BI Daagliks - BI Daily

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Major Wine Producing Countries

Future scenarios for the South African wine industry

The Cup Runneth Over or Scraping the Barrell?

Since 2012, several editions of VinIntell were published that built towards the presentation of two possible scenarios for the South African Wine Industry. Broadly using the Political, Economic, Social, Technology, Environment and Legal (PESTEL) analysis method various aspects were visited and analysed to present a picture of how each might play out over the next decade. An envisioned and a desirable status for the South African wine industry in the year 2021 would be that the South African wine industry:

• is globally competitive and highly profitable;
• dominates its selected market niches;
• products are ‘distillates of nature’, which reflect respect for the creativeness of nature, and the great possibilities presented by the diversity of ecologies in the South African wine producing regions;
• is innovation driven and market directed to ensure its continuous renewal and its ability to provide sustainable customer and consumer satisfaction in all the products and services that it offers;
• is a good citizen (ethical, socially responsible, sustainable) develops its people; builds relationships with its community and contributes towards creating a better society in South Africa through its behaviour, activities and engagement.

An optimistic (Cup Runneth Over) and a less optimistic scenario (Scraping the Barrel) were developed and presented in the VinIntell September 2013 Issue 17 (available on the SAWIS website under News>VinIntell).

The drivers and variables which impact on the future of the wine industry in South Africa in a positive or more challenging manner support the various Wine Industry Strategic Initiatives (WISE).

Scenarios
Scenarios are not predictions, nor are they roadmaps; they are at best, constructed stories about a particular point in the future and some informed speculation about the crosscutting paths that might get us there based on currently known facts. There will not be one scenario for the wine industry in 2021. Rather, it will be an increasingly confused set of extremes. Such a conclusion is hardly surprising.
The drivers and variables that are likely to propel change in the wine industry have now been updated and aligned with the two scenarios.