The paradox of the small Italian wine business

scritto da Fabio Piccoli | 21 Gennaio 2026

This analysis challenges the notion that small business size is the primary cause of the Italian wine crisis. While 2024 data shows declining margins and high debt for smaller wineries, the author argues that success depends on managerial awareness and strategic positioning rather than scale, urging the sector to evolve beyond outdated 1980s fragmentation fears.

Reducing the current phase of difficulty for Italian wine solely to the issue of the "small size of companies" means taking a step back of almost forty years. In the late 1980s, when I began working in this sector, the dominant analysis was identical to the one returning forcefully today: the Italy of wine is too fragmented, too small, and too dispersed to grow. That mantra seemed destined to forever condition the future of our supply chain.

Yet, despite this fragmentation, Italian wine has managed to grow in value, positioning, and reputation on international markets. And it did so thanks to thousands of small businesses capable of presiding over territories that would have been abandoned without the vine, giving identity to denominations that did not exist or were marginal, and interpreting Italy’s extraordinary viticultural wealth by transforming it into narrative, value, and uniqueness.

That “small size” so often criticized was, for many years, a competitive and cultural lever: it allowed for flexibility in style choices, authenticity in production, proximity to the market, and the ability to intercept emerging segments and high-value-added niches. It transformed an apparent limit into a model.

Today, however, the situation is different.

The data presented by Luca Castagnetti – director of the Management DiVino Study Center of Studio Impresa – at the recent Verona conference (*Italian wine beyond averages: what the 2024 financial statements really say*) clearly show that smaller entities are indeed those suffering the most, both in terms of margins and financial sustainability. The EBITDA of companies with a turnover below 5 million falls to 10.54% in 2024, a drop of 16.4% compared to 2022. Even more worrying, the NFP/EBITDA ratio reaches 12 in companies under 5 million, indicating very heavy indebtedness.

The current crisis, therefore, hits the smallest entities hardest, especially those that are less structured. Reduced margins, rising costs, increasing debt, and more aggressive competitive pressure: all elements pushing toward an inevitable crossroads.

But the real question, in my opinion, is not whether small businesses are in difficulty. The question is: *which* small businesses are truly suffering?

There is, in fact, a clear distinction between those who succumb to the crisis and those who, while remaining small, are demonstrating resilience and even growth. The small businesses that resist today—and in some cases perform better than the average—have precise characteristics:

- they communicate with a clear and coherent identity;
- they have structured themselves despite their limits, adopting managerial skills, even shared ones;
- they choose commercial partners consistent with their positioning;
- they exploit the value of the denomination they belong to, instead of considering it only a regulatory obligation;
- they invest in hospitality as a strategic lever and in direct sales as a source of sustainability;
- they collaborate in networks (still few, but increasingly decisive).

These are not just “small” companies: they are *aware* companies. And awareness today counts for more than the square meters of the cellar or the liters produced.

After nearly forty years of growth, it is natural for the sector to enter a selective phase. Many businesses were born in recent years driven by other businesses, attracted by a sector perceived as glamorous, without, however, fully knowing its logic and complexity. It is therefore inevitable that some do not have the tools to face a market undergoing strong transformation.

But transforming this phase into a banal condemnation of fragmentation would be a strategic error. It would mean confusing the symptom with the cause, limiting oneself to looking at the surface and losing the opportunity to address the true knots: skills, positioning, identity, market relations, organizational structure, and the capacity to generate value.

We must not go back to the 1980s. We must finally overcome those fears. Because fragmentation, on its own, has never been the problem: what matters is the quality of the fragmentation, the level of awareness of the businesses that are part of it, and the ability to transform it into shared value.

Ultimately, the future of Italian wine will not depend on how many of us there are, but on how much we are able to evolve what we are.

Key points

1. **Italian wine's fragmentation has historically been a competitive lever** for identity, authenticity, and territorial preservation.
2. **2024 data reveals a drop in EBITDA and critical debt ratios** for wineries under 5 million euros.
3. **Resilient small businesses succeed through managerial skills**, clear identity, and strategic investments in hospitality and direct sales.
4. **The current crisis acts as a selective phase targeting companies lacking market awareness** and organizational structure.
5. **Industry health depends on the quality of fragmentation** and the ability to transform uniqueness into shared value.