

Jerez *unveiled*

***“a consumer-centric approach
to understand changes in supply”***

Motivation

As wine lover I have been travelling for years to many wine regions in the world. Jerez was on my must-visit list, of course, but I have to admit that it was not one of my high priorities, because I did not know much about *jerez*. I was born and brought up in Barcelona and although I have Andalusian roots, I have remained disconnected to Andalusia's culture and traditions. At the beginning of the millennium, I finally did my initiation trip to the bewitching Jerez region that it is known all over the world as the cradle of flamenco and the pure Spanish horse breed. It was during my first visits to *bodegas* when I felt the power of *jerez* in the collective imagination, a wine matured in *cathedral bodegas* that it is aged under a veil of *flor* in a *solera* system. But it was only when I tasted some outstanding wines straight from the butts when I realized what *jerez* is or what it used to be. Later, I became a passionate *jerez* lover, a journey without a turning back. I wondered why these oenological gems were once admired and later forgotten, undervalued, and even mistreated. This was the original idea that some years after has motivated this Weinakademiker thesis. At one time, *jerez* had the chance to compete with other world-class wines such as *bordeaux* or *borgogne*, but how did it lose its opportunity?

Objective

The goal of this paper is to research how changes in consumption patterns have influenced supply of *jerez* wines and why. It is obvious that this is a challenging problem to be solved in the available space. For this reason, this thesis will focus on researching at what extent changes in consumption habits are conditioning supply from a consumer-centric perspective. In addition, it will assess the key success factors for a sustainable wine business structure of the Jerez region without losing its identity.

Methodology

This research starts with a selection of literature for which many valuable historical and technical sources exist. An in-depth investigation of *jerez*'s consumption and trade during the last three centuries is required because this

period was of particular interest for the objective of this research. Later, a short-list of stakeholders within *jerez's* business was identified as interviewees, including historians, producers, oenologists, subject matter experts and writers, for the purposes of a holistic and deep research project. In addition, an original research designed using a qualitative methodology was created to allow for a better understanding of current customer preferences and how the region is being impacted by global wine trends. It will be based on a semi-structured survey and the selection of a strategic non-probabilistic sample belonging to demand and supply groups, such as ordinary consumers, non-consumers, wine lovers, producers, distributors, retailers, sommeliers, and restaurateurs. Due to circumstances related to the pandemic, it has not been possible to travel to Jerez, but this issue has been partially mitigated thanks to remote meetings and prior knowledge of the region after years of visits.

Conclusions

It has been found that changes in tastes and consumption habits are more complex to understand than initially expected. Both are impacted by multidimensional endogenous and exogenous factors and contingencies, such as economic crisis, periods of prosperity, military conflicts, smear campaigns, trade wars, unfair competition, and other political and social changes, as well as generational renewal emerging from new lifestyles and trends. For example, COVID-19 is affecting the planet, with significant consequences on human health and economy. It is also seriously impacting *jerez's* wine business. It has been shown that contingencies like this, as well as their effects are unpredictable; some even become irreversible in the long term.

In a highly competitive market, the ability of producers to adapt supply to demand is key for success. At the same time, however, that success might lead to a potential risk of succumbing to the temptation of increasing volume to satisfy demand at the expense of quality, which can seriously damage a producer's image and reputation. Jerez region is paradigmatic of this argument.

The impact of the crisis that started forty years ago is still evident. For this reason, Jerez is in the middle of an encouraging reflection period with the hopes of redefining its future. Since the turn of millennium, there is also a promising discussion about the importance of the vineyard, vintage versus *solera* system wines, features that unfortified wines should meet, and *pagos* classification. Will these discussions be enough to revert the current situation? Are stakeholders ready for the kind of revolution that is needed to tackle these issues?