

WINE TOURISM AND SUSTAINABLE DEVELOPMENT IN REGIONAL AUSTRALIA

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Tourism associated with wineries has been a major area of recent growth in regional Australia. The Winemakers Federation of Australia (WFA) recognized this in developing a national wine tourism strategy in 1998. WFA predicted a value of nearly Aus\$1 billion (WFA, 2002), comprising money spent at wineries and elsewhere by domestic and international winery visitors: figures since borne out. The benefits to associated businesses in regional economies are clear.

A key strategy of the WFA is to improve wine tourism research (WFA, 2002).

There is general agreement that wine tourism is under-researched (e.g. WFA, 2002; Beames, 2003), impacting on the knowledge required for business development. Major academic research includes that of Dowling and Carlsen (1998), Getz (2000) and Hall *et al.* (2000b). Industry and government bodies also conduct or commission research, and a knowledge base is gradually becoming established. Forward-looking research to drive the industry's decision making is seen as strategically required, and its relevance, accessibility and utility to business operators are crucial.

This study employed face-to-face, semi-structured interviews with wine tourism operators throughout Australia and with other tourism business operators involved in related industry networks. This was done in parallel with interviews of key representatives of state tourism bodies responsible for industry development. South Australia, New South Wales, Western Australia and Queensland were chosen as including a range of mature and emerging wine regions.

Interviews, normally lasting about one hour, addressed previously identified priority areas for SME development (SMIDEC, 1998), including human resource development, access to finance, access to markets and market development, access to information and technology and technology sharing. Participants were generally owners/operators of wineries. This *Wine Tourism and Sustainable Development* 61 was covered as they occurred conversationally, with a checklist protocol ensuring completeness. Notes taken were handwritten or tape-recorded by permission. Themes and issues were extracted directly: detailed content analysis and modelling was not considered necessary. Operators and industry professionals were purposively sampled in each region – aiming for a qualitative overview expressed in participants' own words, using a convergent interviewing technique (Dick, 1998). Here, the number of interviews is determined when participants consistently give similar responses: normally between four and 16 data sources suffice and, when prior literature is also available, sample size can be smaller (Nair and Riege, 1995). This approach meant that, once redundancy was achieved, further interviewing was considered unproductive. Eleven wine tourism operators were interviewed, and convergence among interview data was often achieved after only a few interviews. Once an issue was validated, the researcher could be confident that it applied beyond a single

operator. This allows inductive and deductive research to be combined and refinement of the inquiry as it evolves (Perry and Jensen, 2001).

For space reasons, only issues relating to knowledge infrastructure are reported. Specific issues relating to branding finance (e.g. double taxation), lack of relevant research and human resource development were also identified. Some operators considered that more networking and local planning initiatives were required, since some areas were oversupplied with accommodation, and there was a need to co-market attractions with other facilities in the area. One region had 11 wineries near the accommodation supply but no link, nor tourist route designation, was provided.

Australia generally has high technological awareness, and even regionally – where infrastructure is less advanced – most wineries sampled had Internet presence and e-mail. Within this, however, a range of activity was apparent.

Some wineries had their own website with e-commerce functionality, such as online ordering: others outsourced this as part of a cooperative marketing strategy. One winery had a website at their vineyard location (elsewhere), but had no plans to introduce one at the cellar door operation.

Responses on e-commerce, e-readiness and industry linkage and clustering issues were of particular relevance. Some state governments would facilitate, but not operate, educational sessions on e-commerce, delivered by private providers. Such events were difficult to run effectively outside the metropolitan areas in some states due to large distances, and the time and costs involved for potential attendees affirming the ‘digital divide’ as a general issue for a knowledge-based economy’s success.

Wine tourism sustainability is closely aligned to that of the winemaking industry. Bruwer (2002) noted that in Australia ‘51% of all wineries have a production capacity of less than 4000 cases per year while 66% ... produce less than 7500 cases per year’. New Australian wineries have emerged rapidly, recently as frequently as one every three days (Australian Wine and

Brandy Corporation, figures cited in Bruwer, 2002). Unless contracted to a big purchaser, this would position a majority of wineries in niche segments, thus favouring direct sales through cellar doors or online. This industry structure differentiates those operators primarily concerned with product from those for whom tourism-associated revenue is a significant part of the business mix.

Genetically modified (GM) products and other practices aimed at global markets were viewed with suspicion, although not ignorance: the wine industry is officially opposed to GM use. Local governments also impose environmental requirements through planning approvals and inspections, although, in more than one state, inconsistencies in application were reported. State tourism authorities recognized the need for a coordinating role in, for example, route development, and in ensuring environmental and capacity issues were properly considered at regional levels.

References

1. Global Wine Tourism Hardcover – September 28, 2006 by Jack Carlsen (Editor), Stephen Charters (Editor)