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# Italy's struggle to keep up with France

## Italian wine exports: a volume success but a financial downturn

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In the period from January to September 2023, the Italian wine industry experienced a paradox of sorts. While maintaining its status as the world's leading exporter in terms of volume, with a stable export volume of 1.564 billion liters, it witnessed a concerning decline in the value of its exports. This period marks a continuation of a six-month downward trend, following a robust 11-month streak of consecutive growth.

The Italian Customs Agency's latest data paints a picture of resilience in terms of volume but a notable setback in financial terms. Despite holding its position ahead of Spain in export volume, Italy's revenue from wine exports saw a decline of 1.9%, totaling 5.626 billion euros. This drop is attributed to a 1.8% decrease in the average price of Italian wine, now standing at 3.60 euros per liter.

This downturn in export value is particularly striking given the steady volume of exports. It raises questions about the factors contributing to the reduced average price of Italian wines on the international market. Possible explanations could include increased competition, changes in global wine consumption patterns, or even shifts in the types of wines being exported.

Comparatively, Italy still trails behind France in terms of revenue from wine exports. France's dominance in this sector remains unchallenged, indicating a difference in either the pricing strategies, market positioning, or the types of wines preferred by international consumers.

The six-month consecutive decrease in export value, from April to September 2023, marks a significant shift for the Italian wine industry. After a year of growth, this downturn suggests a need for strategic reassessment. Italian wine producers and exporters might need to consider diversifying their market approach, reevaluating their pricing strategies, or even exploring new markets to maintain their competitive edge.

This period serves as a crucial juncture for the Italian wine industry. It highlights the need for agility and adaptability in a rapidly changing global market. The industry's response to these challenges will be pivotal in determining its future trajectory and whether it can sustain its position as a global leader in wine exports.