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Brits Spent £4.06 Billion on Wine Imports in 2023, Second-Highest Value Despite 0.4% Dip

UK Overtakes US as World's Second-Largest Wine Importer by Value

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As one swirls a glass of wine, watching the legs trickle down its sides, it's easy to ponder not just about the wine's origin but also about the journey it has taken to get here. For the United Kingdom, a nation with a storied history of wine consumption that dates back centuries, the year 2023 marked another chapter in its vinous narrative. However, this chapter came with a twist - a decrease in wine imports by volume, juxtaposed with an almost stable import value, painting a complex picture of the country's current wine landscape.

In 2023, the UK saw its wine imports shrink by 5.1% in volume, bringing in 1,232.7 million liters of wine. This was the lowest volume recorded since 2003. Yet, the value of these imports told a slightly different story. With only a 0.4% dip from the previous year, the UK spent a hefty 4.060,2 million pounds on its wine imports. This slight decrease in spending did little to dim the historical significance of the moment, as the value of imports was the second-highest ever, closely trailing the record-setting 4.077 million pounds in 2022.

What's even more fascinating is the price per liter of wine, which hit an all-time high of 3.29 GBP in 2023. This represents a 5% increase in price, following a year where prices had already seen a notable rise. Such a trend underscores a gradual but undeniable shift in the UK's wine consumption habits, hinting at a population that's possibly drinking less but is willing to pay more for their tipple.

For three consecutive years, the volume of wine imported by the UK has seen a decline. Yet, the expenditure on wine had not seen a decrease since 2016, suggesting a nuanced interplay between quantity and quality in the minds of British consumers. This phenomenon could be attributed to a variety of factors, ranging from changing consumer preferences, increased interest in premium wines, or even the aftereffects of global logistical challenges.

In the grand scheme of global wine imports, the UK maintained its position as the second-largest importer by value in 2023, a testament to its unshaken love for wine despite reduced volumes. While it still trails the United States, the undisputed leader in this arena, the UK managed to ascend to the second spot in terms of volume, overtaking the US, which surprisingly dropped to third place. Germany claimed the top spot as the largest importer by volume, showcasing the dynamic shifts in the global wine market landscape.

The wine import statistics of the UK in 2023 highlight a nuanced story of evolving consumer tastes, market dynamics, and economic factors. As the UK navigates through these changing tides, one thing remains clear: the nation's passion for wine, whether in smaller quantities or at higher prices, is as robust as ever. As we look forward to seeing how these trends develop, one can't help but raise a glass to the resilience and

sophistication of the UK's wine lovers.

French Wine Prices Hit Record

Delving deeper into the UK's international wine relationships in 2023 reveals a complex web of trade dynamics and shifting market preferences. The nation sourced its wine from a diverse portfolio of 68 international suppliers, yet the crux of its imports, both in volume and value, rested on the top ten providers. These leading sources accounted for approximately 97% of the total volume and 98% of the overall value of imports, signifying a heavy reliance on a select few for the UK's wine needs.

Among these top contenders, France, Italy, Spain, and New Zealand not only held their ground but also saw growth in the past year, highlighting a discerning taste among UK consumers for wines from these regions. The focus on quality over quantity becomes evident as the next five suppliers experienced significant drops, with a mild decline for Portugal, rounding out the top ten. In terms of volume, only New Zealand, Spain, and France managed to post positive growth, a noteworthy achievement in a year marked by overall contraction in imports.

Italy, in particular, demonstrated resilience by limiting its volume decline to below the average, thereby distancing itself from Australia as the UK's leading wine supplier. Italy supplied 295.5 million liters, a modest dip of 1.9%, while Australia faced a sharper decrease of 10.8%, falling below the 200 million liter mark for the first time since 2001. France and Spain broke from the downward trend, gaining market share as the third and fourth largest suppliers, respectively, with France selling 174 million liters and Spain 142 million liters. Notably, while France's volume was far from its peak years, Spanish wine imports reached the second highest volume on record.

Chile and South Africa saw their shares diminish as the fifth and sixth largest suppliers, with notable volume decreases. New Zealand, on the other hand, enjoyed a 10% surge in volume, surpassing the United States, which witnessed a dramatic reduction in exports to the UK. In just three years, UK imports of US wine more than halved, a significant shift in trade dynamics.

When it comes to value, France led the charge with 1.534 billion pounds, a record despite the volume not matching the early-century highs. This was largely due to the substantial price increases over the years, with French wine prices soaring by an average of 5.6% annually over the last 23 years. In stark contrast to the year 2000, the price of French wine in 2023 reached a historical peak of 8.82 GBP per liter, significantly outpacing other countries, with New Zealand holding the second-highest price point.

Italy's ascent to the second position in value terms was marked by a 4.8% increase, totaling 936.4 million pounds. Spain and New Zealand also saw significant gains in value, reinforcing their positions with record-high sales in the UK. Conversely, countries like Australia, Chile, and the United States experienced declines around the 20% mark, with South Africa and Argentina facing approximately 10% drops in their revenue.

Over the last two decades, the landscape of wine imports into the UK has undergone remarkable transformations. Italy and Spain, in particular, have significantly increased their market share by volume and value, reflecting shifting consumer preferences and market dynamics. France, while losing ground in volume, has become even more dominant in terms of value, underscoring the premiumization of its wine exports to the UK. In contrast, Australia's market share has decreased in both volume and value, highlighting the changing tastes and preferences of UK wine consumers.

These shifts reflect broader trends in the global wine market, with consumers increasingly prioritizing quality, origin, and value over sheer volume. As the UK's wine import landscape continues to evolve, it provides a fascinating glimpse into the complex interplay of economics, taste, and tradition that shapes global wine trade dynamics.

The Future is Boxed? Boxed Wine on the Rise, Bottled Wine at Historic Low

In 2023, amidst a landscape of overall declining wine import volumes in the UK, there was one standout growth category: bag-in-box wines, which saw an increase of 3.3%. This uptick is particularly notable given that it occurred in the wake of an already

impressive 2022 and despite bag-in-box being the category that experienced the most significant price increase. In terms of value, the growth in bag-in-box and sparkling wines almost entirely offset the steep decline in bulk wine imports, with a more moderate drop seen in bottled wines. Interestingly, bulk wine was the only category to see a decrease in price.

Bottled wine, despite a 4.2% decline in volume to 606.6 million liters, continued to dominate the UK's wine imports both in volume and value. It accounted for 49% of the total import volume and 61% of the total value, with a slight 0.3% decrease in value to 2.482,7 million pounds. The average price of bottled wine rose by 4.1% to 4.09 GBP per liter, crossing the 4-pound threshold for the first time. However, this leadership position in the import market comes against the backdrop of the lowest volume of bottled wine imported since records began in 1997, a significant drop from the 2004 peak of nearly 1.050 million liters.

Sparkling wine, on the other hand, set new records in value with a 4.4% increase to 1.061,8 million pounds, a notable achievement following a spectacular 2022. Bulk wine, while experiencing an 11.2% decline in value to 473.3 million pounds, still led in volume with 439 million liters, despite a 7.5% drop. The price of sparkling wine saw a 7.7% increase to 6.52 GBP per liter, the second-highest on record after 2009's 6.62 GBP.

Additionally, the UK imported more bag-in-box wine than ever in 2023, totaling 24 million liters (a 3.3% increase) and 42.3 million pounds (an 11.9% increase), even compared to an excellent 2022. This volume has nearly tripled in just two years from 9 million liters in 2021, indicating a rapidly growing consumer preference for this format.

Looking back to the year 2000 to understand the historical evolution of the UK's wine import portfolio reveals significant shifts. At the start of the century, bottled wine comprised 83.7% of the total volume of wine imported into the UK, a figure that had fallen to 49.2% by 2023. Not only has its share of the market declined, but, as noted, the absolute volume of purchases has also decreased. In contrast, bulk wine (including bag-in-box for historical comparison) has gained considerable ground, moving from 12.4% to 37.6% of the total volume, and sparkling wine from 3.9% to 13.2%. Among these categories, bottled wine has seen the most significant increase in average price over the past 23 years, underscoring the changing dynamics and preferences within

the UK wine market.