

GRAPEY.CO.UK



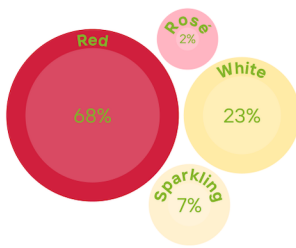
# **UK Fine Wine Market in 2024: The Current Status and Future Outlook**

**GRAPEY**

# Main Findings

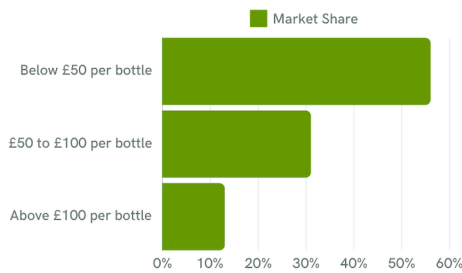
**TOTAL MARKET REVENUE:  
£2.5 BILLION**

## Fine Wine Color Distribution



Red wine: **68%**  
White wine: **23%**  
Sparkling wine: **7%**  
Rosé wine: **2%**

## Price Segmentation



Below **£50** per bottle: **56%**  
**£50 to £100** per bottle: **31%**  
Above **£100** per bottle: **13%**

## Consumer Age Distribution

4%	Generation Z (18+)
34%	Millennials
47%	Generation X
15%	Older generations (63+)

Gen Z (18 to 28 years): **4%**  
Millennials/Gen (29 to 43 years): **34%**  
Gen X (44 to 63 years): **47%**  
Older Generations (63+ years): **15%**

## Seasonal sales fluctuations:



≈ **+10%** in winter  
≈ **-20%** in summer

## Market Dynamics



New product market share: **6%**  
Repeat purchase rate: **61%**  
Online sales percentage: **12%**  
Market concentration index (HHI): ≈**1500**

# Main Findings

## Seasonal sales fluctuations by wine color

Fine **Red** wines show:

- A slight increase in sales during **spring** (+6%),
- A decrease during the hot **summer** months (-9%)
- Significant gains in **autumn** (+13%) and **winter** (+21%)

This aligns with cooler weather and holiday festivities.

Fine **White** wines gain popularity in warmer weather:

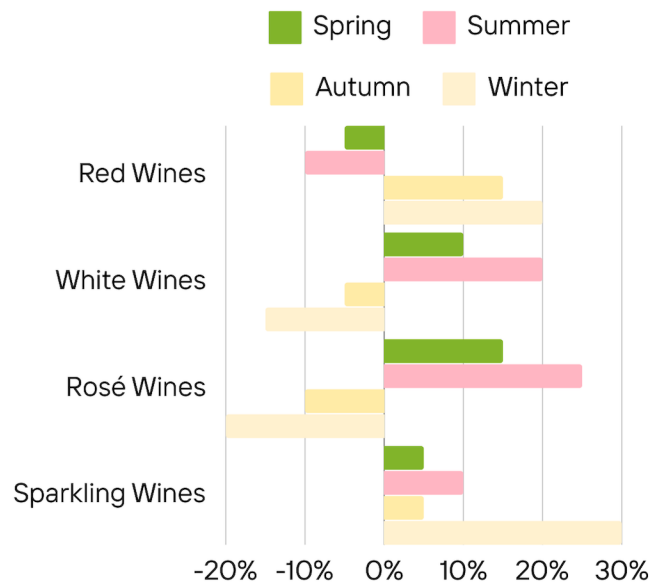
- Peaking during the **summer** (+19%)
- Starting strong in **spring** (+11%)
- Seeing a drop in **autumn** (-4%)
- With a more notable decline in **winter** (-15%)

Fine **Rosé** wines experience:

- Their highest demand during the summer (+26%)
- Robust sales in spring (+12%)
- Declines in autumn (-11%) and in **winter** (-17%)

Fine **Sparkling** wines:

- Modestly grow during spring (+5%) and summer (+9%)
- Maintain steady in autumn (+6%)
- Surge during the **winter** holiday season (+33%).



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# INTRODUCTION

In this report, we provide insights into the current fine wine market status, drawing on extensive research by Grapey and partners.

Before our study, the UK fine wine market lacked comprehensive research, with previous focus primarily on the broader wine market.

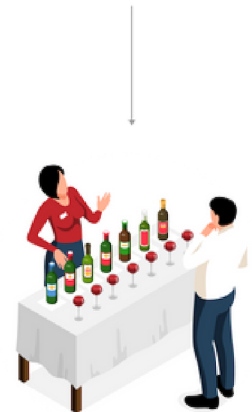
This analysis addresses this gap, offering a thorough examination of the UK fine wine market. Leveraging their expertise and our industry knowledge, we offer a concise overview of key trends, market dynamics, and consumer behaviors shaping the broader wine industry landscape, along with our 2024 predictions and open source data insights for the wine market as a whole in 2023.



WINMAKER



IMPORTER



RETAIL

**GRAPEY**



YOU



YOU

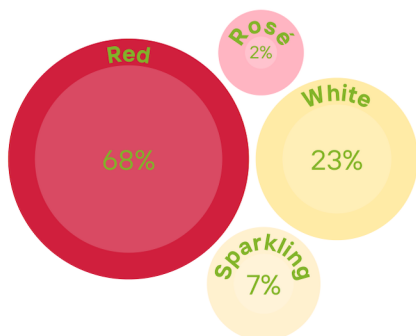


# FINE WINE MARKET INSIGHTS: CURRENT STATUS

THE FINE WINE MARKET CURRENTLY BOASTS A TOTAL REVENUE OF **£2.5 BILLION**

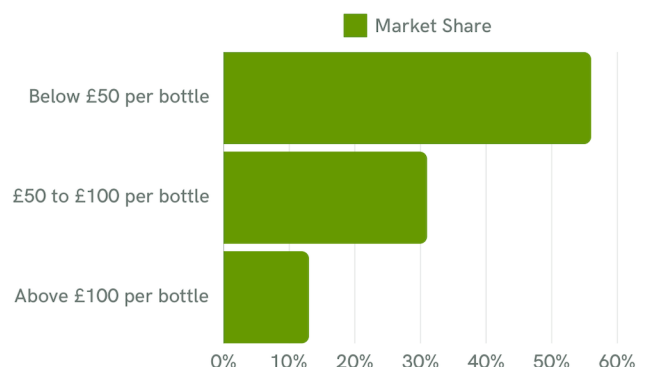
## Fine Wine Color Distribution

In terms of color distribution, **red** wine dominates the market with a **70%** share, significantly outpacing **white** wine at **20%**, sparkling wine at **8%**, and rosé at a modest **2%**.



## Fine Wine Price Segmentation

Price segmentation reveals a diverse market: **55%** of bottles are sold for under **£50**. **30%** are priced between **£50** and **£100**. The premium segment above **£100** per bottle captures **15%** of the market.



## Seasonal Trends in Fine Wine Sales 2023-2024

### Red wines show:

- A slight increase in sales during **spring** (+6%),
- A decrease during the hot summer months (-9%)
- Significant gains in autumn (+14%) and **winter** (+21%)

This aligns with cooler weather and holiday festivities.

### White wines gain popularity in warmer weather:

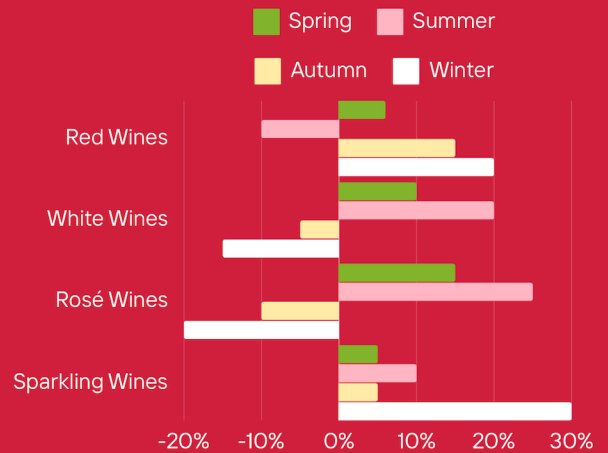
- Peaking during the summer (+19%)
- Starting strong in **spring** (+11%)
- Seeing a drop in autumn (-4%)
- With a more notable decline in **winter** (-15%)

### Rosé wines experience:

- Their highest demand during the summer (+26%)
- Robust sales in **spring** (+12%)
- Declines in autumn (-11%) and in **winter** (-17%)

### Sparkling wines:

- Modestly grow during **spring** (+5%) and summer (+9%)
- Maintain steady in autumn (+6%)
- Surge during the **winter** holiday season (+33%).



SEASONAL TRENDS IN FINE WINE SALES (GRAPEY.CO.UK)

### Fine Wine Consumer Age

In the fine wines market, Generation X (ages 44 to 63) represents the largest consumer group at 47%, followed by Millennials (ages 29 to 43) who account for 34%. Generation Z (ages 18 to 28) makes up 4% of the market, while those over 63 years contribute the least, at 15%.

4%	Generation Z (18+)
34%	Millennials
47%	Generation X
15%	Older generations (63+)

FINE WINE CONSUMER AGE (GRAPEY.CO.UK)

### Consumer sales seasonality

There is a significant seasonal sales fluctuations, with a 10% increase during the winter months and a decrease of 20% over the summer.



FINE WINES SEASONAL SALES (GRAPEY.CO.UK)

## FINE WINE MARKET DYNAMICS

5%

New product market share

60%

Repeat purchase rate

12%

Online sales share

1500

HHI

The fine wine market exhibits strong consumer loyalty with a **repeat purchase rate of 60%**, indicating that customers frequently return to buy their preferred wines. **New products account for 5% of the market share**, suggesting that while innovation is present, established brands still dominate the landscape. Additionally, **online sales constitute 12%** of total sales, highlighting a shift towards digital purchasing among consumers. **The Market Concentration Index (HHI) stands at 1500**, denoting a moderately concentrated market where a few companies hold significant market power, yet there remains sufficient competition to ensure diversity and choice for consumers.

## WHAT IS HHI?

The Herfindahl-Hirschman Index (HHI) helps us understand how competitive a market is.

- A low HHI (close to 0) means the market has lots of small companies and is very competitive.
- A high HHI (close to 10,000) means the market is controlled by one or a few big companies, making it less competitive.

An HHI of 1500 indicates that the market is moderately competitive. There are some big players, but still enough smaller companies to keep the market dynamic and competitive.



# FUTURE OUTLOOK: 9 FINE WINE MARKET PREDICTIONS 2024

In this section, we present insights into the general wine market for the year 2024, based on comprehensive research conducted by Grapey and its esteemed partners. Leveraging their expertise and industry knowledge, we offer a concise overview of key trends, market dynamics, and consumer behaviors shaping the broader wine industry landscape.



# PREDICTION 1:

## UK FINE WINE MARKET WILL RECOVER

The fine wine market will see a resurgence in 2024, rebounding from the challenges faced in previous years and experiencing significant growth.

Patrick Evans-Bevan highlights the market's resilience despite challenges, indicating a positive outlook for the coming years.

*"In 2023, the fine wine market faced a 25% decline overall, influenced by a noticeable gap between buyers' and sellers' price expectations. However, as the situation stabilized, we observed a resurgence of buyer interest, with wine prices becoming more accessible. The coming months are pivotal, promising intriguing developments for those focused on making astute purchases.*

*The market is undergoing a natural correction, adjusting from the inflated prices driven by the COVID-19 pandemic—a period that not only saw an increase in millionaires but also a surge in wine consumption as people sought comfort*

*- Patrick Evans-Bevan, Farr Vintners Ltd.*



## PREDICTION 2:

# UK FINE WINE MARKET WILL GO THROUGH A DEMOCRATIZATION

The fine wine market is undergoing democratization, with more Gen Y and Millennials accessing fine wines. It's no longer a stereotypical preference of the older generations.

*“Millennials and Gen Z are increasingly engaging with the wine market, showing a preference for approachable and easier drink wines. This demographic is contributing to a democratization of the fine wine market.”*

*Ignacio Peral Aragoneses  
Head of Bodegas y Viñedos Peral*

*“Being part of the classical appellation, the oldest worldwide, we notice a generational shift in attitudes towards new trends and established paths. The new generation is more open to exploring the richness within classic appellations, embodying the idea that 'the new new is old.' This rediscovery of the past with a new approach is particularly evident among the new generation of legal drinking age, between 18 and 25 years old.”*

*Matteo Gambaro  
Head of Fattoria Casa Sola Winery*



## PREDICTION 3:

# UK WILL SEE WINES WITH THE BETTER ENVIRONMENTAL ADAPTATION

Wineries will prioritize environmental adaptation and resilience strategies, implementing measures to mitigate the impact of climate change on vineyards and production.

*“The eco-friendly wine market in 2023 faced its share of challenges, particularly due to the excessive spring rainfall that led to widespread vine diseases. Our commitment to organic farming principles guided us towards **innovative agricultural practices, such as using orange juice to balance soil acidity and prevent fungal growth, and employing fava beans for natural fertilization.** These measures, combined with our effective irrigation systems and the advantageous use of local natural resources, enabled us to achieve a production level close to 90% of our normal output.*

*Central to our approach is the use of traditional methods and natural inputs, like volcanic soil, to fight vine diseases and improve water absorption, enhancing the vines' resilience and the wine's quality. This adherence to natural farming practices not only underscores our commitment to sustainability but also distinguishes our wines with pronounced tannins and depth of flavor, reflecting the singular characteristics of each harvest. We can safely say 2024 season will be full of resistant eco-wines*

*- Tea Fanti  
Doctor in Oenology, Head of La Palazzetta winery*



## PREDICTION 4:

# UK WILL SHIFT TOWARDS ECO-CONSCIOUS WINES

There will be a growing demand for premium, eco-conscious wines, reflecting consumers' increasing awareness of sustainability and environmental issues.

Wineries will intensify efforts to adopt sustainable practices, leveraging innovations in viticulture and winemaking to reduce environmental impact.

*"There's a common belief that **heavier wine bottles indicate better quality**, which we're actively working to debunk at Fattoria Casa Sola. Our shift to using lighter glass bottles reflects our commitment to sustainability and challenges this misconception head-on."*

*"This decision is driven by the environmental advantages lighter bottles offer, such as lower CO2 emissions and reduced resource use. Our efforts aim to change consumer perceptions, proving that wine quality is independent of bottle weight and that sustainability can align with premium wine production."*

- Matteo Gambaro, Head of Fattoria Casa Sola

## PREDICTION 5:

# WINE SALES WILL MAINTAIN ITS SEASONALITY

Seasonal influences will impact wine preferences, with wines from Bordeaux being particularly popular in winter due to their full-bodied, robust nature that pairs well with hearty, traditional dishes.

*Seasonality influences wine preferences, with **wines from Bordeaux** being particularly popular in winter. However, while red wines still constitute the majority of the market, we can see how white fine wines grow in demand faster than before.*

- Patrick Evans-Bevan, Farr Vintners Ltd.

## PREDICTION 6:

# UK FINE WINE MARKET WILL SEE NEW PLAYERS

Seasonal influences will impact wine preferences, with wines from Bordeaux being particularly popular in winter due to their full-bodied, robust nature that pairs well with hearty, traditional dishes.

*The UK fine wine market will see a significant expansion, thanks to **innovative business models and advanced distribution channels** emerging in the landscape.*

*These developments will allow access to rare, highly exclusive wines from Europe and the New World—treasures typically produced in quantities of less than 100,000 bottles, and until now, only within reach of serious collectors and lovers of fine wine.*

*With the market's growth and the new infrastructural capabilities, enthusiasts can expect a richer diversity of choice while maintaining the essence of quality that defines fine wine.*

*- Jeffrey Smith  
Head of Inventory at Grapey*





# CONCLUSION

In summary, the forecast for the UK fine wine market in 2024 is positive, buoyed by a combination of factors indicating resilience and growth potential.

Key predictions include a resurgence in the fine wine market, driven by a focus on environmental adaptation and sustainability. This aligns with consumer preferences, with a growing demand for eco-conscious wines and a shift towards premium, sustainable options. Seasonal influences will also shape wine preferences, particularly favoring Bordeaux wines in winter. Market corrections are expected, alongside an emphasis on quality assurance and innovation in production methods to meet evolving consumer demands.