other major markets. Canada, Japan, Belgium, China, and Russia saw significant reductions in 2023, while the Netherlands, Sweden, and France remained more stable. In Canada, reduced real incomes due to high inflation and mortgage interest rates led to decreased discretionary spending, including on wine. The Netherlands' stability can be attributed to its strategic role as a distribution hub for Europe.

China's wine imports continued their decline throughout 2023, a trend detailed by Del Rey & Loose (2023). Since peaking in 2017 (2.5 billion euros and 7.5 million hectolitres), Chinese wine imports have decreased in both value and volume, hitting a new low of 1.4 billion euros and 5 million hectolitres—a loss of two-thirds in value and 56% in volume. Despite this, average prices increased to over 4 euros per litre last year. The decline is likely due to a combination of slower economic growth, the Covid-19 pandemic's impact, regulations on gifts to public officials, and waning interest in Western habits. A reversal of this trend appears unlikely. Following the relaxation of import restrictions on China, Australia faces a significantly altered market landscape.

### 2.6. Key exporters and summary

From the producers' perspective, all top 11 wine-producing countries, except Germany, saw reductions

in exports in 2023. The most significant declines were in Chile (-23% in value), the USA (-20%), Argentina (-20.6%), and Australia (-13%). Less severe reductions occurred in France (-1.8%), Spain (-2.6%), New Zealand (-5%), and Portugal (-1.2%), while Italy remained almost unchanged (-0.5%). Chile's case is particularly notable, with a double-digit decrease in both value and volume (-23% and -18% respectively). Exports to its 15 most important markets all declined, with significant drops in China (-33%), the UK (-19%), the US (-29%), Japan, and Canada.

In conclusion, the global wine trade in 2023 reflects trends consistent with previous years, such as stable or gradually declining export volumes, rising average nominal prices, and better performance of sparkling wines compared to non-sparkling wines. The growth in the relative volume share of bag-in-box wines also continues. EU export data indicates white wines outperformed reds and rosés. However, 2023 also saw a decline in both export volume and value, with the increase in average prices losing momentum and even sparkling wines stabilizing. Overall, the outlook for this year is more negative, with most markets showing declines, some more severe than others.

## 3. CURRENT CHALLENGES AND SHIFT IN PREFERENCES

Post-pandemic, the wine sector continues to face economic challenges on the supply side, albeit to a lesser

extent. Concurrently, shifts in consumer preferences and reduced demand for wine have become evident, posing a risk of structural oversupply in the global wine market if strategic measures are not implemented.

### 3.1. Current challenges for the international wine sector

Each year, the ProWein business survey identifies the current challenges and threats perceived by the industry (Figure 12). Since 2022, the cost pressure on the industry has slightly declined while concerns about the profitability have increased. This is attributed to the inability to raise prices proportionally with rising costs, leading to decreased profitability. Additionally, concerns about declining wine consumption have intensified, with half of industry experts anticipating a significant impact. Lastly, supply chains have normalized following the disruptions caused by the pandemic.

### 3.2. Decline of World Wine Trade in 2023: Temporary or Structural Factors?

The decline in world wine trade in 2023 stems from a mix of temporary and structural factors. Understanding these is crucial for determining appropriate responses. Temporary issues, such as the uncertain global context, eroded purchasing power, and geopolitical tensions, may correct over time [9]. However, long-term trends indicate a structural decline in consumption and shifts in wine preferences. The decrease in US and Canadian wine imports in late 2023, along with stabilized UK imports and a decline in Russia, partly relate to post-pandemic overstocking and slower economic growth. If

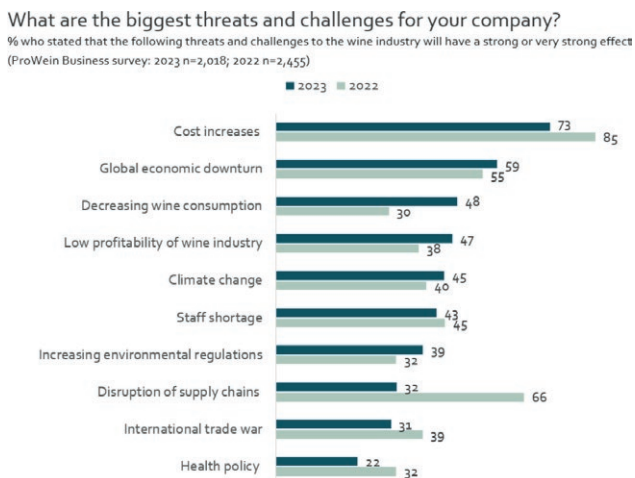


Figure 12. Threads and Challenges to the wine industry [9].

### What are the main reasons for falling wine consumption?

Percentage of all respondents, ProWein Business survey: n=2,018

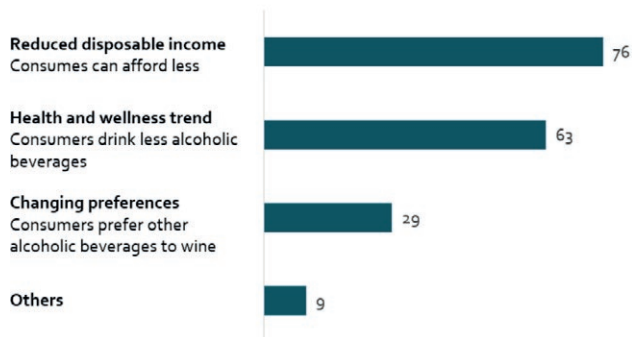


Figure 13. Reasons for falling wine consumption [9].

### Agreement with statements on the balance of the wine market

ProWein Business survey: producers n=932

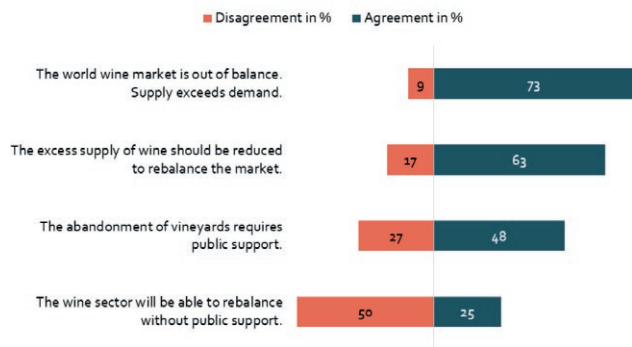


Figure 14. Producer perception of the balance of the wine market [9].

these are the main causes, companies might need to wait for new import needs to replenish inventories. In this case, measures like the EU Commission’s crisis distillation and green harvest programs may suffice until economic conditions improve.

The European Wine Market Observatory [3] and industry experts [9] identify three primary factors contributing to the decline in wine consumption (Figure 13):

1. Inflation and Economic Downturn: Reduced disposable incomes have led to lower wine consumption. The impact of this factor may diminish with economic recovery.
2. Health Concerns and Societal Changes: Increased awareness of health issues has resulted in reduced alcohol consumption, expected to be a long-term trend.
3. Changing Preferences: Consumers are increasingly favouring other alcoholic beverages, such as beer and spirits, over wine.

Agreement with statements on measures to rebalance the wine market  
ProWein Business survey: producers, n=932

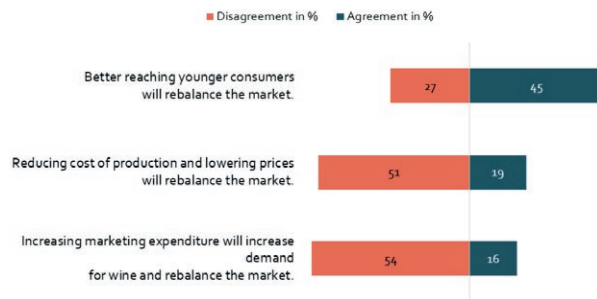


Figure 15. Measures to regain balance in the wine market [9].

Consumer preferences are shifting towards beverages other than wine, heightening market competition. For instance, in France, beer's market share increased from 15% to 25%, while wine's share of total alcohol consumption declined from 49% to 41% between 2000 and 2022 [10]. Industry experts acknowledge the success of other alcoholic beverages in attracting young consumers with innovative offerings (Figures 15 and 16). While the total volume of pure alcohol consumed is declining in many countries, wine is losing disproportionately to beer and spirits. In this context of intensified competition, the pricing and substantial marketing investments by the beverage industry place wine at a competitive disadvantage (Figure 16).

### 3.3. How to restore the long-term market balance?

The decline in international wine consumption has been mitigated by a record low wine harvest of 237 million hectolitres in 2023, a 25 million hectolitre (9.6%) decrease from 2022 (OIV, 2024). This coincidence between reduced demand and supply prevented global oversupply, which would have led to sharp price declines for grapes and wines. However, industry experts warn of the risk of structural oversupply, with 73% of wine producers perceiving an imbalance in the market, where supply exceeds demand [9].

To restore market balance, the sector suggests reducing supply. Some industry experts advocate for public support to abandon vineyards for products with falling demand, such as red wine. Reductions in vineyards for traditional red wine production are already happening in Bordeaux, Australia, and California [11].

The wine industry has yet to fully recognize the necessity and potential of enhanced marketing strategies, especially those targeting younger consumers (Figure 15). Additionally, reducing production costs has not

Agreement with statements on future measures to market wine  
ProWein Business survey: All producers and trade, n=2,018

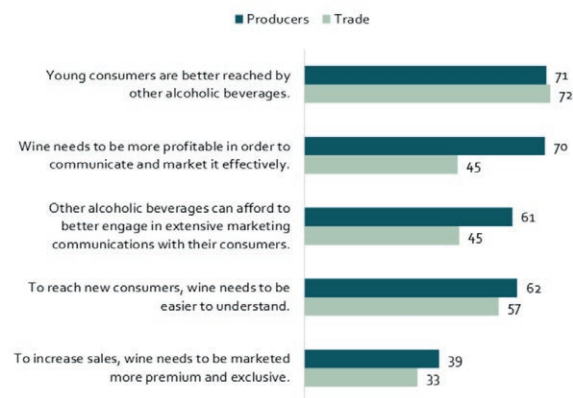


Figure 16. Producer and trade perceptions about future marketing strategies [9].

yet been seen as a significant opportunity by wine producers.

### 3.4. Future marketing of wine

In addition to reducing vineyards, companies may need to adapt their portfolios to better align with new consumer preferences, potentially requiring institutional support. Wine must become more accessible and attractive to consumers by closely following demand trends and identifying key elements appreciated by new consumers, such as freshness and sweetness. Simultaneously, there is potential for premium and exclusive marketing strategies targeting wealthy aficionados who enjoy famous traditional wines. The industry recognizes the need to better reach young consumers, who are more likely to be influenced by other alcoholic beverages (Figure 16).

### 3.5. Product trends

There is a clear trend towards more refreshing products, including white and sparkling wines. The performance of low- and no-alcohol wines is also expected to improve, albeit from a low absolute base [12]. Conversely, traditional red wines are anticipated to decline further in popularity (Figure 17). However, market data indicate a differentiation within red wines into two distinct categories: traditional red wines and fruity, strong red wines with residual sugar. Orange and natural wines remain limited to a niche market. Finally, wine-mix beverages are expected to experience a modest increase in popularity.



Which wine types do you expect to perform well in the future?

ProWein Business survey: Producers and trade in % (2023 n=2,018; 2022 n=2,455)

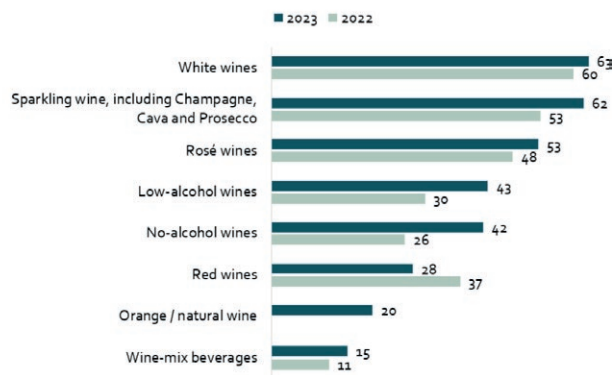


Figure 17. Expected development of product categories [9].

4. WHAT CAN WE DO ABOUT IT? – STRATEGIC INDUSTRY RESPONSE

This article has demonstrated a moderate negative trend in world wine trade in 2023, impacting most producers, markets, and wine categories, particularly in volume but also in value. Exceptions include the better performance of sparkling and white wines as well as bag-in-box wines over red wines. As discussed in Chapter 3, the key question for the wine industry is whether this decline is a short-term downturn or part of a longer-term trend linked to a decrease in global wine consumption and potential image issues. Correctly assessing these phenomena and developing effective strategies will be crucial for the survival of firms and regions in the wine industry.

Assuming the polarization hypothesis by Del Rey & Loose (2023) is accurate, there is potential growth for both super-premium wines and popular, fresh wines. The challenge lies with traditional wines, primarily reds from traditional regions, which are becoming less appreciated by high-level aficionados and cannot easily be converted into fresh, inexpensive, mostly white and sweeter wines. Without stable or growing consumption, these traditional wines may need publicly-supported distillation and grubbing-up schemes.

This situation is a significant concern for private professionals, firms, regional and national institutions, and particularly EU Commission officials [3], who must define new public policies. Whether this issue is temporary or indicative of a long-term trend will determine the necessary policy measures.

Based on the current analysis of the wine sector, three key strategies can be pursued. The advantage is that these strategies are complementary and can be

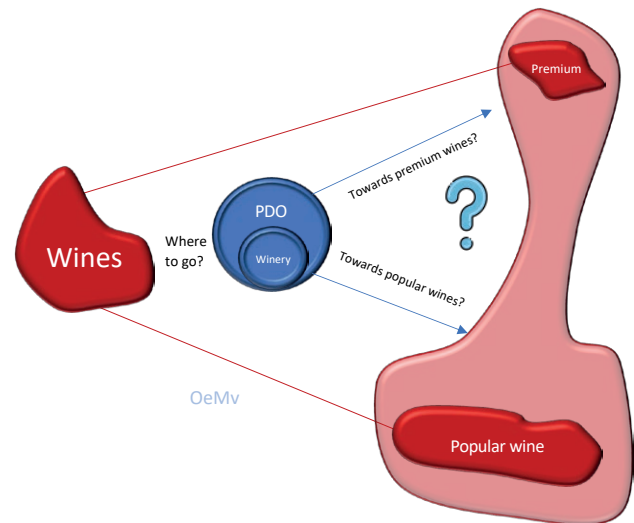


Figure 18. Polarisation of wines [5].

implemented together, depending on the grower, company, region, or country involved. These strategies are:

1. Fostering traditional consumption of more traditional wines.
2. Enhancing and promoting new types of wines and their communication to appeal to new consumers.
3. Reinventing the wine product to attract consumers who are further removed from traditional wines.

Efforts in all three areas can help reverse declining consumption and attract new consumers. These approaches are not mutually exclusive. The crucial point is to acknowledge the increasing diversity of consumers in the wine industry and to understand and engage with these consumers better for long-term survival.

4.1. Fostering traditional consumption

The wine industry should not concede that wine is becoming unfashionable. While wine consumption may be changing or declining, there is potential for a revival. This potential exists among classic aficionados who enjoy super-premium wines from traditional, often expensive regions, as well as traditional consumers of more popular wines that accompany regular meals.

However, there is increasing concern, particularly in the USA but also in Europe, about the health effects of regular wine consumption as part of the broader negative perception of alcohol. Despite this, scientific evidence supports the beneficial effects of moderate wine consumption for cardiovascular health. Wine has been compatible with a healthy lifestyle for thousands of years. Yet, there is pressure against wine due to its alco-

hol content and campaigns highlighting potential cancer risks [13]. This has particularly influenced new generations, who may oppose alcohol consumption entirely or opt to reduce their intake.

Health concerns, especially post-COVID, are a major driver of consumption patterns worldwide. Alongside health, environmental sustainability is a crucial factor. Wine, more than any other beverage, is deeply connected to the land and rural societies. This connection, while true, requires more effective communication to highlight its environmental, social, and economic benefits, especially in rural areas. Other industries, such as McDonald's with its "big good" campaign, effectively use their connection to the land in their marketing efforts.

Increasing global wine consumption, including traditional wines, is feasible. While health benefits may not be the primary argument, sustainability can be a compelling factor. A concerted effort is needed to highlight the strong connection between wine consumption and the rural environment.

4.2. Promoting new types of wine – adapting regulation

Recent trends in international wine trade indicate a preference for whites over reds, sparkling over non-sparkling, and fresher, lighter, sweeter wines over traditional varieties. To meet this growing demand, it makes sense to shift some supply accordingly. Many companies have been doing this for years, though with some resistance from traditional producers.

The wine industry often exhibits a conservative bias, particularly in regions with stringent regulations, such as Europe. These regulations include limitations on closures, container types, labelling, grape varieties, and wine styles. Most European wine production occurs under "protected designation of origin" (PDO) or "protected geographical indication" (PGI). Particularly detailed production regulations for PDO wines are difficult to change and require consensus among growers, producers, and distributors, who may not all be aligned with recent market trends.

This rigid regulatory system can hinder the adaptation of wines to new consumer trends. However, companies are responding by diversifying their portfolios. Wine producers, even small family-owned firms, are compelled by the market to manage a variety of brands and wine categories. For medium to large producers, managing a diverse portfolio is crucial for success. If market demands are diverse, the supply must diversify as well. Companies may balance producing wines under protected indications for certain markets with other wines for different segments.



Figure 19. Innovative product trends [5].

The key issue is whether consumers and distributors will continue to prioritize origin over price or other factors. Maintaining traditional wine-making practices and regional identities can be reasonable and beneficial. Consistency and recognized quality linked to collective names often drive success. However, flexibility is also necessary in regions without such protections, where stakeholders wish to adapt to new trends.

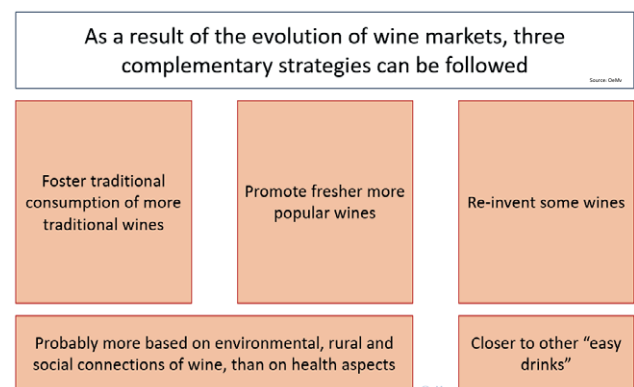


Figure 20. Future strategies [5].

Wine companies often include wines from both traditional and flexible regions in their portfolios, adapting quickly to market changes. The challenge lies with the regions themselves: should they adapt or remain consistent with their traditions?

Recognizing that global wine consumers may have different preferences is essential for producers to follow new consumption trends. This understanding necessitates changes in regulatory systems and company practices to produce wines that better meet diverse consumer preferences. Successful distributors adapting to new demands provide valuable examples for the industry to follow.

## 5. CONCLUSION

The global wine market is characterized by diverse consumer segments and varying consumption patterns. While some negative trends are evident, such as declining sales of traditional red wines from established regions, there are positive trends in premium and super-premium wines, fresher and lighter wines, and innovations in cocktails, containers, labels and closures. There is also growing interest in no- and low-alcohol wines.

Demographic shifts are influencing wine consumption, with declining sales among traditional consumers but increasing interest in regions like Latin America and Africa. To address these changes, two primary strategies are essential: (i) fostering traditional wine consumption, leveraging the connection to rural heritage rather than health benefits, and (ii) promoting and facilitating wines that align with new consumer trends. A third strategy (iii) involves the radical reinvention of wine products, including wine-based drinks and cocktails, which could become significant market segments.

The main questions concern the relative size and future evolution of these three segments. Traditional wines, including premium and non-premium, currently dominate the market. Modern, fresher wines are growing but still represent a smaller segment, while new wine-based drinks are emerging and could expand rapidly. It is crucial for growers, companies, regions, and institutions to monitor these transformations closely to maintain a profitable and sustainable wine industry. Flexibility and regulatory freedom, including the acceptance of partially fermented must as a new product, are vital for the industry's relevance. If the industry does not finally start to look at the problem from the consumer perspective, it will not stay relevant for consumers.

The cessation of the long-term premiumisation trend has raised concerns about whether the decline is due to temporary or structural factors. Future data on the wine

trade in 2024 will be crucial to understanding these dynamics. Monitoring market trends is more important than ever to enhance future wine sales and sustain the industry's growth.

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