



Wine Market Observatory

October 23, 2024

SETTING THE SENTIMENT

**Insight from Italian Wineries and Consortium
Round 1**

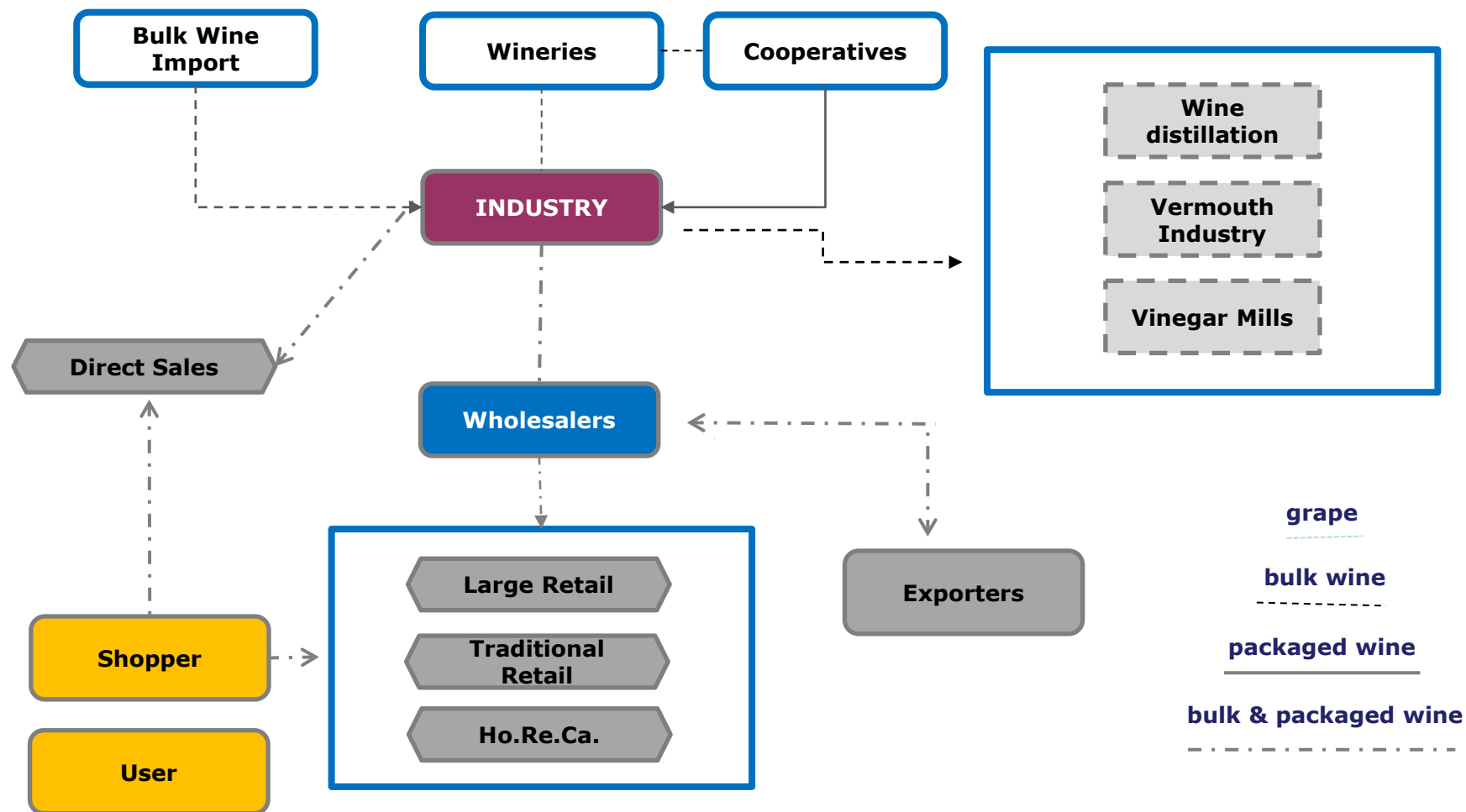
**Prof. Alberto Mattiacci, Ph.D.
EFOW**



FROM FARM TO GLASS



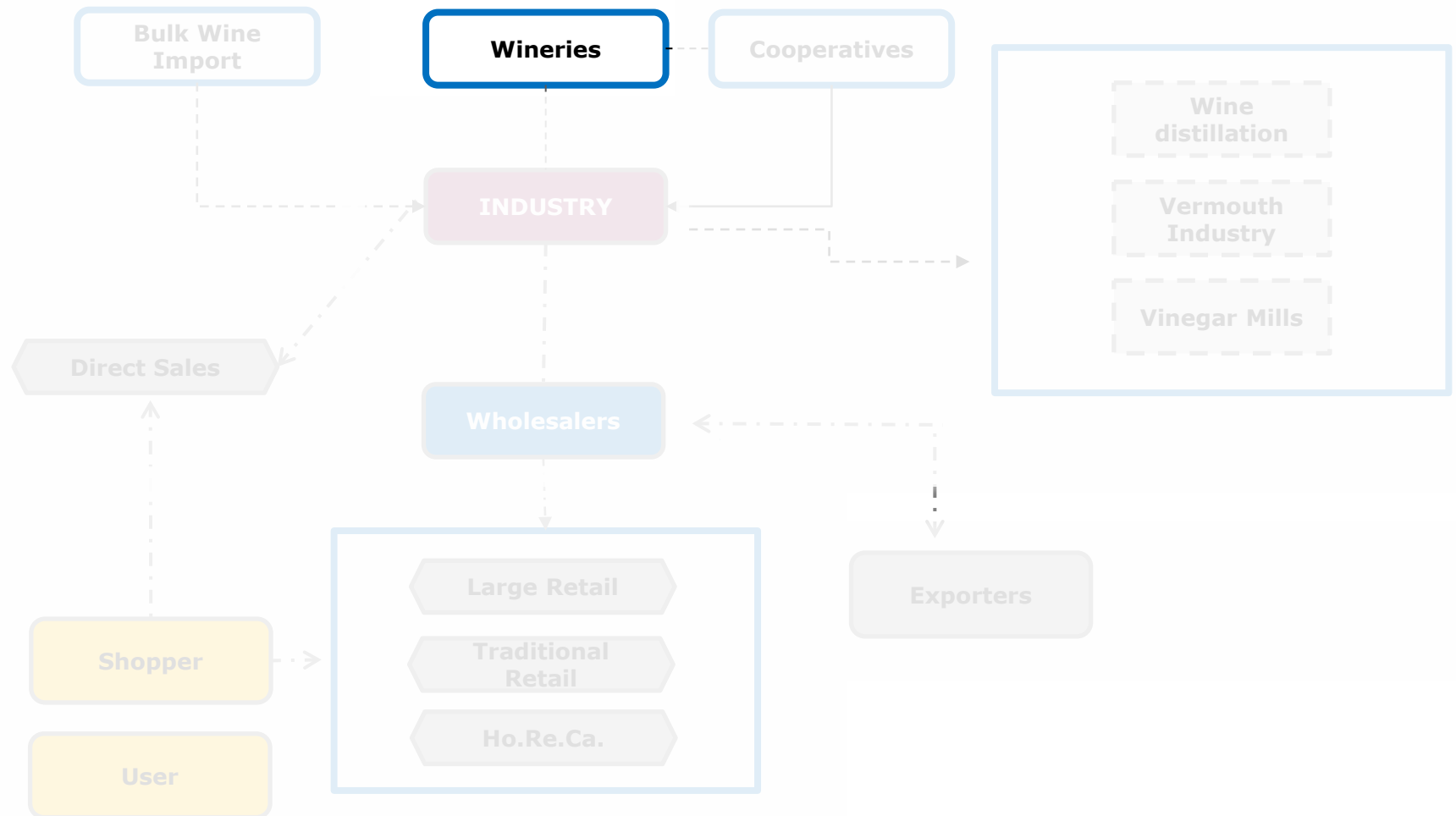
the journey to wine consumption



FROM FARM TO GLASS



the journey to wine consumption





AN OVERVIEW OF THE CURRENT MARKET

A comparison of wineries and consortia perspectives

ITALY, OCTOBER 2024

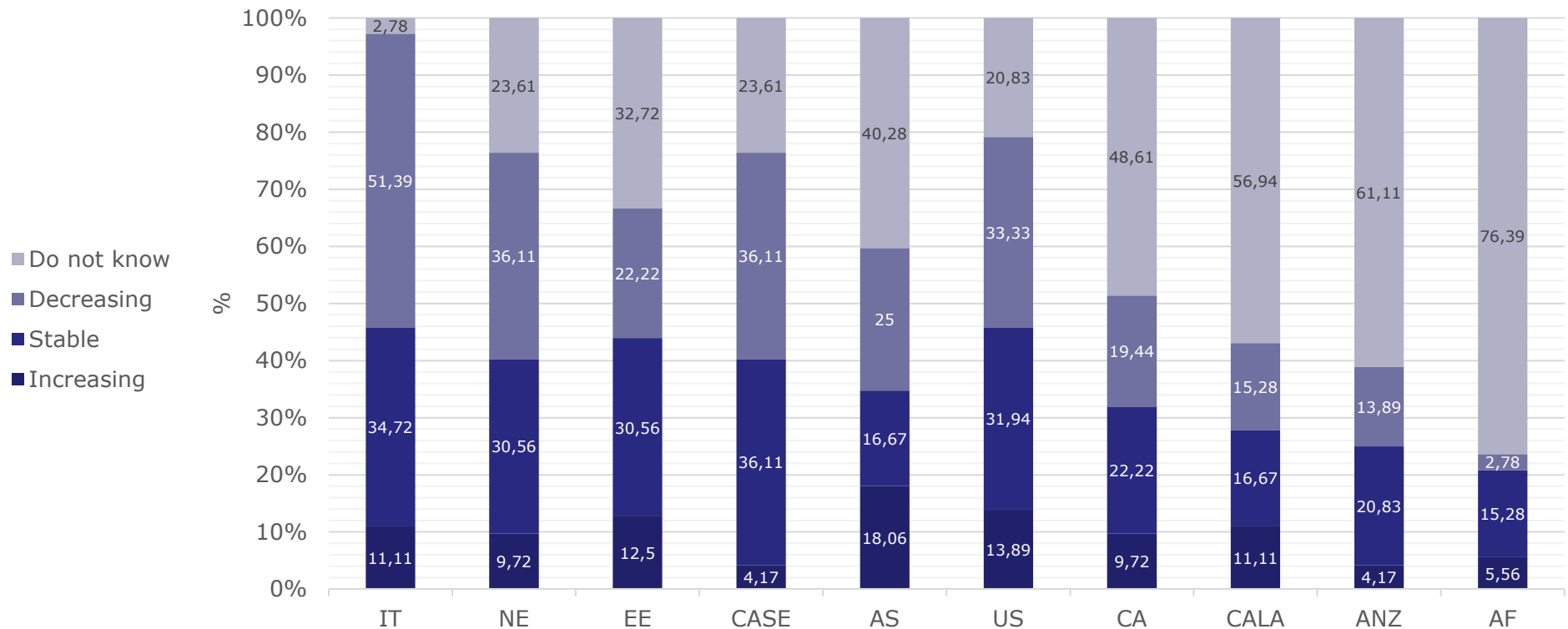
CURRENT MARKET OVERVIEW



Italy
October 2024
Source: Own Elaboration



The current demand for wine in key market regions compared to 12 months ago (WINERIES)



Abbreviations: IT: Italy, NE: Northern Europe; EE: Eastern Europe; CASE: Central and Southern Europe; AS: Asia; US: United States of America; CA: Canada; CALA: Central and Latin America; ANZ: Australia and New Zealand; AF: Africa.

Respondents: n. 72

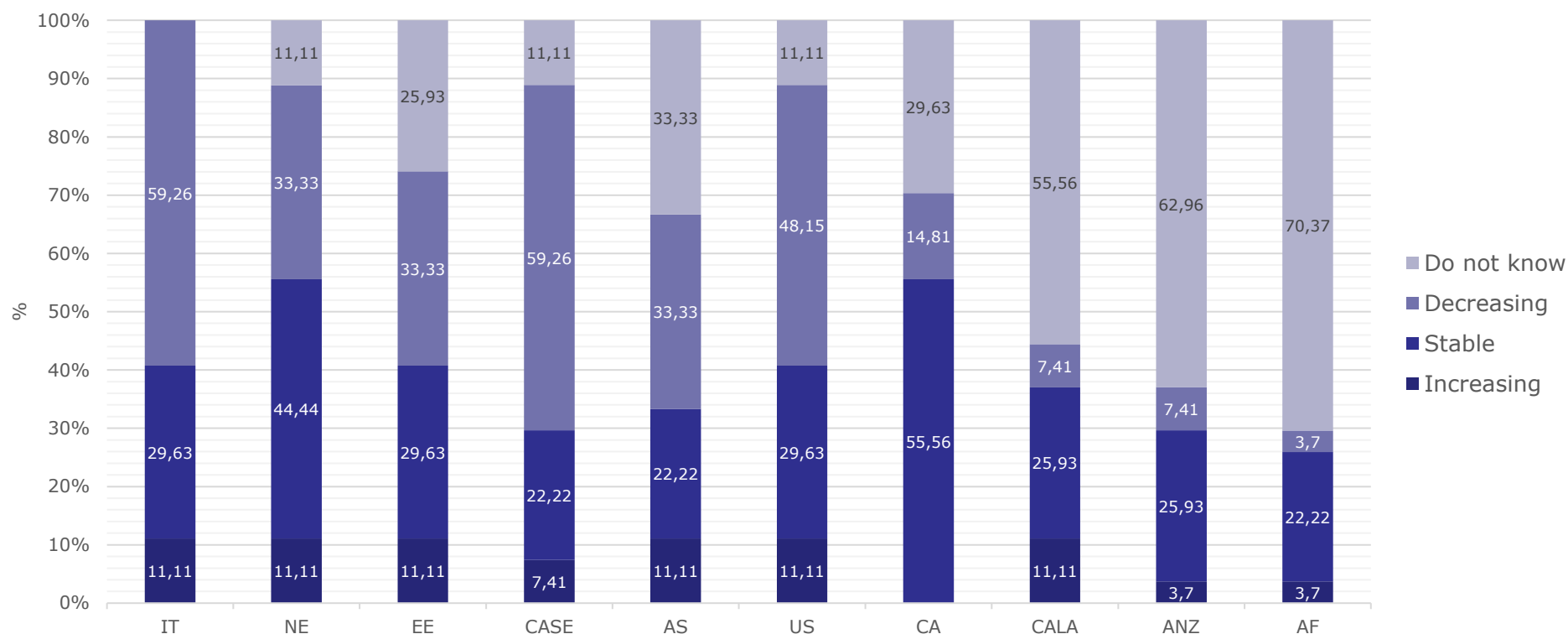
CURRENT MARKET OVERVIEW



Italy
October 2024
Source: Own Elaboration



The current demand for wine in key market regions compared to 12 months ago (CONSORTIA)



Abbreviations: IT: Italy; NE: Northern Europe; EE: Eastern Europe; CASE: Central and Southern Europe; AS: Asia; US: United States of America; CA: Canada; CALA: Central and Latin America; ANZ: Australia and New Zealand; AF: Africa.

Respondents: n. 27



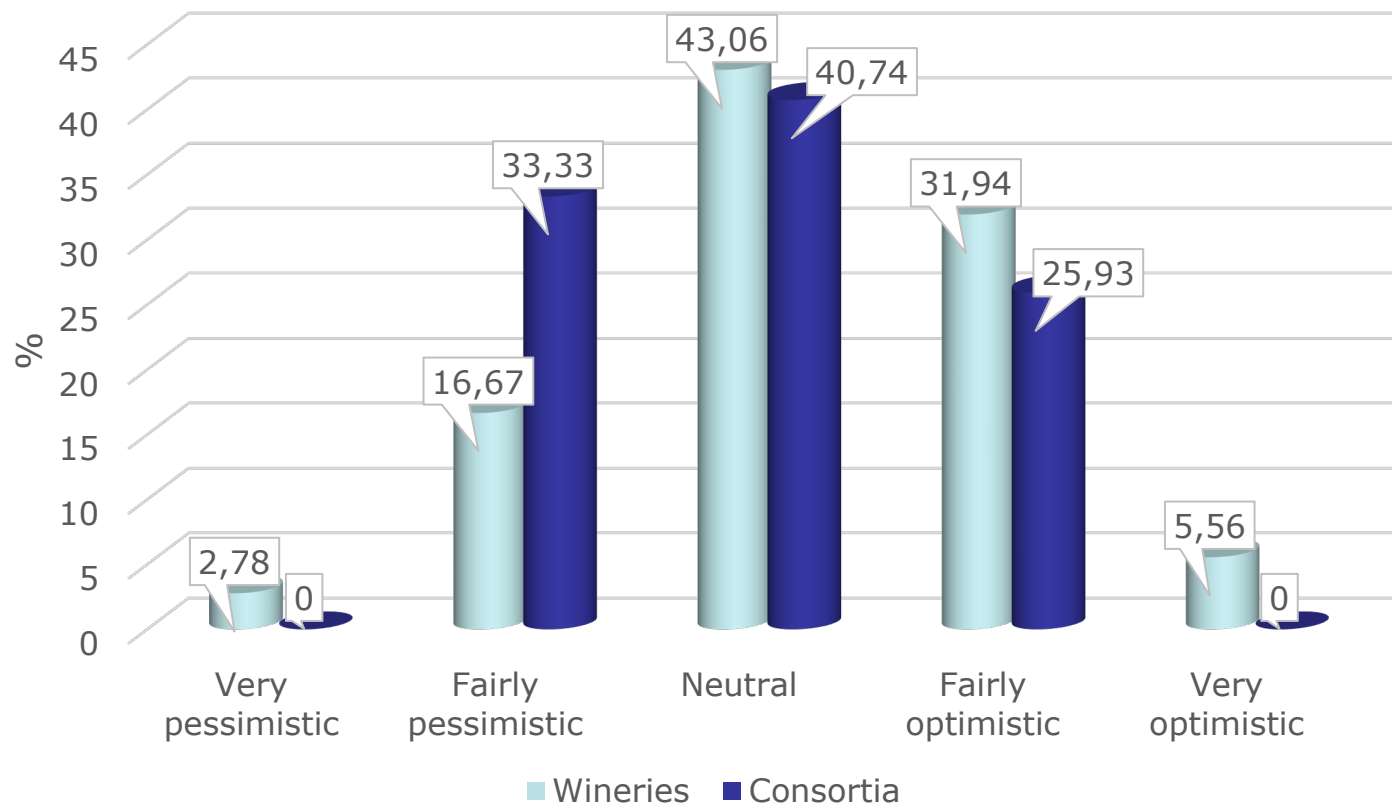
INTERNATIONAL DEMAND FORECASTS FOR THE NEXT 12 MONTHS

A comparison of wineries and consortium perspectives

ITALY, OCTOBER 2024



Optimism regarding the international wine market over the next 12 months



Respondents: Wineries n. 72, Consortia n. 27

Variance (Std) [Median]:

- Wineries: 0,787 (0,887) [3]
- Consortia: 0,609 (0,781) [3]

INTERNATIONAL DEMAND FORECAST

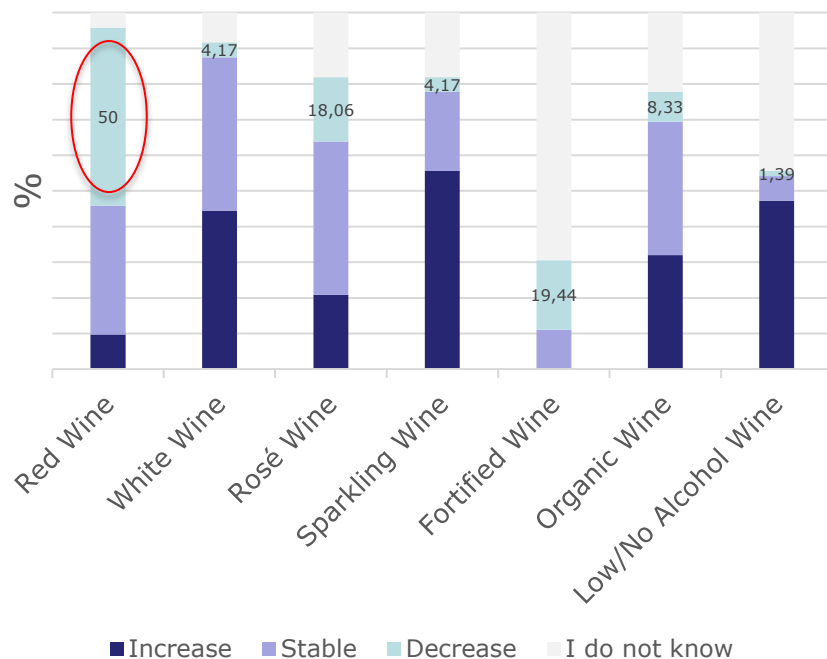


Italy
October 2024
Source: Own Elaboration

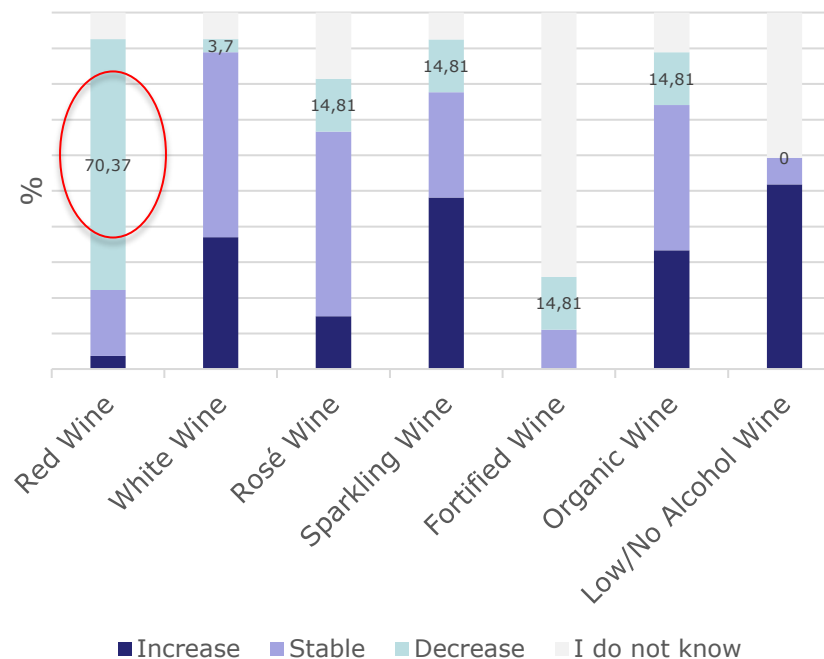


Forecasts of international demand trends for the next 12 months by wine category (1/2)

Wineries



Consortia



Respondents: Wineries n. 72, Consortia n. 27

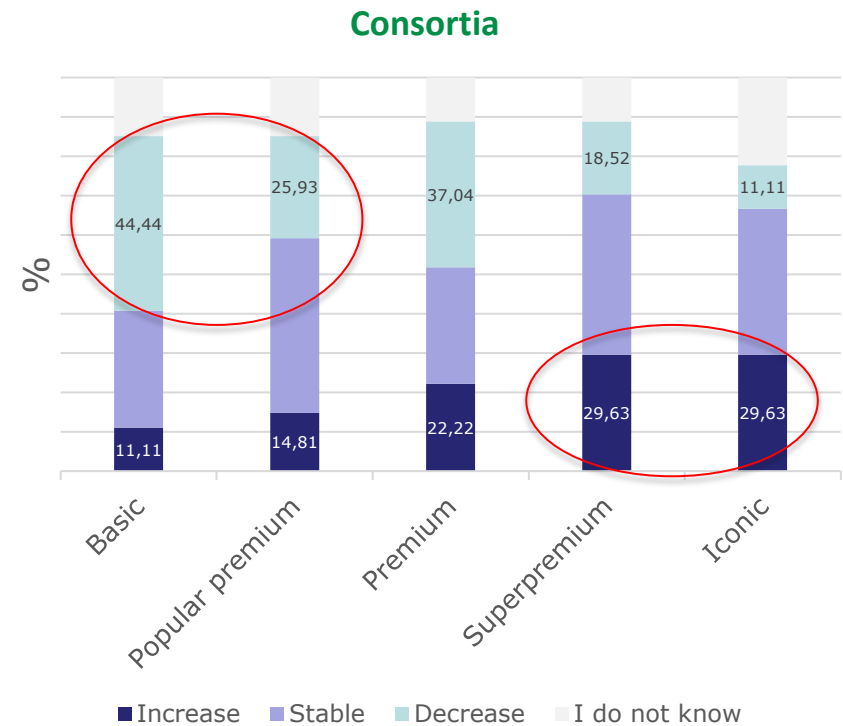
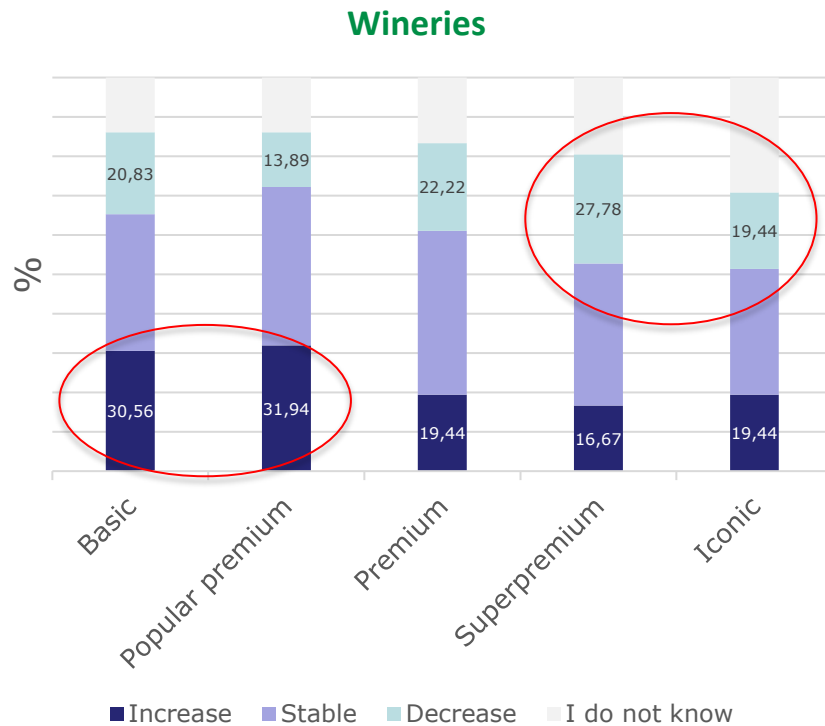
INTERNATIONAL DEMAND FORECAST



Italy
October 2024
Source: Own Elaboration



Forecasts of international demand trends for the next 12 months by wine category (2/2)



Respondents: Wineries n. 72, Consortia n. 27

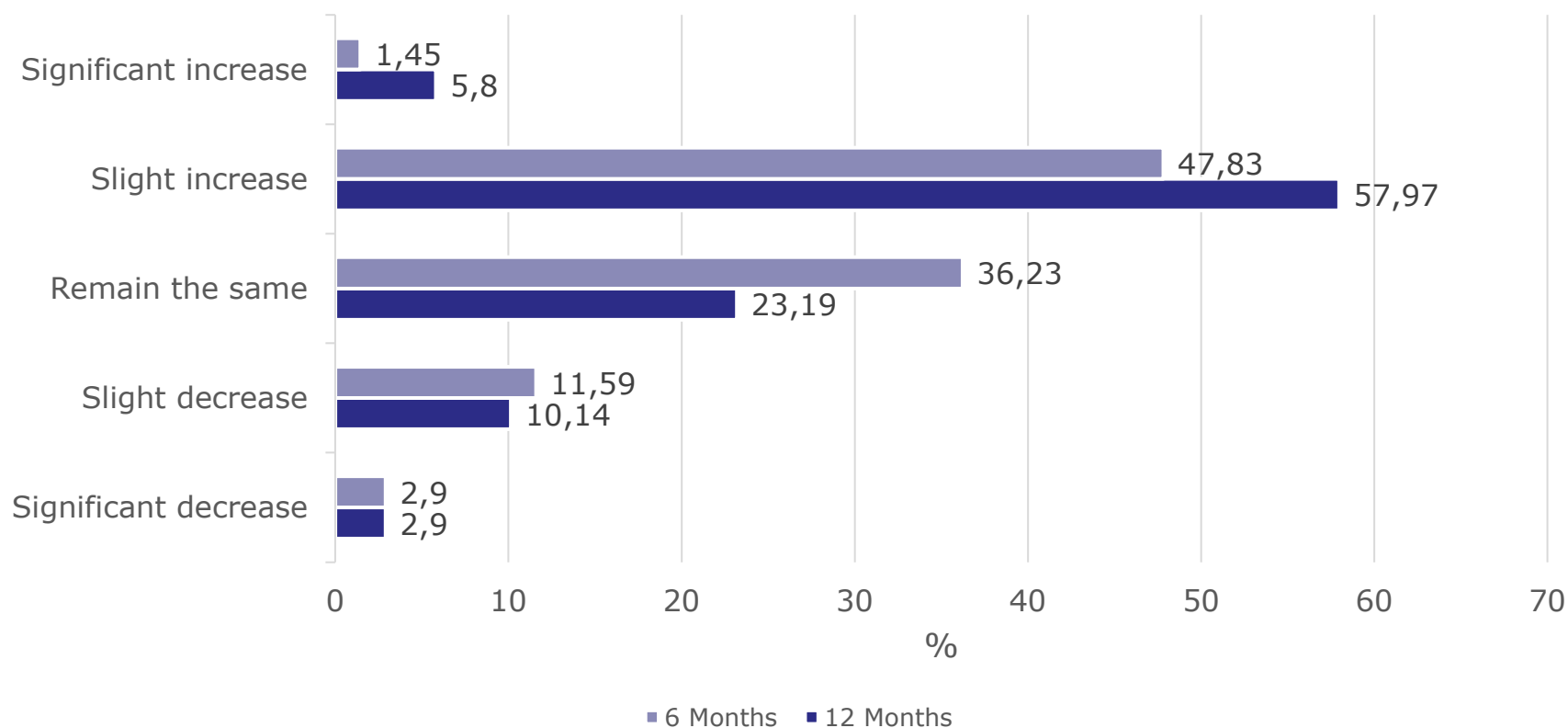


FOCUS: WINERIES' FORECASTS

ITALY, OCTOBER 2024



Forecasts of overall sales changes for the winery (6 and 12 months)



Respondents: n. 69

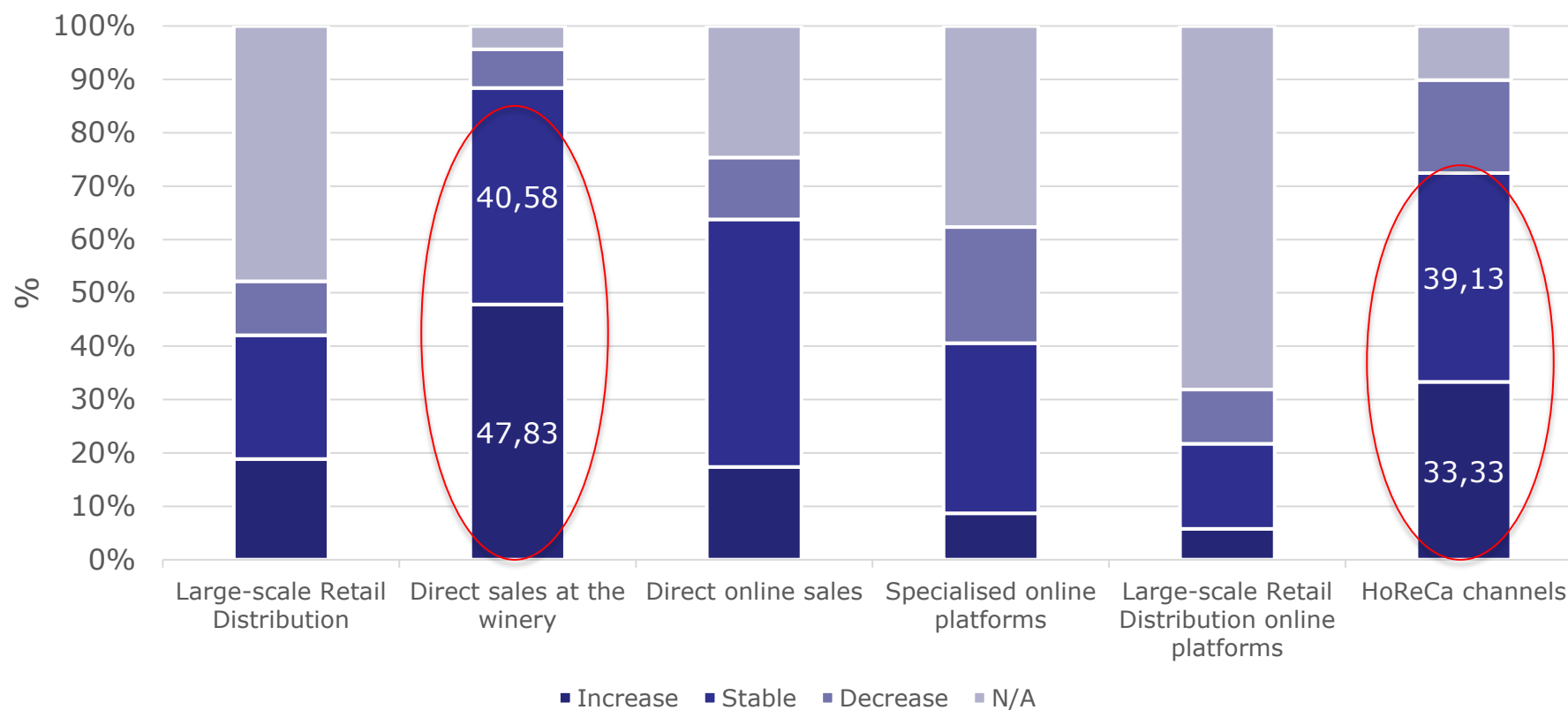
Variance (Std) [Median]:

- 6 months: 0,667 (0,816) [3]
- 12 months: 0,752 (0,867) [4]

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Sales forecasts for the next 12 months by channel category



Respondents: n. 69

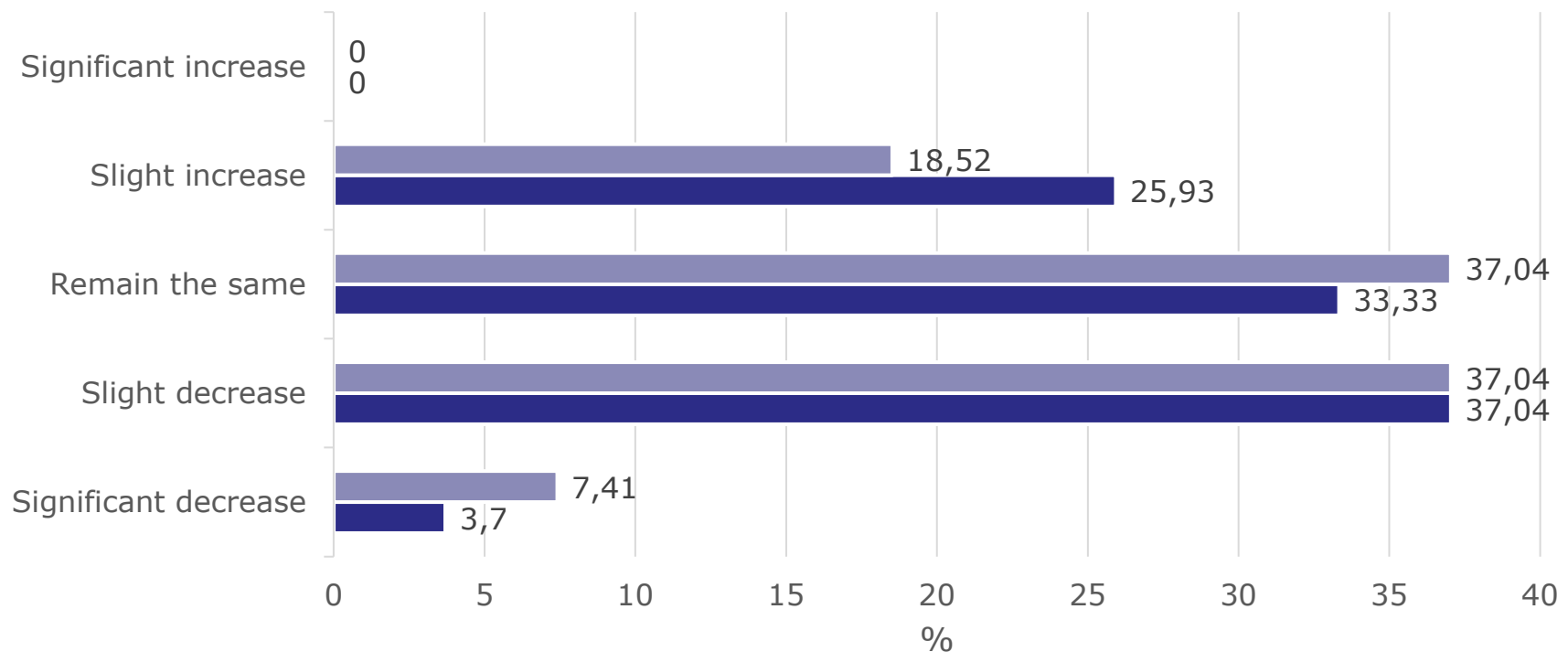


FOCUS: CONSORTIA FORECASTS

ITALY, OCTOBER 2024



Forecasts of overall sales changes for the consortia (6 and 12 months)



■ 6 Months ■ 12 Months

Respondents: n. 27

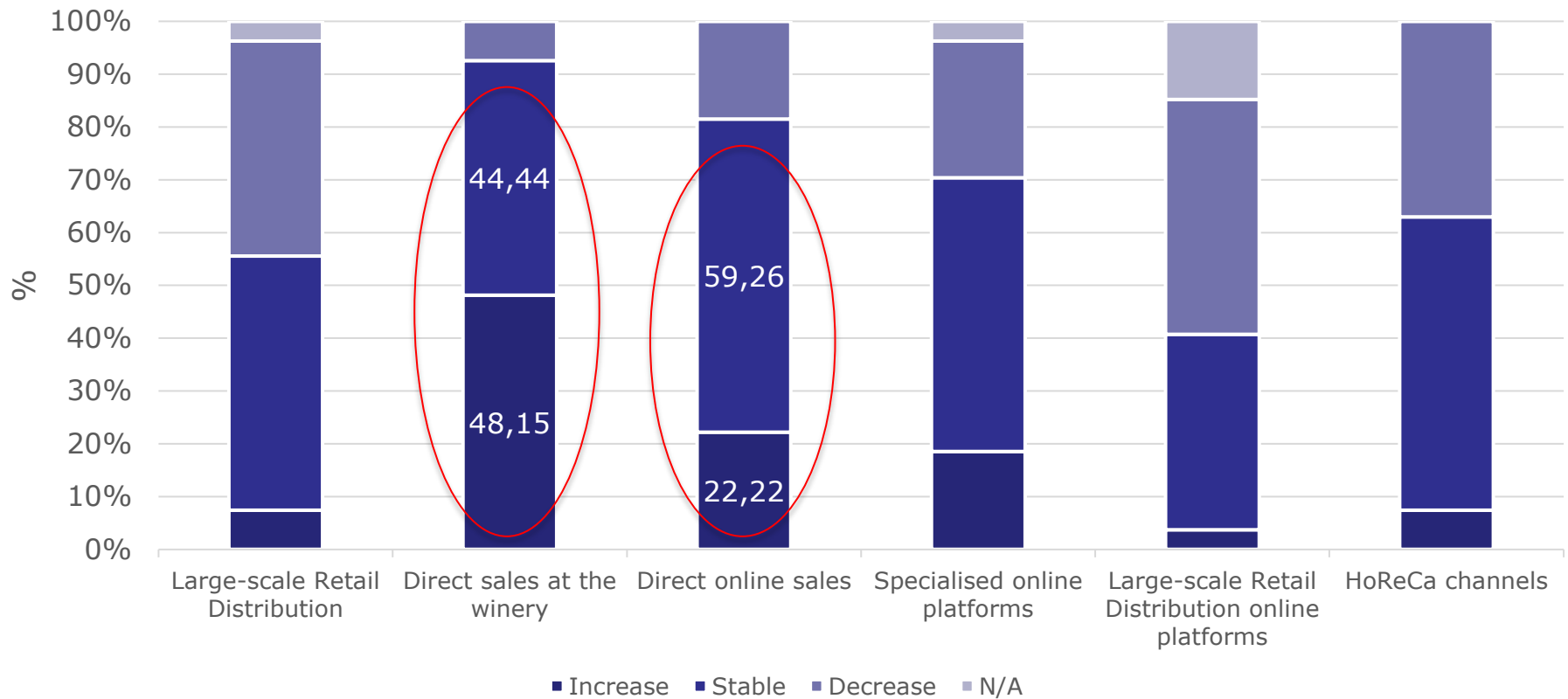
Variance (Std):

- 6 months: 0,769 (0,877) [3]
- 12 months: 0,772 (0,879) [3]

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Sales forecasts for the next 12 months by channel category



Respondents: n. 27



OUTLOOK ON ECONOMIC TRENDS AND EU SUPPORT FOR THE WINE SECTOR

ITALY, OCTOBER 2024



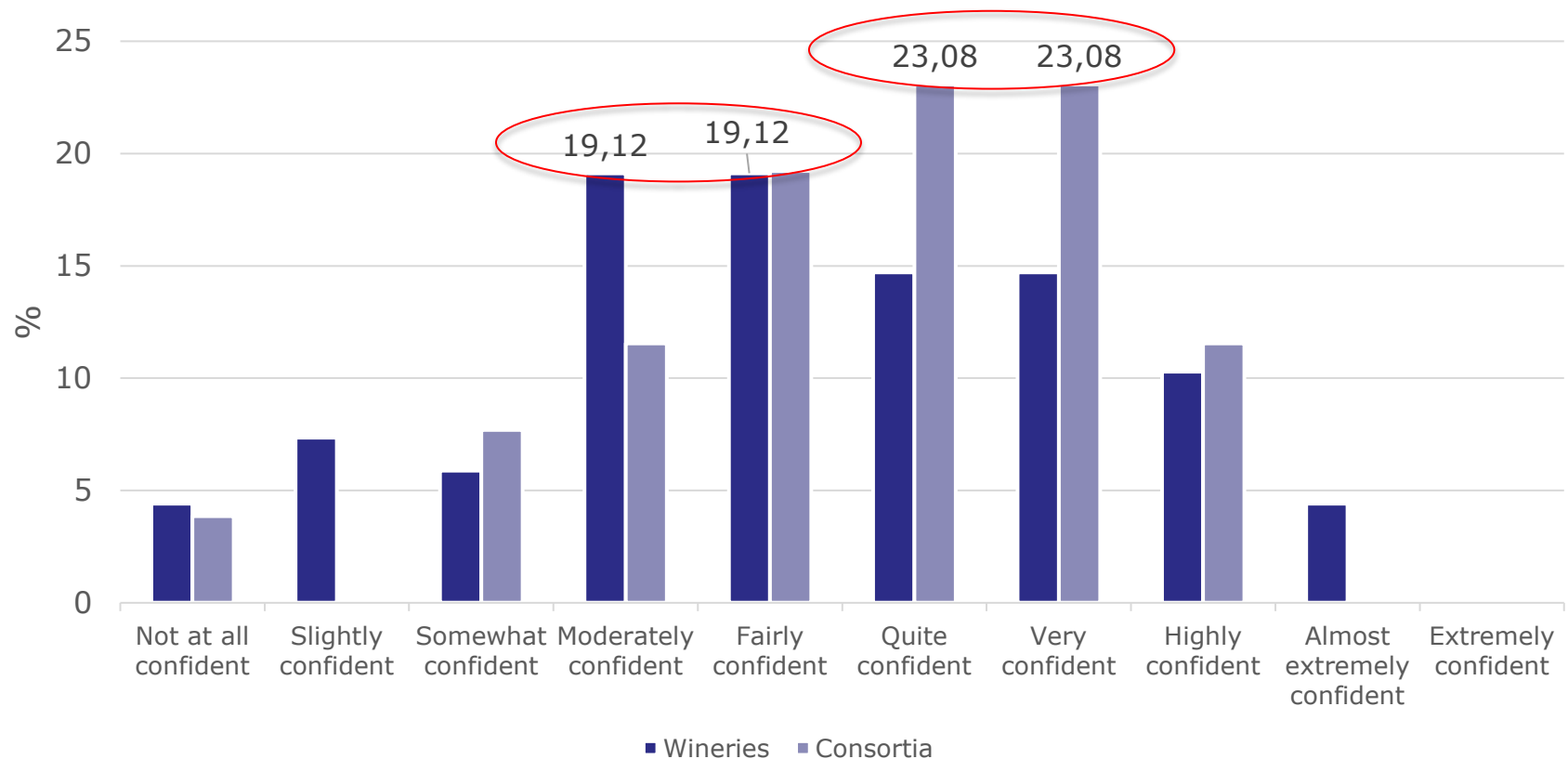
Opinion on the general economic outlook



Respondents: Wineries n. 68, Consortia n. 26



Confidence in the EU programmes' ability to support the sector over the next 3 years



Respondents: Wineries n. 68, Consortia n. 26

Variance (Std) [Median]:

- Wineries: 4,174 (2,043) [5]
- Consortia: 2,966 (1,722) [6]

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Suggestions for the EU on how to assist producers and denominations (1/4)

Key Themes and Requests in the Wine Sector

Theme	Definition	Key Quotes
Reduction of Bureaucracy	There is widespread request to increase funds for promotional activities and improve marketing initiatives for European wines. Producers are asking the EU to play a more active role in international promotion and consumer education, especially among young people.	<ul style="list-style-type: none">• «Drastically reduce bureaucracy throughout the supply chain from production to commercialization. Address the costs of pesticides and fertilizers»;• «Make programs less bureaucratic and facilitate access to funds for small businesses, excluding complexities for small producers».



Suggestions for the EU on how to assist producers and denominations (2/4)

Key Themes and Requests in the Wine Sector

Theme	Definition	Key Quotes
Greater Support for Promotion	Many participants highlighted that excessive bureaucracy is an obstacle to the growth of the wine sector. The complex procedures for accessing funds are particularly burdensome for small producers, who are calling for regulatory simplification.	<ul style="list-style-type: none">• «Increase investments in promotion and enhancement, while simultaneously raising the contribution percentage»;• «Support participation in food and wine fairs and the hosting of foreign operators, buyers, and journalists».



Suggestions for the EU on how to assist producers and denominations (3/4)

Key Themes and Requests in the Wine Sector

Theme	Definition	Key Quotes
Need for More Favorable Policies	Participants called for EU policies to improve access to foreign markets and protect quality production through Geographical Indications (GI). They also emphasized the need for better trade agreements to reduce export barriers and ensure fair competition.	<ul style="list-style-type: none">• «Protect producers from all forms of hidden protectionism under the guise of label compliance requirements»;• Improve agreements and policies to protect Geographical Indications to ensure fairer competition in foreign markets».



Suggestions for the EU on how to assist producers and denominations (4/4)

Key Themes and Requests in the Wine Sector

Theme	Definition	Key Quotes
Awareness of Responsible Drinking	The promotion of moderate wine consumption is seen as a sustainable marketing strategy to educate about its benefits. EU support is requested to counter anti-alcohol campaigns and highlight wine as part of a quality diet.	<ul style="list-style-type: none">«Stop being detrimental to the sector and start recognizing wine as a great historical, cultural, and social value for humanity. Invest more in educational promotion for consumers and younger generations, and stop scaring everyone with widespread campaigns about the harms of alcohol that only hurt the wine industry»;Avoid anti-alcohol campaigns and promote education on the consumption of quality food and beverages».



SUMMARY OF THE RESULTS



WINERIES AND CONSORTIA SENTIMENT

1.

SENSE OF **UNCERTAINTY** REGARDING THE NATIONAL ECONOMIC OUTLOOK AND INTERNATIONAL DEMAND IN KEY MARKETS.

2.

PERCEIVED RELEVANCE OF PHYSICAL WINERY AND DIGITAL **DIRECT SALES AND HO.RE.CA.** CHANNELS

3.

SALES ARE THOUGHT TO **REMAIN STABLE** FOR THE **NEXT 6 AND 12 MONTHS**

4.

UNIFIED PERCEPTION OF DEMAND TRENDS FOR **SPECIFIC WINES CATEGORIES** (ORGANIC AND LOW/NO-ALCOHOL)

5.

DIFFERENTIATED PERCEPTIONS BETWEEN WINERIES AND CONSORTIA ABOUT INTERNATIONAL DEMAND TRENDS BASED ON **VALUE CATEGORIES**



SHARED DESIDERATA:

1.

NEED FOR **SIMPLIFICATION OF EUROPEAN BUREAUCRACY** FOR ACCESS TO JOINT PROJECTS

2.

EDUCATIONAL INITIATIVES TO PROMOTE RESPONSIBLE DRINKING,
PARTICULARLY AMONG YOUNGER GENERATIONS

3.

INVESTMENTS FOR THE **PROTECTION AND PROMOTION** OF LOCAL AND REGIONAL
WINE PRODUCTS AND PRODUCERS

4.

ENHANCED EU **COORDINATION AND ORCHESTRATION** FOR THE INTERNATIONALISATION OF
WINE PRODUCTS



METHODOLOGY



- **Sampling:** purposive (representatives of Italian wineries and consortia)
 - **Data collection:** online survey, October 2024
 - **Type of questions:** closed- and open-ended questions.
- **Respondents:** 94 participants from wineries and 35 participants from consortia

Wineries	Consortia
Role: n. 46 Owner/President, n. 7 Managing Director, n. 1 CEO, n. 17 Marketing/Sales Director, n. 7 Production Director, n. 16 (Other)	Role: n. 4 President, n. 20 Managing Director, n. 11 (Other)
Experience: n. 3 less than 1 year, n. 15 between 1 and 5 years, n. 11 between 6 and 10 years, n. 20 between 11 and 20 years, n. 45 more than 21 years	Experience: n. 1 less than 1 year, n. 6 between 1 and 5 years, n. 6 between 6 and 10 years, n. 12 between 11 and 20 years, n. 10 more than 21 years



Thank You

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