Summery of

“The role and perception of Pinot Noir from Germany in the segment of Ultra-Premium and Icon Wines for this grape variety”
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In 2002 Robert Parker wrote about Pinot Noir as follows: “German Pinot Noir is a grotesque and ghastly wine that tastes akin to a defective, sweet, faded, diluted red Burgundy from an incompetent producer”.

A lot has changed and improved in the German Pinot Noir world since then. Jancis Robinson and Anne Krebiehl, both Master of Wine with their good knowledge of German Pinot Noir have published a lot of articles in the last years, which describe the developments and draw another much more positive picture.

With risen prices for Pinot Noir from Burgundy and a bottle of Morstein Spätburgunder Felix Vintage 2014 from Weingut Keller auctioned for 690 Euro last year in Bad Kreuznach, I decided to write my thesis about the role and perception of Pinot Noir from Germany in the segment of Ultra-Premium and Icon Wines for this grape variety.

To get insights into the topic I used 2 methods:

The literature review in paragraph 2 deals with the history of Pinot Noir in Germany, a short description of different German terroirs and facts about viticulture and oenological developments. In paragraph 2.5 an examination of price and quality levels from Germany, Burgundy, New Zealand and North America is included.

To get information about the supply side I used a producer survey (paragraph 3) and an interview with a producer to address the actual situation, trends and challenges in viticulture, vinification and marketing strategies. My goal was to analyze outstanding producers in Germany. I selected 8 producers and got an answer rate of 75%.

For the demand analysis I used a survey and sent it to 31 key professionals (mainly Masters of Wine). I received answers from 15 key professionals to my questions which means a response rate of 48%.(paragraph 3)

In paragraph 4 I write about the research results and interpret them.

One of the first questions of the key professionals survey addressed the quality assessment of Ultra Premium/ Icon Pinot Noir from Germany (UPIPiNG) by asking if it is perceived as a substitute for Pinot Noir Wines from Burgundy. The results were as follows: 40% sees it as an alternative for Village quality and 33% as an alternative for Premier Cru quality, but no one mentioned the Grand Cru Level of Burgundy.

In another question I asked which country would be the first choice when people look for alternatives from Burgundy. US producers were leading in the answers with 33,3%, followed by New Zealand with 26,7% and Germany only got 13,3%.

Regarding the economic situation I asked producers about price levels, the part of premium Pinot Noir from their whole production and the importance of export.

In the following part I asked producers about the actual situation, trends and challenges in the following areas: Viticulture, Winemaking and Marketing strategies.

At the end I used an open question and asked about other perceived challenges.

In paragraph 5 of my thesis I sum up the conclusions and write about recommendations.

Viticulture and oenological methods from Burgundy are implied in Germany, for example the trend to lower yielding clones with more intense varietal character and the improvements in the cellar, for example the selection of barrels. An actual trend is the return to artisanal production methods. Germanys top producers have the willingness to improve every detail during the growing and vinification process.

Compared with Burgundy, where 101 wines scored 19 points or higher during the last 6 vintages by Jancis Robinson, Germany has only 6 wines with this excellent score, while New Zealand and North America only scored with 1 wine each. This means a second place for Germany after Burgundy.

While prices in Burgundy for the top segment of the market rose by 64,11% during the last 5 years, in Germany there was a rise of around 20 percent, when looking at the 2 best scored producers and their top wines. Here seems to be room for improvement. This is acknowledged by the fact that in the key professional survey prices (the average price for UPIPiNG is 87,75 Euro) are not seen as the main challenge for UPIPiNG.

A problem for further improvement might be, that North America and New Zealand are in front of Germany when key professionals were asked for their first choice when considering an alternative for Burgundy Pinot Noir as described before.

Another important issue is that a majority of the approached key professionals assessed UPIPiNG only as a substitute for Burgundy Village quality instead of Premier Cru quality.

With UPIPiNG averaging 28% of the whole production of Pinot Noir and an average price of 87,75 Euro per bottle for consumers, the economic situation of the top producers seems to be better than the average producer of Grosses Gewächs in the VDP, where only 32 Euro are paid for a bottle. But one should keep in mind that I only asked top producers and looked at their premium Pinot Noir wines.

Considering the distribution the United Kingdom seems to be the most important market. It was a bit surprising that the Benelux countries, Scandinavia and the Asian market had not been mentioned when producers were asked for their most important export market. Here could be room to broaden the distribution area. Not an easy task, because producers rely on good and courageous importers in their export markets, which are not easy to find.

All in all this means that the perception and demand for UPIPiNG has increased during the last years and that the outlook is positive. Nevertheless there is some work to do to position top tier German Pinot Noir in a competitive worldwide wine market.