

Value does not grow on its own

scritto da Fabio Piccoli | 19 Ottobre 2026



In recent days I read in full two presentations from Wine Australia's Global Market Update 2026: the one by Peter Bailey, Manager Market Insights, and the one by Paul Turale, GM Market Development. Together they come to about sixty slides and a couple of hours of work. I apologize for an editorial that is too long, but there are many insights that I wanted to share with the readers of Wine Meridian.

The first thing that struck me is not a number. **It is the tone.** A manager steps onto the stage in front of their national industry and says that global wine consumption is falling, that wine is the worst category of all alcoholic beverages, that their country's exports have dropped by 7% in value. No reassuring preamble. No "but our sector is holding." And above all, no preventive defense of the product.

Then comes the part that does not exist in our country. Why it is happening, what the data say about consumers, what we must change in what we produce. I do not want to talk about Australia. **I want to talk about what that method, and that data, tell us.**

Fewer liters, not less value

The macro picture is well known but worth repeating with the exact numbers. **Global consumption down 2.7% in the last year recorded, with an IWSR estimate of a further -14% by 2035.** World vineyard area at 7.0 million hectares in 2025, the sixth consecutive year of contraction (OIV data). On the category front, the IWSR numbers presented by Bailey for 2024-2025: beer -1.7%, spirits -3.0%, still wine -4.5%, sparkling -2.4%, RTD +2.5%, no-alcohol +8.0%, total alcoholic beverages -2.0%.

Wine loses more than double the average of the alcoholic sector. We are not all going down together, we are ceding share inside a market that is already shrinking. But alongside this there is the second curve, the one that is rarely put on the same table: the average retail value per liter has grown steadily since 2016 and is forecast to keep growing until 2030.

Here I do my own calculation, and I declare it as such. **If volumes fall by a good quarter over fifteen years and the average value per liter rises by about a third, the world wine market in value in 2030 will be worth roughly what it is worth today.** Fewer bottles, which cost more.

Be careful though, because it is exactly here that, in my humble opinion, the great Italian misunderstanding arises. That growth in value is not a collective promise. It is not a tide that lifts all boats. It is the result of a selection, and selection by definition leaves someone out. **The real question is therefore not “will value grow?” but rather for**

whom will it grow, and thanks to which strategies? On this, in our country, I have not yet read a serious analysis.

Where the market is really losing

The slides by Turale contain two charts that alone are worth the entire presentation, and that I would like to see projected at every Italian consortium assembly. The first breaks down world wine sales by price band. **The commercial/value segment falls from about 2.35 billion cases in 2017 to about 1.85 in 2025, with a projection still declining to 2029.** The premium and above segment remains substantially flat, around 0.4 billion cases, throughout the period.

Read it carefully. Practically all of the contraction in world volumes has been concentrated in the commercial band. Premium does not grow in volume, but it holds. **The market is not abandoning wine, it is abandoning a certain idea of wine.**

The second chart breaks down consumption by color. Reds and rosés fall from about 1.59 billion cases in 2017 to about 1.14 in 2025. Whites, in the same period, go from about 0.85 to about 0.73. In relative terms red loses twice as much as white. They are two charts, not an opinion. **And put together they say something uncomfortable: demand has not shrunk uniformly, it has shifted.** Away from low-priced volume, away from structured red, toward higher segments and lighter styles.

At this point the question that concerns us becomes inevitable, and I pose it as a doubt, not as a verdict: **how much of Italian production sits exactly in the two segments that the world market is leaving?** How much bulk and commercial wine, how many important reds built on a consumption model that no longer exists, how many denominations designed on the demand of the 1990s.

I do not know it precisely. And that is exactly the point, none of us knows it precisely, because that analysis in Italy is not carried out, or is not made public in a form usable by a company.

We are deciding on the basis of assumptions

There is a piece of data in Turale's presentation that should make us stop for a moment. The semiannual IWSR survey on consumer behavior, which we have written about several times ([Consumo vino: meno quantità ma più valore? Il meccanismo si è inceppato](#)), finds that the consumption rate among legal drinking age Gen Z, across fifteen key markets, has stabilized at 74%. Three years ago it was at 66%. **Today it is substantially aligned with that of the total adult population.**

Let us reread it. The generation on which we built the entire narrative of youth disaffection from alcohol drinks, and drinks in a proportion similar to everyone else. On this wrong premise we have produced conferences, round tables, articles, alarms. I did too. Not out of bad faith, but because we did not have the data and we moved by impression. **It is exactly the way the Italian sector makes its decisions: by feeling, by anecdote, by what was seen at the last fair.**

Look instead at how the targeting of the Australian campaign "We Made a Wine for That" is built. It does not aim at teetotalers, because converting a non-consumer is much more expensive than increasing the frequency of someone who already consumes. It does not aim at Gen X and Boomers, because their repertoire is consolidated and the margin of influence is low. **It aims at the 25-44 age group that already takes part in alcohol consumption occasions but does not instinctively choose wine.**

It is a surgical choice. **And it can only be made if you have the data to make it.** Here, when we talk about "bringing young

people closer to wine," we generically mean anyone under forty, with undifferentiated tools and no measurement. Then we are surprised that it does not work.

Knowing what we have in the cellar and in the vineyard

There is a slide by Turale titled simply Knowledge is power. It contains four questions: what is the country's total vineyard area, how much has been planted in the last five years, how much has been uprooted in the last two, what will be the potential grape supply in 2027.

These are not rhetorical questions. Australia is building a national vineyard register precisely to be able to answer. Begun in 2024, under construction in 2026, populated with data in 2027. **Declared objective: better decisions on plantings, uprootings, grape prices, and above all a better match between supply and demand.**

We have the vineyard registry, and have had it for a long time. But, again in my humble opinion, it has remained an administrative tool, functional to authorizations and controls, not a knowledge infrastructure shared with the supply chain to guide production choices. **Knowing how many hectares there are is not the same as knowing whether those hectares are producing the wine that the market will want to buy in three years.**

And this is why, when Italy discusses how to react to the contraction in consumption, the only proposal that arrives on the table with continuity is the reduction of vineyard area. **Let it be clear, reducing supply where it is structurally in excess can be an arithmetic necessity.**

But uprooting is not a strategy. It is an adjustment. It is the response of those who have decided that the problem lies in quantity and not in the composition of what they produce.

And the two charts above say that the problem is composition.

Five shifts that apply to us too

Turale summarizes the change in five steps, which to me seem an operational checklist more useful than many conference reports:

- from habitual loyalty to the category, to repertoire consumption across different categories;
- from volume-driven occasions, to fewer but more intentional occasions;
- from technical knowledge of wine, to simple signals of quality, taste, and occasion;
- from generic sustainability claims, to proof, transparency, and trust;
- from traditional purchase paths, to digital discovery and recommendation.

The question that concerns us

Turale closes his presentation with a question addressed to his own supply chain: are we directing our collective effort toward the factors most likely to influence consumer demand? The point is not that Australians are better. On the contrary, looking also at the mistakes they made with the forecasts of 1996 with their Vision 2025, it is easy to see how complex it is to make long-term projections.

However, never as today is it necessary to have data, serious and up-to-date analyses, above all on consumption dynamics and on the real adequacy of our wines, of our denominations. **We have the richest viticultural heritage in the world and the most fragmented knowledge.** We discuss generalized crises when the data show selective crises. We talk about young people who do not drink while young people consume alcoholic beverages but less wine.

We defend products that the market has stopped wanting and call strategy the decision to produce less of them. The market of tomorrow will be smaller in liters and not necessarily in value. **But that value will go to those who will have understood first what to produce, for whom, and for which moment of the day of a real person.** On this, let us be honest, in Italy, we are still stuck at hypotheses almost always based on feelings and not on real data.

Key points

1. **Value growth rewards selected producers who understand early what to make, for whom, and when.**
2. **Commercial wines drive the volume decline**, while the premium segment holds steady around 0.4 billion cases.
3. **Gen Z consumption stabilized at 74%**, so campaigns should target precise segments such as the 25-44 age group.
4. **Reliable data on vineyards and consumers should guide planting, uprooting, and production choices.**
5. **Vineyard reduction is an adjustment**; strategy requires adapting product composition to demand.