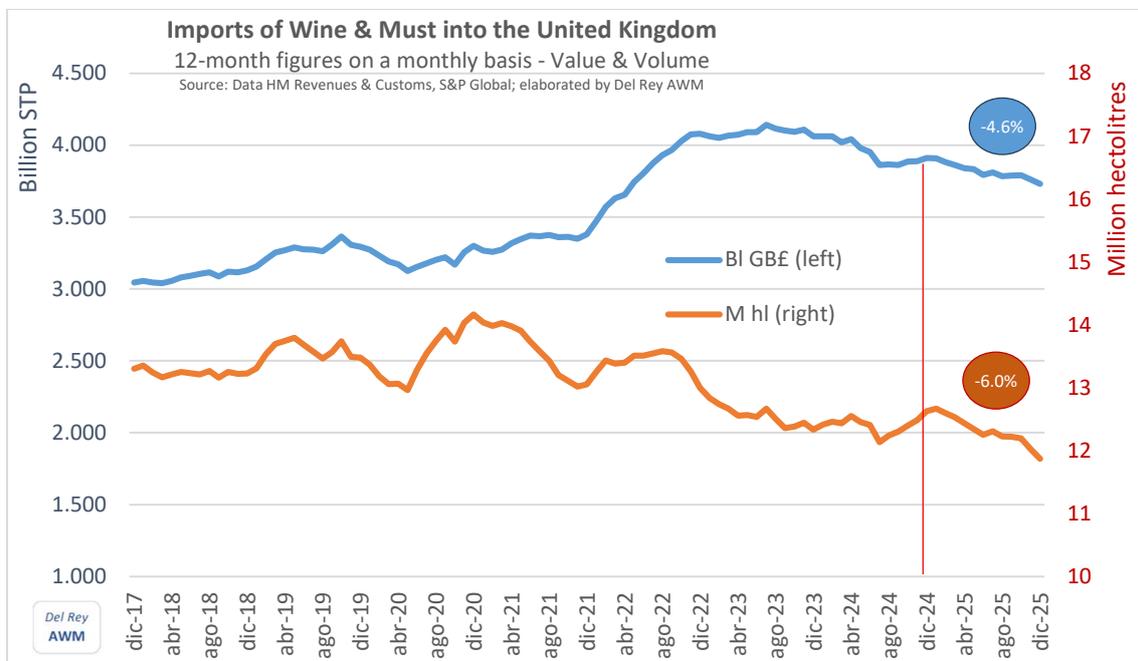


Wine Imports in the UK declined by 4.6% in 2025

Lower prices of French & New Zealand wines put pressure on competitors

February 26, 2026.

According to figures from HM Revenue & Customs Service, as analysed by Del Rey AWM¹, wine imports into the United Kingdom experienced a notable decline in 2025. The total volume of imported wine fell by 6%, reaching 11.9 million hectolitres, while the value in Sterling Pounds decreased by 4.6%, amounting to £3.7 billion. The average price per litre increased by 1.4% to £3.14. This downturn in wine imports followed a period of relative stability in the previous year, both in terms of value and volume. The decrease may be attributed to changes in the tax system for alcoholic beverages in the UK, alongside evolving trends in wine consumption.



Performance of Leading Wine Suppliers to the UK

The overall trend in wine imports to the United Kingdom has not been uniformly reflected across all major suppliers. Among the fifteen leading wine exporters to the British market, only France, New Zealand and, to a lesser extent, Portugal achieved growth in sales volume. Despite the general decline of 6% in imported wine volume in the market, France increased its exports to the UK by 3%, reaching 180 million litres. New Zealand experienced a significant rise of 14.1%, with exports totalling 86 million litres, while Portugal saw a modest increase of 1.9% to 26 million litres.

¹ Analysts of Wine Markets: www.delreyawm.com

Conversely, all other major wine suppliers recorded lower sales to the UK, with negative growth rates spanning from -1.7% for Romania and Greece, and -2% for Italy, to more pronounced decreases such as -13.6% for Australia, -12.7% for Chile, and -19.1% for South Africa. Spain, the fourth largest supplier, reduced its exports by 9.8% in 2025.

Factors Influencing Supplier Performance

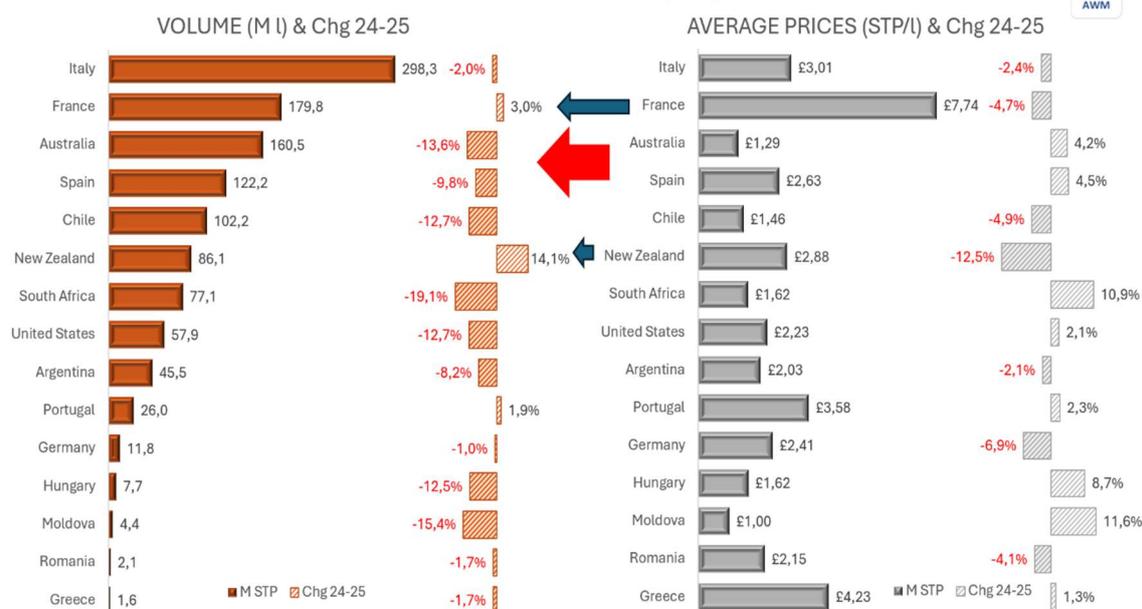
The challenging market environment, shaped by shifts in wine consumption, economic difficulties, and notable legislative changes regarding alcohol taxation, has impacted sales performance. The exceptional growth in sales seen by France and New Zealand may be linked to adjustments in their average prices. Additional factors could also explain the variations in sales among different suppliers. In particular, New Zealand’s increase in direct wine shipments might be associated with reduced sales from Australia, as some of New Zealand’s wine was previously re-exported from Australia to the UK.

Impact of Price Reductions on Wine Sales

It can be reasonably suggested that the decrease in prices for French and New Zealand wines contributed to increased sales in the United Kingdom during 2025. In that year, France reduced the price of its global wine exports to the UK by 4.7%, setting the new average price at £7.74 per litre, which remains above the market average. New Zealand saw an even more pronounced reduction, with prices dropping by 12.5% to £2.88 per litre, leading to an even sharper growth in volume of 14.1%.

Imports of Wine & Must into the UK - 2025

Source: Data HM Revenue & Custom; elaborated by Del Rey AWM



However, not every price reduction guarantees a corresponding rise in sales volume. The effect depends on the market position and strength of each wine category or brand. Official UK statistics from 2025 demonstrate that price reductions did indeed foster

greater sales for French and New Zealand wines. In contrast, similar strategies were less effective for wines from Chile, Argentina, or Germany, where sales did not improve. On the opposite side, Australia and Spain actually increased their average prices in 2025, and this coincided with a decrease in sales volumes.

Nevertheless, the relationship between lower prices and better performance in volume terms for France in the UK market this year may be clearer when looking at the main categories: sparkling and non-sparkling bottled wines.

Price and volume change of top suppliers of Sparkling Wine to the UK

France is renowned for selling premium sparkling wines, predominantly Champagne, to the UK market. These wines command a high average price of £18.52 per litre. Despite exporting a relatively modest volume of 27 million litres, France achieves substantial revenues, approaching £493 million. In contrast, Italy stands as the UK's largest supplier of sparkling wines, largely Prosecco, which are sold at a significantly lower average price of £3.56 per litre. Italy's export volume is considerable, with 124 million litres shipped—over four times that of France—yet this results in a turnover of £440 million, nearly matching France's revenue. Spain, occupying third position among sparkling wine suppliers to the UK, offers wines—primarily Cava—at an average price of £3.59 per litre, similar to Italy's. However, Spain's sales only amount to 14 million litres, which generate £49 million in revenue, that is roughly one-tenth of France's earnings.

This overview illustrates that France generates large revenues through selling expensive sparkling wines in smaller quantities, Italy achieves similar turnover with much larger volumes of more affordable wines, and Spain remains distant from both in terms of price and popularity.

Market Movements in 2025

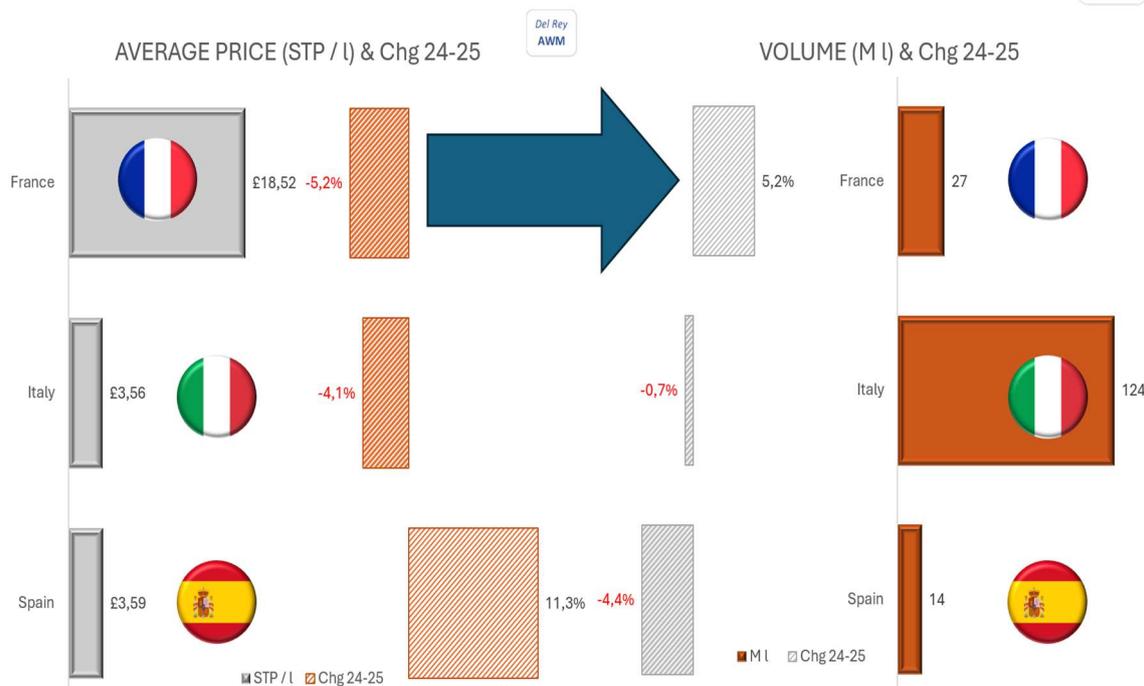
During 2025, notable changes occurred in the UK sparkling wine market. France reduced its average price for sparkling wines by more than one pound per litre, a decrease of 5.2%. While this reduction did not shift French sparkling wines into the “popular” category, it did lead to an increase in sales volume of over 1.3 million litres, representing 5.2% growth. The combination of more bottles sold at lower prices resulted in stable revenues, with only a slight reduction of 0.2%.

Italy also saw a decrease in average prices, albeit more moderate at 4.1%. Unlike France, this price reduction did not lead to increased sales, with shipment volumes dropping slightly by 0.7% to remain around 124 million litres. The outcome of lower prices and nearly unchanged sales was a reduction in revenues, which fell by 4.8%, corresponding to a decrease of 22 million litres over the year.

Spain adopted a distinctly different approach by increasing its average prices by 11% to reposition its sparkling wines in the market. This strategy came at the cost of a greater decline in sales volume than Italy, dropping by 4.4%. Nonetheless, Spain succeeded in boosting its revenues in a challenging year, recording a 6.4% increase, amounting to nearly £3 million. Repositioning seems, in this case, having been effective.

Imports of **Sparkling Wine** into the UK – 2025

Source: Data HM Revenue & Custom; elaborated by Del Rey AWM



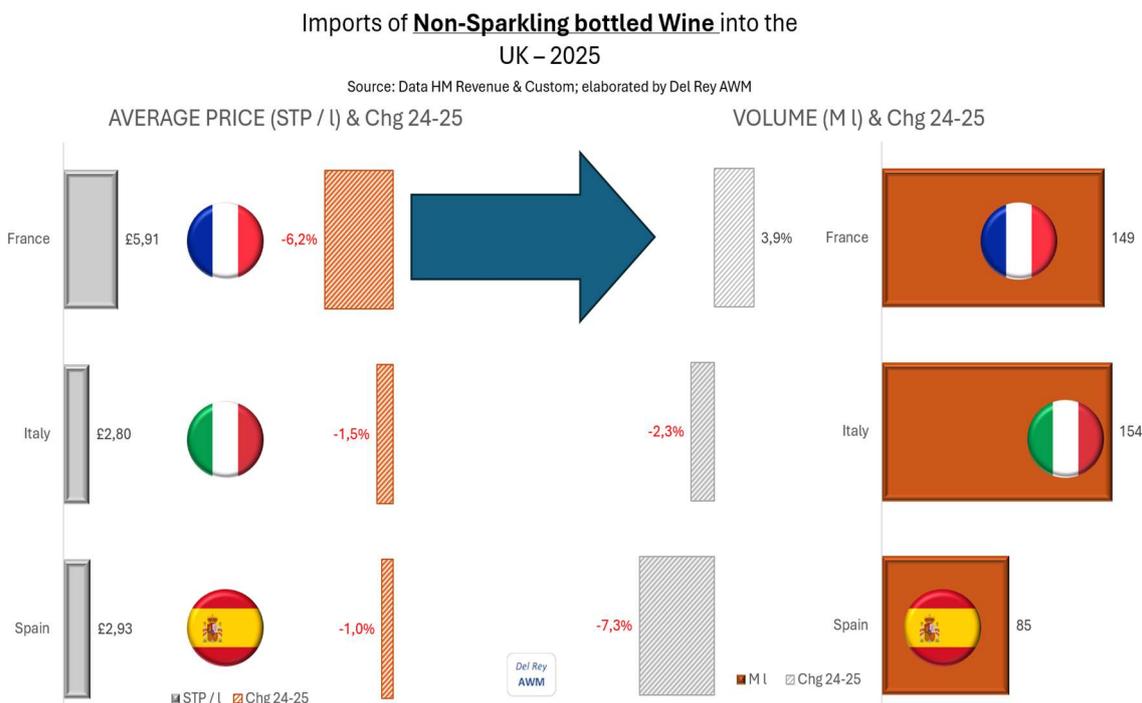
Non-Sparkling Bottled Wine Imports: Market Leadership and Performance in 2025

As with sparkling wines, the UK market for non-sparkling bottled wines is dominated by France, Italy, and Spain, which together accounted for 70.6% of the total value and two-thirds of the volume in 2025². Also as in the case of sparkling, French exports in this category command significantly higher prices, with an average of £5.91 per litre—more than twice the price of Italian (£2.80) and Spanish (£2.93) wines.

Although Italy leads in non-sparkling bottled wine sales, shipping 153 million litres compared to France’s 149 million, the higher price point of French wines ensures that France’s revenues far exceed those of its competitors. In 2025, French non-sparkling

² Australia is also a relevant supplier of non-sparkling wines to the UK market, selling even more than Spain, but most of its shipments are made in bulk to be later bottled in the place of destination.

bottled wine exports generated £879 million, more than double Italy’s £431 million. Spain, meanwhile, lagged behind in both volume and value, selling 85 million litres.



Price Reductions and Market Dynamics

The evolution of these leading suppliers through 2025 highlights challenging market conditions, with price reductions playing a major role. France experienced the sharpest drop in average prices for non-sparkling bottled wines, decreasing by 6.2%. This price reduction spurred a 3.9% growth in sales volume, resulting in only a minor decline in overall revenues by 2.6%. Italy’s price reduction was more modest at 1.5%, yet it did not prevent a 2.3% decrease in sales volume and a 3.7% drop in revenues. Spain, showing the least change in average prices at just a 1% reduction, suffered a 7.3% decline in shipment volumes compared to its main competitors.

Emerging Patterns and Strategic Responses

A comparison of the performance of the top three suppliers in these two categories of sparkling and non-sparkling bottled wine sales in 2025 in the UK market reveals several similarities.

Spain appears to hold prices at the risk of losing market share, which may be the result of a deliberate repositioning strategy—particularly evident in the sparkling wine category—or a lack of response to challenging market conditions, or possibly both.

In both cases – sparkling and non-sparkling – price reductions shown by France are sharper than those implemented by Italy. This may be the result of two major elements: a defined strategy to face more difficult times in the market but also a natural consequence of a certain degree of over-supply in the French wine industry, despite quite short harvests in the last two years and subsidies for distillation.

In both cases, - sparkling and non-sparkling – the strong reduction of French prices for wine resulted in better sales in volume, as opposed to worse reductions by its major competitors. The combination of lower prices but higher sales in volume resulted in limited impact on revenues in both categories for French sales.

Key Questions for the UK Wine Market and Others

The comparison of these three big wine suppliers to the British market and their evolution in 2025 may rise two relevant questions

- Are general trends in wine consumption and regulatory changes primarily driving price reductions in an effort to sustain volume sales?
- Does France’s stronger volume performance following price reductions indicate superior market positioning? If France’s willingness or necessity to reduce prices leads to improved sales volumes in the UK, what implications does this have for its competitors, and how should they respond?

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