The Market for Low-Alcohol and Dealcoholised Fine Wine

Demand, willingness to pay and regulation — a study for UnRewined

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Abstract

The top tier of the wine market is holding while overall volume falls, lower-alcohol wine is the fastest-growing part of the no- and low-alcohol category, and consumers' willingness to pay depends mainly on perceived authenticity rather than on the fact that alcohol has been adjusted. This study draws on IWSR market data, the Bain–Altagamma luxury study and recent peer-reviewed consumer research to answer two questions: how fast premium low-alcohol and dealcoholised wine is growing, and whether consumers will pay premium prices for fine wine whose alcohol has been technically adjusted. It finds that demand, price acceptance and EU regulation all point towards the same position: adjusted alcohol in wines whose structure, terroir and craftsmanship are demonstrably preserved.

1. Introduction and research questions

Two forces are pushing estate producers towards lower alcohol at the same time. Warmer vintages are raising sugar levels and therefore alcohol, and a new generation of fine-wine consumers is seeking moderation and mental clarity without giving up the wine occasion.

This study asks two questions:

1. What is the market value and future demand for premium low-alcohol and dealcoholised wine, and how fast is the top tier of the market moving?
2. Are consumers willing to pay premium prices for high-end wines whose alcohol level has been technically adjusted, provided the polyphenol structure, terroir and craftsmanship remain intact?

The study also places these questions in a wider context: the structural shift in high-end consumer values away from conspicuous consumption towards wellness and knowledge as status markers, and the EU and French rules that decide where adjusted wine may carry an appellation.

2. Method and sources

The study is a structured review of secondary sources published between 2014 and 2026. Market figures come from IWSR Drinks Market Analysis, either directly or as reported by trade media, and from the Bain–Altagamma Luxury Goods Worldwide Market Study 2025. Consumer evidence comes from three peer-reviewed studies on willingness to pay for dealcoholised wine. The regulatory review is based on Regulation (EU) 2021/2117, INAO decisions and trade reporting on Regulation (EU) 2026/471.

Only figures that could be traced to a named source are included. Claims that could not be confirmed in a primary or reputable secondary source have been left out.

3. The shift in high-end consumption

Affluent consumers are moving from conspicuous consumption towards “experiential indulgence”, with wellness, connection and self-reward as the new status markers (Bain & Company / Altagamma, 2025). Global luxury spending was estimated at about EUR 1.44 trillion in 2025, broadly flat year on year.

The same study finds that the high end is gaining share in fine wines and spirits, gourmet food and fine dining. Status is moving towards clarity, wellbeing and knowledge rather than excess. Lower alcohol fits this shift because it keeps the wine occasion while removing the part of it that conflicts with the new markers.

4. The wine market: volume down, top tier holding

Total still and sparkling wine volume fell by 15% between 2019 and 2024, with declines in all of the top five markets: the US, Italy, Germany, France and the UK (IWSR, Global Wine Trends). The top of the market moved the other way.

Still-wine price segment	Annual volume change, 2019–2024
Prestige	+2%
Super-premium	+1%
Low, economy, standard and premium	−3% to −5%

Source: IWSR, as reported by WineNews.

In 2025, super-premium was the strongest price tier across beverage alcohol, with volume up 10%, while ultra-premium and prestige declined. IWSR notes that consumers increasingly focus on meaningful occasions, clear quality upgrades and products with real scarcity or provenance (Vinetur, August 2026). Younger drinkers are also gaining ground: the LDA–34 group now makes up 22% of wine drinkers in Germany and the UK, 23% in the US and 27% in Sweden.

5. Growth of no- and low-alcohol wine

Low-alcohol wine is forecast to grow twice as fast as no-alcohol wine and to overtake it by 2028: 14% a year against 7% (IWSR, via Wine Australia). The fastest-growing part of the category is therefore adjusted alcohol, not zero.

- **Overall growth.** Global no-alcohol volume grew an estimated 9% in 2025 and is forecast to grow 36% between 2024 and 2029 (IWSR, January 2026, via Vinetur).
- **Breadth.** No-alcohol wine grew in all eight major markets IWSR tracks between 2019 and 2024, including 4% a year in France, 9% in Germany and 6% in Spain (IWSR, via Vinetur).
- **Buyers.** 60% of no- and low-alcohol wine buyers in these markets are Gen Z or Millennials, rising to 73% in the US and 67% in the UK.
- **Expectations.** Consumers increasingly expect these wines to deliver an authentic wine experience rather than act as a substitute.
- **Scale.** The combined share of no- and low-alcohol wine in total still wine is forecast to rise from 0.2% in 2018 to 0.7% in 2028.

The category is still small, but it is growing in every major market, and growth is concentrated where alcohol is reduced rather than removed.

6. Signals from the premium end

At the top of the market, the movement shows in where capital goes and in pricing, not yet in volume statistics. In October 2024, Moët Hennessy, the wines and spirits division of LVMH, took a minority stake in the super-premium alcohol-free sparkling brand French Bloom. It was the group's first move into the alcohol-free category, and French Bloom's vintage cuvée retails above EUR 100 a bottle (BeverageDaily). The brand has since bought an estate of about 25 hectares in Limoux to secure its supply (Vitisphere).

No public dataset yet separates fine wine within the no- and low-alcohol category. The premium signals so far come almost entirely from sparkling wine. Still, terroir-driven wine with adjusted alcohol remains largely unaddressed at this level, which is both a gap in the data and an opening in the market.

7. Consumer willingness to pay

When the wine tastes right, a majority of consumers accept full price, and authenticity matters more than taste in deciding whether they do. The research has moved from aversion towards conditional acceptance.

Study	Sample	Main finding on willingness to pay
Università degli Studi di Milano, 2026	636 adults, Italy	48.8% accept price parity and 5.8% a premium (54.6% in total); 45.4% require a discount of at least 10%
Di Cosola & Petrontino, Foods, 2026	187 adults, Italy	Information raised willingness to pay by about EUR 1.21 per glass; each point of sensory liking added about EUR 1.04
Stasi et al., Wine Economics and Policy, 2014	Italian consumers	Dealcoholisation generated aversion; purchase only at a discount proportional to the alcohol removed

The 2026 Milan study identifies what drives acceptance. Health motivation is strongly positive, and so is perceived suitability for food pairing. Seeing dealcoholised wine as "not real wine" is one of the strongest negative factors, and it weighs more than the expectation of a diluted taste.

The 2026 experiment adds that information drove willingness to pay more than taste did: a good tasting alone did not translate into a proportionally higher price. Geography also matters. Outside the US, consumers still generally expect no- and low-alcohol wine to cost less than full-strength wine, while US consumers increasingly expect a premium price (IWSR, via Vinetur).

The condition in the research question — that polyphenol structure, terroir and craftsmanship remain intact — corresponds directly to the authenticity factor, the variable with the strongest effect on price acceptance.

8. Regulatory framework: EU and France

For appellation wines, partial adjustment is the route that keeps the wine inside its designation; full dealcoholisation to 0.0% is available only outside it.

Rule	What it allows
Regulation (EU) 2021/2117	Partially or totally dealcoholised wine may be sold as "wine". Total dealcoholisation (no more than 0.5% abv) only for wines without a PDO or PGI; partial dealcoholisation for all wines, including PDO and PGI. Permitted processes: partial vacuum evaporation, membrane techniques and distillation.
INAO, April 2024	French IGP wines may be partially dealcoholised down to 6% abv if each IGP writes it into its cahier des charges. France was the first EU country to open this for wines with geographical origin. Wines are checked organoleptically before and after (INAO).
French AOC	INAO's national committee has been examining whether to open partial dealcoholisation to AOC wines.
Regulation (EU) 2026/471 (as reported)	In force since 18 March 2026. "Alcohol-free": no more than 0.5% abv; "0.0%": no more than 0.05%; "reduced alcohol": above 0.5% abv and at least a 30% reduction from the category's minimum legal strength.

Producers can therefore use alcohol adjustment in two ways: as a climate correction within their appellation, and to create a separate alcohol-free line outside it.

9. Discussion: implications for estate producers

The evidence on demand, price and regulation converges on one position: adjusted alcohol in wines whose structure, terroir and craftsmanship are demonstrably preserved.

- **Demand favours the full range.** Growth is fastest in lower-alcohol wine, while zero-alcohol keeps growing in every major market. A technology that adjusts alcohol from full strength down to 0.0%, as UnRewined's Wine Refiner does, covers both.
- **Price rests on authenticity.** The factor that most strongly decides whether consumers accept full price is whether they see the product as real wine. Preserving the polyphenol structure, terroir and craftsmanship addresses that factor directly, and clear information about how the wine was made raises willingness to pay further.
- **The appellation is the frame.** Within PDO and PGI rules, partial adjustment allows a producer to correct high alcohol in warm vintages without leaving the appellation. A separate 0.0% line can sit alongside it.
- **The top tier is open.** The premium signals so far come from sparkling wine. Terroir-driven still wine with adjusted alcohol has yet to be claimed at the fine-wine level.

10. Limitations

- No public data isolates fine wine within the no- and low-alcohol category, so conclusions about the top tier rest on price-tier data for wine overall and on corporate signals.
- Some IWSR figures are taken from trade-media reports of IWSR studies rather than from the full reports.
- The willingness-to-pay studies use stated, hypothetical prices and Italian samples; real purchase behaviour and other markets may differ.
- The provisions of Regulation (EU) 2026/471 are cited as reported in trade media and should be checked against the published text.

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