
Abstract

AUSTRIAN ROSÉ: SHORT-LIVED TREND OR FUTURE STAPLE OF AUSTRIAN WINEMAKERS' PORTFOLIOS?

Motivation for choosing this topic:

Rosé wines have experienced a global boom in the last two decades. Today amounting to 11 % of the global still wine consumption, it seems there is no end in sight for the growing demand in rosé. Spotting more and more rosé wines made in Austria on wine retailers' shelves in recent years, I have been wondering whether and to what extent the global trend has rubbed off on Austria and whether Austrian rosé wines are a nine-day wonder or have come to stay.

Problem / Objective:

This Weinakademiker Thesis is meant to explore the current role of Austrian-produced rosé wines in the Austrian market and their possible future long-term potential.

Methodology:

Research for this thesis was mainly based on personal interviews with experts (producers, on- and off-trade businesses) as well as statistic data (where available), literature, and internet research. The most valuable input for understanding the Austrian rosé market and producers' motives were the first-hand insights gained in personal interviews.

Structure and Content:

A short introduction explains the development of rosé wine demand and consumption (with a focus on still rosé wines) in the last two decades on a global scale as well as in Austria.

Following that, different aspects of rosé wines in the Austrian market are examined: demand and consumption; production and producers' incentives; sales and marketing.

Acc. to the annually published statistics of the Austrian Wine Marketing Board (ÖWM), the consumption of Austrian-produced rosé wines has increased by 1 % between 2011 and 2020. Interviewed on- and off-trade businesses noted a rising demand for rosé wines in Austria in particular within the last 3-5 years.

It showed that in general, foreign-produced rosé wines (mainly from Provence) are in higher demand than Austrian rosé products.

The rosé style that is most in demand is uncomplicated, fresh and of pale colour. This corresponds to the Provence style rosés which have been very much *en vogue* in recent years and marketed accordingly.

Rosé is a very seasonal product that sells well between May and September with a peak season between June and August.

Buyers of rosé wines are mostly from the Millennial generation, as was confirmed by most interview partners. The majority of customers seems to be between 30 and 45 years old.

From the producers' side, there are both wineries who have been producing rosé wines for many years and wineries who only started rosé production a few years ago.

One incentive for the interviewed wineries to start producing rosé or producing more rosé was that red wine consumption has decreased in recent years. Following global warming and the occurrence of ever longer and hotter summers, customers have gradually moved away from dense, full-bodied red wines and are seeking refreshment in chilled rosé wines.

All interviewed wineries have increased their rosé production over the last few years, some by decreasing or even discontinuing red styles.

While the global rosé trend as such was not an incentive for the wineries to start producing rosé, there is consent that the marketing of successful big (mostly French) brands has certainly drawn attention to rosé as a wine style and pulled along Austrian rosé products as well.

One important incentive for the wineries to produce rosé is added value and cash-flow benefits. Several producers also wish to bring to life their own ideas and create new, interesting products to both offer something new to their existing customers and to expand their customer base.

Marketing-wise, rosé is mainly presented as a lifestyle product. This works well with the easy-going, undemanding styles. The product appeals to younger people, even first-time drinkers, is easy to understand, inexpensive and serves its purpose as a lovely-looking, refreshing summer and party drink. The campaigns of the globally known brands draw attention to domestic rosés as well. A dedicated rosé shelf as introduced by retailer Wein & Co. helps to make rosé better visible. Apart from the classic, fruit-driven style, Austrian rosé wines come in a variety of more complex styles – among them more demanding products with ageing potential. Those wines need a different marketing approach, focusing on points such as high quality, complexity, food pairing and typicity (of a region or variety).

Conclusion:

Rosé wine demand and consumption in Austria have been increasing (albeit from a low level) and there is potential for further growth in the future.

Fresh and simple rosé wines provide a good opportunity to tap into new target groups: young people and first-time drinkers are not as intimidated by rosé wines as they are by elusive red wines.

More complex rosé styles are a great way to demonstrate experienced drinkers who have high expectations that rosé wines can be of top quality and age well.

Though rosé wine in Austria will remain a niche product, it has the potential – if made with a claim for high-quality – to secure and expand market shares in the long run. Regarding the cash flow benefits of rosé versus red wine, the niche rosé occupies can be very profitable for producers, too.