

Wine market Trends 2024



Wine market trends in 2024

Generation Z lifestyle and worries on climate changes are driving consumption trends for 2024



Premium wines are preferred – Drink less but better wines, with an interest for old vines (Greece, Portugal, South Africa...)



Sober consumption of Generation Z is leading the interest for No & Low alcohol wines



Advertisements on TikTok social media has an increasing influence on consumer purchase



Preference for fresh and lower tannin variety from cool climates (Sauvignon blanc, Muscadet, Altitude Merlot)

Wine market trends in 2024



Green drinking from regenerative viticultures :

- Plantation of grapes resistant to diseases
- Plantation of grapes in cooler climate (Oregon, UK, Priorat...)



Natural wines still raising although consumers say to be disappointed by quality



Appeal for wines in cans, requiring less CO₂ emission for manufacturing and shipping

Source: [What Wines Will We Be Drinking In 2023? \(forbes.com\)](https://www.forbes.com)

[The wine trends to know for 2023 | House & Garden \(houseandgarden.co.uk\)](https://www.houseandgarden.co.uk)

[Important Wine Trends in 2023 \(sommelierschoiceawards.com\)](https://www.sommelierschoiceawards.com)



A premiumization of the wine market is expected over the next 5 years¹

Source:

¹ ISWR (2023)- 2 [What does climate change mean for fine white wine? \(thedrinksbusiness.com\)](https://www.thedrinksbusiness.com)



Despite a global decrease of the volume of still wine, its value is expected to grow by 2-3% over the next five years¹.

Sparkling wines, low/no alcohol wines, organic or so called “natural wines”, low/no sulfite-added wines as well as premium wines – especially white² - are driving the value growth.



Consumers expect great taste every time

Wines from poor harvests, wines with no sulfites added or wines with high pH still need to taste good and provide a consistent experience.

Source:

¹ISWR (2023)- ² What does climate change mean for fine white wine? (thedrinksbusiness.com)

No Alcoholic (NA) wine – an impressive growth

- NA wine world production 2022: 37 Million L
- High revenue (2022: 322 Million €) i.e. 8.7€/l
- High growth rate (2022-2027) : Expected CAGR 8.7% p.a.¹
- As comparison 13% of beer produced in Spain is now alcohol free (<0.0 to 1.2%)²



- There are several personal situations when people want to indulge but keep healthy or risk cautious or even keep religious austerity.
- Non-alcoholic wine enables the emotional sensation while participating to social events, without compromise.

Source:

¹ISWR (2023)

² Spanish Ministry of Agriculture, Fisheries and Food, Brewers (data 2022, published 2023)



Fact based indicators of no alcohol wines interest



Dry January

4.2 millions people in 2019 29% of 19-24 years old said to participate.¹



Alcohol consciousness

25% of UK adults are looking to reduce their alcohol intake..²



New launches

In 2022 non-alcoholic wines were recorded 37 M liters .³

Source:

1 Decanter

2 YouGov/Portman Group Poll, Jan 2019

3 IWSR



But most dealcoholized wines have poor flavour and weak lengtht in mouth

Thank

you

Vineyard surface area

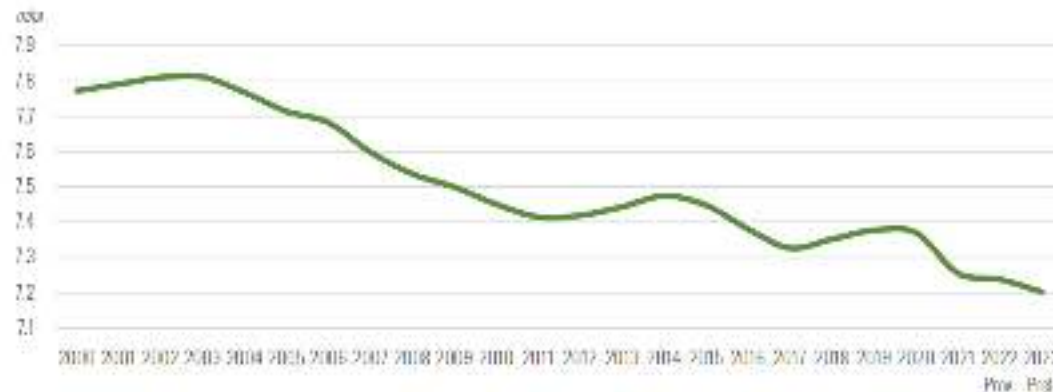
1 • VINEYARD SURFACE AREA

1.1 • World vineyard

In 2023, the world's vineyard surface area stands at 7.2 million hectares, marking a slight decrease of 0.5% compared to 2022.

This decline, illustrated in Figure 1, signifies the third consecutive year of shrinking vineyard surfaces globally. The trend is attributed to a reduction in vineyard surface across major vine-growing countries in both hemispheres, with only a few exceptions. The trend has been noted both for wine and table grapes / dried grapes production. Moreover, China's vineyard surface, which has been one of the main drivers of the world vineyard's growth from 2012 to 2020, stabilised from 2020 onward.

Figure 1 • Evolution of world vineyard surface area



the third consecutive year of shrinking vineyard surfaces globally

Wine production in major countries

Table 2 • Wine production (juices and musts excluded) in major countries¹

mhl	2018	2019	2020	2021	2022 Prod.	2023 Prod.	2023 % Var.	22/Aug 19-23 % Var.	2023 % world
Brazil	49.2	42.2	46.7	37.0	40.0	48.0	4.4%	8.2%	10.2%
Italy	54.8	47.5	49.1	50.5	49.8	38.3	-21.2%	-21.8%	16.7%
Spain	44.8	33.7	40.9	35.3	35.8	28.3	-20.8%	-25.7%	11.0%
USA	36.1	35.0	37.6	34.1	35.4	34.3	8.7%	0.7%	11.2%
Chile	12.0	11.9	10.3	13.4	12.4	11.0	-11.4%	-9.7%	6.0%
Australia	12.7	12.0	11.6	14.8	13.1	9.6	-26.2%	-24.1%	4.1%
South Africa	9.5	9.7	10.4	10.8	10.3	9.3	-10.0%	-8.7%	3.9%
Argentina	14.5	13.0	13.8	12.5	11.5	8.8	-21.0%	-20.2%	3.7%
Germany	10.3	8.2	8.4	8.4	8.9	8.6	-3.8%	-2.9%	3.0%
France	6.1	6.5	6.4	7.4	6.8	7.5	9.8%	15.2%	3.2%
Romania	5.1	3.8	3.8	4.5	3.8	4.6	21.2%	9.5%	1.8%
Russia	4.3	4.0	4.4	4.2	3.0	4.5	10.0%	-0.1%	1.0%
New Zealand	3.0	3.0	3.3	2.7	3.8	3.0	-5.8%	14.3%	1.5%
Israel	3.1	2.2	2.3	2.9	3.2	3.8	12.1%	31.4%	1.5%
China	8.3	7.8	6.0	5.9	4.7	3.2	-31.0%	-53.9%	1.3%
Hungary	2.6	2.4	2.6	2.6	2.5	2.4	-2.1%	-11.2%	1.0%
Austria	2.8	2.5	2.4	2.5	2.5	2.4	-0.9%	-6.3%	1.0%
Georgia	1.9	2.1	2.3	1.9	1.9	1.9	0.0%	-5.8%	0.8%
Malawi	1.9	1.5	0.9	1.4	1.4	1.8	27.0%	25.0%	0.5%
Swiss	2.2	2.4	2.2	2.4	2.3	1.4	-34.4%	-39.7%	0.4%
Switzerland	1.1	1.0	0.8	0.6	1.0	1.0	1.8%	11.4%	0.4%
Other countries	15.0	14.5	14.0	13.4	13.0	13.2	-2.7%	-6.3%	5.0%
World total	284.8	257.9	282.2	259.7	262.6	231.3	-6.0%	-11.5%	100.0%

In 2023, global wine production, excluding juices and musts, is estimated at 237 mhl, marking a significant decrease of nearly 25 mhl (-9.6%) compared to 2022

Wine consumption

3 • WINE CONSUMPTION

3.1 • World wine consumption

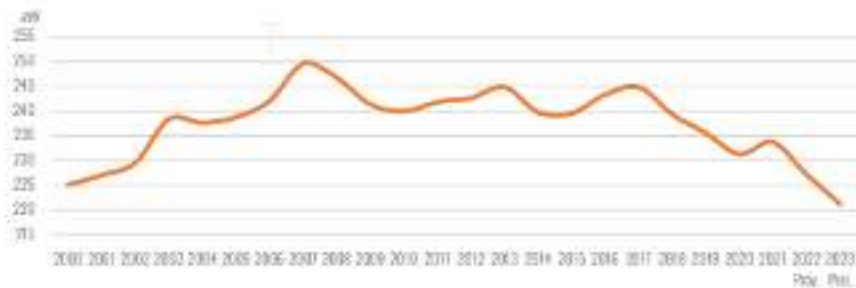
World wine consumption in 2023 is estimated at 221 mhl, marking a decrease of 2.8% compared to 2022. If this estimate is confirmed, it would signify the lowest volume recorded since 1996. The decline in global wine consumption has followed a relatively steady trajectory since 2018. Several factors contribute to this trend.

Notably, the decrease in China's consumption, averaging a loss of 2 mbl annually since 2018, has played a central role in driving down global consumption figures. The onset of the COVID-19 pandemic in 2020 exacerbated this downward trend, with lockdown measures negatively impacting major wine markets worldwide. In 2021, the relaxation of pandemic-related restrictions, coupled with the reopening of the hospitality sector (HoReCa) and the resurgence of social gatherings and festivities, led to a rebound in consumption across many countries.

However, in 2022, geopolitical tensions, particularly the conflict in Ukraine, and subsequent energy crises, along with disruptions in the global supply chain, resulted in heightened production and distribution costs. This, in turn, led to significant price increases for wine consumers, dampening overall demand.

Against the backdrop of a complex economic landscape, characterised by global inflationary pressures, the major wine markets experienced notable declines in 2023. A few exceptions notwithstanding, the prevailing conditions exerted considerable pressure on consumer purchasing power, further contributing to the downturn in wine consumption worldwide recorded in the last two years.

Figure 3 • Evolution of world wine consumption



In 2022, the EU represents a market of 107 mhl, accounting for 48% of the world's consumption. This figure reflects a marginal decrease of 1.8% compared to the previous year, placing EU wine consumption more than 5% below its ten-year average.