

Wine Consumption Trends for 2021

2020 was an unprecedented year for businesses across the globe, and the F&B industry worldwide has also greatly felt the impact of Covid-19. A recent news report indicated that the Maharashtra State Government's Excise Department had seen a 22% reduction in revenue between April to November of this year as compared to same time last year, given the ban on alcohol sales for a major part of the Covid lockdown earlier this year. With sales only opening up again in end-August, the industry has been playing catch-up ever since, to try and make back the significant losses faced over the course of the year.

In the last quarter of 2020 however, we have finally seen some buoyancy and a pick-up in sales. Keeping this in mind, here is my forecast for the wine trends for 2021:

A Thirst for Knowledge

The pandemic was marked by a steep increase in online learning – webinars, Zoom meets, Instagram Lives and more helped people worldwide bide their time, with countless resources becoming available via which people were able to learn new skills. The wine and beverage industry also saw a lot of knowledge being shared by global experts; I predict that both consumers and professionals in the trade will continue to consume education about beverages and wine, well into the New Year.

A Surge in Specialist Wine Stores & Online Sales

In 2021, I see more consumers seeking out modern wine specialist stores at which to make their purchases. These are typically posh shops located within large food retail formats, shopping malls or multi-theatre complexes. They offer a wider selection of both domestic and international wines; better-informed staff; and overall, a better experience for the consumer.

Another big trend that will continue into the New Year is the purchase of alcohol online. Ever since the Government has allowed online sales of alcohol, consumers have gravitated towards this highly convenient – and pandemic-proof – way of purchasing their favourite beverages. Given that the excise department has seen such a significant dip in revenue this year, I see no reason why the Government won't continue to encourage online liquor sales into the New Year, and even longer.

A Boom in Retail Sales versus Restaurants

There is no question in my mind that retail sales of alcohol will boom in 2021 and will take a lion's share of the pie. Traditionally speaking, retail sales have always constituted around 70% of all wine sales in the country. Now, due to the pandemic, there will be continued pressure on luxury restaurants and hotels to sell their wine, and especially to rationalize their wine pricing and markups. While this has always been a sore point for restaurants and hotels, it will become even more the case now, with consumers now so used to the conveniences of buying alcohol online, receiving home deliveries, and more – all without the markup.

Wine – An Affordable Luxury

In a year where the affluent haven't had a chance to spend on themselves as much, through international holidays or luxury purchases, a quick and convenient way to consume luxury is by spending on premium wines. Now more than ever, wine has become a luxury that the affluent can splurge on – I see premium wine purchases continuing through the New Year, with the wealthy even looking to trade up, and splurge more than usual on their wines and other luxury beverages.

Wine in Cans

With the recent introduction of wine in cans by brands like Sula and Fratelli, the Indian consumer, who is younger and not as experienced in the world of wines, will have more opportunities to try and enjoy wines in 2021. Wine in cans is a more accessible and price-sensitive way for consumers to sample the beverage, and with their introduction, the hope is that a younger, newer audience will convert to drinking wine.

A Greater Digital Focus for Alcobev Companies

Marketing, especially in the digital space, has been steadily growing in importance and significance over the last few years. Now more than ever, companies in the alcobev space need to embrace the power of digital marketing, and not only rely on in-store visibility. With online liquor sales, the launch of apps through which consumers can buy their alcohol, and Whatsapp home deliveries, the need for digital visibility has never been higher. Companies should rethink their marketing strategies in 2021, with a focus on their web sites, social media handles, and other online retail platforms.

Blush & Rosé Wines

In 2021, I predict that rosé still wine from regions all across the world – like French Provence, Italy, Spain and so on, will continue to rise in popularity. Rose wines are incredibly versatile, offering the lightness and freshness of a white wine, but the body and fruit of a red wine. They also pair very well with vegetarian food.

One variant in the rosé category that will continue to enjoy popularity in the New Year is the blush-coloured styles of Moscato wines. It's a medium-sweet wine and low in alcohol, thus allowing for easy drinking. It's got great aromatics and is especially a hit among lady drinkers. As women continue to embrace wines in 2021, options like Moscato, which are perfumed, sherbet-like and not very expensive, will remain popular.

So those are my predictions for wine consumption trends in 2021. Let's hope for a New Year that we can finally raise a glass to. Cheers!

Sonal Holland is India's only Master of Wine, an Educator, an Entrepreneur, and the Founder of SoHo Wine Club and Sonal Holland Wine Academy.

<https://www.apnnews.com/wine-consumption-trends-for-2021/>