

WINE & SPIRITS DAILY

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Promoting Wine Amidst a Neo-prohibitionist Movement

August 9, 2024 - Your editors: Sarah Barrett, Executive Editor | Hana Kruger, Assistant Editor

This week Wine Industry Network assembled a panel of wine industry players to discuss the growing concerns around anti-alcohol sentiment and how to promote wine in a legal and mindful manner.

The panel included Dave Parker, president of Benchmark Wine Group; Karen MacNeil, author of *The Wine Bible* and editor of digital newsletter WineSpeed; Shilah Salmon, svp of marketing for Jackson Family Wines; and was moderated by Gino Colangelo, founder of media firm Colangelo & Partners.

A QUICK HISTORY LESSON. Dave gave viewers a quick trip down memory lane to set the stage for the current moment around alcohol consumption. Dave discussed the famed “French Paradox” episode of 60 Minutes from 1991 that attributed lower rates of cardiac disease in the country to consumption of red wine. “When that show came out, you could not buy red wine at your local shop, the consumption went up so high,” he recalled.

“What’s interesting is that message is fading,” he added, nodding to the “no safe level of alcohol consumption” statement the World Health Organization (WHO) released at the beginning of 2023.

“In terms of why there’s a negative message out there, there is an organization called the International Organization of Good Templars, or IOGT that goes back to 1851. They were explicitly an anti-alcohol group,” noted Dave. IOGT has now rebranded as Movendi, “which is a worldwide organization in 62 countries. And Movendi is taking huge quantities of dollars to promote a pure prohibition on alcohol and they’re the ones that influenced WHO,” he added.

Dave also cited analyses conducted by data companies his organization worked with, which largely reflected the commonly-cited “J-curve” model, which attributes better health outcomes at low to moderate levels of alcohol consumption relative to teetotalers, with diminishing health returns after about the 3-4 units per day threshold.

LOOKING PAST THE HEADLINES. Shilah then gave her insights on how to market wine in the current environment. “I think we’re– to clarify– talking about two things. One is wine and health, and the thing that Jackson Family is addressing the most is the health of the wine industry,” noted Shilah. “So as a supplier, we can’t talk about wine and health, we can’t make any of those claims [due to TTB regulations], but what we’re most concerned about is the negative headlines right now that are actually in some ways maybe sabotaging our own industry,” she continued.

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“So this is the biggest story here... but if you look at the dollar number from 2018 to 2023... the wine industry is up 46%. It’s gone from a \$73 billion industry to \$107 billion industry. That growth is very, very healthy,” said Shilah, citing bw166 findings.

“The other thing we keep hearing is that consumption is going down,” she noted. However, International Organisation of Vine and Wine (OIV) data from 1995 to 2021 shows that while European wine consumption has fallen 15% (and makes up 48% of world consumption), the US has actually grown 58% over that same timeframe. “And so sometimes with this data we need to step back and look at a more macro trend versus just the last few years and behaviors that probably came out of COVID that are just right-sizing to where they should have been,” she added.

Meanwhile, the proportion of Americans who consume alcohol has remained relatively stable for decades, coming in at 62% in both 1960 and 2023, according to Gallup Poll findings. Shilah pointed out some of the fluctuations over that time frame, highlighting a “big dip in the eighties,” driven by the Mothers Against Drunk Driving movement, noting that there may be a similar trend emerging around “this neo-prohibitionist movement,” but it is important to step back and look at the larger picture.

SOME SOLUTIONS. The panelists presented some solutions to drive sales in this current moment in beverage alcohol. For one, “we need to make sure that we’re talking about the health of this industry constantly and the opportunity within it,” Shilah noted. When it comes to appealing to younger consumers, being authentic and sustainability-driven is important, as they’re “hypersensitive to greenwashing,” as well as authenticity in other social causes, she added.

Beyond that, health and wellness are important to a wide range of consumers, especially younger groups. “If you think about all the products that younger generations are buying in the grocery store, they have ingredients– even often water says gluten-free on it and vegan– everything they buy says what’s in it and wine does not,” said Shilah, caveating that “we’re not arguing that we need ingredient labeling on wine,” but that companies can play on claims that they can legally make, e.g. that their products are plant-based, sustainably farmed, have no added sugar, artificial colors or additives, etc.

COME OVER OCTOBER. From a media perspective, Karen pitched a nationwide month-long campaign she co-created alongside Gino as well as Charles Communications founder and ceo Kimberly Charles, called “Come Over October.” The campaign idea was formed in opposition to the “self-righteous tone” that Karen observed around Dry January and her desire to play on the 9,000+ year history of wine as an important part of culture, history, art, religion and spirituality.

The campaign encourages wine drinkers across the country to invite friends, colleagues and family members to meet up and “share some wine in honor of wine’s long history as the beverage that brings us together.” Come Over October debuted last month and has already started receiving backing from large wine companies, media organizations, importers and even companies like Lyft, she noted.

Gino added that wine industry players can engage and boost the campaign by utilizing its media assets, messaging and graphics, encouraging everyone to “promote what we love about wine, the sociability, the culture [and] the history.”