Abstract

A Sparkling Paradox:

Explaining the Limited Export Performance of New Zealand Sparkling Wine and Evaluating Tank-Method Sparkling Sauvignon Blanc as a Strategic Pathway for Export Growth

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Motivation for Choosing this Topic

New Zealand inspires a particular range of positive emotions among consumers worldwide. A land of pristine natural beauty, clean air, and intense sunshine, with nearly its entire vineyard area certified sustainable, and wines that transfer this fresh, cool-climate narrative into crisp, concentrated, and intensely aromatic experiences. On an 8-week campervan tour in 2024 I had the great pleasure to experience the allure of both land and wines personally. During my subsequent studies I was surprised to see New Zealand sparkling wines marginalised both topically by WSET and statistically by the country's still wine exports. This sparked my intellectual curiosity to investigate the factors behind the underperformance despite such promising viticultural conditions and to find potential solutions to improve it.

Objective

This small, remote nation in the South Pacific has achieved one of the most remarkable ascents in the history of modern viticulture. From near obscurity in the 1970s to a globally recognised premium producer, New Zealand now exports close to 90% of its total wine production – a proportion unmatched by any other significant wine-producing nation. As per New Zealand Winegrowers (the official industry organisation) wine exports in 2025 reached US$1.221 billion in value. Yet, behind this narrative of impressive export success lies a structural imbalance that becomes apparent when examining the country's sparkling wine sector. Total sparkling wine exports that same year of only US$9.82 million in value, constituting well below one percent of New Zealand's total wine exports in both value und volume. Despite near-ideal climatic conditions for high-quality sparkling wine production, advanced viticultural capabilities, and critical international acclaim, New Zealand's sparkling wines are outperformed into near oblivion by the overly dominant still wine exports. This disproportion between climatic and viticultural potential on the one hand, and commercial realisation in exports on the other constitutes the 'Sparkling Paradox' this thesis aims to investigate by addressing two related questions:

- Why does New Zealand, a country with remarkable global success in wine exports and excellent cool-climate viticultural conditions, export so little sparkling wine compared to its still wine?
- And could tank-method sparkling Sauvignon Blanc provide a commercially viable solution to increase production output and improve the low export performance?

Methodology

The research questions are approached from a macro-economic, theoretical perspective drawing on secondary data in academic and professional literature, industry intelligence reports, market analyses, and trade statistics. Primary research data, such as producer interviews, consumer focus groups, and distributer surveys, are suggested for future research to contribute a more micro-economic and practical perspective.

Content

After an initial excerpt of the New Zealand and global sparkling wine markets, the thesis investigates the structural, commercial, and strategic factors constraining New Zealand's sparkling wine exports. The second part of the study evaluates the potential of tank-method sparkling Sauvignon Blanc as a commercially viable product concept via a detailed SWOT analysis and draws a strategic roadmap to execute its market introduction. Prosecco is applied as a relevant structural benchmark: an aromatic, tank-fermented sparkling wine particularly successful with its accessible pricing, varietal clarity, and scalable production economics.

Conclusion

As the thesis shows, the Sparkling Paradox is neither accidental nor proof of any viticultural deficiency. It is rather a result of four structural constraints:

- The challenging economics and high costs of traditional-method production, which would require significant investments to reach competitive export volumes.
- The lack of a coherent categorical identity for New Zealand sparkling wine.
- The country's geographic remoteness and distance to key export markets, which compound already elevated production costs, particularly for sparkling wines.
- The near-exclusive commercial prioritisation and sheer volume of its still wines.

Together, these factors have constrained New Zealand sparkling wines to a 0.1% share of global exports and to the unexpected role as a net importer.

Tank-method sparkling Sauvignon Blanc proves as the most coherent strategic response to these constraints. New Zealand's cool climate, particularly in Marlborough, produces a very distinct style of Sauvignon Blanc with high natural acidity and intense primary-fruit aromatics that the tank method is best equipped to preserve. Reducing production timelines and related costs from 12 or more months to 30 to 90 days by switching production methods allows for a price positioning at US$18-25 per bottle, which is currently unattainable with traditional-method production economics for New Zealand winemakers. The Prosecco precedent proves that the combination of aromatic single variety, efficient production method, and accessible pricing is commercially viable. The SWOT analysis of sparkling Sauvignon Blanc confirms this thesis' assumption: the established global brand equity and consumer appeal of New Zealand Sauvignon Blanc, strong growth in global sparkling wine consumption, the availability of high-quality base wines, and rapidly expanding Asian and North American markets all support a coordinated industry effort. The macro-economic strategic roadmap can be applied to develop tank-method sparkling Sauvignon Blanc into a commercially viable category and finally realise New Zealand's sparkling wine export potential.