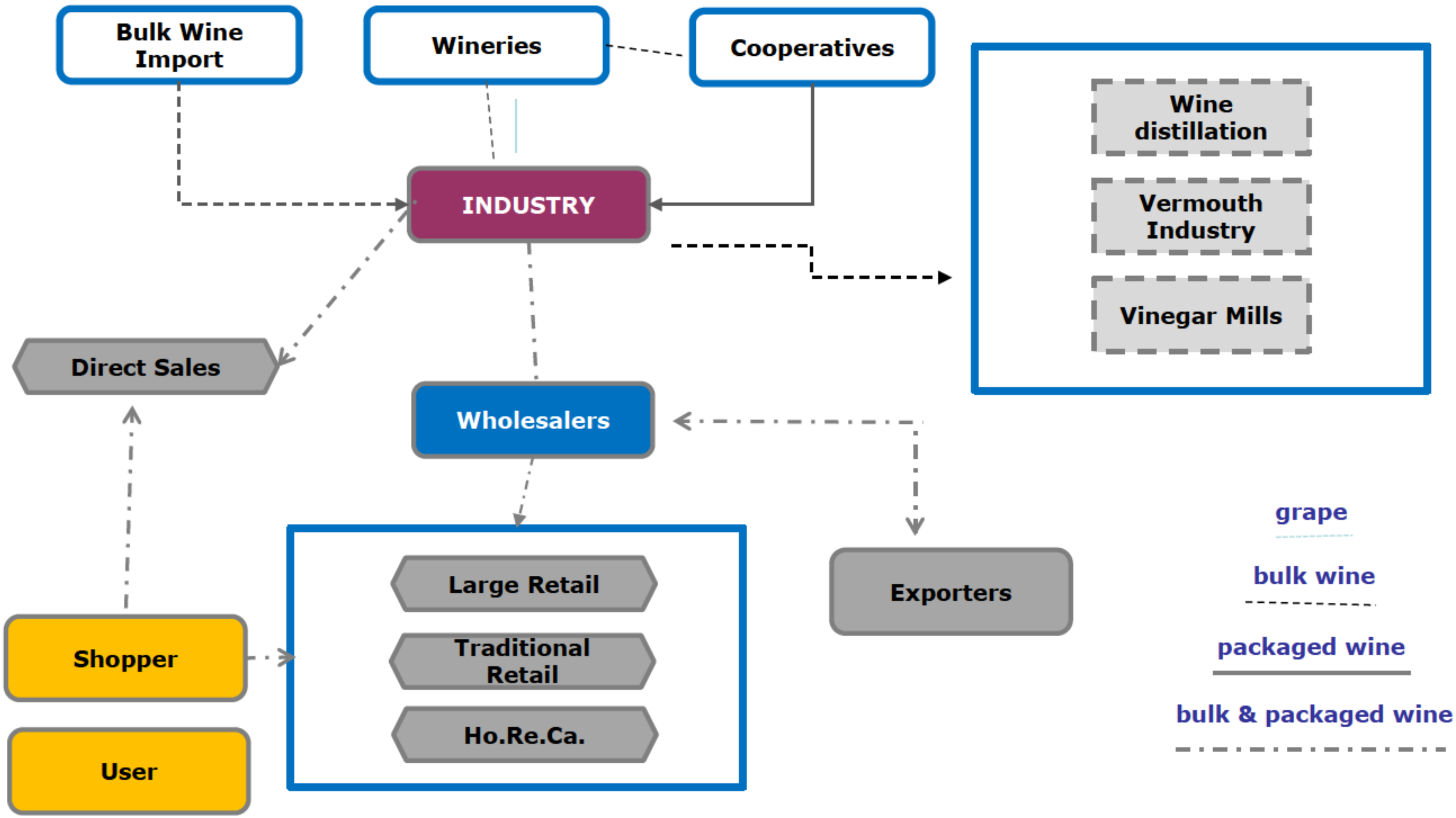
Wine Market Observatory

***Tuesday*, April, 10th 20234**

TOWARDS A PARADIGM SHIFT

Insight from Wine Sales in the Italian Large Retailing Trade

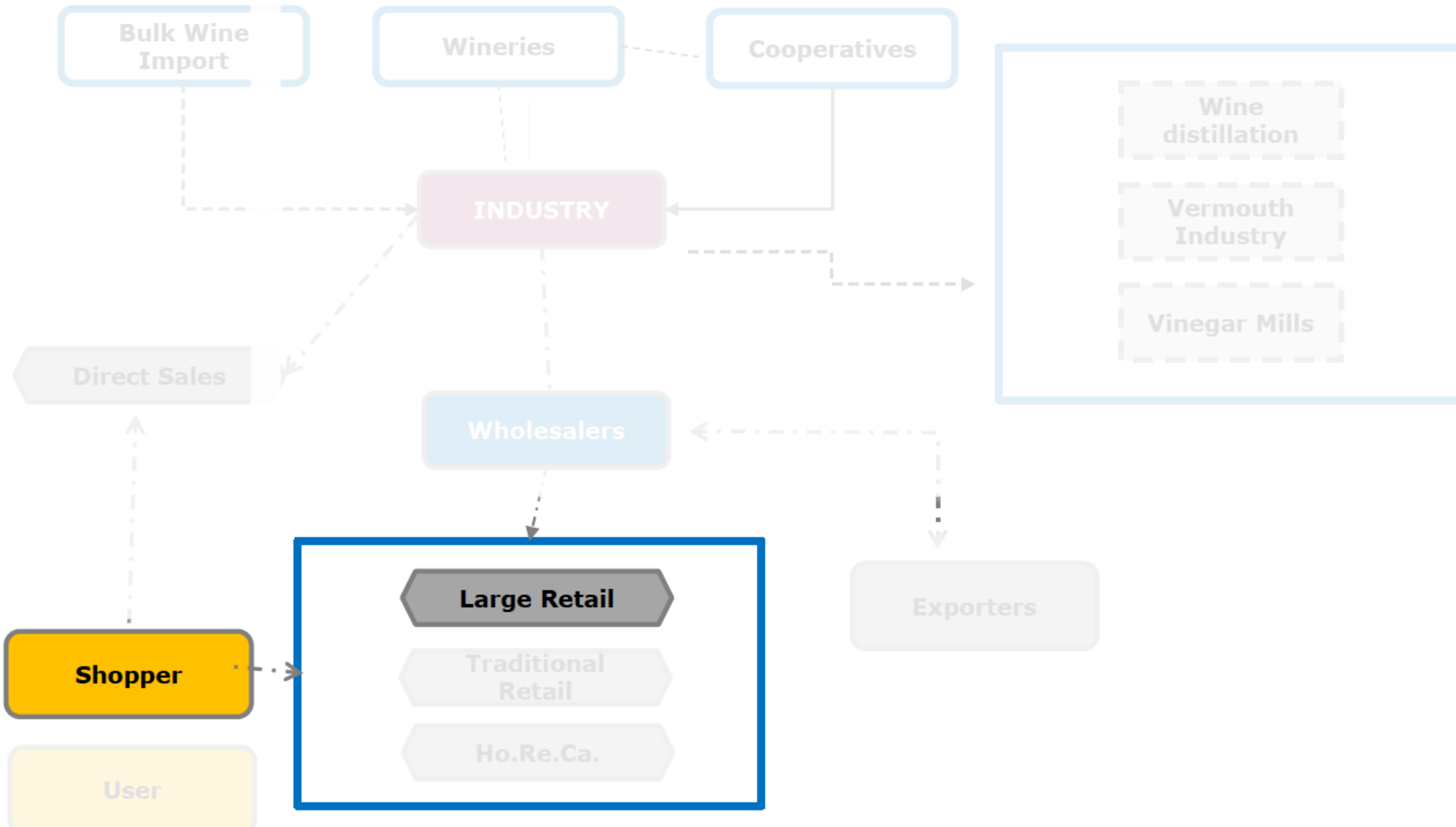
Prof. [redacted], Ph.D.
EFOW



SOURCE: www.ismeamercati.it/vino

FROM FARM TO GLASS

the journey to wine consumption



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Agriculture and Rural Development

SOURCE: www.ismeamercati.it/vino

LARGE RETAIL TRADE (LRT)

ITALY 2019 – 2024 FIGURES

SALES IN LARGE RETAILING: *values*

Italy
2020 – march 2024
Source: RemLab on Circana Data

European Commission

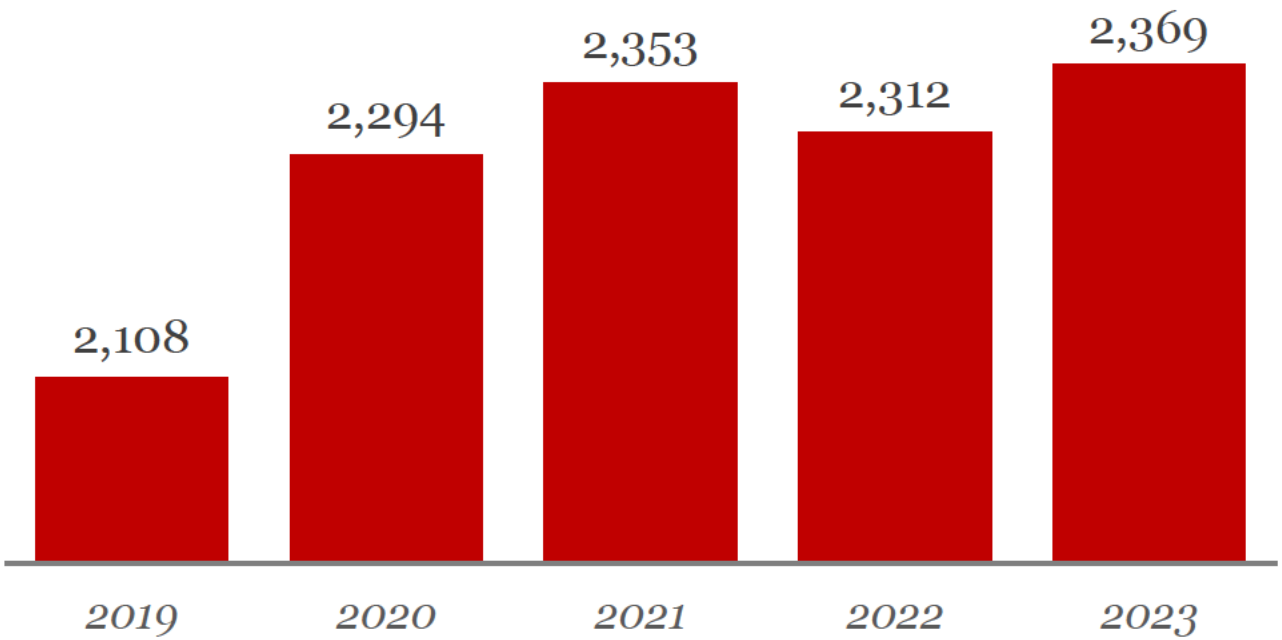
% changes in sales value vs. previous year, total LRT channels*

Years	Total FMCG CATEGORY	Total BEVERAGES	Total WINES
2020	+8,7	+6,2	+8,8
2021	+3,0	+6,8	+2,6
2022	+7,9	+5,8	-1,8
2023	+8,8	+5,8	+2,5
2024	+2,4	+2,9	+0,9

*LRT: iper + super + large specialized + discount + e-com

WINE SALES IN LARGE RETAILING: *values*

absolute value sales in €Mn, total LRT channels*



Estimated average inflation around 15%

*LRT: iper + super + large specialized + discount + e-com

WINE SALES IN LARGE RETAILING: *values*

Italy
2020 – march 2024
Source: RemLab on Circana Data

European Commission

% changes in sales value vs. previous year, total LRT channels*

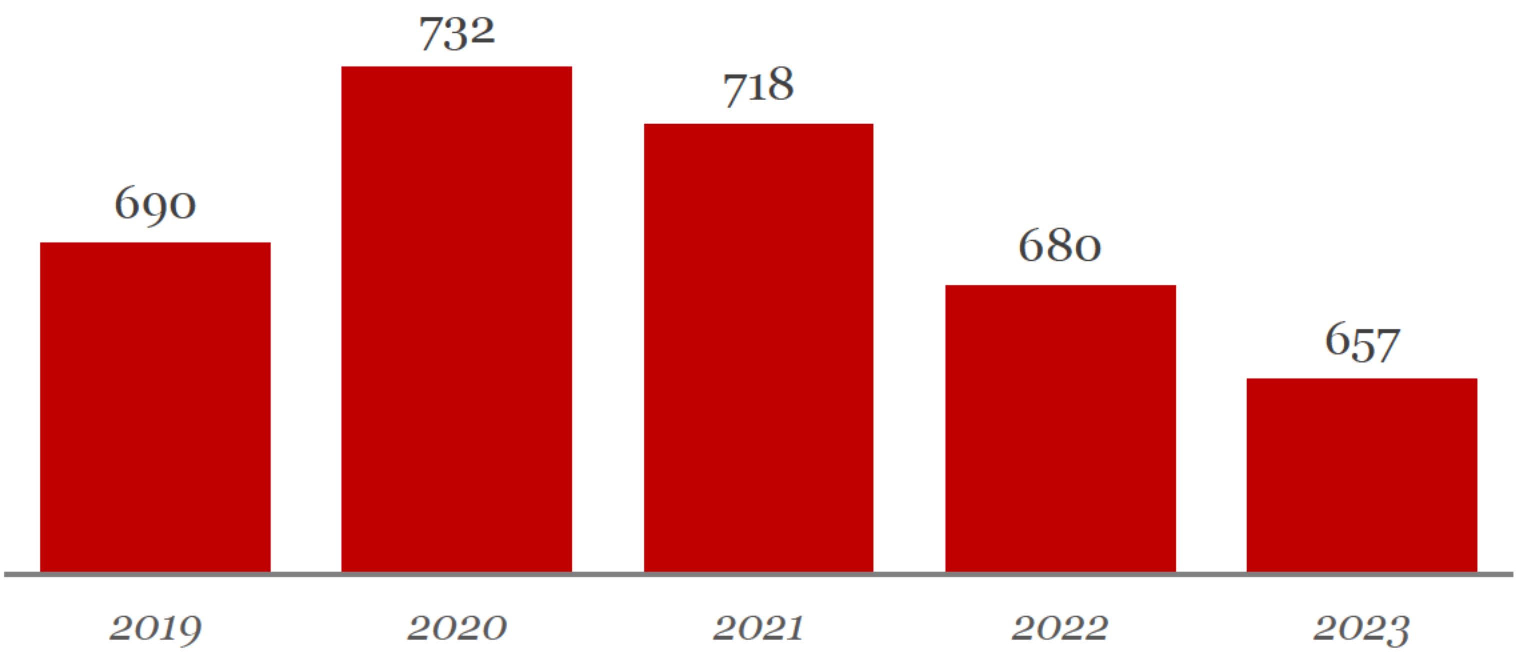
Large Retailer	2020	2021	2022	2023	2024*
Hypermarkets	-1,3	+2,5	-3,2	-0,4	-4,8
Supermarkets	+9,6	+3,7	-3,2	+3,7	+1,2
Proximity/LSP	+4,3	-3,9	-0,1	+1,2	-0,9
Discount	+11,5	+2,7	+3,0	+1,7	+4,8
e-Commerce	+152,8	+16,4	-10,3	-7,0	-11,0
Total	**+8,8**	**+2,6**	**-1,8**	**+2,5**	**+0,9**

***LRT: iper + super + large specialized + discount + e-com**

WINE SALES IN LARGE RETAILING: *volumes*

Italy
2019 – 2023
Source: RemLab on Circana Data

absolute volumes sales millions hl, total LRT channels*



***LRT: iper + super + large specialized + discount + e-com**

WINE SALES IN LARGE RETAILING: *volumes*

Italy
2019 – 2023
Source: RemLab on Circana Data

European Commission

% changes in volumes sales, total LRT channels*

Large Retailer	2020	2021	2022	2023	2024*
Hypermarkets	-3,0	-4,8	-7,8	-6,1	-8,7
Supermarkets	+7,1	-2,0	-6,6	-2,3	-4,1
Proximity/LSP	+3,0	-7,9	-5,0	-5,2	-8,1
Discount	+7,0	+0,9	-2,6	-3,3	+4,7
e-Commerce	+153,3	+31,9	-8,5	-10,2	-16,8
Total	**+6,1**	**-1,9**	**-5,4**	**-3,3**	**-2,4**

*LRT: iper + super + large specialized + discount + e-com

European Commission

SHOPPERS & USERS

2023 FIGURES

Italian Shoppers' Strategies in the FMCG

90.9% **Waste Reduction**
86.0% **Non-essential purchases Reduction**
71.3% **Purchase of premium brands Reduction**

73.4% **Increased purchase of first-price products**
80.6% **Increased purchase of Private Label Products**
91.4% **Increased purchase of promotional products**

76.5% **Shopping at more outlets**
71.1% **More frequent shopping at Discount stores**

FREQUENCY OF VISIT TO THE STORES

Source: RemLab on Circana Data

Large-Scale Retail Channels [number of visits/year per shopper]

Channels	2021	2022	2023
Hypermarkets	17.2 times	18.7 times	20.4 times
Supermarkets	66.4 times	69.6 times	76.7 times
Proximity/LSP	22.9 times	26.5 times	30.2 times
Discount	27.9 times	29.9 times	31.3 times
Drugstore	12.0 times	11.9 times	12.8 times
e-Commerce	6.4 times	7.3 times	7.7 times

Average time of a supermarket visit 39 minutes

AVERAGE RECEPIT IN THE FMCG PER STORE

European Commission

Source: RemLab on Circana Data

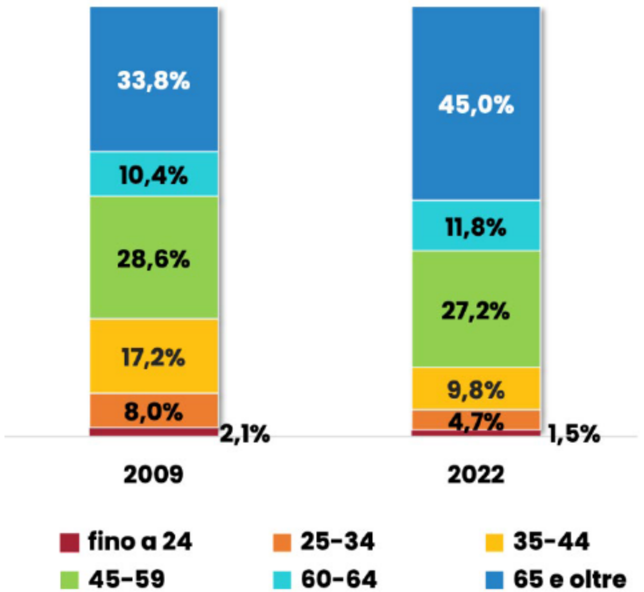
Large-Scale Retail Channels [Average spending per transaction]

Channels	2020	2023
Hypermarkets	€33.70	€31.91
Supermarkets	€28.22	€27.37
Proximity/LSP	€19.51	€18.70
Discount	€25.42	€25.81
Drugstore	€15.18	€15.08
e-Commerce	€37.78	€34.81

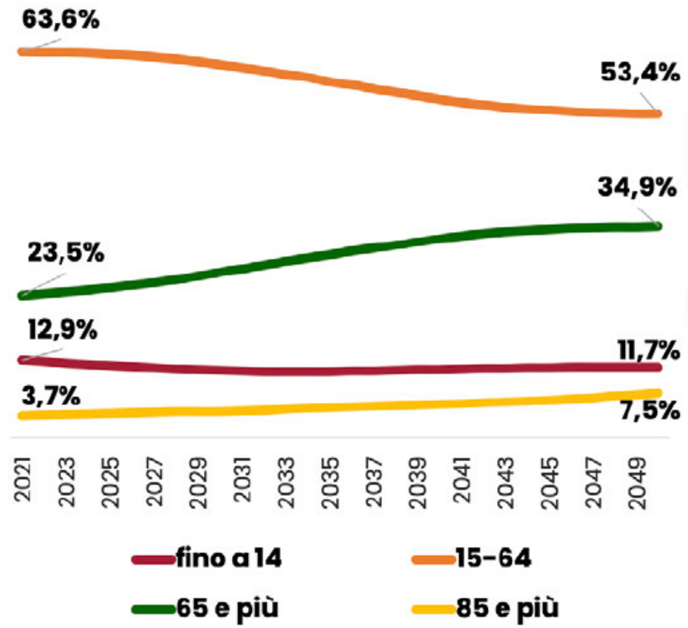
CONSUMPTION BASICS: demography

Source: Nomisma Federvini 2024

Daily wine consumers in Italy by age group



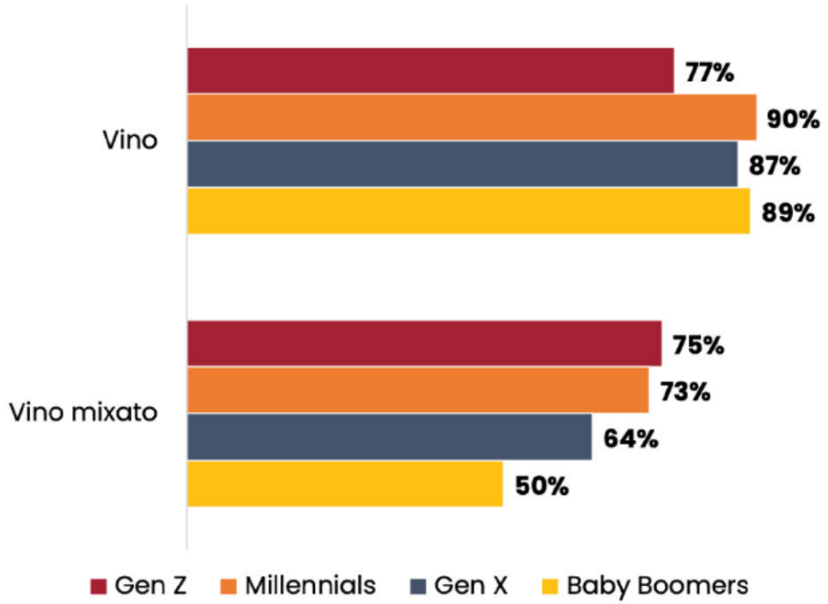
Population by 2050 by age group (% of total population)



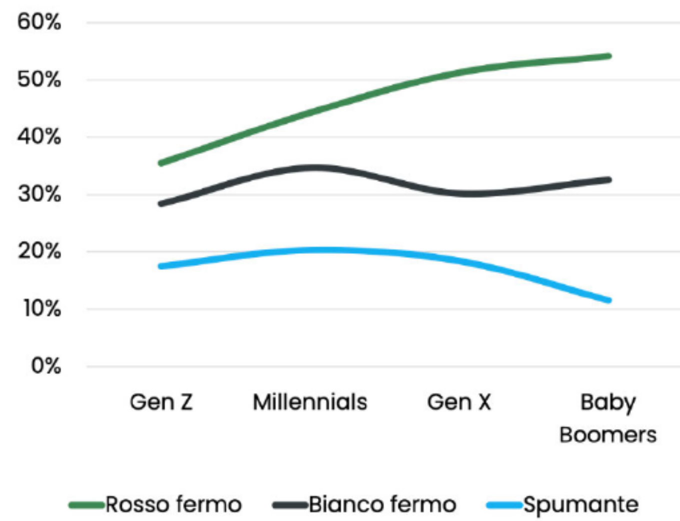
CONSUMPTION BASICS: penetration & frequency

Source: Nomisma Federvini 2024

Penetration rate by generation: Wine vs. Mixed wine



Frequent Users by Generation and Type of Wine



Source: Nomisma Federvini 2024

European Commission

International trends according to Italian producers

85% Organic
80% Eco-sustainable packaging
75% Sustainable
34% Biodynamic

79% from a specific territory
73% from native grape variety

48% Low-alcohol
20% Structured (high-alcohol content)

24% Easy to mix
20% Premixed bottles

European Commission

SO WHAT

European Commission

A PARADIGM SHIFT HAS PROBABLY JUST BEGUN

1
WINE DEMAND IS STRUCTURALLY **SLIDING DOWN**

2
THE *AT-HOME* CONSUMPTION IS MORE AND MORE **POLARIZED**

3
THERE IS **LESS SPACE** FOR PREMIUM WINES IN THE LRT OUTLETS

A PARADIGM SHIFT HAS PROBABLY JUST BEGUN

1

2023 IS TO BE CONSIDERED AS THE «*NEW NORMAL* YEAR ONE»

2

THE LRT OUTLETS WILL BE A **NEW MEDIA**

3

IN TRADITIONAL MEDIA OUTLETS WINE CONSUMPTION WILL BE UNDER ATTACK

4

IN THE FMCG INDUSTRY THE **PERCEIVED VALUE** IS QUESTIONED (SO IS WINE)

Thank You

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