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Managing Wine Tourism in Italy.

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Abstract

At the global level, the phenomenon of wine tourism is growing and is considered to be a driver for the economic and social development of many rural areas. These areas, although not traditionally characterised by a centuries-old tradition in the wine industry, are now playing an increasingly role in the current competitive scenario. One of the main development strategies implemented by wine producers is diversification in sectors either supporting the tourism sector or co-related to it (Winemakers Federation of Australia, 1998). This paper analyses specific forms of wine tourism development and specific impacts caused by wine-related tourism. This paper highlight the current state and the transformation process of tourism in the rural systems of Southern Italy, focussing on the region of Molise that in the past few years has been recording substantial growth rates in wine-tourism related activities.

Keywords: Wine tourism, rural tourism, development, networks

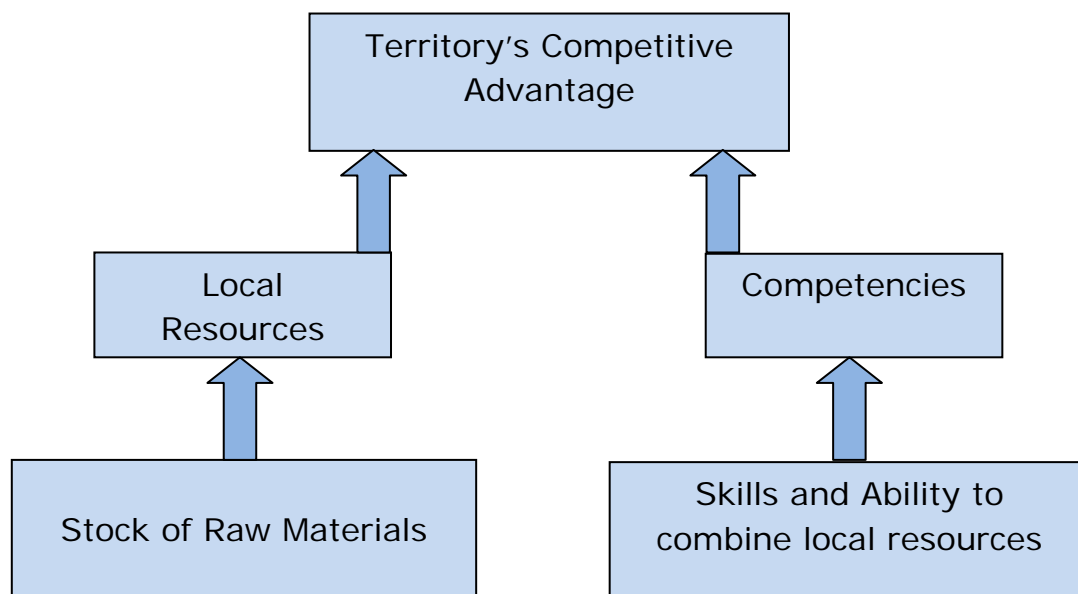
Wine Tourism and Destination Development

The increasing people's environmental awareness, as well as the tourists' demand for nature and authenticity, are all factors driving to the dissemination of a new concept of sustainable tourism: a form of tourism with a low environmental impact and respectful of both the territorial environment and identity. In a Resource-Based View approach (Barney, 1991; Conner, 1991; Peteraf, 1993; Grant, 1991), the ability of a destination to attract tourists mostly depends on the stock of factors at its disposal: not only natural resources, geographical position, morphological features but, above all, the assets represented by social resources which are the result of the traditions and habits of the local community. As remarked by Melián-González and García-Falcón (2003:16) '...resource and capability-based approach indicates that competitive advantage is based on the control of assets which are valuable, rare, substitute and imperfectly mobile' and if these factors can really make the difference (Valdani & Ancarani, 2000).

The application of such a theory is particularly useful in the tourism sector, where the success of a single company is often dependent on the development policies and strategies of the specific territory. The evaluation of quality made by consumers does not only refer to the single service and/or product used such as accommodation, food, entertainment, but rather to the whole vacation experience provided by the destination. This means that the success of a tourism destination depends on the stock of 'raw material' and resources at its disposal and on the ability to exploit them (Figure 1).

Figure 1

A Resource-Based Approach for Sustainable and Strategic Development



From this perspective, local resources are the real source of competitive advantage, the higher the respect for local specificities, the more sustainable the competitive advantage. Furthermore, competitive advantage is gained when the main actors of the tourism destination are able to create an original combination of the whole set of tangible and intangible resources. These may include the inhabitants, typical agricultural products, oeno-gastronomy products, handicraft traditions, cultural, historical, artistic and archaeological heritage, infrastructure, location and any other

situation capable of increasing the overall value of the various components such as the general atmosphere and level of hospitality (Kotler, Haider & Rein, 1993).

Italy is one of the most visited destinations in the world but its success is mainly linked to coastal and cultural attractions, and as a result many Italian rural spaces are completely left out of the tourism flows, although they have high potential to attract tourists thanks to their relaxing atmosphere, landscape features, a high quality of gastronomy with regional products and a rich cultural heritage (Zanni, 2004). A clear example of a sustainable and attractive form of tourism that perfectly fits Italian rural regions is wine tourism. Getz and Brown (2005:3) define wine tourism as '...the development and marketing of wineries as places to visit, and of destinations based on the appeal of wine'. They add that wine-tourism destinations are '...regions which base some or all of their appeal on wineries and wine-related benefits'. Getz (2000) outlines the process and contents of wine destination development which consists of attractions, services, hospitality, training, infrastructure, organizational development and marketing plan. For Hall et al. (2000: 2) wine tourism is

'... touring vineyards, wineries, wine festivals and wine exhibitions, where wine-tasting and/or experiencing the attributes of the wine regions are the principal factors of motivation for the visitors'.

Dodd and Beverland (2001) developed a framework with 5 life-cycle stages that ranges from winery establishment to recognition, then regional prominence to maturity and finally, tourism decline. Charters and Ali-Knight (2002: 312) maintain that the wine tourism experience can be provided in a number of ways, the most notable being events and festivals, cultural heritage, dining, hospitality, education, tasting and cellar door sales, and winery tours. More recently Getz and Brown (2006) argue that wine tourism is simultaneously a form of consumer behaviour, a strategy by which destinations develop and market wine-related attractions and imagery, a marketing opportunity for wineries to educate and sell their products directly to consumers.

Competitive positioning of wine tourism regions has become an important strategic issue (Williams, 2001), as the volume of wine tourism has been increasing and numerous regions are now aggressively marketing to attract tourists. A number of authors of the Italian literature (Antonioli Corigliano, 1999; Pastore, 2002) have also emphasized the increasing importance of establishing links between firms and other agents operating within the wine system, and the importance of connections between wine systems and related businesses. A wine tourism firm is one that has a vineyard, produces wine, and offers a genuine experience to visitors and tourists with a wide variety of services and products to be organized and managed. These include hospitality, food, tours and information, cooking courses and wine production. They may also organise special events and provide recreation facilities such as play grounds, picnic areas, meeting rooms as well as retail outlets for local and regional food, arts and crafts.

In the past few decades wine has become much more than a drink embodying values and meanings going beyond its functional nature. In addition to sensorial pleasure, linked to the organoleptic features of wine, embodied symbolic values and psychological attributes of the products have become the main determinants of consumption (Odello, 2003). The tourist profile outlined by Cinelli Colombini (2003) shows that those who visit Italian wine destinations are not only wine-lovers but are also serious, demanding, intellectual people. They are members of social clubs, have a particular life-style, environmental sensitiveness, and like visiting important vineyards as if they were a site for 'pilgrimage'. The wine tourist's profile is that of a consumer-connoisseur-discover, male, aged between 26-45, with a middle-high social and economic level, who travels by car with his family.

In a wider scenario it is interesting to note that there are different consumption patterns that Ismea (1995) identifies as European, Asian and American patterns. First, the European consumption pattern is one where the wine product benefits from an outstanding image; among other consumer goods it is the only one linked to a multiplicity of attitudes, perceptions, behaviours, which vary according to the opportunity of use, function of acquisition and many other variables. The image of wine implies conviviality, consumption within the family context, a relationship with

the nature, social status, the importance of personal taste, desire for choice, diversity in acquisition from others and a need to discover. Second, the Asian consumption pattern differs in a number of ways. In various Far Eastern countries, the market for wine is expected to expand, and the analysis of the consumer's profile in countries such as Japan, China and the province of Taiwan highlights that the level of consumption is still limited. Currently it involves only people having a social and cultural level that enables them to appreciate its exquisite taste. Although the consumption profiles of food and drink are highly traditional, people have an increasing willingness to have new experiences, generated by travelling and communication as well as by innovations in the production and distribution of consumer products. Third, the American consumption pattern differs again. The USA are one of the main buyers of Italian wine both and its consumers have acquired a positive image. The wines mostly demanded are bottled wines with a good quality level.

It is important to note at this point that the Italian regulations on wine quality standards are much more restrictive than those of the European Union (EU), and are regulated by the Italian law 10/02/1992 n. 164 that makes the following distinctions:

DOC (Controlled denomination of origin)

DOCG (Controlled and guaranteed denomination of origin)

IGT (typical geographical indication)

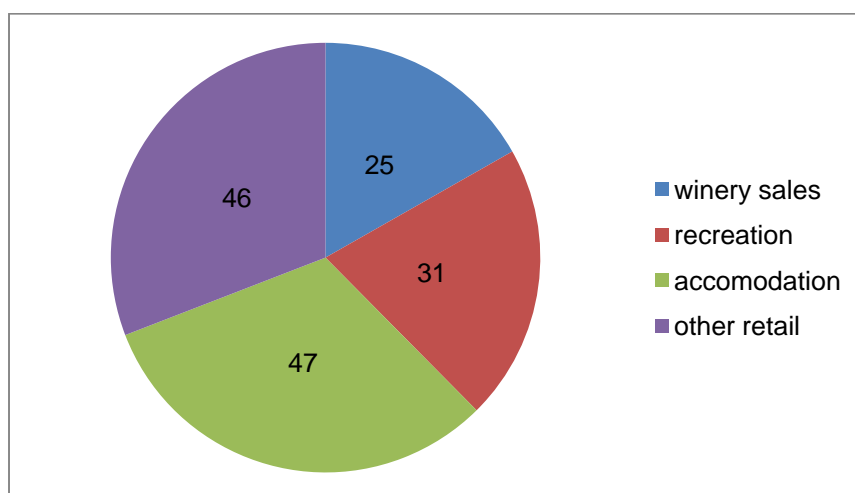
According to regulations the first two types of wine are labelled VQPRD (Quality wines produced in determined regions). The controlled denomination of origin denotes the geographic name of a wine producing area, used to denote a well-known quality product the properties of which are linked to natural environment and human factors. For every DOC wine, grapes must come from viticulture lands listed in the appropriate register for DOC vineyards and annually registered at the local Chamber of Commerce. A DOC wine that for a five-year period has maintained its high quality (higher than the average of similar wines) and has acquired a good reputation and a commercial value at the national and international level, can

achieve the higher level of DOCG wine. IGT (typical geographical indication of wines) denotes the geographic name of an area used to indicate where the product comes from: these indications must be used to distinguish wines having specific properties related to the production area (also including DOCG and DOC areas). Usually this area is a large viticulture designated with the relevant geographic name or with a name that at least denotes the territory in compliance with both the Italian and EU regulations on IGT wines. The area of production of an IGT wine must include a large viticulture characterised by an environmental uniformity capable of giving uniform characteristics to the wine itself.

This regulation means that there is a strong collective interest in both obtaining and maintaining recognition for top quality wines which attract a higher premium in the market, and which will also help to develop the growing wine sector tourism in Italy which ‘...has become an economic reality with a projected growth of 8% in terms of presence and 10% in terms of invoicing’ (Movimento Turismo del Vino, 2007) while According to Taiti (2004) wine tourism accounted for 4,000,000 tourists; who spent an estimated total of 2000M Euros, with 260 special events organized in one year. The calculated average spend can be seen in table 1.

Table 1

Average wine tourist expenditure in Euros



Research methods

This paper illustrates the first outcomes of a research work aimed at investigating local developments based on the exploitation of the Italian oenological asset as a tourism attraction, using a case study method focusing on a wine firm in the Molise Region of Italy, a region that in the past few years has been recording interesting growth rates in wine tourism.

Figure 2
Italy and the Molise Region



Source: http://commons.wikimedia.org/wiki/File:Map_Region_of_Molise.svg

The aim was to understand how wine producing companies responded to the dramatic changes linked to both exogenous and endogenous factors which modified the characteristics and structure of the agricultural sector. These changes are not only changes from the quantitative point of view but also, and above all, from the qualitative point of view: actually wine producers are much more oriented to the supply and promotion of differentiated services (e.g. visitor facilities and wine tasting,

cooking course and events at wineries, wine-themed interpretation and information centres, wine museums, wine-themed villages, country tours) rather than to the simple production and sale of the primary product. In particular the work focussed on the identification of unique qualities of the resources, specific forms of wine tourism development and the specific impacts generated by wine-related tourism, and the role of the wine tourism firms associations in the development and identification of critical factors for successful development

Characteristics of the Molise Region

The wine industry represents a business in which the 'Made in Italy' has a strong market power and a worldwide known reputation. Actually Italy, along with France, accounts for nearly 40% of the global wine production. Although Italian wines and wineries are known all over the world, not all Italian regions are famous for their production in this field. In the past few years Molise has registered an interesting growth in the tourism sector as compared to other southern regions. With respect to

Figure 3
Vineyard in Molise



Source: Author's photo

Italy as a whole and allowing for the last five-year period, Molise registered an average rate of growth in arrivals that is quite above the average of other Italian regions, ranking after Basilicata and Calabria. Currently there are 12 wine producers in the region, mostly concentrated along the coastal area where, due to the particular morphology of the regional territory, there is a concentration of vine growing. Currently 8 of these producers carry out, at different levels of intensity, tourism-related activities. Despite the current growth and its potentials, this region does not rank as one of the top regions in the tourism sector; in other words tourism in Molise is still a phenomenon of niche, far from the records registered in other Italian regions as can be seen in Table 2.

Table 2
Arrivals and overnight stays for Italian regions

Regions	<i>Arrivals</i>	<i>Overnights</i>
Piemonte	3289398	10209190
Valle d'Aosta	855742	3188648
Lombardia	9740971	26494968
Trentino- Alto Adige	7779839	40651182
Veneto	12487864	56725305
Friuli-Venezia Giulia	1737601	8391287
Liguria	3447015	13832991
Emilia-Romagna	7973875	36248957
Toscana	10398948	38106293
Umbria	2019413	5820925
Marche	2066251	12497502
Lazio	9816965	31709665
Abruzzo	1499909	6951210
Molise	197592	747805
Campania	4445419	19130974
Puglia	2485407	10829774
Basilicata	466791	1954865
Calabria	1428372	7838849
Sardegna	1897562	10203401
TOTAL	88338564	355255172

Source: Istat – Italian Statistics Office (2008)

According to Giacalone and Gili (1999), tourism in Molise is characterised by a number of structural limits, most notably that of 'short-range' tourism, with an almost exclusively local dimension. Moreover, Molise is still a region of transit where many visits are half-day and occasional. Although Molise has a long-lasting tradition in growing of vines and production of wines, with three DOC wines produced in this region 'Biferno' 'Molise' and 'Pentro', it is scarcely known to a wider selection of wine consumers and as a consequence.

The Profile of The Borgo Di Colloredo Winery

Borgo di Colloredo, a medium-sized, family-run wine producing firm, is one of the most lively and dynamic wineries of Molise. Di Giulio Family has been living in this area for over 50 years. Passionate winemakers, the brothers Enrico and Pasquale represent the third generation of this winemaking family. In 2007 the winery produced 5,000 hectolitres and 300,000 bottles. Tradition and technology are the cornerstones of this company, wines are produced using only the grapes from privately owned vineyards; grapes are handpicked and carefully stored in small crates when ripe for harvesting. For processing the latest technologies are used - from 'gentle pressing', controlled fermentation and low temperature storage to micro filtration and bottle sterilization.

According to data provided by the owner, the winery is visited by 1000 people per year. 50% of the visitors come from the Molise Region, while 40% from other Italian regions, and only 10% of the tourists are from overseas. The winery is open all year round for tourists, even if it doesn't offer regular planned tours of the winery. The products and services provided to visitors include wine-tasting and sale of wine, selling of local gastronomic products, organization of ceremonies and special events and it also provides accommodation facilities. The firm regularly uses publicity tools, such as advertisement in specific publications and newspapers. It has a website, develops brochures produced by the firm itself and participates in wine fairs.

To increase the tourism flow, the firm is planning to co-operate with tour operators and travel agencies in the near future. It is a member of the national 'Movimento

Turismo del Vino' Movement for Wine Tourism, and president of the local branch. Participating in the activities of the association represents its most important action for promoting tourism. This association, established in 1993, has now over 900 Italian wine firms as members, and entry is strictly linked to the quality of the products and services provided. The overall aim of the organisation is to encourage visits to wine firms and disseminate their knowledge, stimulate local development, promote a more authentic life style by protecting local traditions and identity. (see <http://www.movimentoturismovino.it/>)

The Movement for Wine Tourism is very active in different fields: participation in fairs markets such as 'Vinitaly' in Verona or 'Salone del Vino' in Turin; organization of international seminars to promote cultural exchanges with European partners; communication through brochures, leaflets, posters, guides. In addition, they also help foster collaboration with national and international guides and give presentations via the internet using wine lists from the member wineries. The association also designs and develops wine tourism itineraries and guided wine-tasting events which are structured and managed in collaboration with local tour operators and as well as the wineries also include craft shops and other cultural and natural features.

The most important national events organised and co-ordinated by the association are 'Cantine Aperte' (Open-day at the Wineries) and 'Calici di Stelle' (Chalices under the Stars). The former is the most important event for national wine tourism, taking place on the last Sunday of May when all member wineries of the association open their doors free of charge to all those who wish to visit. The 'Calici di Stelle' is a traditional summer event when the association offers the tasting of quality wines in the main squares of tourism sites on St. Lawrence's night, the 10th August. At this time of year, meteor showers are often seen, on this particular day, a feast day in the Catholic calendar, they are known as 'St Lawrence's tears' and people come out to watch the sky and wish on them.

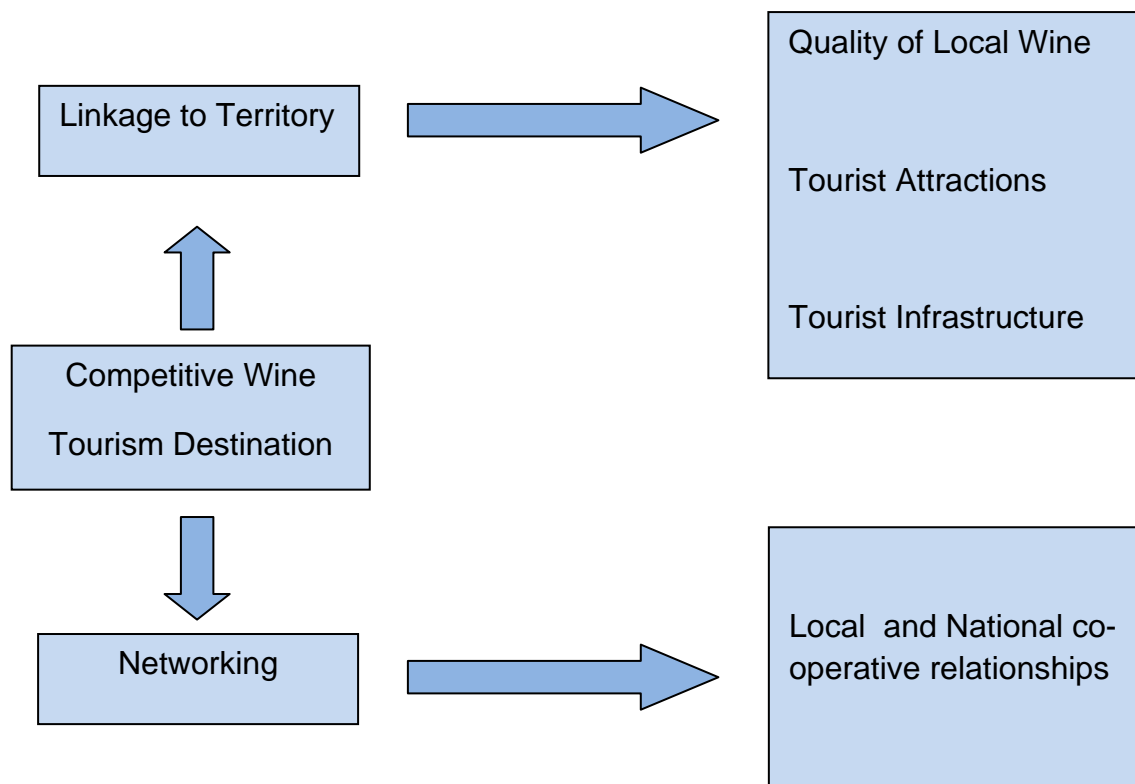
Another event, 'Benvenuta Vendemmia' (Welcome Grape Harvest), takes place on a Sunday in the month of September, when people can discover and experience the extraordinary festive atmosphere of grape harvesting in the countryside. Wine tourists, who are increasingly knowledgeable, have precise expectations when visiting a wine firm and meeting the wine producer. For the consumer this encounter represents a memorable experience. A winery visit must meet high standards of quality and therefore appropriate facilities are required along with personnel capable of communicating the history, the technique and the story of producing wine. For this reason the Association has issued a 'Decalogo dell'Accoglienza' (A Handbook for Hospitality, a document certified by the Italian standards agency, CSQA (<http://www.csqa.eu/>) intended to improve the tourism product of the member wineries. Just like hotels and restaurants are rated on a star system, a vine leaf has been created for the wineries, a clear and immediate symbol of recognition which confirms producers' commitment towards tourists and the level of service provided. In an increasingly competitive market, such guarantees enhance the overall tourist experience.

Wine Tourism and Destination Development

The competitive advantage of the more renowned territories is obvious when compared to less well known wine producing areas. This proves how the 'resource' of wines and vineyards wine is not a sufficient condition in itself for tourism, or to act as a motive when deciding a vacation destination. On the other hand, the processes of wine production are homologous, and techniques are the same anywhere, both in Italy and abroad. The competitive advantage is to be found in a mix of resources such as the assets/potentials of the territory and competencies such as the ability to develop such assets within the framework of an efficient strategic territorial planning (Figure 3).

The revitalization of the southern Italian areas through wine tourism must then simultaneously follow two main paths, a linkage to the territory and networking activities. In terms of linkages, there is no doubt that the first and necessary step is increasing the quality of vines and wines in southern Italy through the discovery,

Figure 3
The Competitive Wine-Tourism Destination



development and protection of local production, as well as resorting to instruments for quality certification such as DOC and IGT. The development of wine tourism in southern Italy is part of an even larger project involving the revitalization and enhancement of its artistic and cultural heritage and natural environment to meet the demand of wine-tourists.

In small regions such as Molise, tourism and non-tourism facilities must be expanded and connected to wine-tourist routes. Tourists are attracted by what is expressed by the culture of a place, its traditions and customs, and wine tourism perfectly fits in with the new tourism trends of shorter and more frequent trips, an increase in medium ranged or interregional tourism with more attention paid to quality, a lower number of organized trips and preference to plan a personal itinerary. The satisfaction of a wine-tourist also comes from the existence in the area of clear sign posts and routes to visit vineyards; from clear and exhaustive information material.

Shifting the unit of analysis from the single firm to the whole network of operators involved the supply system means that collaboration becomes a crucial factor for the success of wine tourism in southern regions. Collaboration with national associations is necessary, and collaboration also enables crucial economies of scale and joint activities and events can be organised. Membership also means accepting specific quality standards that contribute to improving the tourism product. With regard to the local level, the spread of to association membership contributes to an image of unity and co-ordination and the creation of a highly competitive tourism product. Networking and governance of the wine-tourism local system are also crucial to develop, co-ordinate, manage and monitor projects that are integrated within inter-organized networks with a mix of private and public stakeholders, often characterised by a small or very small businesses. This requires a leadership that is able to carry out a precise and accurate analysis of the local social and economic system, and act as a champion and promoter of the development process

Conclusion

Sunshine, sea, culture have in the past determined the success of Italian tourism but for the region of Molise, tourism has not been a significant factor, like some other southern Italian regions, it has not always promoted itself as well as it could. As we have seen, the success of a destination relies not only on its promotion result but also of its ability to organize the region around an effective and attractive tourism product. Based upon the principle of effectiveness there is a need to evaluate the target markets and assess the competitiveness of tourism proposals. Consequently success also depends on the development of appropriate tools to check activities on a regular basis, and align the organization around key strategic corporate goals. Ultimately, for a competitive tourism development plan in southern Italian regions to be effective, meta-management activities have to be promoted.

As there is no universally valid model for this, we suggest that meta-organizations, such as the 'Movimento Turismo del Vino', can contribute to increasing the competitiveness of the southern Italian economic system which is characterized by small and medium enterprises. Such a meta-organization can develop all those

activities - above all marketing – that cannot be implemented by micro and small firms due to their lack of tourism specific skills and economic resources. Finally, the existence of an organization acting as meta-manager can contribute to promoting more collaborative relationships amongst the stakeholders of a tourism local system.

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