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Assembling whisky production and consumption for rural resilience: A value chains case study in Speyside, Scotland

Territorial associations between Scotland and whisky production lie at the root of one of the most significant global value chains for the Scottish economy. Exports of Scotch whisky in 2021 totalled 1.38 billion bottles (SWA, 2022a) and £5.5 billion GVA to the UK economy, with direct employment figures exceeding 11,000 people in Scotland (SWA 2022b). Speyside is one of five whisky regions in Scotland; it is home to the highest number and density of distilleries in Scotland, including world-renowned brands such as Glenlivet, Glenfiddich and Macallan.

Building on the concept of value chains (Porter, 1985) we deconstruct and explore whisky as a place-based product that is strongly rooted through environmental and cultural associations with mountains and rurality (quality spring water, iconic imagery) but relies heavily on processes of tele-coupling (connections across different geographies) across all stages of the value chain (production, processing, distribution and marketing, consumption). This includes importing of non-territorial capitals (barley, casks, yeast), detachment of marketing and distribution activities from distillery sites (bottling, warehousing), and sales to international consumer markets (exports, tourism). While globalisation is impacting on the extent that value is generated and retained in mountain regions, geographical protections and cultural heritage ensure that the processing stage (i.e. steps that bring the ingredients together before bottling) will endure in place – and assemblage with tourism further ensures value is added through co-location of production and consumption.

In this paper, we draw on desk-based analysis, interviews and workshops with stakeholders to explore connections between Speyside malt whisky (production) and tourism (consumption) value chains, and consider opportunities and challenges presented by this assemblage in the context of rural resilience and capacity to deal with emerging trends and global shocks.

Bibliographic references

Porter, M (1985) *Competitive Advantage Creating and Sustaining Superior Performance*, The Free Press Division of Macmillan, Inc. (Chapter 2).

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