

No- and Low-Alcohol 'Wines' from Styria in Austria: Current Status and Outlook

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12th June 2024

Abstract

Motivation for Choosing this Topic

Being born and raised in Graz, Styria, I have wanted to cover a current wine topic relevant to my home region. I have been inspired by the recent D6 paper on low- and no-alcohol wines to deepen my research on this topic, as it specifically relates to Styria.

Problem/Objective

The objective of the thesis is to analyse the current status of the production and sales of no- and low-alcohol 'wines' from the Austrian winegrowing region of Styria/Steiermark, as well as to provide both an assessment and outlook for potential further development. The term "no- and low-alcohol 'wines'" is defined and the key approaches for producing such products outlined. I then summarise the current status of production and sales of no- and low-alcohol 'wines' from Styria. I further evaluate strengths, weaknesses, opportunities and threats. Finally, I give an overall outlook for the development of no- and low alcohol 'wines' from Styria.

Methodology

The research method is based on literature research as well as interviews with seven wine producers from Styria and other parts of Austria, a representative of the business association and a wine journalist. In addition, in April/May 2024 I attended masterclasses for non-alcoholic wines at both Vinitaly in Verona and at VieVinum in Vienna.

Content summary

No- and low-alcohol 'wines' (NoLo 'wines') encompass both de-alcoholised (and partially de-alcoholised wines) as well as proxy 'wines'.

The key techniques for producing de-alcoholised wines are vacuum distillation, spinning cone column, reverse osmosis and other membrane-based techniques.

Proxy 'wines' are made from fruit juices, teas, spices and other ingredients.

In Styria, proxy 'wines', including verjus and sparkling teas, are marketed by several wine producers. There is no evidence of wine producers from Styria currently offering de-alcoholised wines.

Proxy 'wines' from Styria, especially verjus and sparkling teas, are established and successful products on the domestic Austrian market. The lack of de-alcoholised wines from Styria is surprising, especially as there are several producers of such products in other parts of Austria. General reasons not to offer such products include uncertainty about demand, the high cost of the technology and potentially energy, unsatisfactory taste and difficult price realisation. Producer-specific reasons include a philosophy of limiting interventions or the reluctance to divert grapes from wine production.

The conditions for wine producers from Styria to offer de-alcoholised wines are mostly favourable, with the leading grape varieties in Styria lending themselves to the production of de-alcoholised wines, and with the wine producers having an innovative image. Commercial aspects provide some challenges, including higher production costs and difficult price realisation, but that is not unique to wine producers from Styria.

To provide an outlook, the demand and supply of de-alcoholised wines is promising, internationally, in Germany and in Austria. Consumers have several key motivations to purchase de-alcoholised wines, including health concerns and the desire to stay in control. Producers have followed with their NoLo offerings, internationally, in Germany and in other parts of Austria.

Regarding NoLo 'wines', and especially de-alcoholised wines, the wine producers in Styria have strengths and weaknesses and face opportunities and threats. Strengths include the grape varieties offered and their innovative image. Weaknesses include their lack of experience with de-alcoholised wines and the lack of a clear local champion. Opportunities lie foremost in the ability to reach new customer segments, especially among young customers, who are generally drinking less. Other opportunities lie in leveraging their grape growing expertise into this new segment and the chance to introduce innovative offerings to their product portfolio. Threats are less of a concern at this stage.

The successful developments for NoLo beer internationally and in Austria provide an inspiration for the potential future for NoLo wines from Styria. De-alcoholised wines still face a taste challenge, but the similar experience of NoLo beers and the steady improvement in technologies and taste outcomes for de-alcoholised wines are encouraging. One particularly interesting segment going forward are sparkling NoLo 'wines', both the sparkling teas already offered and the sparkling de-alcoholised wines succeeding internationally.

As such, the NoLo 'wine' market offers a clear opportunity for wine producers from Styria.

Conclusion

The aim of this thesis is to provide an overview of the status and the outlook for no- and low-alcohol 'wines' (NoLo 'wines') from the Austrian winegrowing region of Styria. To date, Styrian producers offer proxy 'wines' such as sparkling teas and verjus. Yet, no de-alcoholised wines from Styria are available so far. Styrian wine producers have significant strengths in their grape varieties as well as in their marketing positioning. It provides them with a solid foundation for entering the market for both still and sparkling de-alcoholised wines. The positive development of the de-alcoholised beer market internationally and in Austria provides an inspiration. International and Austrian experiences with de-alcoholised wines point to significant opportunities for wine producers from Styria. This is an emerging field, with ample potential.