

The US Wine Market in 2025

Finding growth in a challenging context

Stephen Rannekleiv, Rabobank

Unified Wine & Grape Symposium, 2025



Rabobank

Declining alcohol sales...

“...permanent problem or a short-term slump?”



Wine's Woes: Structural



Anti-
Alcohol

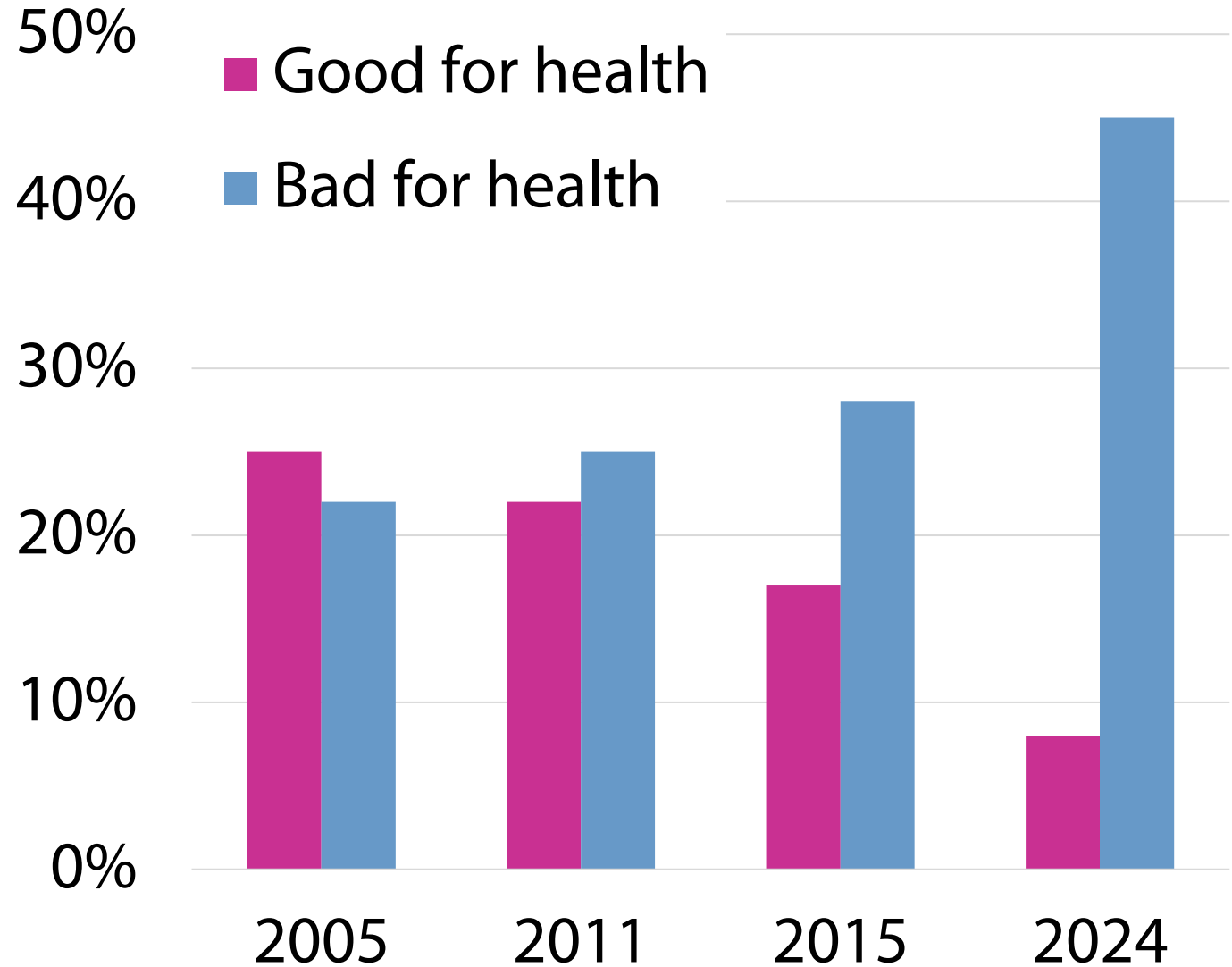
Demo-
graphics

Cannabis

GLP-1

Health messaging isn't helpful, but...

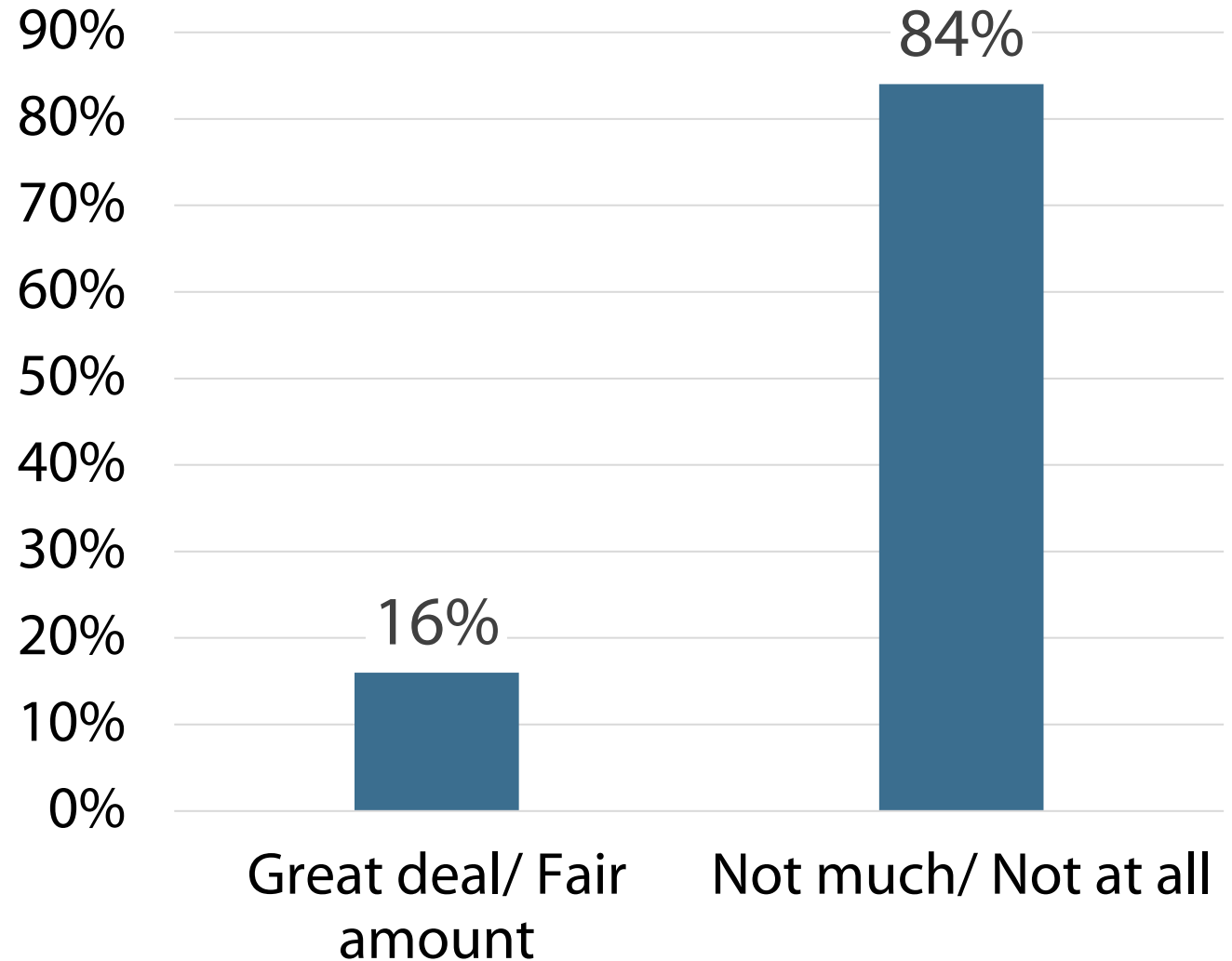
“Do you, personally, think drinking in moderation is good for your health, makes no difference, or is bad for your health?”



... perhaps not (yet) the main cause of decline



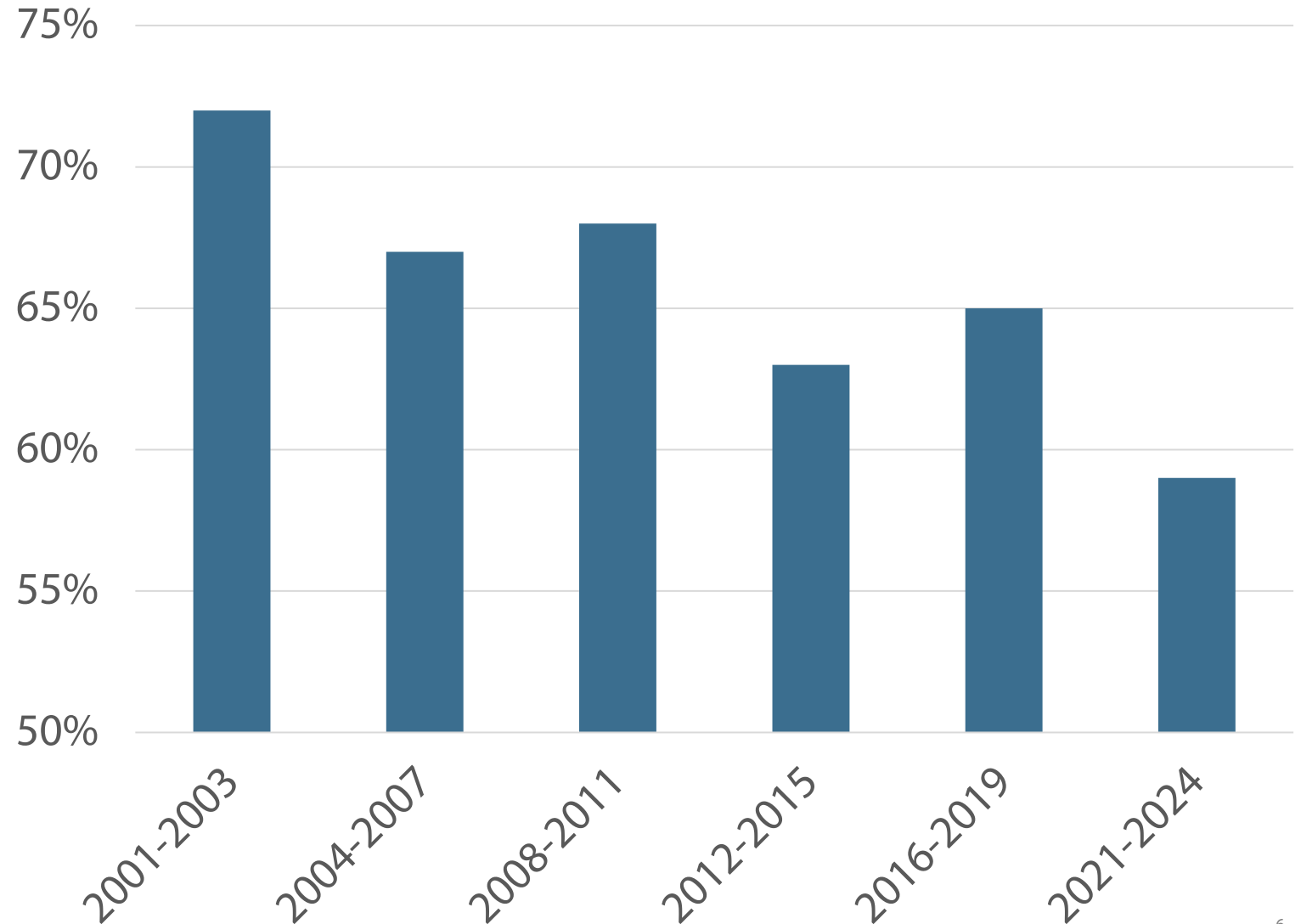
“How much do you worry about the long-term effects of drinking on your health?”



Demographics: Young consumers drink less

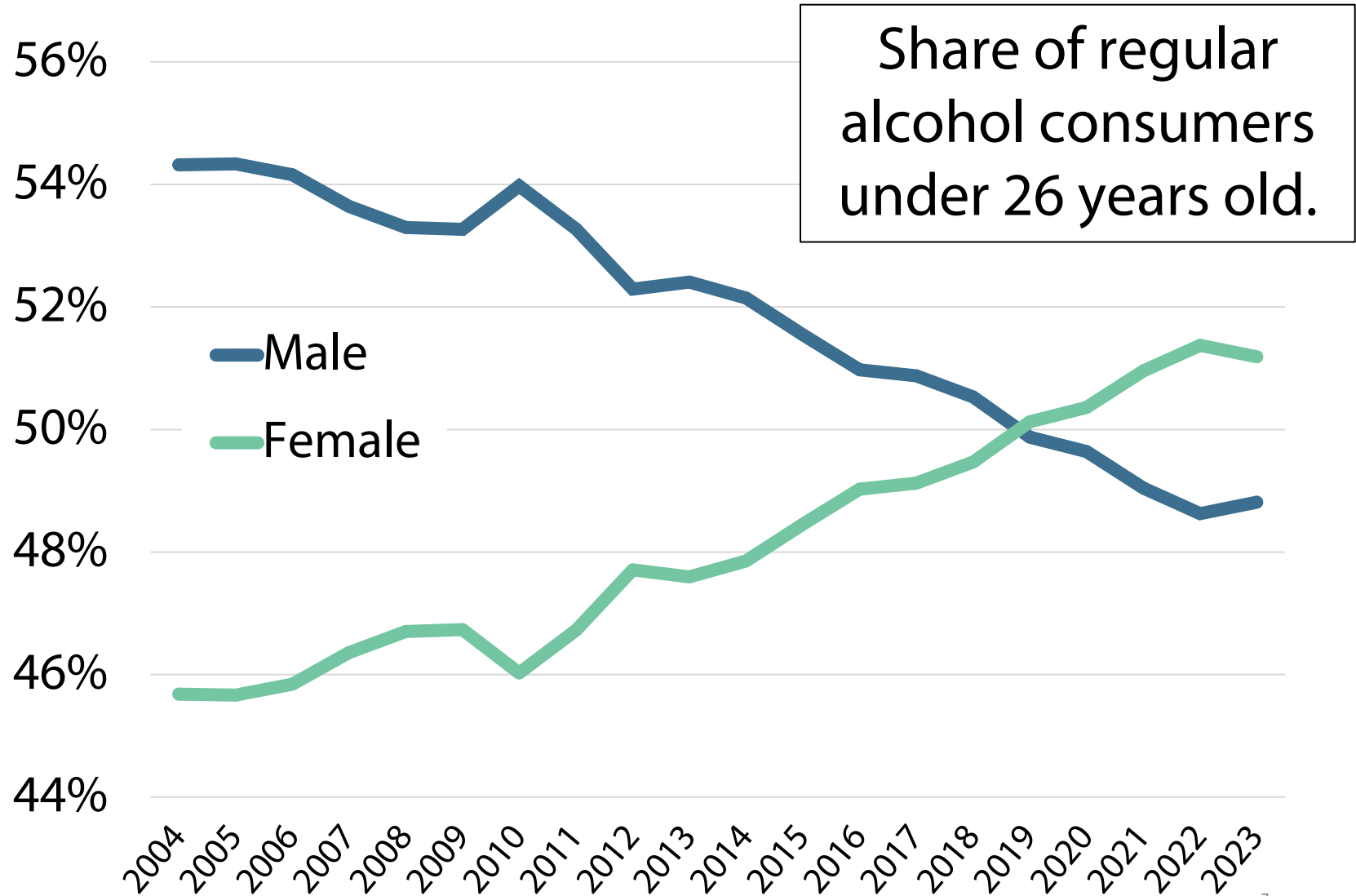
“Do you have occasion to use alcohol...”

% Yes among 18 to 34 year-olds



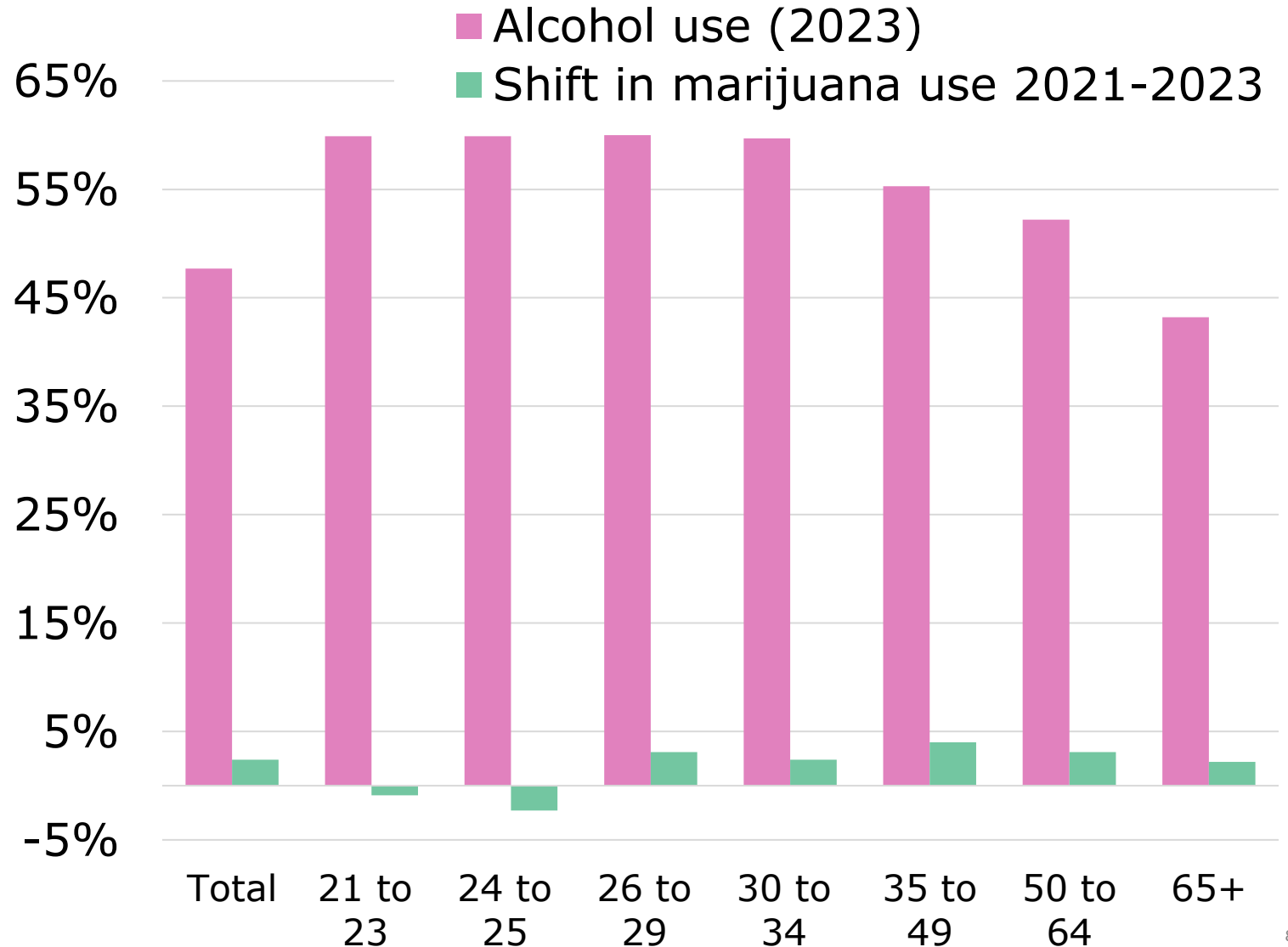
... but young women drinking more

Women are now the majority of college-aged people that regularly drink alcohol



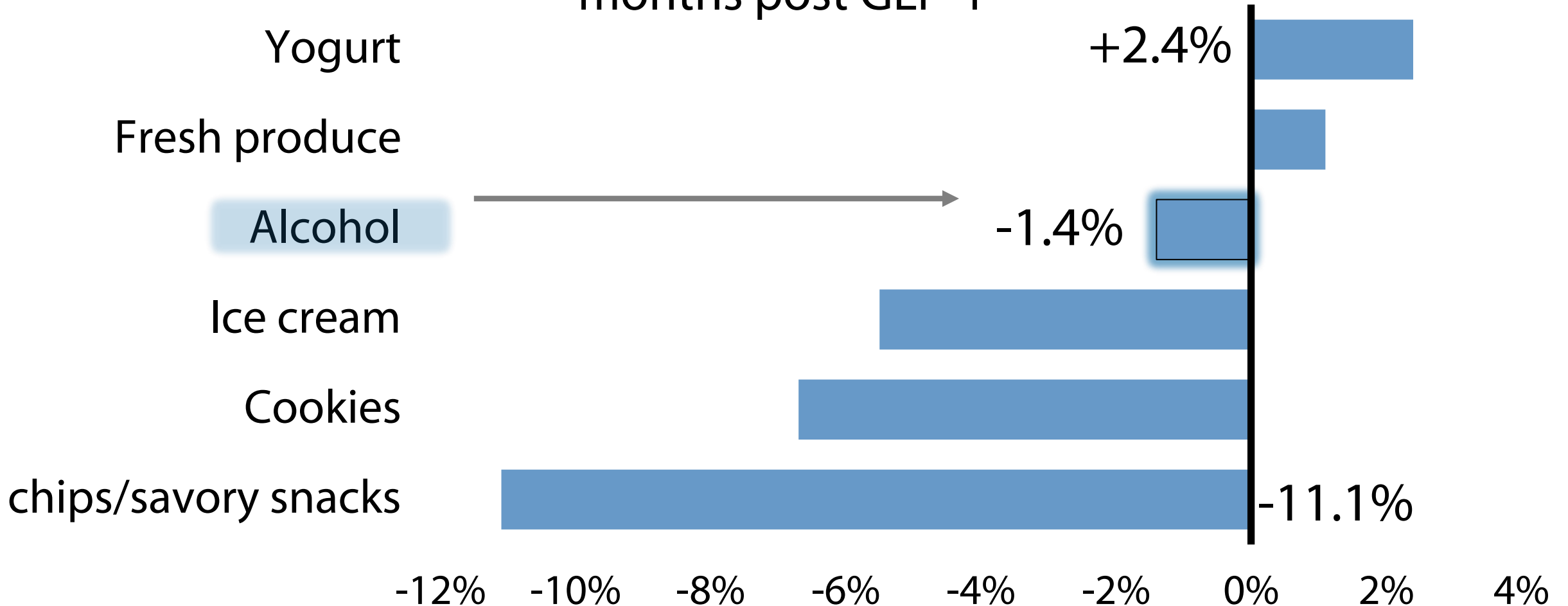
Cannabis is a drag... but how much?

Share of population that regularly drinks alcohol vs increase in share of population that started using marijuana since 2021, by age



GLP-1 use reduces alcohol use... a bit

Change in grocery spend 6 months post GLP-1



Wine's Woes: Transitory

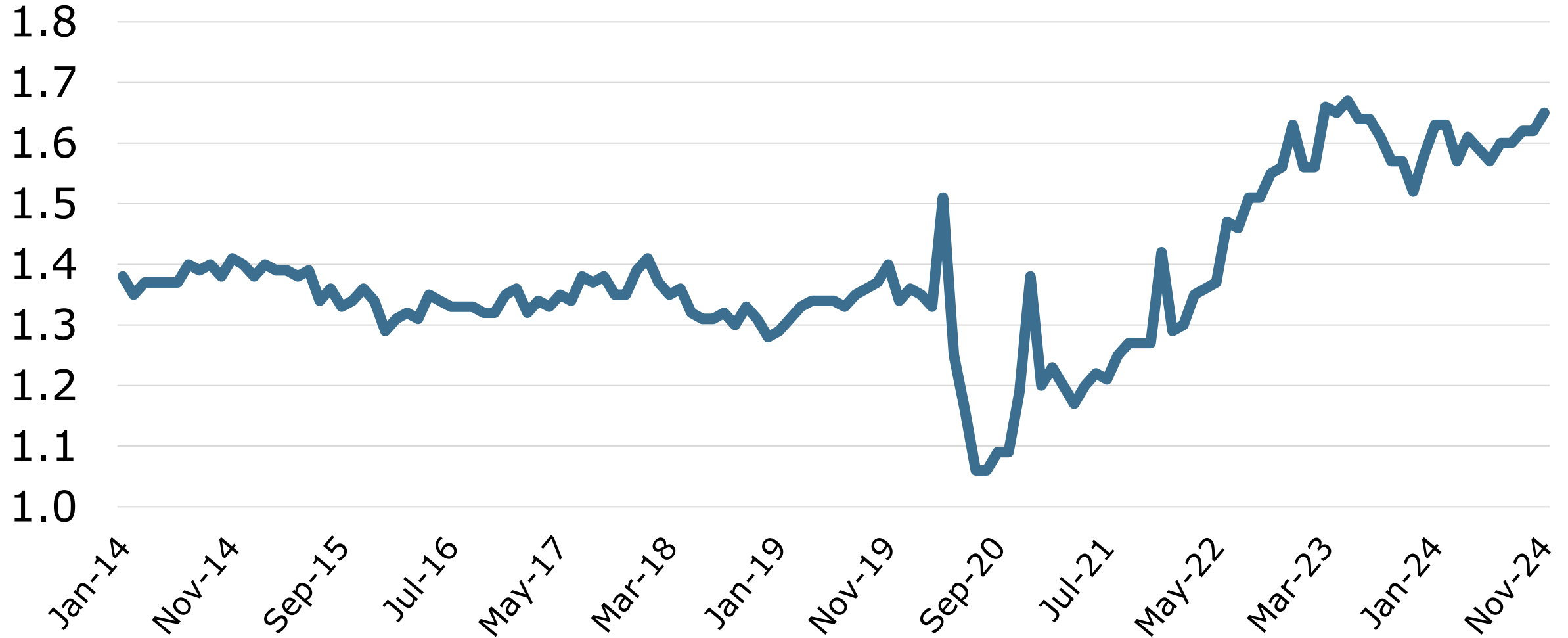


Inventory

Economy

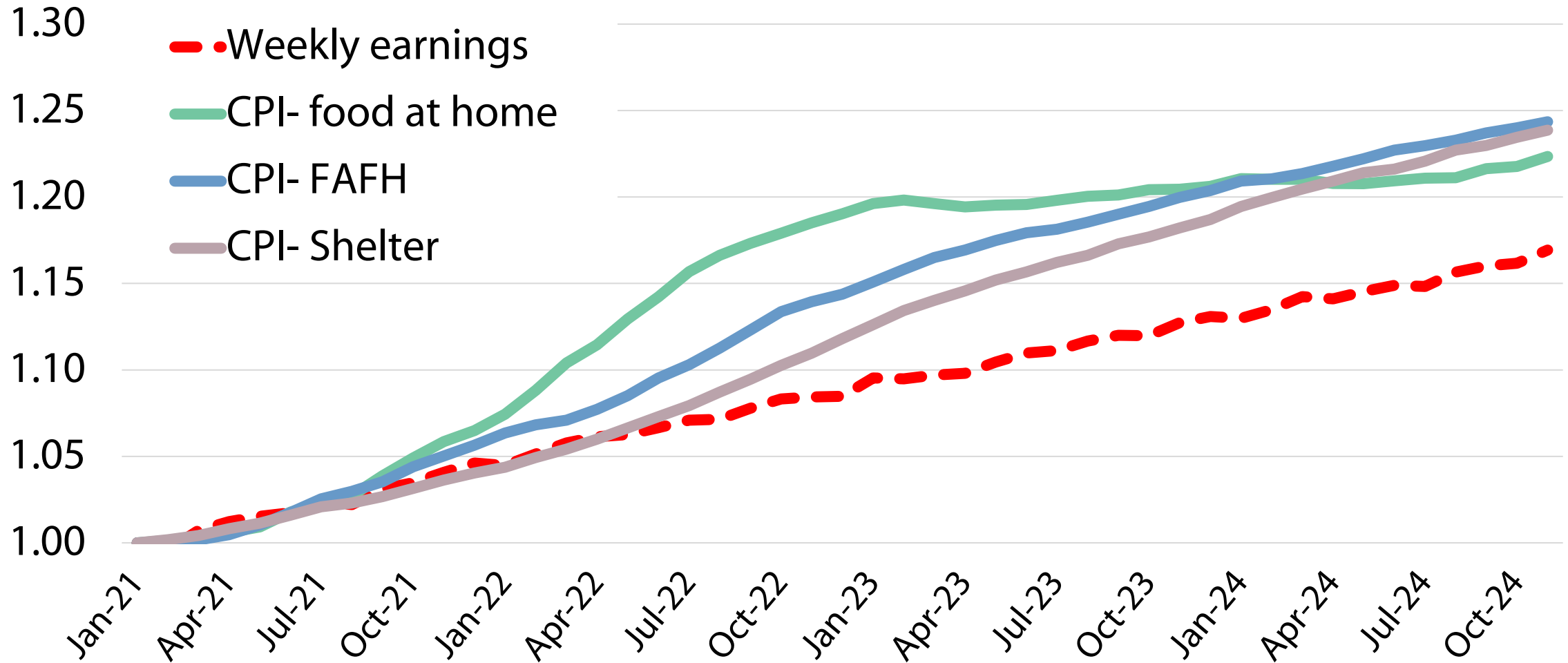
Wholesaler inventory remains elevated

Wholesaler inventory-to-sales ratio, Jan 2014- Nov 2024



The Economy: Consumers vs Economists

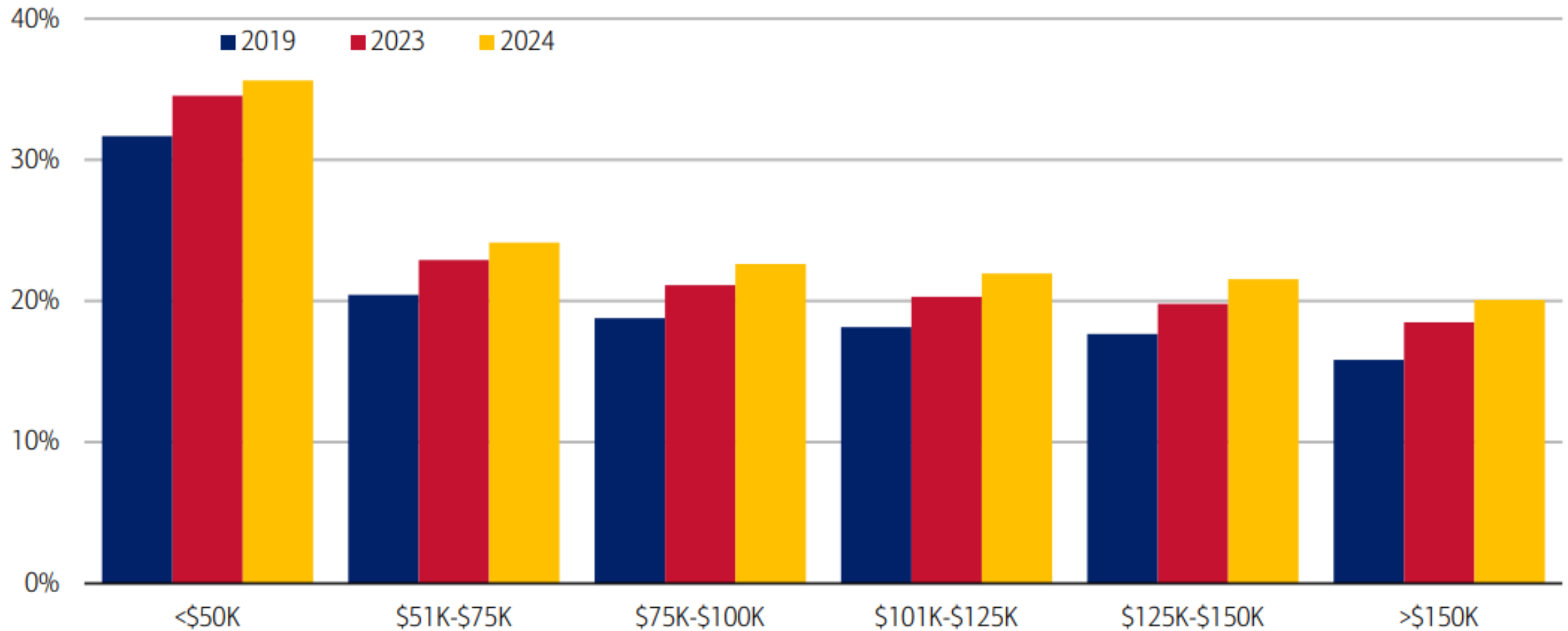
Index of Inflation vs Earnings, January 2021-Nov 2024



More consumers living paycheck to paycheck



Share of household living paycheck to paycheck, by income



How bad is it really?

30/04/2024 · 47 MIN

US wine and spirits sales: How bad is it, really?

Liquid Assets: A Beverage Industry Podcast



Danny Brager



Dale Stratton

King Estates: Differentiation & value



Josh: Brand narratives matter

“There is a relative absence of strong brand values and narratives in wine that go beyond the product”

Tom Steffanci
Deutsch Family Wine, CEO
Sept. 10, 2024

Archer Roose: Targeting new occasions



“I thought about the cooler of beer on the sideline... and thought, ‘what’s in there for the moms?’”

Elizabeth Banks

Archer Roose Co-owner, CMO

Nov. 11, 2021

Sunny: Wine and wellness



Rabobank

“It’s not just ‘light’. There is a brand proposition here. It is ‘Sunny with a Chance of Flowers’. It’s a positive message”.

Dale Stratton/Heidi Scheid
Liquid Assets
June 2, 2021

BeatBox: New occasions and 'party math'



“We are for the occasions of party and fun... It shows up in everything we do, from the flavors that we choose, the packaging, the way we market, where we market...”

Amy Steadman/Brad Schultz
Beatbox Co-Founders
Feb. 13, 2023

McBride Sisters: Attracting new consumers



“Specific to our She Can wine brand... 25% were new to the wine category... were drinking probably spirits before.”

Andrea McBride
McBride Sisters
June 9, 2022

BeatBox: Party math and new occasions



13/02/2023 · 54 MIN

What Do Young People Want? Feat. Beatbox Beverages
Liquid Assets: A Beverage Industry Podcast