vinetur

Wine consumption decline slows in Asia Pacific as emerging markets show signs of growth

Producers face ongoing challenges but rising demand in Southeast Asia and India offers cautious optimism for the industry’s future

Tuesday, June 17, 2025



The wine industry in the Asia Pacific region continues to face challenges, but recent data shows that the pace of decline is slowing. According to new estimates from IWSR, wine consumption in APAC dropped by 4% in 2024. While this marks another year of contraction, it is a notable improvement compared to the 8% decrease recorded in 2023. The figures reflect ongoing difficulties for wine producers, but also suggest that

the worst may be over for now.

Still wine and other wine categories together lost about 16 million cases last year, with still wine volumes down by 5% and other wines by 4%. Champagne sales also suffered, with an 8% decline in Asia during 2024. In contrast, other sparkling wines managed to grow by 1% after a tough previous year. This modest growth in sparkling wines offers a glimmer of hope for producers looking for signs of recovery.

Despite these small positive signals, the outlook remains cautious. IWSR forecasts that overall wine volumes in APAC will continue to fall until at least 2029, though the rate of decline is expected to slow each year. The main driver behind the ongoing drop in still wine consumption is China, where the volume compound annual growth rate (CAGR) has fallen by 2% over the past five years. Japan and Australia are also expected to see declines of about 1% annually.

However, there are some bright spots in the region. Still wine consumption is growing in countries such as the Philippines, India, Thailand and Vietnam. These markets are showing increased interest in wine and could help offset losses elsewhere. Sparkling wine is another area where growth is expected. Australia stands out as a key market for sparkling wines, with a projected volume CAGR of 2% from 2024 to 2029. China’s demand for sparkling wine is also set to rise, with a predicted CAGR of 6% over the same period. India and Japan are forecasted to see growth rates of 8% and 1%, respectively.

Looking at the broader beverage alcohol sector, India and Southeast Asia present significant opportunities for expansion in the coming years. These markets are experiencing rising demand across several categories, including wine and spirits. In contrast, China’s beverage alcohol market is shrinking across most segments, reflecting broader economic and demographic shifts.

The current situation means that wine producers operating in APAC will need to adapt their strategies and focus on emerging markets where growth is possible. While established markets like China continue to contract, countries with younger populations and growing middle classes may offer new avenues for sales. The industry will likely face continued headwinds until at least the end of this decade, but slowing declines

and pockets of growth provide some reasons for cautious optimism among producers and exporters watching the region closely.