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The resilience of the champagne industry

Market trends and auction results in the champagne industry

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In the ever-evolving world of fine wines and luxury beverages, the champagne market stands as a beacon of both tradition and innovation. Recent data from the Comité Interprofessionnel du Vin de Champagne (CIVC) reveals a notable shift in the market dynamics of champagne, especially in the aftermath of the Covid-19 pandemic. Despite a 9.6% decline in sales in the 12 months leading to October, the industry remains buoyant, especially when compared to pre-pandemic levels in 2019.

The global economic landscape, marked by inflation, the Ukraine war, and the resurgence of the Israeli-Palestinian conflict, has inevitably impacted consumer behavior and demand. However, it's essential to note that the market for high-end Champagne has remained dynamic. This resilience is particularly evident in the sales of prestigious cuvées from renowned houses such as Dom Pérignon, Krug, and Salon. Notably, iconic grower champagne Jacques Selosse has even seen a slight increase in demand.

In the auction world, the market for top champagnes, while not witnessing the frenzied bidding wars of 2022, maintains strong interest. Hammer prices have stabilized, aligning more closely with the levels seen in 2020 and 2021, indicating a price correction. The prestige cuvées continue to command attention and achieve remarkable prices, with very old vintage champagnes and rare cuvées setting new records.

However, a downward trend has been observed in the auction prices of various Brut Sans Age (BSA) cuvées. iDealwine's forecast suggests an increase in the volume of champagne sales for 2023 but anticipates a decrease in the average bottle price from approximately $281 (€259) to $250 (€230).

The auction scene has seen some impressive sales, with top lots commanding high prices. Notably, a selection of Champagne Salon, including various vintages, reached approximately $11,158 (€10,266) at auction. Other significant sales included a six-bottle case of Champagne Salon 1990 at about $9,804 (€9,014) and a collector's case of Lieux Dits by Jacques Selosse at around $5,034 (€4,632).

France continues to lead in champagne purchases at auctions, holding 26% of the total market share. However, significant contributions also come from Hong Kong, the United States, South Korea, Singapore, and other regions. The online 'e-caviste' segment shows Champagne as the third most popular region, trailing Bordeaux and Bourgogne. Drappier's Clarevallis cuvée and Taittinger's Comtes de Champagne 2012 are among the most popular, showing a 1.2% increase in value and a 3.8% rise in volume in 2023.

The champagne market, while facing global economic challenges and shifting consumer preferences, demonstrates a remarkable resilience, especially in the high-end segment. The auction market reflects these trends, with vintage and rare cuvées continuing to attract attention and command premium prices. As we move forward, the industry's adaptability and enduring appeal suggest a sustained interest and investment in this storied and luxurious beverage.