

Retail Prices of Whiskies in the USA, European Union and Switzerland

Over the years, I published several reports on the prices of single malt whiskies in the USA, European Union and Switzerland (see <http://www.whisky-news.com/En/Report.html>), with the last one released in 2010. Considering the frequent question of pricing evolution over the years, it was time to produce a new version and to address the following question: have the prices singles malts increased over the last 3 years?

I initially compared the prices of “standards” single malts vs “super premiums”, but considering the turnover of these latter ones, only the standard bottling are presented here, with some discussion on a few super premium ones.

Methodology:

The prices of some selected single malts (Table 1) were obtained from six UK, two US, one French, one Austrian, two Germans, one Belgian, one Dutch and four Swiss on-line whisky retailers in 2008, 2010 and 2013. For this 2013 edition, the same retailers as the previous editions were used. The whiskies have been selected to represent most Scotch whisky companies. The prices for 2013 were collected between February and March, 2013 from the companies websites.

Between US and Europe (EU and Switzerland), there are two major differences: 1) the volume of the bottles is 750 ml (75 cl) in the US vs 700 ml (70 cl) in Europe and 2) European retail prices included Value Added Tax (VAT) but not in the US (State Tax; the US equivalent of VAT). The difference of volume is roughly equivalent to the taxes. Therefore, no corrections have been done to the US prices.

For graphical presentations, countries have been pooled together in order to have at least 3 retailers by geographic region. Austria and Germany were grouped together in the ATDE group and Belgium, France and the Netherlands as the BENEFR region. For consistency with the previous reports, the prices in the graphical presentations and in the tables were converted in British pounds (£) in order to compare the prices between the different regions. However, an additional comparison was also done in local currencies, comparing the prices in 2009 vs 2010 (not shown).

Standards (Original Bottling, 70 cl)	
Aberlour 10	Laphroaig 10
Ardbeg Ten	Littlemil 12
Bowmore 12	Macallan 18 Fine Oak
Bruichladdich Fifteen 2nd	Mortlach 16 F&F
Bunnahabhain 12	Springbank 10
Dalmore 12 (70 cl)	Talisker 10
Edradour 10	The Glenlivet 12
Glenfarclas 10	Tobermory
Glenfiddich 12 Special Reserve	Tomintoul 10
Glenmorangie 10	Tullibardine 1993

Table 1: List of Standards single Scotch whiskies.

Currency conversion:

To compare all these prices, prices in the local currencies have been converted to British Pounds (£) using the exchange currency rate on www.xe.com on March 20, 2013:

£1= US\$ 0.66= € 0.855 = CHF 0.70

Conversion rates in 2010:

£1= US\$ 0.644= € 0.818 = CHF 0.622

Results:

Changes between 2008, 2010 and 2013

Table 1: Average prices for the selected retailers in 2008, 2010, and 2013 in GBP (£) for each standard single malt.

	2008	2010	2013
Aberlour 10	22.49	25.50	27.03
Ardbeg Ten	29.38	35.73	40.07
Bowmore 12	24.94	29.78	31.96
Bunnahabhain 12	27.52	33.30	34.89
Dalmore 12	25.69	34.65	38.37
Edradour 10	30.43	35.42	36.45
Glenfarclas 10	24.30	28.83	28.72
Glenfiddich 12	23.12	26.63	26.69
Glenmorangie 10	25.82	30.28	30.54
Laphroaig 10	24.29	28.57	32.55
Littlemill 12	27.54	32.29	40.87
Macallan 18 Fine Oak	71.96	92.98	116.34
Mortlach 16 F&F	38.99	51.60	62.40
Springbank 10	31.88	37.52	37.71
Talisker 10	28.47	32.22	33.69
The Glenlivet 12	22.77	26.50	30.24
Tobermory	23.85	26.84	33.88
Tomintoul 10	25.81	27.53	29.21
Tullibardine 1993	27.08	32.89	37.63
Average	29.76	36.28	39.43

Results:

Over the last 3 years, the average increase was about 10% (from £36.28 to 39.43), thus corresponding to approximately 3% per annum (see Table 1). This variation was lower than the change between 2008 and 2010, but also shows some marked differences between brands, with prices of brands such as Glenmorangie, Glenfarclas, Springbank or Glenfiddich remaining almost flat, while others have increased of 20%, such as Macallan over the last 3 years and more than 50% since 2008.

When looking at the prices in 2013 by region (see Figure 1), there are some regional differences. However, between shops within the same country, differences could be significant, with for instance one shop in UK selling the Aberlour 10 YO for £23.95 and one for £36.99.

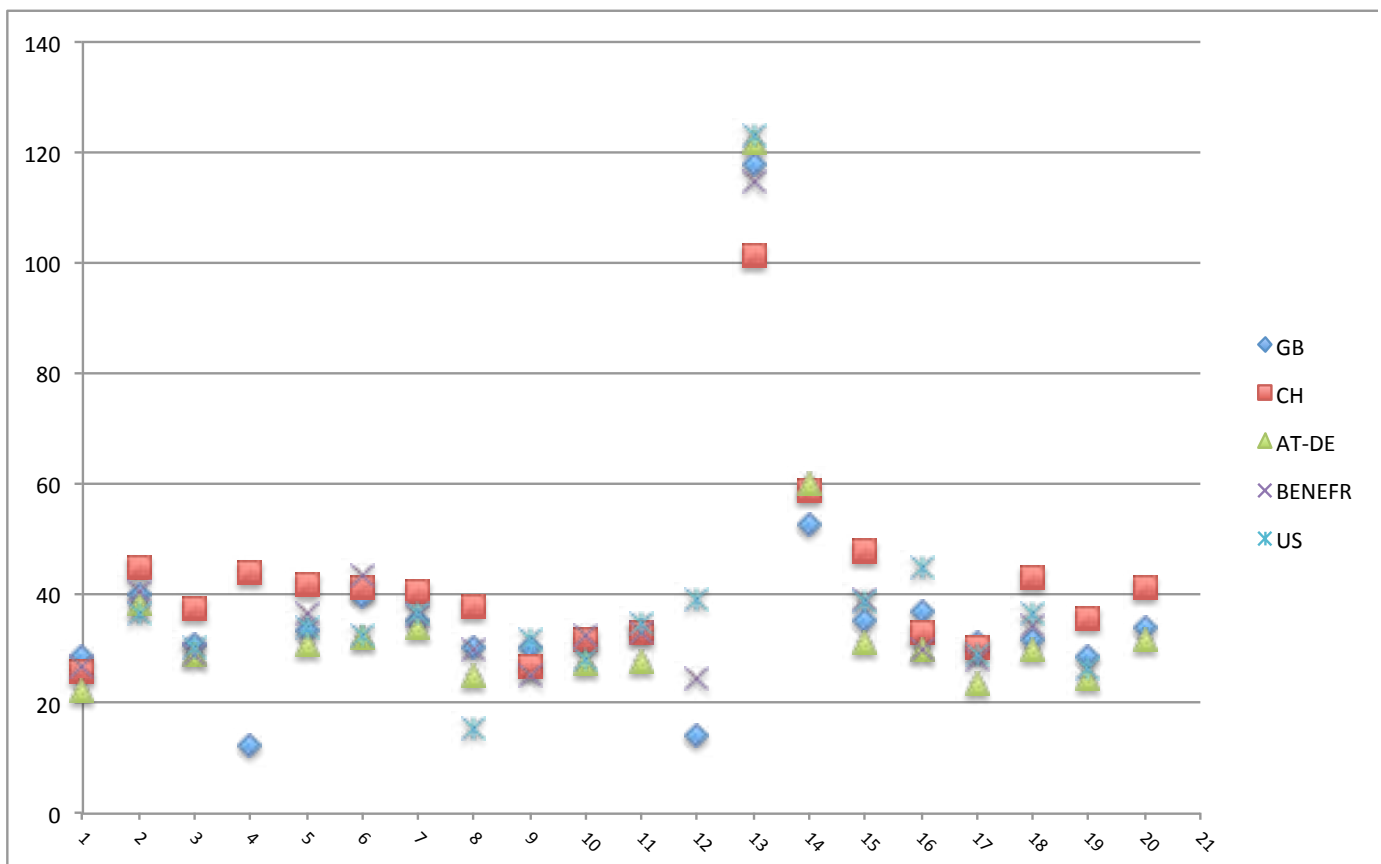


Figure 1: Distribution of the average price per geographical region in £. AT-DE: Austria and Germany, CH: Switzerland, GB: Great Britain, ATDE: Austria & Germany, BENEFR: Belgium, The Netherlands & France, CH: Switzerland. Brands are presented in a chorological order as in Table 1.

If you are looking back at my old reports, you will notice that prices remained very stable over the 3 in the US and Switzerland, while UK increased on average of 10%.

Discussion and conclusion

Over the last 3 years, the progression in prices for standard malts has continued, but to a slower pace than between 2008 and 2010. Some brands have maintained their prices, while some other might have increase it to as much as 20%, for instance Macallan, without any major changes in the product. For other products such as the Tobermory 10 YO, the price increase was similar to the Macallan, but the packaging has changed, as well as the quality of the product. More importantly, the alcohol by volume was increased from 40 to 46.8% and thus resulting in a higher duty fee and finally higher final price.

Comparison between the superpremium brands was not done, since there was a high dynamic in these products, with changes of vintage, age statements, volume and etc. But looking at a few examples, prices for some have skyrocketed, with for instance, the Ardbge 1974 single cask selling for £495 in 2008 and £1200 in 2013, reflecting the rarity of the product. For a product such as the Balvenie 30, its prices increased from £230 to £320 over the same period or Isle of Jura 21 YO from £45 to £98.95

With the trend of “non age statement”, price increases might be attenuated by changing the composition of the product and decreasing the average age of the content.

Patrick B., www.whisky-news.com ©13 May 2013