

# Case Study

## Tierras de Jaén

Centenary olive grove (photo by Juan Carlos Muñoz Flores)

### 1. Introduction

“Tierras de Jaén” is a fifth-generation family business of the López García family: farmers, producers and bottlers of extra virgin olive oil and since 2018, providers of olive oil tourism experiences at Cortijo Las Huertas farm, in Huelma (Jaén).

After training in business administration, Fernando joined a family business which, at the time, was devoted to olive growing, EVOO production and bottling. His initiative and entrepreneurial spirit have transformed the business, internationalising it, and incorporating new products and tourist services, but without ever losing the link with the history of the estate, the family and the olive oil culture.

#### NAME OF THE BUSINESS

Tierras de Jaén (Fernando López García), Casa Rural Cortijo Las Huertas, CR/JA/00362.


#### LOCATION

Huelma, Jaén, Andalucía, Spain.

### 2. About the agrotourism

Since the end of the 18th century, numerous lands owned by the church have been put up for public auction in Spain by imposition of the State (disentailment process). This is the case of Cortijo Las Huertas, which once belonged to the estate of the Jaén Cathedral (it was used as accommodation for the young men who served in the cathedral and the bishopric of Jaén, and was also used to grow cereals and vines), and which in 1850 was acquired by Fernando Valdivia, our protagonist's great-great-grandfather.

It is an agricultural estate of around 310 ha. Fernando's ancestors gradually acquired adjoining land to extend the original estate, and they eventually gathered more than 500 ha, but successive divisions among heirs have left it with the current area. At present, some 140 ha are cultivated with picual olive trees (some of which are more than three centuries old) and some 170 ha are non-productive scrubland. It is located in the Sierra Mágina region, about 4 km from the Huelma municipality centre, 39 km from Úbeda and 80 km from Granada airport.



Fernando, in the Tierras de Jaén facilities (photo by Juan Carlos Muñoz Flores)

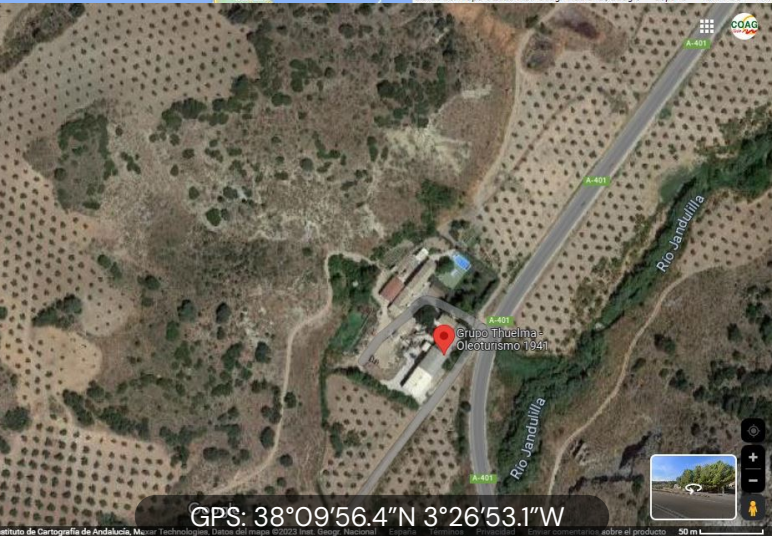
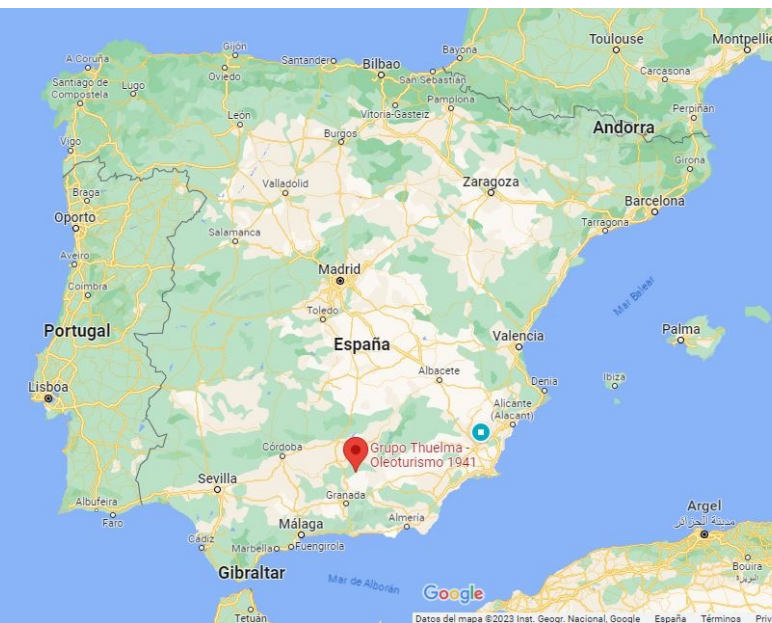
Local economy is based on farming, being olive tree groves (a maximum quality extra virgin olive oil is produced here, under the Sierra Mágina Certificate of Origin), the cherry trees and the asparagus the main crops. The esparto grass industry has been an important economic activity and more recently the furniture industry has gained relevance. Traditional livestock includes some endangered breeds such as the Andalusian white goat and the montesina or ojinegra sheep.

A natural frontier between Muslim and Christian territories during the 13th to 15th centuries, this area maintains a medieval atmosphere, as can be seen in the narrow streets of its municipalities and in the castles: towers in Bélmez and Cuadros, castles in Bedmar y Garcéz, Jódar and Albánchez de Mágina and the remains of Arab fortresses and walls in Jimena and Cambil.

Another nearby tourist attraction is the Sierra Mágina Nature Reserve, a rugged and inaccessible limestone massif, surrounded by olive-growing

countryside, which includes the highest peak in the province (2 167 m) and is home to a great diversity of landscapes. Its almost 20 000 ha of surface are home to more than 1 290 catalogued plant species (some endemic or extremely rare, especially above 1 500 m altitude), 27 mammals, 18 birds of prey (e.g. the largest European population of golden eagles) and 25 reptiles and amphibians. Some outstanding sites are the river Cuadros oleander (the largest in Spain), the turpentine trees on Mount Carluco, the Zurreón waterfall (which freezes in the winter) and the pine forest of Cánava (declared a natural monument). We must highlight the cave paintings such as La Graja (Jimena) and the grotto of Los Esqueletos (Albánchez); or the Iberian sites of Cerro Alcalá (Torres) and El Pajarillo (Huelma), too.

Finally, we cannot forget the magical and mysterious character of this land ("Mágina mágica", which means "magical Mágina", is a well-known tourist slogan), where the "faces of Bélmez" is the most famous episode.



GPS: 38°09'56.4"N 3°26'53.1"W

## When did the agrotourism business start?

May 2019 (superior rural house), may 2020 (basic rural house).

## Number of workers

Professional activities on the farm are divided between two companies: Thuelma, S.L. is devoted to producing extra virgin olive oil and bottling oil (both its own production and that of third parties), since 1991; and Tierras de Jaén Olive Oil, S.L. is devoted to olive oil tourism (accommodation, olive oil experiences, visits to the oil mill, sale of oil-derived products, etc.), since 2017.

**Tourism activities:** 1 person, full-time.

**Agriculture:** 6 people (4 family members and 2 external workers) + extras for occasional tasks + staff for olive harvesting (6-12 people/season, usually 10).

## Some tourist data from the agrotourism

Cortijo las Huertas offers two independent tourist accommodations, according to Andalusian regulations: a superior rural house (6 people, 140 m<sup>2</sup>, opened in 2019, license number CR/JA/00362) and a basic rural house (2 people, 42 m<sup>2</sup>, opened in 2020). Both houses are part of the buildings of a typical Andalusian farmhouse from the 18th century owned by Fernando's family for five generations.

The accommodations include air conditioning, heating, fully equipped kitchen (cooker, fridge, microwave, toaster, coffee maker and kitchen utensils), private bathroom, living area with TV, WiFi, private parking, garden, picnic and barbecue area, children's pool and terrace available to guests.

The large house has a living room, three separate bedrooms (5 total beds) and two bathrooms with shower, while the small house has a living room, a separate bedroom (2 beds) and a bathroom.

The large house is available all year round, while the small house is closed during the olive harvesting season (usually from mid-October to mid-January, although this varies from year to year), to avoid inconvenience to guests. There is a price discrimination between high and low season (€10/person and night).

The minimum occupancy is 3 people and 2 nights (superior rural house) and 2 people and 1 night (rural house). Overnight stays are around 400 per year.



Only the accommodation service is offered, without meals. However, as an olive oil tourism company, they also sell packs ([thuelma.es/oleoturismo](http://thuelma.es/oleoturismo)) including complementary activities to the stay, such as a guided visit to the old mill and the modern oil mill, oil tastings, product tastings, tours in the estate, astrotourism, picnics, etc. They have also established partnerships with a local restaurant to organise lunches on the property. They receive about 1 200 olive oil tourists every year.

No data is collected on tourists (origin, age, profession, etc.) beyond that required by the guest registration system for the police, so it is not possible to know the demand profile. However, Fernando estimates that 60 % of the guests are of national origin and the remaining 40 % are international.

The following types of guests can be identified: people passing through who like the place and decide to stay, those who use the accommodation as a base to get to know the province (thanks to its geographical location), those looking for a place without overcrowding and in a natural/rural environment (especially after the pandemic) and, very rarely, those looking for olive oil tourism (including those who, after visiting the mill, discover that there is accommodation available and stay on future occasions).



Thuelma, S.L. facilities (photo by Juan Carlos Muñoz Flores)

## About advertising

Tierras de Jaén Olive Oil, S.L. has recently renewed its marketing strategy, carrying out a complete rebranding to be launched in 2024, under the “Tierras de Jaén” brand umbrella. Digitalisation is one of the priorities. In fact, they have acquired several Internet domains linked to the oil and the territory as part of their marketing strategy, so that users searching for information using these keywords are redirected to the company’s website.

The website [www.thuelma.es](http://www.thuelma.es) is the main tool used to promote their products and services, as well as to market them.

They also use the following social networks: Facebook ([facebook.com/tierrasdejaen](https://facebook.com/tierrasdejaen)), Instagram ([instagram.com/tierrasdejaen](https://instagram.com/tierrasdejaen)), X/ Twitter ([twitter.com/tierrasdejaen](https://twitter.com/tierrasdejaen)) and YouTube ([www.youtube.com/channel/UCaq2BcjNSx9swAojlnaYiA](https://www.youtube.com/channel/UCaq2BcjNSx9swAojlnaYiA)), although activity on X/ Twitter and YouTube is low. Due to the revamped marketing strategy, social media activity has slowed down since the summer of 2023. In 2024 they will launch a profile on TikTok. The social media management is outsourced to external staff, and from now on they will also have an external consultant (on an ongoing basis) for promotion and marketing.

Some time ago they edited and printed promotional brochures, but they have opted for a “zero paper” policy and will now only use digital format.

Other promoting actions developed in the last years have been specific actions on press and radio, SEM positioning, participation in familiarisation trips (some in collaboration with the Diputación de Jaén and one organised directly by them, in collaboration with Brazilian travel agencies), participation in national (Tierra Adentro-Jaén) and international tourism fairs (FITUR-Madrid, World Travel Market-London and others), participation in different workshops on tourism (in Jaén, Valencia, Madrid, Málaga or Paris), participation in reverse missions, etc. Some of these activities have been organised by the provincial (Diputación) and regional (Turismo Andaluz) tourism authorities.

## About commercialization

The website [www.thuelma.es](http://www.thuelma.es) includes a booking engine for the olive oil experiences, but the accommodation bookings are linked via a link to the Booking.com website (their will is to market the accommodation directly, but so far lack of time and resources has led them to do so). This is where 95 % of the bookings come from, and the rest are booked directly: people contact by phone or email and pay the deposit (€100–300, depending on the number of nights, number of people and the season) and the booking/full payment by bank transfer.

The rural houses are available on a multitude of specialised and general booking platforms, such as Booking, AirBnB, Escapada Rural, Vrbo and casarurales.net. They are also on Trip Advisor, viamichelin.es, Trivago, Hotelmix.es, Hotels-andalucia.com, brujulea.net, ClubRural, espacioural.com, turjaen.es, jaenparaisointerior.es, etc., although they have not always managed their presence on these platforms or search engines.

Tierras de Jaén Olive Oil S.L. is part of Oleotour Jaén, a tourist project promoted by the Diputación Provincial de Jaén and made up of some 130 businesses including hotels, unique accommodation, specialised shops, museums and interpretation centres, olive oil mills and cooperatives, etc. Within this framework, visitors have the opportunity to live unique experiences around the culture of the olive tree.



Accommodation from outside (photo by Juan Carlos Muñoz Flores)

## About starting up the business

This estate has been dedicated to agriculture for centuries: first to the cultivation of cereals and vines, when it was owned by the church, and then to the cultivation of olive groves, after it passed into the hands of the family. In 1941, Fernando's great-grandfather decided to industrialise the process of extracting olive oil hydraulically and manually, installing an oil mill. Since then, the olives produced on the estate have been harvested and the EVOO has been produced here directly (except for a brief period when the mill was not operational), and the mill has been modernised on several occasions.

In 1991, Fernando's parents created the company Thuelma, S.L., a family, farmer, producer, packer and distributor company, dedicated to promoting the olive tree culture. It is mainly responsible for the cultivation and harvesting of olives and the production and bottling of olive oil (both its own production and that of third parties).



Olive mill (photo by Juan Carlos Muñoz Flores)

In 2010 an American subsidiary (Thuelma Colombia SAS) was set up, based in Colombia. At that time, they also started to produce and market "early oil" (which was very new at the time); they were looking for a way to diversify the business and stop being a conventional company, like most in the sector.

In 2013, a deluge of water caused extensive damage to the old mill building. The machinery had been dismantled in 1987 and was collecting dust in a corner of the farm. In 2014–2015 Fernando was working for the family business from Colombia and was considering how to diversify the business. At that time, he became interested in the model of wine tourism and coffee plantations and decided to adapt it to their company. The choice of agro-tourism (in his case, olive oil tourism), responds to Fernando's concern (with the consensus and support of the family) to diversify and to enhance the value of an industrial and ethnographic heritage that was in the hands of the family, but of which no use was made, promoting the brand, the history of the family, the property and even the environment.

In 2017, rehabilitation work began on both the building and the old oil mill, and the company Tierras de Jaén Olive Oil, S.L. was set up as an olive oil tourism enterprise (registration number AIAT/JA/OO017-5), specialised in offering oil-related experiences and adventures: the "Oleoturismo 1941" project.



(c) Juan Carlos Muñoz Flores (2023)

Ancient olive oil mill (photo by Juan Carlos Muñoz Flores)

At the same time, they applied for a grant from the Diputación Provincial de Jaén for the implementation of olive oil tourism projects, thanks to which they obtained a subsidy of €20 000 for rebuilding the old oil mill and refurbishing it as an exhibition space (including a multi-purpose room used as a shop, tasting room or conference room, among other uses). The total investment was much higher (more than three times the grant), and was financed with own funds.

Thus, in November 2018 they started to organise visits to their facilities: the old oil mill (transformed into an exhibition space), the current factory, the bottling plant and the shop. They also market products made with olive oil, such as chocolate, spherifications, jelly beans, goat cheese in oil, spreads, jams and cosmetics (soon to be launched), thanks to commercial agreements with artisans and producers in the area. Its olive oil tourism strategy is based on creating natural products that contribute to people's overall well-being, achieving this through experience and determination to offer quality EVOO and products derived from it, which invite you to explore a host of sensations and unique experiences.



Ancient olive oil mill (photo by Juan Carlos Muñoz Flores)



Multi-purpose hall (photo by Juan Carlos Muñoz Flores)

The costs (about €12 000 for the big house and about €6 000 for the small house) were financed directly with their own funds.

The next step was to offer tourist accommodation services. In 2001, they had renovated the original farmhouse to transform it into a family home thus they had a suitable place for this which required only an affordable investment: the former home of the landlords. In addition, the location of the farmhouse (near Úbeda, Baeza, Jaén, Granada) and the lack of competition provided a strategic opportunity and the management of the accommodation did not seem to be a complex task. Thus, in 2015–2016 they started to refurbish the old house of the landlords, which opened in 2019 as the rural house Cortijo las Huertas. The huge number of requests for accommodation bookings they received for the rural house after the lockdown due to the COVID-19 pandemic sped up the process (they had not planned to do it so soon), and in 2020 they refurbished a flat in the same building as the old olive oil mill, which they offer as a rural house for 2 people.

Therefore, the availability of resources (the working farm, the oil factory, the ancient olive oil mill exhibition, the olive oil products and services, and the houses), the lack of competition and the location of the estate favoured the diversification of business channels and allowed the opening of tourist accommodation which, due to its characteristics, can be described as agrotourism ('oleo' in this case).

Neither Fernando nor other members of the family business have any academic training in the field of tourism, nor any previous experience. He studied Business Management and Administration at Jaén University (specialising in Marketing and Foreign trade), in addition to various specialisation courses and master's degrees linked to the commercial sector. He has always been professionally dedicated to the family business (although he has developed other external tasks in different sectors, such as company and investment consultancy, jewellery or urban real estate). From the age of 16–17, he even accompanied his parents to help them with languages at the international fairs they attended to market their products. He was in charge of setting up an export department

in the company and was responsible for the company in Colombia for some years. He is currently vice-president of the Young Entrepreneurs' Association of Jaén. Therefore, he has extensive training and experience in the business field, but in tourism, he had to train himself in a self-taught way.

When he opted for olive oil tourism, Fernando went to Diputación de Jaén to find out about the legal and technical requirements to develop these activities. There, he was referred to the Tourism local office of Junta de Andalucía (the regional Government) in Jaén. None of these administrations were able to advise or guide him properly, even sending him from one to the other.

The absence of specific regulations for olive oil tourism is the **first barrier** to starting up the business, according to Fernando, who states that even the tax office does not have a specific heading for olive oil tourism ("Either you go under active tourism, or a museum, or events. It's a no man's land"). Thus, the activities of Tierras de Jaén Olive Oil, S.L. are legally considered as "active tourism".

The **second barrier** identified is economic, as is the case for the start-up of any business.

Fernando highlights a **third barrier**: lack of knowledge. It is not just about "going to see the olive trees; it is much more". At a national level, olive oil tourism is hardly valued, "people think that just because they have gone to pick olives they already know everything there is to know", and at an international level, "there is a lot of ignorance: you end up using the example of wine tourism to explain olive oil tourism". Fernando blames this on two factors: firstly, "it is an incipient activity and, therefore, not all the required communication work has been done yet"; and secondly, "customers are not as motivated as they might be by other products, such as wine tastings". That is why they turn to other types of events (gastronomy, astrotourism, etc.) to promote the olive groves culture.



Accommodation identification signs (photo by Juan Carlos Muñoz Flores)



Ancient olive oil mill (photo by Juan Carlos Muñoz Flores)

## About managing an agrotourism business

Regarding the agricultural use of the estate, the olive harvest is around 600-700 tons per year, with 800-900 tons in the years of highest production. They bottle about 400 000 litres of their own oil per year, and about 150 000 litres per year from other producers. The annual turnover in agriculture and bottling has been as high as €6 M, although it has declined somewhat in recent years.

Tourism activities are much more recent (5-6 years), although this line of business is very dynamic and Fernando and his family are taking special care of it, so it is expected to grow. Nevertheless, olive oil tourism activities (including accommodation) account for barely 1 % of the family income.

In the province of Jaén there are numerous companies and entities that organise activities that can be classified as olive oil tourism, but Tierra de Jaén Olive Oil, S.L. is the only enterprise that currently (November 2023) offers both the visit to the olive mill and the accommodation services.

In terms of training for agrotourism entrepreneurs, Fernando highlights the importance of knowing

the procedures for setting up a company (legal aspects, taxes, specific market research for the tourism sector, etc.), followed by marketing (what is an OTA?, what is an inbound tour operator?, what is an outbound tour operator?, where to find them?, etc.) and ending with digitalisation (“if not, it’s not worth starting, because the market is going to expel you”). Fernando also identifies a general lack of professionalisation in the sector.

They also started a business line focused on organising events ([fincacortijolashuertas.com](http://fincacortijolashuertas.com)) which they have preferred to slow down because they consider that they need to introduce some modifications to their products and services to better respond to the needs of the market, and it is a business line that they will soon be promoting.

In short, the aim is to turn “Tierras de Jaén” into a way of life around the olive oil culture, an experience, an emotion, rather than a simple product. It will require a more ambitious accommodation project, always linked to the experience, compatible with event hosting, and which will enhance the value of the place’s history.



Some awards won by Tierras de Jaén (photo by Juan Carlos Muñoz Flores)

Ancient olive oil mill (photo by Juan Carlos Muñoz Flores)





# Advice for new entrepreneurs

"I am interviewed on radio or TV and I am told: 'olive oil tourism is sort of a second harvesting season'. I don't want it to be the second season: what I want is to provide a whole experience. Let's not just focus on the economic aspect".

"You have to think things through: do it in the heat of the moment, so as not to lose momentum, but study it very well. Do a market study, at whatever level, but do it (look at what's around you and check the minimum costs). If you don't know how to do it, seek advice [...] Start, but as orderly as possible. If you can't find it, there are people who will help you. Even for free. There are associations [...] It is not acceptable for a company when the more they sell, the more they lose. Especially in the case of entrepreneurs using their own resources, who end up losing their capital".

"If you do it [investing in agrotourism or olive oil tourism], do it as authentically as possible, as humbly as possible. In inland tourism, people are looking for the experience, which is not so much staying in a super-luxury hotel [...] What most people are looking for is to go and experience the rural world [...] You have to look for authenticity, realism".