Consumer Countries/Markets

USA: Alcohol Sales Must Be Reformed Now...The Industry Depends on It
The time for nonsense alcohol regulations is over. It’s done. If the American alcohol industry is going to get back on its feet and flourish after the unprecedented economic downturn caused by the shutdown of commercial activity then things are going to need to change. Flourishing commerce in alcohol must be the aim and deregulation of the alcohol industry is really the only way to achieve that aim quickly.
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Major Wine Producing Countries

South Africa: Wine post Covid-19: Earning the Right
There has been much speculation lately about what will happen to wine sales and consumption once national, and international lockdowns end. Most agree that ‘things will never be the same’ and that the wine industry, as well as consumer habits and practices will be different, at least in the short term.

Wine exports, once they resume, will face difficulties, from a damaged exchange rate, worldwide over production of wine and greater supermarket pressure for wine in bulk at minimal cost. The estimated R175m per week losses for South African wine producers will be difficult to recover from. Premium wines will continue to have a niche market, but with economic constraints may see fewer new customers.

People will fly less (there will be fewer airlines and fewer flights) – for business or holiday – and will leave their own shores less and will more often visit, buy and consume locally. Overseas wine tourism will take a big hit, and probably not just for months.

The enforced at-home consumption will see an increase in on-trade business for a while post lockdown, but this might be short termed, especially as some restaurant and bar businesses might not survive the lockdown and many people are experiencing severe economic hardship. Eventually people will look to drink less but better and domestic consumption might be the new norm for many after lockdown.

The increase in on-line, home delivery, e-commerce wine sales in markets which still permit delivery (and in SA once lockdown is ended) has introduced a new consumer to this often easier, social-isolation encouraging and price preferential method, this habit might continue after lockdown.
So what does this mean for the South African wine producer?

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