Enough demagogy about alleged high wine prices

scritto da Fabio Piccoli | 15 Novembre 2024



Recurring debates over high wine prices harm the industry's perception, ignoring the reality of low prices in supermarkets globally. Iconic wines enhance the overall prestige of wine as a product, and focusing on their pricing risks alienating consumers. Instead, investment in marketing and communication should take precedence to improve the industry's image and ensure sustainability.

I can't tell if this summer's intense **heatwave** was more irritating or the recurring **debate** over the so-called **high prices**of wine.

This cyclical "war" against wine pricing, though tolerable in the past during a period of **market growth**, now risks being a **severe blow** to the wine sector. This industry is already

grappling with **reduced yields** due to a challenging harvest season, compounded by rising **production costs** and stagnant market demand.

Producers are caught in a difficult position: forced to increase their prices to maintain **economic sustainability**, while aware that **customers**, whether domestic or international, are reluctant to accept price hikes.

Many of these criticisms focus on **fine wines**, which some argue have been overvalued for too long. Recently, the French wine critic Michel Bettane published an article in **World of Fine Wine** criticizing exorbitant prices for certain **ultra-premium wines**. Bettane cited examples like €1,000 bottles of Bourgogne Aligoté and €600 bottles of Jura Blanc, claiming these prices are unsustainable as **speculative demand wanes**.

While Bettane provides **specific examples**, many others have simply denounced high wine prices without substantiating their claims. This generalization damages the wine industry's **consumer perception**.

A simple visit to a **global supermarket** reveals that many wines are priced **lower than non-alcoholic beverages**, including water. For instance, during a recent tour of Alsace, I observed **prestigious French appellations** like Bordeaux being sold at shockingly low prices, with Alsatian **Rieslings** and **Pinot Grigios** from older vintages available for under €10.

In **Italy**, the situation is even more extreme, with a majority of wines in supermarkets priced under €5 per bottle, and a significant selection under €2, including historic **DOC wines**.

Some argue that criticism targets only the **ultra-premium segment**, not the entire market. However, iconic and **super-premium wines** play a vital role in enhancing wine's overall **perception** and **prestige**. Criticizing these price points undermines the value of wine as a **luxury product**,

especially compared to other consumer goods that do not face similar scrutiny.

Ultimately, rather than attacking wine prices, we should encourage producers to invest in **marketing** and **communication** to improve their product's **image** and positioning.

Speaking of **high prices** while wine is increasingly perceived as a **basic beverage** risks further damaging its reputation. The real focus should be on ensuring quality and value, rather than succumbing to an oversimplified **pauperistic narrative**.

Key Points

1. Criticizing wine prices damages consumer perception and the industry's reputation.
2. Supermarket wines often cost less than non-alcoholic beverages, including water.
3. Iconic wines are essential for enhancing wine's overall prestige.
4. Producers should focus on marketing and communication, not price reductions.
5. A "pauperistic" narrative risks reducing wine to a basic commodity.