

[VIEW ASIAN EDITION](#)

[Q SEARCH](#) [SIGN IN](#)



NEWS

Wine industry searches for answers as US alcohol sales slide

28 MAY 2026

By Kathleen Willcox

The US wine industry is grappling with falling sales, shifting consumer habits and intensifying competition from alternative drinks categories. But while traditional consumption patterns continue to weaken, pockets of growth suggest wine's future may depend on reinvention rather than retreat. Kathleen Willcox reports.



Six years of precipitous decline and failure are enough to send just about any individual, business, or industry into crisis mode.

Last year, US wineries lost an incredible \$1.2 billion in sales year on year, plummeting to \$74.3 billion from \$75.5 billion in 2024, according to Silicon Valley Bank's 2026 State of the [US Wine Report](#).

Clearly, a reset in terms of the amount of wine produced, the type of wine produced, and how it is marketed and discussed is overdue. But is the fermented beverage, with us for 8,000 years, a product utilised in religious, diplomatic, familial and social ceremonies both formal and informal, about to go the way of the dodo bird?

A quick scan of headlines: yes. A dig into the data and market realities: it depends.

Burgundy, organics and sparkling gain ground

Zeitgeisty tentpole regions and wineries are not suffering, and they appear to be stealing share from competitors.

Auction houses, which generate hundreds of millions in sales of fine wine to top and aspiring collectors, are always places to watch for mass trickle-down trends, akin to tracking the runways of Chanel to see what will be selling at H&M and Zara in a few years.

“In the USA, we are seeing a clear-cut preference for Burgundy,” says Órlaith Smith, international marketing manager at [iDealwine](#), an online auction house for fine wine based in Paris. “The region represents 56% of the value and 35% of the volume sold at auction.”

Smith notes that the preference for Burgundy over Bordeaux has flipped. In 2019, Bordeaux represented 44% and 45% of the value sold at auction, while Burgundy represented 23% and 31%. In 2025, Bordeaux represented 34% of the volume and 29% of the value sold, while Burgundy represented 27% and 41%, respectively.

The consumption of wine produced from chemical-free and certified organically farmed grapes has also increased by about 7%, a trend that Smith has also observed on [iDealwine](#).

“It is still difficult to glean precise data about the proportion of organic, biodynamic and natural wines sold at auction,” she says. “But in 2025, the proportion of organic and biodynamic wines sold increased from 28.4% to 29.9% of volume, and 35.6% to 36.2% in value.”

Sophia Gilmour, a market analyst at [Liv-ex](#), a global B2B trading platform for the fine wine market, notes that there is a significant shift in fine wine demand underway. Sparkling wine and white trade are up 650% and 1,100% respectively since 2010, with red wine activity plummeting by 15% since 2025 alone.

Lifestyle changes reshape consumption

Gilmour speculates that the change may have as much to do with lifestyle as anything else.

“In general, white wines are ready to drink earlier than reds,” Gilmour explains. “In the past, fine wine buyers may have had the patience and storage space to age wine for a decade or so after release, but there is a growing proportion of buyers who purchase with the intention to drink soon.”

The way the average person spends their time has changed considerably in recent years. In 2014, people in the US spent on average about 43 minutes per day socialising or communicating in person, according to the US Bureau of Labour Statistics’ American Time Use Survey. By 2024, the time had dropped to 35 minutes

per day, a reduction of about 19%. Over a year, that adds up to 49 fewer hours spent with others.

Traditional wine, an inherently social beverage, is losing share even faster than beer and spirits, with consumers turning to non-alcoholic beverages, cannabis, and RTDs, notes Kaleigh Theriault, associate director of thought leadership in the NielsenIQ beverage alcohol division.

“Now more than ever, wine is competing in the broader occasion space,” Theriault says. “Wine is increasingly tied to experience rather than routine consumption, especially with younger consumers. Better for you is also still a growth driver, with strong gains in claims including low calorie, clean label, eco-friendly and non-alcoholic.”

Non alcoholic wine grew 18.7% year on year, according to Theriault, compared with wine’s overall decline of 4.2%.

Younger drinkers seek quality and experience

Given the growth in non-alcoholic and better-for-you options, some of the other bright sales spots in wine may seem surprising at first glance.

One counterintuitive draw for younger wine lovers is rare and back vintages.

Dave Parker, founder, owner and chief executive of Benchmark Wine Group, a top source for fine and rare wine, notes that Millennials provide 30% of the company’s revenue, largely because they offer older wines.

“They are interested in what great wine tastes like at their peak of maturity, and don’t want to wait decades for new release wines to reach this point,” Parker says. “In general, younger generations are drinking better, but not more, overall. We see Grand Cru red Burgundy selling faster and at higher prices, while Premier Cru red Burgundy, a step down in quality and price, is selling more slowly, even though prices for this category are declining.”

Partner Content



United Experiences debuts lounge-style wine fair in London



Auction update: Can the Loire compete with Burgundy?



Jaume Serra uncovers Cava's Mediterranean identity



The reasons behind Perelada being a cultural destination

Theriault concurs, adding that while younger generations are consuming less wine, when they do opt to buy, they want the good stuff.

“They’re most often reaching for the top shelf products,” she says. “And they are still highly recruitable through occasions, quality, label cues and discovery.”

Wine becomes more occasion-led

Flavio Geretto, general manager of Friuli’s Cantina Rauscedo, says the way younger people “talk about and experience wine has completely changed.”

While their parents had wine at home every day, Geretto says that “habit has almost disappeared.”

And as wine becomes less connected to daily routines, it becomes more connected to specific occasions and experiences. Geretto says that his wines resonate most with younger people when he tries to understand “how they think, socialise and approach life in general.”

“What I see is the need for a more emotional and less rigid way of talking about wine,” Geretto says. “They want to feel good, share authentic moments together and above all, have fun.”

In other words, connection, conviviality and joy over exclusion and intimidation.

Festivals, techno and new audiences

Issamu Kamide, co-founder and chief executive of the California brand Wonderwerk, tagline: “Always Natural. Never Boring”, has seen first-hand what kind of sales and excitement serving wine plus fun can generate.

“Experiential events are where we’ve seen the most success, and what the traditional wine industry is missing out on the most,” Kamide says. “Our most successful investments have been at a variety of events, from 60-person book clubs, to underground garage parties, to speed dating, to comedy shows.”

The events are about something other than wine, in other words. Kamide says that they have been bullish about approaching events that might not seem like a great fit for wine brands, which has helped them reach an entirely new set of taste buds.

“We did the Portola Festival in 2025, a techno music festival in San Francisco,” Kamide says. “They’d never had a wine sponsor, but decided to give it a shot.”

Wonderwerk ended up selling a full pallet of wine, and the organisers were so impressed, they recruited them to sell wine at Chappell Roan's surprise shows in Pasadena.

"They sold through so much wine, they had to physically go to Whole Foods in LA to buy bottles just to keep up with demand at the bar," Kamide says. "Since then, they've come back to us to sponsor four other festivals."

Restaurants rethink pricing

Literally meeting current and potential wine lovers where they are is essential. Long-held assumptions about how, why and where people want to drink wine are in the process of being overturned.

And it is also worth considering a rethink of a typical wine-selling economic model at restaurants, where wine sales are suffering.

At Compline in downtown Napa, owner Matt Stamp says they are "selling more wine than ever" by shifting to retail-style wine markups.

"Restaurants have long leaned on beverage margins to offset rising labour and operating costs, but wine prices of Napa, Burgundy and Champagne have climbed so high that traditional three to four times wholesale markups are actively suppressing demand."

People want great wine, but they do not want to pay \$500 for a bottle that retails for \$125. And with everyone carrying a powerful computer around in their pockets, even if they do not know a lot about wine, they know when they feel they are being fleeced.

"When I readjusted the prices, it didn't even destroy our overall margins, thanks to volume and a strong by-the-glass programme," Stamp says.

Reinvention rather than retreat

It is a complex array of puzzle pieces to put together when what people want, how they want to consume, where they want to consume it and how much they are willing to pay for it is all shifting simultaneously.

Confused? So is the wine industry. But the evidence increasingly suggests that adaptation, flexibility and a willingness to rethink old assumptions may matter more than doom-laden predictions about wine's future.

Related news

Online searches 'through the roof' for Sancerre and chilled reds

Brewdog offers £1 million bar tab if England, Scotland or the US reach the World Cup Final

US breweries reignite trend for mid-strength beer

Leave a Reply

Your email address will not be published. Required fields are marked *

Comment *

☐

I'm not a robot

reCAPTCHA

Name *

Email *

POST COMMENT

Subscribe to our daily newsletter

Enter your email address

SUBSCRIBE

Most read

Freixenet is putting its money behind Mallorca

New Wine Hub and LiveTrade partnership to ‘significantly’ expand businesses access to global fine wine trading

Sunshine and football fever help beer sales soar

Events

Freemark Abbey Masterclass

♥ Princess Alexandra Hall - London

📅 **JULY 22, 2026**

Champagnes & Châteaux Portfolio Tasting 2026

♥ Fero Lounge - London

📅 **SEPTEMBER 9, 2026**

Moldova Uncorked

♥ Delapre Abbey - Northampton

MORE EVENTS

Latest news

The Big Interview: James Halliday

Over the past 8 years, nearly half of Korea's pubs have vanished

Britain split on kids and dogs in restaurants



1995 Mouton Rothschild
IB | OC | Pristine | 12 x 75cl

BID PRICE
£4,325

OFFER PRICE
£4,425

VIEW & TRADE NOW

Masters & Awards

DEADLINE: JUNE 26, 2026

The Global Chenin Blanc Masters 2026

DEADLINE: JULY 1, 2026

The Global Orange Wine Masters 2026

DEADLINE: JULY 10, 2026

The Global Syrah Masters 2026



MAGAZINE

NEWS

AWARDS

JOBS

EVENTS

MEET THE TEAM

NEWS:

Bars

Beer

Champagne

Fine Wine

Wine

Spirits

WLC

[About Us](#) | [Subscription Terms and Conditions](#) | [Privacy Policy](#) | [Cookie Policy](#) | [Contact Us](#) | [Advertise](#) | [Features list](#) | [Meet the Team](#)

© 2026 Union Press Ltd | Wigglesworth House, Fourth Floor, 69 Southwark Bridge Road, London, SE1 9HH, UK Tel: +44 (0)20 7803 2420

Registered in England and Wales No. 03606414

Site by Redwire