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**The Role of Wine Tourism in Economic Development:
A Case Study of Niagara Region**

By

Gillian Mary Northwood

B.A., Wilfrid Laurier University, 1997

THESIS

Submitted to the Department/Faculty of Geography and Environmental Studies
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ABSTRACT

Wine tourism is an expanding form of rural tourism which has recently become popular in several wine regions of the world. One such area, the Niagara Region in southern Ontario, Canada, is used as a case study for this research. This study examines the role that wine tourism plays in sustainable rural tourism, and determines if wine tourism can be used as a tool for economic development.

By completing a survey of winery visitors in the Niagara Region, as well as performing interviews with winery personnel, it was found that wine tourism plays several roles in rural tourism and can be used as a tool for economic development. Tourism provides many benefits to wineries such as an increase in revenue and increased exposure to products. In turn, wineries provide advantages to rural tourism such as an attractive scenic backdrop. Wine tourism contributes to the economy in many ways such as it provides jobs, revenue and an increase in investment throughout a region. As long as wine tourism is managed with regard for the environment and the local people, it will be sustainable in the future, and will continue to provide benefits to the surrounding area.

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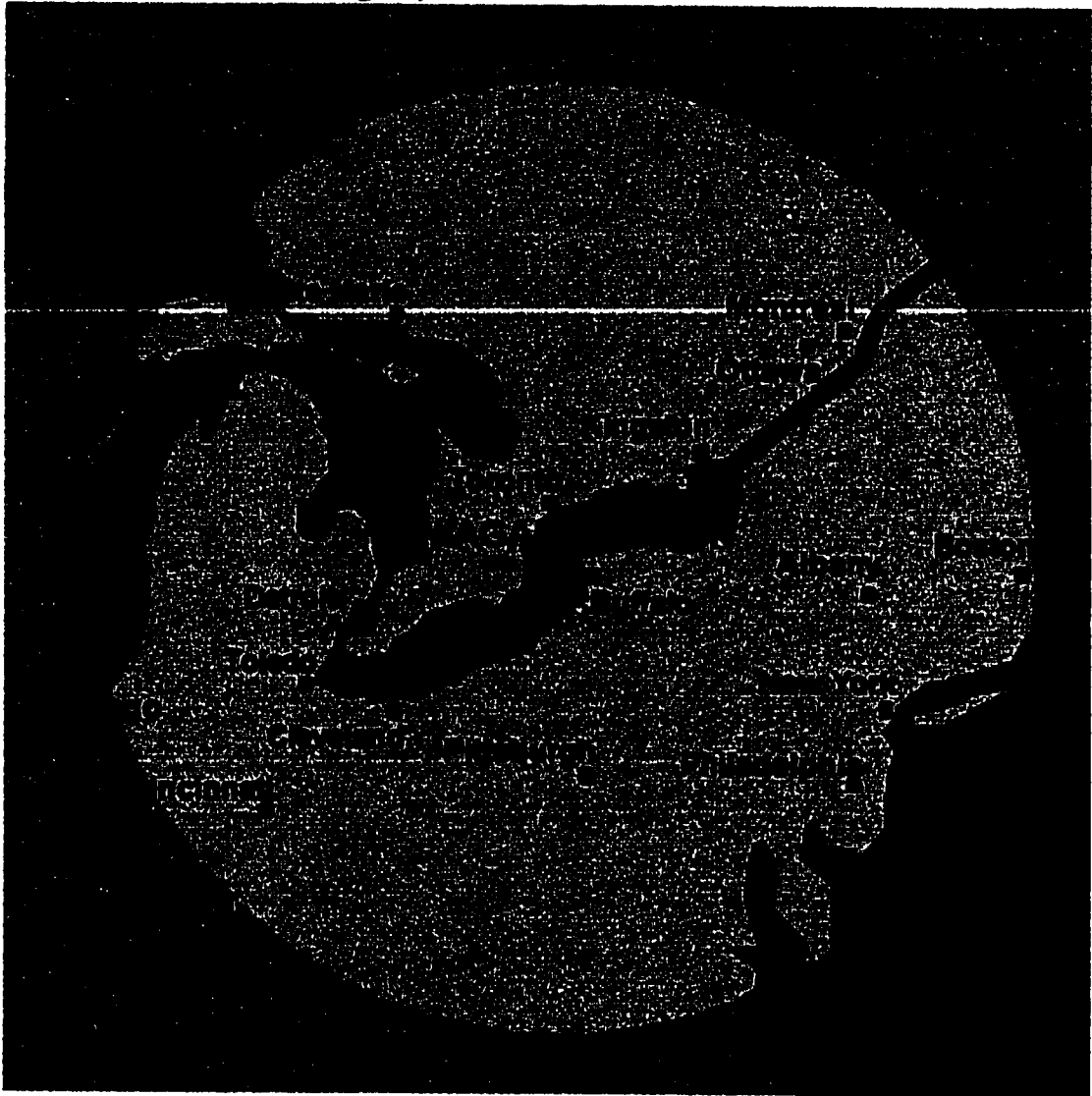
CHAPTER 1: INTRODUCTION

Tourism today is a rapidly expanding industry with large global impacts. In fact, travel and tourism generated 11.7% of world GDP in 1999 and provided 200 million jobs, which represents 8% of total employment (The World Travel and Tourism Council 1999). One relatively new type of tourism that has recently gained attention by tourism researchers is wine tourism (Getz 1998; Hall and Macionis 1998). Wine tourism is a unique type of rural and agri-tourism which requires specific environmental conditions to exist, as only certain regions of the world are suitable for grape growing. These regions include, parts of Australia, such as the Barossa Valley, parts of the United States such as the Napa and Sonoma Valleys in California, and certain areas of Europe, such as Bordeaux in France. Two of the main grape-growing regions in Canada are the Okanagan Valley in British Columbia and the Niagara Region in Ontario. The Niagara Region has been chosen as a case study for this research (see Figure 1.1 for location), as the wine industry here is rapidly expanding, and little research has been done on the tourism aspect of this industry.

1.1 Purpose

The purpose of this study is to explore if wine tourism is a sustainable form of rural tourism and if wine tourism may be used as a tool for economic development. This is determined by examining the current relevant literature and using the Niagara Region as a case study. Several different methods of data collection were used in this study. The primary method of field research in the Niagara Region was a winery visitor survey. However, personal interviews with winery staff and

Figure 1.1: The Niagara Region in a Wider Context (the circle represents a 650 km radius around Niagara)



Source of base map: <http://shawfest.sympatico.ca/boxoffice/notl.html>

representatives from certain organizations in the area, such as the Wine Council of Ontario and the Niagara Economic and Tourism Corporation were also completed. As well as the primary data collection, several secondary sources of data were also used, such as industry reports and statistics.

This thesis will provide data and information for a large gap in the literature about wine tourists themselves and on the roles of wine tourism in rural tourism. One of these roles will be an economic role, and by examining results of the survey and

industry reports this study will help to determine if wine tourism can be used as a tool for economic development. The new data and information can then be used to help the industry reach its potential in Ontario, and can also be applied to other wine regions of the world, lending itself to use in a wider context.

1.2 Objectives

The specific objectives of this thesis are as follows:

1. To investigate the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience.
2. To determine and describe the roles wineries play in sustainable rural tourism.
3. To consider how the wine industry in the Niagara Region can assist both tourism and the economy of this region.
4. To identify the primary linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts.

1.3 Thesis Outline

The next chapter, Chapter 2, the literature review will include introductions to rural tourism, sustainable tourism and economic development, past research in wine tourism and, marketing linkages and partnerships. Chapter 3 will provide a brief description of the Niagara Region, including the region's current economic situation and Chapter 4 will explain the methodology of the study. Information gained from the survey will quantify visitor and trip characteristics and can also be used in a practical way such as to enhance marketing, by targeting specific audiences and improving the product to fit consumer needs. Chapter 5 will describe data analysis from survey and personal interview sources and secondary information sources. The

final chapter, Chapter 6 will contain conclusions and recommendations for the industry. It is intended that the recommendations made will assist the industry to reach its full potential, and provide insight into how to keep wine tourism sustainable in the future.

CHAPTER 2: LITERATURE REVIEW

The purpose of this chapter is to review the current literature available on several areas that relate to this study. This will provide some background information for the reader and also provides justification for the purpose and objectives discussed in the introduction. This chapter will provide an introduction to each of the following terms and concepts: Rural Tourism, Sustainable Tourism, Tourism and Economic Development, Agri-tourism (including Wine Tourism) and Co-operative Marketing.

2.1 Introduction to Rural Tourism

Although rural tourism is not a new phenomenon, it is becoming increasingly popular in many developed countries throughout the world. If rural tourism is planned and managed carefully, it will contribute to the economy without negatively impacting the community and the natural environment (Australian Commonwealth Department of Tourism 1994). Therefore, it may represent a sustainable form of development for rural communities (Bramwell 1994; Lane 1994). Rural tourism has the potential to be used as a tool for economic development, as it can create many financial benefits such as local income and employment (Broom 1989; Greffe 1994; Phillips 1990; Weaver 1993). Despite the potential that rural tourism has to benefit rural communities, relatively little research has been done in this field. Getz (1998:7) states that “research into rural tourism issues has lagged behind most other aspects of tourism” and Butler and Hall (1998:254) state that “questions about sustainable tourism development in rural areas are rarely asked and even more rarely answered.” This study will examine one aspect of sustainable tourism development in rural areas (wine tourism), and thus contribute to this gap in the research.

2.1.1 What is Rural Tourism?

Rural tourism is a rather complex concept and therefore is difficult to define, but a very simple definition of rural tourism, is “tourism which takes place in the countryside” (Lane 1994:9). However, there are problems with this definition as rural areas themselves are difficult to define, and different forms of rural tourism develop in different areas (Lane 1994; Organization for Economic Co-operation and Development 1994; Thibal 1988). The countryside is varied in character and potential (Broom 1989) and therefore each rural area is unique, with some being very similar to urban areas (Bramwell 1994). Some characteristics of rural areas include, a relatively low population density, less economic diversity (than an urban area) and land that appears to be dominated by agrarian or forest-based economic activities (Bramwell 1994; Lane 1994; OECD 1994). The countryside is often seen as a ‘natural resource,’ which is comprised of farms, villages and open spaces (Thibal 1988). It is this natural environment that provides a feeling of being close to nature, which often cannot be found in urban areas and this is an important part of the rural tourism experience.

One way of dealing with the complex nature of the definition of “rural” is the use of a rural-urban continuum (Lane 1994). At one end of the continuum are sparsely populated, remote areas and at the other end are highly urbanised cities, with high population densities. Between these two extremes lie many other types of areas, with varying amounts of urban and rural characteristics. There are no distinct boundaries between different regions on the continuum, as they all tend to blend together. For the purpose of the study area of this thesis, it is important to note that

rural regions can exist that are very close to large urban complexes. They tend to be somewhat integrated with the urban area, and are classified as the rural urban fringe. In terms of tourism, rural urban fringes often experience high levels of visitation and develop a strong day-visitor trade, due to their close proximity to the large populations of urban areas (Lane 1994).

There are several characteristics which may help to describe what rural tourism is. It should be located in a rural area, as described above, and development is usually fairly small scale. Businesses involved in rural tourism are often locally owned and they provide a personal relationship with visitors (Lane 1994; OECD 1994). Features such as open space and contact with nature and the land may also be parts of the rural tourism experience. Rural tourism often has some type of specialist appeal, so therefore it appeals to distinct markets, rather than to the mass tourist (Hummelbrunner and Miglbauer 1994; Lane 1994; OECD 1994). It is important to remember that there are many different kinds of rural tourism and each kind has its own unique characteristics.

2.1.2 The Growth of Rural Tourism

Rural tourism started to become popular in the 1960's and 1970's, with the increase in motor car ownership and rising standards of living. Visiting the countryside became a popular activity among the middle class and higher income groups (Middleton 1982) and the potential for growth in tourism in the 1980's and 1990's was recognized. Today, rural tourism is growing for a variety of reasons, which arose from the changes that began in the 1960's. One main reason for the growth in tourism is that rural regions in many developed countries are experiencing

changes in economic and social structure. These changes include a shift in industry, from a heavy reliance on agriculture towards more serviced-based industries (Messerli 1990) as well as population decline (OECD 1994). With the recent rise in technology that has taken place in the agricultural field, fewer and fewer people are needed to work in this industry. Therefore, many people have chosen to leave rural areas in search of work in urban areas. The decline in agriculture has led those who wish to stay in rural communities to seek new forms of economic development, and one of these is often tourism. Another main reason for the growth in rural tourism is due to the increase in demand for rural recreation opportunities (Members of Planning Services Committee, City of St. Catharines 1998). From the demand side, there are many factors influencing the growth. These include: increases in leisure time; higher disposable income; increasing levels of education; the offer of peace and tranquility of rural areas and, a growing interest in heritage (OECD 1994). Although this growing interest in heritage is often related to rural tourism, heritage is not necessarily included in all forms of rural tourism. There are many definitions of 'heritage tourism,' and these tend to focus upon things that we have inherited from the past (Balcar and Pearce 1996), such as historic buildings and works of art. Although wine tourism may contain some aspects of heritage tourism, such as the use of historic buildings for wineries, the focus of this thesis is on the present and future of wine tourism, from a rural tourism and economic development perspective.

2.2 Sustainable Tourism

When planning for tourism development, conventional tourism plans tend to be dominated by growth requirements of the industry. They aim to increase visitor

numbers and turnover as much as possible, and at the same time, they exploit community resources (Butler 1991; Lane 1994; Pigram 1990). Sustainable tourism plans, however, are based on a wider, more holistic regional approach (Eber 1992; Kamilis 1994; Lane 1994). Sustainable tourism is based on the principles of sustainable development which include protecting the environment, intergenerational equity, respecting the social and cultural diversity of an area and improving people's overall satisfaction and welfare (Eber 1992). Sustainable development takes into account the natural and social environments at the same time as developing the economy (Butler and Hall 1998). Within tourism, sustainable economic development often depends upon the well-being of the physical and social environments. For example, if the environment that visitors come to experience is destroyed, then they will likely cease visiting, and therefore the economy will suffer. Generally, "Sustainable tourism aims to minimise environmental and cultural damage, optimise visitor satisfaction, and maximise long-term economic growth for the region" (Lane 1994:102). The development of sustainable tourism has the potential to help secure the economic viability of rural communities which in turn can help to maintain rural areas (Bramwell 1994). Pigram (1990) lists several positive elements of a strategy for sustainable tourism. These include: development with a special sense of place, reflected in aspects such as development style and architectural character; preservation, protection and enhancement of the quality of resources which are the basis of tourism and, development of visitor services which enhance the local environment. It is important for planners to include elements such as these when encouraging economic development, so that the development is appropriate for the

region and the resources are protected for future generations. Eber (1992) also lists several principles that the tourism industry should consider, when seeking sustainable development. For example: environmental considerations should be incorporated into all economic decisions; the industry should ensure that the type and scale of development are appropriate for the region; locally owned businesses should be supported; and research into the economic, environmental and social impacts of tourism should be undertaken. Generally, tourism should try to draw on the natural character of the countryside and it should bring conservation and recreation benefits to rural areas (Pigram 1990). Sustainable tourism should aim to sustain not only the economy, but also the landscape, habitats and the character of host communities. Finally, a successful and satisfying holiday experience must be promoted in order to keep tourism sustainable in the long term (Lane 1994).

2.3 Sustainable Tourism and Economic Development

Sustainable tourism is often used as a tool to promote economic development. According to Sadler, “No other economic activity lends itself to this approach (sustainable development) better than tourism” (Sadler in Butler 1991:202). A large part of sustainable economic development is the promotion of economic diversity, rather than dependence on a narrow economic base (Eber 1992). Tourism is often used to help to diversify the agricultural base of rural areas. It can be an important target industry for new economic development as it has the potential to be a powerful engine for economic growth (Australian Commonwealth Department of Tourism 1994; Greffe 1994; Lane 1994; OECD 1994; Phillips 1990). According to Butler et al. (1998:14) “tourism and recreation have quickly become seen (by governments that

control rural areas) as major agents of economic redevelopment for rural and other areas.” Tourism may provide valuable financial contributions to rural areas both directly and indirectly. Directly, tourism generates tax revenues, income and profit for businesses and employment for individuals (Weaver 1993; Phillips 1990; Hjalager 1990). Some potential benefits in terms of employment include job retention, job creation, job diversity and service retention (OECD 1994). Indirectly, tourism provides for a diversified economy, cultural benefits and visibility for the area (Weaver 1993; Hjalager 1990). These factors, in turn can attract new businesses to a region. It is quite possible that rural tourism has the potential to work towards many of the goals discussed by Phillips (1990) that lead to a complete economic development program such as increased economic diversity and adaptability and improved quality of jobs, with safe, pleasant working conditions. Other, less obvious economic benefits of tourism include: the value added to the countryside and to natural phenomena to which often no economic value is attached; creation of a demand for craftwork and labour-intensive products and services that can be met in rural areas, and the developmental effect that the ‘multiplier effect’ may cause in the tourist receiving area (Keane and Quinn 1990:41). In order to be economically effective, tourism development should not be isolated from other sectors. Instead, it should be included in a comprehensive and integrated approach to developing a local economy. The tourist industry should focus on increasing the value-added through the development of corresponding service sectors and economic linkages (Hummelbrunner and Miglbauer 1994).

Despite all of the possible benefits, tourism may also have negative economic impacts. For example, it may incur developmental and marketing costs, it places demands on public services and in some cases, employment may be limited to part-time positions (Gannon 1994). Financial leakages to outside the community may also occur. For example, some of the goods and materials used in sales by tourist-related businesses must be bought from outside the community, therefore when the bills for these goods are paid, tourist dollars leak out of the community (Weaver 1993). Leakages may also occur through the multiplier effect, as incomes created by the tourism industry are not always recycled locally (Keane and Quinn 1990). Fortunately, if tourism is researched and managed properly, it is possible that the economic benefits will outweigh the costs and leakages in the long-term. For example, “rural tourism when it involves a highly varied and local set of inputs, alongside a set of labour intensive commercial activities, some which may not involve any significant amount of investment, can have a large local impact” (Keane and Quinn 1990:41). When managed properly, benefits of tourism are often equal to, if not greater than the benefits from other economic activities (Keane and Quinn 1990). This study will help to determine if wine tourism can provide economic benefits to a community without having significant negative impacts.

Sustainable economic development is not a purely quantitative measure, but is in fact a qualitative change that makes the local economy more diverse and resilient, rather than just larger (Phillips 1990; Flammang 1979). This implies that the jobs and revenue created are not just temporary, but are stable and will provide economic stability into the future, as well as in the present. Sustainable economic

development can be part of rural development, which can be defined as “an overall improvement in the economic and social well-being of rural residents and the institutional and physical environment in which they live” (Jasma et al. 1981 in Keanne and Quinn 1990:2). Although it is possible for a community to be sustained economically by one industry, it would be dangerous to rely solely upon tourism in a local economy, as tourist numbers and expenditures may fluctuate. For example, if the national economy is suffering, some people may have to stop travelling, as they have less disposable income. Therefore, tourism should be used as only one part of a greater economic development plan.

As previously mentioned, sustainable tourism is based on different principles from conventional tourism. Sustainable tourism strategies often try to move away from economies of scale, and towards economies of scope, in order to try to maximise tourist expenditures, rather than tourist numbers (Grefe 1991 in Hummelbrunner and Miglbauer 1994). With economies of scale, the key is to attract as many tourists as possible in order to make a profit. However, with a sustainable tourism strategy, the industry would try to attract fewer people, of a certain type such as, people who will make few demands on the resources, but will spend large amounts of money (Butler 1991). Also, additional revenue can be created by maximising the opportunities for tourists to spend money, rather than maximising the number of tourists themselves. Therefore, it is necessary to provide an increasing range of activities and services, which encourage tourists to remain longer in the area and to spend more money. This can often be done through networking and packaging, which will be discussed in the marketing section. Another strategy to help make tourism sustainable over the long-

term is to try to disperse tourists over time and space. For example, the tourism industry should try to extend the season to avoid peaking (Butler 1991). The key to sustainable tourism seems to be to disregard conventional tourism plans that rely on economies of scale and massive exploitation of resources, and instead move to plans based on economies of scope with a high regard for the environment, and a wide variety of products.

2.4 Agri-tourism

Now that rural and sustainable tourism have been defined, agri-tourism, which is a more narrow form of rural tourism will be described. Agri-tourism makes up a small part of rural tourism and can be defined as “all forms of tourism that are directly connected to the agrarian environment and agrarian products (Jansen-Verbeke in Verbole 1997:199). Types of agri-tourism activities include visiting livestock farms, orchards, vineyards, greenhouses and agricultural historic sites. A wide range of products are bought by tourists who are participating in these types of activities. These products include fresh produce, such as peaches and apples, as well as value-added products such as wine, preserves, specialty meats, herbs, crafts, dried flowers and wool (Wine Regions of Ontario 1999). The sale of these products can often be used as a means of supplementing and diversifying farm incomes (Members of the Planning Services Committee, City of St. Catharines 1998). In fact, agri-tourism may provide many benefits for rural areas, as is shown in the previous, economic section.

2.5 Wine Tourism

One aspect of rural and agri-tourism that is becoming popular in many countries with suitable growing conditions is 'wine tourism.' Wine tourism is a unique and specialised form of agri-tourism that is just beginning to be recognized as a profitable industry which generally causes little damage to the environment. There are several definitions of wine tourism. For example, Hall and Macionis (1998:197) define wine tourism as "visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors." A wider definition of wine tourism is "experiential tourism occurring in wine regions, providing a unique experience which includes wine, gastronomy, hospitality, culture, the arts, education and travel" (Dowling 1998:78). Dowlings' definition is extremely broad and in fact he could be describing the tourism of an entire region and, Hall and Macionis' definition is too narrow for this study. Therefore, a variation of Hall and Macionis' definition will be used in this thesis. Although the same activities will be included in wine tourism, the prime motivation of the visitors to the region will not necessarily have to be wine tasting or experiencing the attributes of the grape wine region. Visitors may in fact have other reasons for visiting the region, but may include wineries as a part of their trip. Therefore the definition of wine tourism to be used in this thesis is 'visitation to vineyards, wineries, wine festivals and wine shows in the wine region.'

In the past, wine tourism has been researched even less than rural tourism in general. Hall and Macionis (1998:197, 199) state that "little has been written about

the role that wine and food play in rural tourism development” and that “very little research has been conducted on wine tourism development, marketing and impacts.” In order to maximize the benefits from wine tourism, and minimize any negative effects to the natural environment and the local inhabitants, many aspects of wine tourism must be researched. Such research will allow plans to be developed to keep this form of tourism sustainable in the long term. This study will contribute to this gap in wine tourism research by examining the roles wine tourism plays in rural tourism and marketing techniques used in wine tourism.

Wine tourism offers many opportunities to add economic value to the existing resource base. For example, “Viticulture adds value to the region’s resource base, but the production and export of wines adds much more” (Getz 1998: 20). Tourism may further encourage the production and export of wines as well as other goods that visitors may seek. The economic benefits of wine tourism can also spread beyond the wineries themselves by combining visits with other activities, which produce a spin-off effect. As Dodd and Bigotte (1997:50) state, “There would seem to be significant opportunity to develop partnerships between wineries and other regional tourism businesses, such as bed and breakfasts, inns and restaurants.” Increasingly, these types of businesses must join together in marketing, to create a range of products, services and activities which will attract tourists, keep them there and encourage them to come back (Hummelbrunner and Miglbauer 1994; Thibal 1988). The products must be developed, packaged and marketed to account for people’s preferences (Australian Commonwealth Department of Tourism 1994). With the expansion of the tourism industry, it is becoming increasingly necessary for businesses to join together

in alliances in order to remain competitive (Telfer – in press). Telfer (in press) has done research on “Tastes of Niagara: A Quality Food Alliance,” which is an alliance of food producers, processors, distributors, hotels, wineries, restaurants and chefs in the Niagara Region. The main purpose of this alliance is to encourage the use of local produce and co-operation between local businesses in the region, as the more local produce that is used, the more the region benefits economically. Co-operation such as this is often necessary in wine tourism due to its widely dispersed nature and the participation of many small businesses. If market research is carried out, various types of packages can be put together which cater to specific target markets.

Within wine tourism, there is a specific need for data and information on the types of visitors to wineries. Dodd and Bigotte (1997:48) state that “At present there is little information concerning the characteristics of tourists who visit wineries and how marketing programs should be organized to attract tourists in the most useful manner.” Hall and Macionis (1998:216) state that “Substantial confusion exists over who the wine tourists actually are.” However they have made an attempt to segment wine tourists into three groups. These groups are: wine lovers, wine interested and curious tourists. According to their research, ‘wine lovers’ are very interested in wines and wine making and wineries may be the sole purpose of their visit to the destination. They are likely to be mature, have high income and education levels, and they are likely to purchase wine at the winery. ‘Wine interested’ have a high interest in wine, but it is not the sole purpose of their visit. They too are in a fairly high-income bracket, tend to be well-educated and will likely purchase wine both at the winery and in the future. The final group is the ‘curious tourists’ who have a

moderate interest in wine, but are not familiar with wine-making procedures. For this group, the wineries are not the prime attraction as they are just a byproduct of a visit to the region. They tend to have a moderate income and education, and consider the visit as an opportunity to socialize with family and friends (Hall and Macionis 1998). The size of each of these market groups will depend on many factors such as: the types of wine produced at the winery; marketing and promotion; attractiveness and facilities (Hall and Macionis 1998). Despite this attempt to segment wine tourists, Getz (1998:12) states that “research on wine tourists has been very limited,” showing that there is still a gap in the literature. In the conclusions of this study, a comparison will be done between Hall and Macionis’ groups of wine tourists and the characteristics of wine tourists discovered in the Niagara Region.

2.6 Co-operative Marketing

Tourism marketing in rural areas offers some unique challenges, due to the widespread nature of rural tourism businesses and attractions, the relatively small size of most rural businesses and the wide diversity of firms, products and services involved in the industry. The small size of businesses often means that they lack the proper resources to promote themselves at an effective level (Church 1989). Also, each attraction alone is not usually a strong enough pull for tourists, so businesses must join together in marketing. Co-operative efforts can be used to make marketing more affordable and effective in attracting visitors to a rural tourism region. Joint decision making in tourism is becoming more and more common, due to recent economic and political trends in many developed countries (Selin 1993). Since in many economies it is currently necessary to stretch resources as far as possible, public

and private businesses often join together in marketing. They pool their resources in order to realize mutually beneficial goals (Danchuk et al. 1993). Before specific tourism alliances are discussed, a very well-known example of an alliance will be given. An example of an alliance where two companies agree to work together is McDonald's and Coca-Cola. McDonald's has agreed to sell only Coca-Cola products, instead of Pepsi for example.

The pooling of tourism resources often occurs on a regional level. Regional tourism development (lead by some regional tourism planning body) can be defined as "those projects involving multiple independent sites, with separate decision makers, who have agreed to work on common marketing strategies, for the benefit of all" (Shields and Schibik 1995:106). Attractions and destinations must realize that they cannot stand alone, as their success often depends upon adequate support services being offered within the region. For example, "Tourists may typically select among destinations on the basis of the total set of destination attributes rendering individual firms' marketing planning of limited value if it does not relate to strategies or other suppliers in the total offer" (Palmer and Bejou 1995: 617). Although the major attractions are necessary to draw tourists to an area, smaller attractions and services are necessary in order to fully satisfy the needs of the tourist (Shields and Schibik 1995; Church 1989). Therefore, support services should be marketed jointly with the attractions in the area.

Types of collaborative agreements vary greatly. There are generally two types of co-operative efforts within the field of tourism marketing. The first involves two or more organizations banding together to promote a tourist region and the second is

when two or more organizations band together to produce a vacation package to be offered to prospective visitors (Church 1989). Much collaboration in tourism marketing is informally structured and takes place through ad hoc associations of tourism operators (Palmer and Bejou 1995). Some alliances are very simple with few firms, a narrow market area and little geographical coverage where as other, more mature alliances cover a greater marketing mix and a larger geographical area. The least developed agreements are generally when members agree on aspects such as joint promotion, but the financial independence of each firm is maintained (Palmer and Bejou 1995). These loosely formed alliances are common in tourism. However, it is possible for agreements to be highly evolved, with stakeholders investing heavily and therefore dependent upon each other. As there is no one approach that is guaranteed to work in every environment, the type of collaborative agreement usually depends on the specific business environment of a region.

Alliances that form in the tourism industry do not necessarily have to be tourism-based. An example of an obvious alliance in wine tourism would be an alliance between a vineyard and a restaurant, in which the vineyard may promote the restaurant, if the restaurant serves wine from the vineyard. A less obvious alliance may be between a clothing manufacturer and a vineyard. Many wine shops sell t-shirts and sweatshirts with their own logo, so the vineyard may agree to sell only one brand of clothing in their wine shop, if the company gives them a good price.

Many advantages arise from co-operative marketing for the businesses involved, as well as for the visitors or consumers. Although the benefits vary depending on the nature and objective of the co-operative arrangement, some generic

benefits arise. These include improved cost efficiency, the sharing of strengths (by combining resources) and access to new distribution channels for a firm (Witt and Moutinho 1989). The cost efficiency is especially beneficial for smaller firms, as by combining resources, they can achieve greater economies of scale and reduce per unit costs (Witt and Moutinho 1989; Palmer and Bejou 1995). When firms join together in promotion, more impact is created on potential visitors, and greater levels of awareness can be reached, than if each firm acted individually (Palmer and Bejou 1995). By combining attractions, potential visitors will perceive that there is a lot to do within the region. Also, if tourism related businesses team up with other groups such as cultural organizations, to create packages, more diversity will be offered to the tourist, and this may aid in attracting visitors (Church 1989). Overall, if members of an alliance work together, larger sales volumes or increased visitation may occur (Shields and Schibik 1995).

2.6.1 Packaging

Developing a product that is in demand and packaging attractions to meet the needs of visitors is often a challenge. Packaging or “bundling” is one way of marketing that is often useful, especially in rural areas, due to the widespread nature of attractions. Packaging is the “presentation of a number of products and services that would normally be purchased one at a time, but which in a package, are offered as single product at a single price” (Unknown Author, Georgian College 1986:61). Packaging offers a number of benefits to the tourist industry such as it may: generate new business; encourage repeat business; increase customer lengths of stay; increase customer spending; promote the use of facilities during off-peak periods; increase

customer satisfaction and, create new products that will appeal to new target market segments (Georgian College 1986). Packaging also offers some advantages and disadvantages to the consumers. The advantages include convenience, easier vacation planning, and assurance of quality, and the disadvantages can be inflexibility and dependence (Georgian College 1986). There are many different types of packages that a region can offer. These include: packaging of accommodation and meals; packaging of area attractions; packaging with events; packaging with complementary facilities and services; special interest packaging; off-peak specials and group and convention packaging. The packaging of a rural tourism product involves co-operation and linkages between many rural businesses. It is important to provide an attractive range of activities and services, and this may require research into what tourists' desire. Increasingly, activities in rural tourism are involving fewer fixed stays and instead, visitors are constantly moving between different forms of accommodation and activities (Hummelbrunner and Miglbauer 1994). Therefore, the supply of tourist facilities and attractions must be organized in networks.

2.6.2 Summary of Co-operative Marketing

To summarize, in order for marketing to be successful, a good information base is needed. Careful analysis of data is also needed, as well as continuous monitoring of a marketing program. When being used to promote local economic development, marketing must be part of a long-term planning exercise for strategic economic development (Bryant et al. 1988). Co-operative marketing is almost inevitable in the marketing of rural tourism and provides many advantages to tourism businesses. It can be achieved through joint promotion, or by the creation of package

deals, offered to prospective visitors. However, in order to be implemented effectively, co-operative agreements should be kept simple, they should work within the framework of participating firms' operations and they should try to match various forms of complementary linkages, such as seasonality, distribution channels or use time (Witt and Mountinho 1989).

Research is needed in order to better understand collaborative processes in the tourism field. The industry needs to understand what makes partnerships work, when they are appropriate and how they can best be managed to the benefit of all partners (Reid and Smith 1993). This understanding may be reached by examining partnerships and highlighting the successful ones through the use of case studies (Selin 1993; Reid and Smith 1993). Although more research is needed, it is known that "there is a definite need for greater regional co-operation among operators and between operators and the government" (Reid and Smith 1993:106). With such co-operation, many benefits arise such as enhancing customer satisfaction, which will in turn, increase repeat business, which is a main goal of market researchers and operators in the tourism industry (Reid and Smith 1993).

2.7 Chapter Summary

By examining the literature, it has become apparent that wine tourism and its links to economic development in rural areas need further study. There is a definite need for more information on wine tourism as a form of rural sustainable tourism and, links between sustainable tourism and economic development. By sustainable, it is meant here that wine tourism will be an industry that lasts well into the future, providing benefits to the community, such as improving the economy, without

destroying the land and rural character of the area. This thesis will investigate if wine tourism may be used as a tool for economic development and will help to determine if the economic benefits associated with other types of tourism also apply to wine tourism. Another gap identified in the literature is the need for information on the demographics and motivations of wine tourists. New data on wine tourists will be collected and compared to that presented by other researchers. There is also a general need to analyze and improve the marketing techniques within wine tourism. By completing a case study on the Niagara Region and fulfilling the following objectives, this thesis will attempt to fill some of the gaps in the current literature.

These objectives are:

1. To investigate the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience.
2. To determine and describe the roles wineries play in sustainable rural tourism.
3. To consider how the wine industry in the Niagara Region can assist both tourism and the economy of this region and,
4. To identify the primary linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts.

CHAPTER 3: INRODUCTION TO THE NIAGARA REGION

The Niagara Peninsula is a unique area located in southern Ontario, between Lake Ontario and Lake Erie, directly adjacent to the United States (Figure 3.1).

The Niagara Region is made up of a combination of rural and urban areas, which range from small, rural farming towns to large, urban industrial and service centres. The largest urban centre is the City of St. Catharines, often called the “Garden City.” The city is surrounded by small towns, which comprise a rural agricultural landscape. These towns include Grimsby, Lincoln and Niagara-on-the-Lake. All of the towns, and in fact, even the city of St. Catharines have relatively low population densities, compared with large cities like Toronto. This was determined by looking at population and land area statistics for Ontario towns and cities from the Statistics Canada Website, according to the 1996 Census (Table 3.1). The population growth rate within the region varies, with Lincoln and Grimsby having higher growth rates than Niagara-on-the-Lake and St. Catharines. The annual average growth rate for the region from 1986 to 1996 was 0.90% (Niagara Economic and Tourism Corporation, Fact Sheet C 1999).

The Niagara Peninsula experiences a specialised microclimate with mild winters and temperate summers due to its’ location between the Niagara Escarpment, and the two Great Lakes. The lakes help to moderate winter temperatures, which allow cold-sensitive fruit trees and grapevines to flourish (Wine Regions of Ontario 1999). The escarpment offers shelter and produces unique airflow effects. Along with the specialised climate , the region also has high quality soils, such as lacustrine clays, sands and gravel, whose source was the bottom of old Lake Iroquois (Ziraldo

Figure 3.1: The Niagara Peninsula

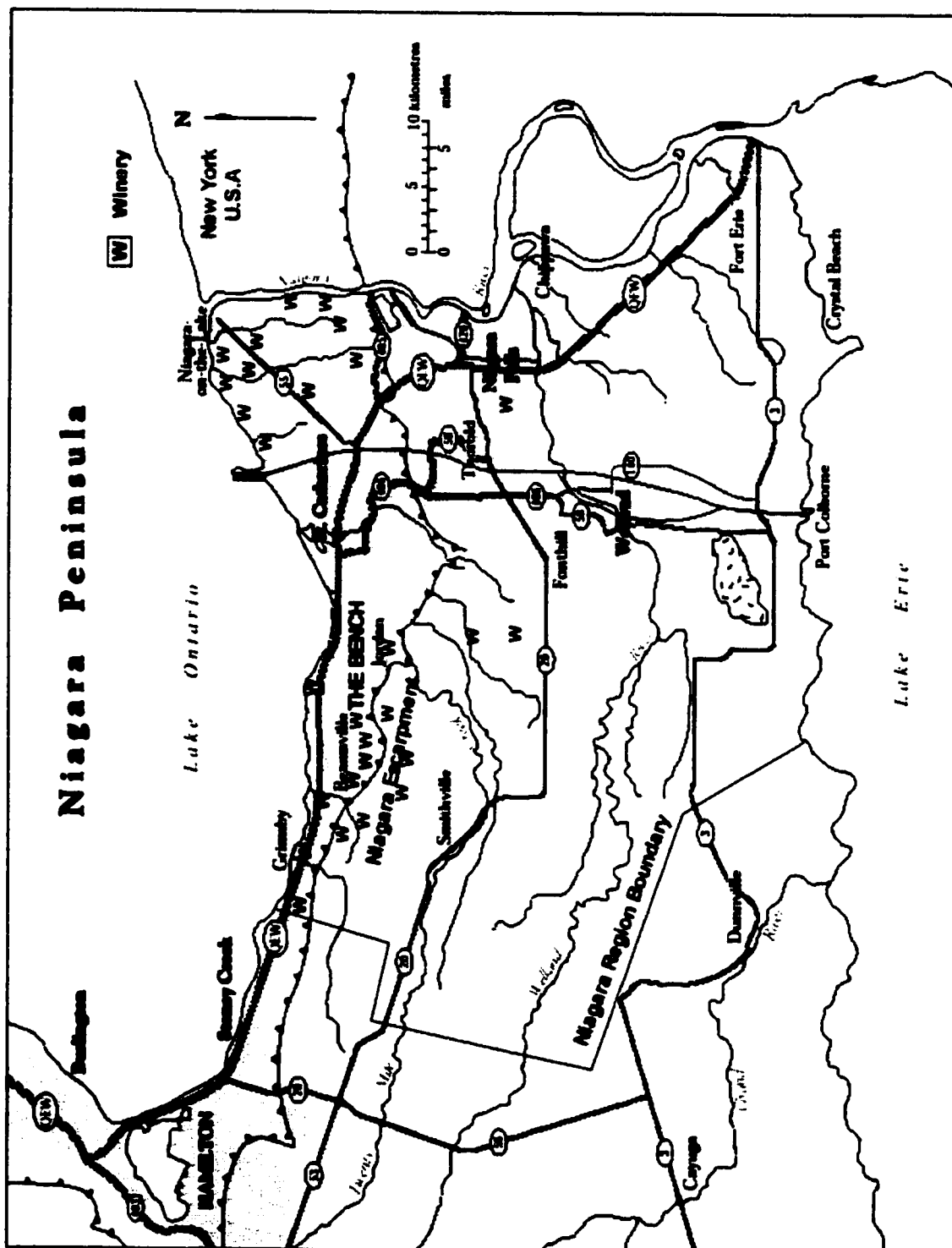


Table 3.1: Densities of Cities/Towns in 1996

<u>City/Town</u>	<u>Population</u>	<u>Land Area</u> (square km)	<u>Density</u> (persons/square km)
Toronto (Census Metropolitan Area)	4 263 757	5 867.73	727
<u>Niagara Region</u>			
St. Catharines	372 406	1 399.80	266
Grimsby	19 585	68.12	288
Lincoln	18 801	163.43	115
Niagara-on-the-Lake	13 238	131.11	101

Source: <http://www.statcan.ca/start.html> –Feb. 18, 2000.

1995). These soils provide a good base for agriculture and in fact, two-thirds of Ontario's tender fruit orchards are located in the Niagara Region (NETC 1998). The physical features, such as the escarpment, the lakes and the distinctive agricultural landscape provide a very attractive scenic background for the area, which attracts many visitors (Planning Services Committee, City of St. Catharines 1998).

3.1 Economy of the Niagara Region

The Niagara Peninsula supports a variety of economic activities. Throughout the region, there is a mix of agriculture, manufacturing, industrial and service industries. For example, the major private sector employer in the City of St. Catharines is General Motors, whereas the major employers in smaller towns, such as Grimsby and Niagara-on-the-Lake are wineries. Andres Wines located in Grimsby, employs approximately 400 people, and Hillebrand Estates Winery in Niagara-on-the-Lake employs 200 people (<http://204.101.2.101/scripts/communities/home.asp> –June 14th, 1999). The manufacturing sector in Niagara, which includes the automotive industry

is diverse and ranges from food and beverage manufacturing to fabricated metal manufacturing. Another large sector is telecommunications. Niagara holds many communications advantages such as its well-developed infrastructure and services and its close proximity to large cities such as Toronto, Buffalo and New York.

Agriculture is also a large industry in the Niagara Region. Although Niagara contains only 1.65% of Ontario's farmland and the farms here are relatively small in size, their economic impact is substantial (NETC 1998). Sales per farm are almost 32% above the provincial average (NETC 1998). Many of these farms produce grapes and other fruits such as peaches and apples due to the appropriate climate and other geographical factors in the area, such as the rich soil. Along with this large agricultural sector, phenomenal growth is expected in the hospitality and tourism sectors in the region within the next five years (NETC 1998). Within these sectors, there are proposals totaling more than five billion dollars in capital development projects, and over 50 000 jobs are expected to be created within the next five years (NETC 1998). Many of the towns within the region have economic plans which target the tourism and agricultural sectors of the economy, as is shown in Table 3.2. From the table, it can be seen that two out of three of Grimsby's top three target sectors are 1) agriculture-greenhouse-wines and 2) tourism and agri-tourism. Niagara-on-the-Lake's two main targets are tourism and agriculture. Even the city of St. Catharines includes tourism and agri-tourism in the top four of their target sectors. Generally, if the predicted economic growth occurs, it appears that the region will have a prosperous economic future.

Table 3.2: Economic Target Sectors

<u>City</u>	<u>Targeted Sectors of Economic Plan (1996/1997)</u>
Grimsby	1) Knowledge-based industries 2) Agriculture-Greenhouse-Wines 3) Tourism and Agri-Tourism
Niagara-on-the-Lake	1) Tourism 2) Agriculture
City of St. Catharines	1) Manufacturing 2) Tourism and Agri-tourism 3) Communications 4) New office and retail uses

Source: <http://204.101.2.101/scripts/communities/home.asp> –June 14th, 1999

3.2 Tourism in Niagara

Many visitors are attracted to the Niagara Region due to its diverse variety of attractions and its distinctive agricultural landscape. Some of these attractions include, Niagara Falls, Casino Niagara, the Shaw Festival, the Welland Canal, the Wine Route and the Niagara Grape and Wine Festival. The region attracts about 20 million tourists per year and the tourism sector is constantly growing (NETC 1998). Many of the tourists come from Canada and the United States, as the region is within one hour's driving distance from Toronto, and there are four major border crossings with the U.S. within the region. Niagara tourism is currently said to create \$2.65 billion a year and is expected to grow to \$4 billion by the year 2002 (NETC 1998). Tourism also creates many jobs, taxes and investment impacts within the region. In fact, tourism helped support 19.1% of local employment and \$572 million in taxes in 1997 (Canadian Tourism Research Institute 1999).

One of the rapidly expanding areas of tourism in the Niagara region is rural tourism and more specifically, agri-tourism. Agri-tourism in this region is said to

“take people outside of urban boundaries, to experience the sights, sounds, aromas, tastes, economic activity and culture of rural communities” (Wine Regions of Ontario 1999: 11). Niagara offers many different agri-tourism activities. These include visiting orchards, vineyards, greenhouses, livestock farms, bed and breakfasts, cooking schools and restaurants that feature local ingredients (Wine Regions of Ontario 1999). Niagara also offers many fresh and value-added products for sale such as wine, fresh fruits and crafts. In fact, wine producers are an important component of the growing agri-tourism industry in Niagara (NETC 1998). Wineries offer services such as wine tasting, retail sales and fine dining. In Niagara, visitors can experience these services by travelling along the Wine Route which passes through the centre of the Niagara wine region. It is said that the wine industry in Niagara has “cultivated a thriving tourist attraction with an open invitation for visitors to tour and taste the result of superb wine-making craftsmanship” (NETC 1998 –sheet M).

3.3 Chapter Summary

Overall, Niagara is an attractive area that contains many attributes that make it suitable for tourism development. For example, the area is easily accessible from several major North American cities, such as Toronto and Buffalo. It also has a unique climate, which is moderated by the two Great Lakes and the escarpment, which makes it pleasant for tourism activities throughout many months of the year. Tourism in Niagara is expanding and diversifying every year, and is contributing to the economy in many ways. One aspect of tourism that has great potential in Niagara is agri-tourism, of which wine tourism plays a large role in this region.

CHAPTER 4: METHODOLOGY

The research procedure for this study consisted of several parts. There were three main methods of primary data collection used. The first was a survey of winery visitors conducted at eight wineries throughout the Niagara Region. The second method was to interview representatives from each of the eight wineries, as well as from some related organizations within the region, and the third method was personal observation at the wineries within the region. As well as these primary sources, secondary data was collected by means of a literature review and from various agencies such as the Wine Council of Ontario and the Niagara Economic and Tourism Corporation.

4.1 Winery Visitor Survey

4.1.1 Research Design

Before beginning the survey, a stratified random sample of wineries was chosen from a list provided by the Wine Council of Ontario. Although this list was an incomplete population of wineries (see Figure 3.1 for winery locations), it was assumed that the wineries on the list formed a representative sample of those in the area. To facilitate response, the wineries had previously been contacted by letter, by Linda Franklin, Executive Director of the Wine Council of Ontario, in order to inform them that this research was going to take place (see Appendix A). The sample was stratified on a geographical basis because within the Niagara region, two separate regions exist, one called “The Bench” and the other focused around Niagara-on-the-Lake. On the list, there were 15 wineries represented from the Bench and 12 from Niagara-on-the-Lake. It was decided that in order to represent each region equally,

four wineries would be chosen from each. The sample was further stratified, into small, medium and large wineries. The size category of each winery was obtained from Linda Franklin at the Wine Council of Ontario, so wineries of different sizes could be randomly chosen from the list and then asked to participate. Due to the greater abundance of small wineries, the plan was to choose one large, one medium and two small wineries from each region. Therefore, four wineries from each region were randomly selected and an information letter, Appendix B, was faxed to each of the eight wineries on July 14th 1999. Along with the letter, a consent form was included, that had to be signed and faxed back. From the eight wineries, only three responded after this first letter. A reminder letter was sent to the other five wineries on July 28th 1999, and also at this time, seven new randomly selected wineries were asked to participate. After the reminder letter was sent, three more of the originally selected wineries agreed to participate. Two more wineries from the first list also responded, but both were found to be inappropriate for the study, as one was under major construction and for other, this was strictly their head office, so surveys could not be conducted from there. From the new list of wineries, there were three replies, all of which agreed to participate. A total of nine wineries had agreed to participate, however, one of the small wineries was later deemed inappropriate by the researchers due to major construction taking place on the site. The end result was that that two mid-size and two small wineries from the Niagara-on-the-Lake area participated and one large, two-mid and one small winery from the Bench area participated. Prior to the first date of the field research, the wineries were contacted by telephone, in order to confirm exact times and dates of the research.

4.1.2 Sample Size

An estimate of the population size of 450 000 winery visitors in the Niagara Region was obtained from the Wine Council of Ontario. Consultation of Table 4.1 for the appropriate sample size for a population of 450 000 gave 384 interviews as being the desirable size to achieve a 95% level of confidence in the data, assuming that a random sample was made. The goal for this research was to obtain an equal number of surveys (about 50) at each winery, so that the total would be 400 surveys, which was just over the recommended number. The reason for this design was so that enough surveys would be collected from each winery that would allow some conclusions to be made about each winery, separately. Therefore, a report could be given to each winery about their specific winery in particular.

4.1.3 Response Rate

In total, 403 surveys were collected, but only 400 of these could be used in the analysis. Three surveys were deemed inappropriate, as the people surveyed worked in the Niagara tourism industry, as tour operators and therefore would likely have had biased opinions. There were also 166 refusals. The response rate was determined to be, 71.4%, according to the following formula:

$$\begin{aligned}\text{Response Rate} &= \frac{\text{number returned (useable)}}{\text{number in sample (including refusals) - number ineligible + number unreachable}} \times 100 \\ &= \frac{400}{563 - 3 + 0} \times 100 \\ &= \frac{400}{560} \times 100 \\ &= 71.4\%\end{aligned}$$

Table 4.1: Sample Size Table

APPROPRIATE SIZES OF SIMPLE RANDOM SAMPLES FOR SPECIFIC PERMISSIBLE ERRORS EXPRESSED AS ABSOLUTE PROPORTIONS WHEN THE TRUE PROPORTION IN THE POPULATION IS .50 AND THE CONFIDENCE LEVEL IS 95 PERCENT					
Population Size	Sample Size for Permissible Error (Proportion)				
	.05	.04	.03	.02	.01
100	79	86	91	96	99
200	132	150	168	185	196
300	168	200	324	267	291
400	196	240	291	343	384
500	217	273	340	414	475
600	234	300	384	480	565
700	248	323	423	542	652
800	260	343	457	600	738
900	269	360	488	655	823
1,000	278	375	516	706	906
2,000	322	462	696	1,091	1,655
3,000	341	500	787	1,334	2,286
4,000	350	522	842	1,500	2,824
5,000	357	536	879	1,622	3,288
6,000	361	546	906	1,715	3,693
7,000	364	553	926	1,788	4,049
8,000	367	558	942	1,847	4,364
9,000	368	563	954	1,895	4,464
10,000	370	566	964	1,936	4,899
15,000	375	577	996	2,070	5,855
20,000	377	583	1,013	2,144	6,488
25,000	378	586	1,023	2,191	6,938
30,000	379	588	1,030	2,223	7,275
40,000	381	591	1,039	2,265	7,745
50,000	381	593	1,045	2,291	8,056
75,000	382	595	1,052	2,327	8,514
100,000	383	597	1,056	2,345	8,762
500,000	384	600	1,065	2,390	9,423
1,000,000	384	600	1,066	2,395	9,513
2,000,000	384	600	1,067	2,398	9,558

Source: National Education Association. Sampling and Statistics Handbook for Surveys in Education. Washington, D.C.: Research Division of the National Education Association, (1965).

4.1.4 Survey Instrument

The survey questionnaire was designed primarily to fill the first objective of this thesis, which was “to improve our understanding of the demographics of visitors to wineries, and the visitors’ perceptions of the wine tourism experience.” However, it also helps to fulfil the other objectives by the nature of questions asked. The survey was split into several sections. First, the visitors were asked questions about their motivations for the trip and the nature of their trip, such as places and attractions visited within the region and how much they were spending during their stay. The next section was about their winery region experience and they were asked questions about their perceptions of the area, such as of the rural landscape. The third section contained questions about the service they had received at the winery. This section was designed primarily for the co-researcher, Dr. B. Carmichael, and will not be analyzed in this thesis. In the final section, visitors were asked personal questions in order to obtain demographics, such as age, education and income. The survey was designed to be administered during peak season at the wineries, in order to obtain a large enough sample, however brief questions about activity in the shoulder season were also included. A full copy of the survey can be found in Appendix C. As well as the survey, an information sheet was designed and given out to participants. This contained information about study objectives, as well as ethical requirements, such as it let participants know that they were free to withdraw at any time. This sheet can be also be found in Appendix C.

The survey was designed so that the research assistant would read the questions and then record the answers. It was decided that this method would be

more reliable than asking individual visitors to fill it out themselves, especially due to the length of the questionnaire. Each questionnaire was four pages long and took between five to ten minutes to answer. Participants were randomly selected upon exiting the winery, and were given a short verbal explanation by the research assistant (found at the beginning of the questionnaire) and were then given the information sheet to read, which they could take away with them at the end. Interviewers stood either just outside the exit of the winery, or in inclement weather stood just inside the door, but still attempted to catch participants upon exit.

The months of August and September were chosen to administer the survey because these are popular months for people to go on vacation, and parts of two major events in Niagara Wine Country were captured during this time. Weekend days were chosen, instead of weekdays, as more events take place on the weekends and more people visit on a weekend day than on a weekday (Little 1995). In fact, according to the Wine Council of Ontario, in 1998, 200 000 people visited the Niagara wine region during the 'Six Unforgettable Weekends of Summer' which took place over six weekends during July and August. Despite the fact that this festival was expanded to the weekdays in 1999, more events still took place on the weekends than during the week, (Wine Regions of Ontario, Calendar of Events 1999) so more visitors were expected to come on the weekend.

4.1.5 Research Assistants

All research assistants were chosen from Wilfrid Laurier University, which included the author, Gillian Northwood and Dr. B. Carmichael (co-researcher/advisor). The other assistants were either graduate students, or upper year

Honours Geography undergraduate students. Prior to entering the field, the assistants were trained and were familiarized with the ethical requirements, the method of surveying and the survey itself. Four of these interviewers (the researchers and the assistants) administered the survey at the selected wineries on seven randomly selected weekend days throughout the months of August and September 1999.

4.2 Personal Interviews

Another method of primary data collection involved personal interviews with representatives from the eight wineries chosen, as well as with representatives from the Wine Council of Ontario and the Niagara Economic and Tourism Corporation. The interviews were designed to partially fulfil the remaining three objectives, and were conducted by the author and her advisor, Dr. Carmichael. It was thought that the winery representatives could provide useful data on their businesses, which in most cases could not be obtained elsewhere. A representative from the Wine Council of Ontario was chosen, as this body has contact with most of the wineries in the region and is very knowledgeable about the wine industry as a whole. The Niagara Economic and Tourism Corporation was chosen in order to obtain more general information about the links between tourism and the economy within the region. Prior to the interviews, the ten participants were telephoned in order to see if they would agree to participate and to set up an appropriate day and time. All ten people agreed and prior to the interview, they were asked to read and sign a consent form explaining the nature of the research and the required ethical information (Appendix D). The interviews were conducted at the end of October and the beginning of November, after the peak season and harvesting at the wineries was over. This was

designed so that it was convenient for the people being interviewed, as they are generally less busy at this time of year. Each interviewee was asked a series of questions, located in Appendix E. The types of questions asked were varied. Some were pertaining to actual winery statistics, which can help to determine economical sustainability. Other questions involved the nature of wine tourism and its affects on the winery and the region, and still others considered marketing strategies and linkages with other business in the region. The interviews took between 30 and 90 minutes, depending on the amount of additional information offered by the person being interviewed.

4.3 Personal Observation

The third method of primary data collection was observation by the researcher. For example, in order to describe the “wine tourism experience” the researcher took part in winery tours and events, as a normal visitor would, so that the experience could be written about first-hand. Participating in public tours, and other activities at the winery, such as any visitor would, enabled the researcher to get a realistic view of what the winery offers to a visitor and how visitors are treated by winery staff.

4.4 Secondary Data Collection

As well as all of the primary methods of data collection, a wide variety of secondary sources were also used. These include industry reports, statistics from various agencies such as the Niagara Economic and Tourism Corporation, promotional material (from either wineries or joint-marketing groups), scholarly journals, and talks given at different venues, such as related conferences. Results

from the primary data analysis will be integrated with the secondary data in Chapter 5.

CHAPTER 5: DATA ANALYSIS

The purpose of this chapter is to introduce new data and information to the wine tourism field. The survey data collected during this study was entered into the statistical package SPSS, and data analysis was performed. The primary data collected from the survey, participant observation and from the personal interviews was combined with secondary data, such as industry reports, and an overall analysis was performed. The purpose of this analysis was to determine if wine tourism is a sustainable form of rural tourism and if it can be used as a tool for economic development. Throughout the analysis chapter, the following objectives were considered:

1. To investigate the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience.
2. To determine and describe the roles wineries play in sustainable rural tourism.
3. To consider how the wine industry in the Niagara Region can assist both tourism and the economy of this region.
4. To identify the primary linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts.

5.1 The Wine Tourism Experience

The wine tourism experience encompasses a wide range of activities and varies throughout different regions of the world, as well as between wineries. However, some similarities arise and the general experience that a visitor would encounter in the Niagara Region is described here. In order to put this experience into context, the first thing that must be discussed is the surrounding landscape. The

two most striking physical features in the Niagara Region are Lake Ontario and the Niagara Escarpment. These features provide the beginnings of a very picturesque landscape. Nestled between the lake and the escarpment lie the Niagara wineries. The further one ventures into this region, the more fields of fruit trees and grapevines appear and the rural atmosphere is enhanced by small farms with livestock grazing in the fields. The base of the escarpment in the west of the region is very picturesque, with its winding roads and scattered small towns. The east of the region is also scenic, as here, the landscape begins to flatten out, and vast expanses of vineyards appear. Again, small towns are scattered throughout the east, with the most famous of these being Niagara-on-the-Lake. This is a very popular tourist town, known for a theatre event called the Shaw Festival.

As well as the differences between the two regions in Niagara, the setting of each individual winery differs. Some wineries are located directly off of main roads, where as others are located on rural side roads. Some have very long driveways in which the visitor winds through the vineyards and others have virtually no driveway at all. Several of the wineries are set on top of the escarpment and offer wonderful views of the surrounding rural landscape, with Lake Ontario in the background. As well as the rural setting, some have an industrial-type setting along a large highway, set amongst warehouses and factories.

The architectural style of the wineries also varies greatly. Those along the highway tend to be large industrial looking buildings where as, those on rural routes vary greatly in architectural style. Many wineries have chosen to convert older structures into new winery facilities. The use of such historic houses and barns helps

to maintain an authentic farm feeling. On the other hand, there are some very new wineries, with brand new buildings. These tend to take on a European feeling, such as chateaux of France or villas of the Mediterranean. No matter what the style of buildings, the wineries have very well-kept surroundings, often with bright, beautiful gardens, with wine barrels scattered throughout, adding to the attractive scenery.

The differences between the wineries do not stop at the setting. There is also a wide range of facilities offered. The smallest wineries, often located in small houses have very few facilities, such as a wine shop and a small gravel parking area. However, the largest wineries contain many facilities such as restaurants, shops, bed and breakfasts, large paved parking areas, helicopter landing pads, special tasting rooms, cooking schools, extensive wine-making facilities and additional attractions. Many wineries lie in between these two extremes, and offer several of the previous list of facilities.

When a visitor arrives at a winery, whether large or small, the first feature that is usually noticed is the wine shop. This is normally the place where visitors are encouraged to begin and end their visit. The shops range in size, and amount and type of merchandise offered. For example, some offer a large selection of wines and other alcoholic beverages, such as fruit coolers, where as others offer only a small selection of wine. Most have souvenirs available to purchase, which include their logo or name. The souvenirs include common t-shirts and sweatshirts, as well as unique wine and food-related items such as specialty corkscrews, regional recipe books, candles, chocolates and many other gifts. Within the wine shop or adjacent to

it is normally a tasting bar. Most wineries offer a large variety of wines for tasting, some at no charge, and others charge 50 cents to one dollar per sample.

In addition to the shop and the tasting bar, several wineries offer guided tours of their premises. The guide usually provides information on a wide variety of topics such as the history of winemaking and the winery itself, the geography of the area and viticulture. One winery also has a self-guided tour, as well as guided tours. The same type of information is found on the self-guided tour, but it can be taken at one's own pace. Guided tours are offered several times per day and range in length from about 45 minutes to one hour. There is a charge of two dollars per person for the tour at some wineries, but most tours are complimentary. Generally, a tour begins with an explanation of the history of the winery, a description of the size of the winery and details of the facilities that the winery offers. In the summer, when the tour begins outside, the actual vines can be seen with the bunches of grapes attached. The guide points out the grapes and explains some physical aspects of the growth process such as the type of soil, the root system, the use of pesticides and differences between various types of grapes. Next, the process of wine-making is described in detail. The harvest normally takes place in mid-September, so this is when the process would begin. During the rest of the year, the visitor views the equipment, but it is not in action. The tour guide shows the visitors the crusher, which is a machine that separates the leaves and stems from the bunch of grapes. After this process has been explained, the bladder press in which the final pressing of the grapes takes place is viewed. The visitor is then shown the steel drums or oak barrels that the wine is put into for aging. The length of time the wine spends in these holding tanks varies

greatly, depending on the desired taste and colour of the wine. Finally, the bottling process is described while viewing the bottling machine. Illustrations, with written explanations are sometimes found along the tour, which provide more details to interested visitors. These signs are sometimes shown in Japanese and French as well as English. At the end of a tour, visitors are offered samples of wine (usually two or three selected wines) and are taught the proper way to sample wine.

As well as the everyday experience at a winery many special events are held throughout the year, which offer a unique experience to visitors. Wine is often combined with various types of art and music as well as specialty foods from the Niagara Region. Some wineries offer displays of art such as the “Canada Tree” which is an attraction on its own. This tree is moved around Canada and is a combination of historical artifacts found in different parts of the country. Other wineries have exhibits of paintings on display. Different types of music are also promoted at wineries such as jazz and, during the Jazz Festival, various events take place. For example, one winery combines jazz music with the offer of fresh oysters, available on one day only. During September, when the grapes are harvested there is a special event called the Niagara Grape and Wine Festival, in which a wide range of activities are offered. The activities at each winery are advertised together in Grape and Wine Festival brochures. The list of festivals and events is endless, and many more of these will be discussed in the marketing section.

It is somewhat difficult to summarize the total wine tourism experience, as the experience varies depending on the region visited, and the individual winery. No other literature has been found to give a detailed description of the wine tourism

experience. However, by examining individual elements of the experience from other publications, and by the author's own experiences in the Niagara Region, the Barossa Valley in Australia and the Finger Lakes region of New York, some common elements have been found. Generally, the wine tourism experience takes place in a rural setting, which is dominated by fields of grapevines and fruit trees (Figures 5.1, 5.2). Other common elements include a wine shop and a tasting bar at most wineries, and at large wineries, a guided tour is very often available. The architectural style of wineries and the facilities that they offer vary greatly, so what has been presented here are simply examples from the Niagara Region.

Figure 5.1: A Rural Scene in Niagara



Figure 5.2: A Niagara Winery



5.2 The Wine Tourist

Now that the wine tourism ‘experience’ has been described, the purpose of this section is to describe the characteristics of the ‘wine tourist’. Since there is no consistent definition of tourism, a broad definition will be adapted for the purpose of this study. The following definition will be used; “tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs” (Mathieson and Wall 1982:1). A tourist is someone who partakes in the tourism described. For the purpose of this study, a distinction between different types of visitors will be made, as different types of visitors may have different impacts on wine tourism. For example, the spending

habits of the overnight tourists may be different from those of the day tourists. All people who were surveyed and are included in the analysis will be called visitors. However, within this, visitors will be separated into overnight tourists, who are visitors who stay at least one night (who do not live in the region), and day tourists, who do not spend the night in the region. The final category of visitors are those who are visiting the winery, but live in the region (local people). These people will be excluded from the economic analysis of tourists, but will be included in most other results.

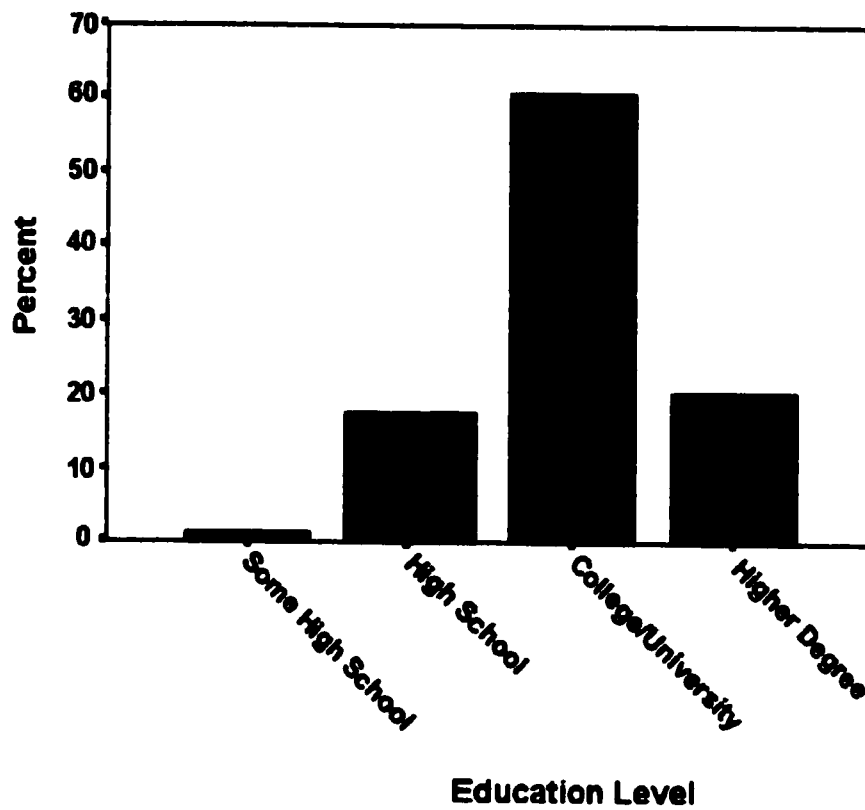
5.2.1 Socio-Demographics

It is important to understand the types of people who visit wineries for many reasons, especially for developing marketing strategies. The following characteristics of winery visitors were revealed by the survey completed in the Niagara Region.

Education

From the survey, it was found that visitors tend to be very well educated. For example, 98.8% of visitors surveyed had at least graduated from high school. In fact, over 80% of visitors had graduated from college or university (Figure 5.3). There were very few differences in education between the three different types of visitors (overnight, day and locals), however more of the overnight tourists had higher degrees than the day tourists and locals.

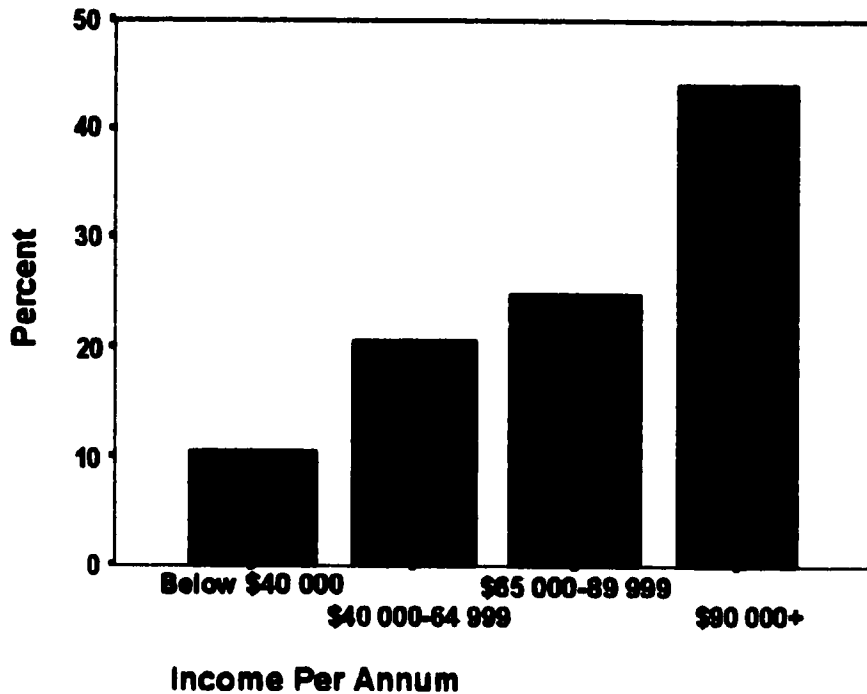
Figure 5.3: Education Level of Winery Visitors



Income

Visitors had fairly high income levels, with 44.1% of households earning more than \$90 000 per year. Only 10.5% of people surveyed had a household income of less than \$40 000 per year (Figure 5.4). This 10.5% may be due to the fact that 15.2% of visitors were either retired or were students, and these people tend to have lower incomes than those who are working. Again, there were few differences between the three groups of visitors, however, a higher percentage of local visitors earned below \$40 000 per year, at about 20%, compared to about 9% for tourists.

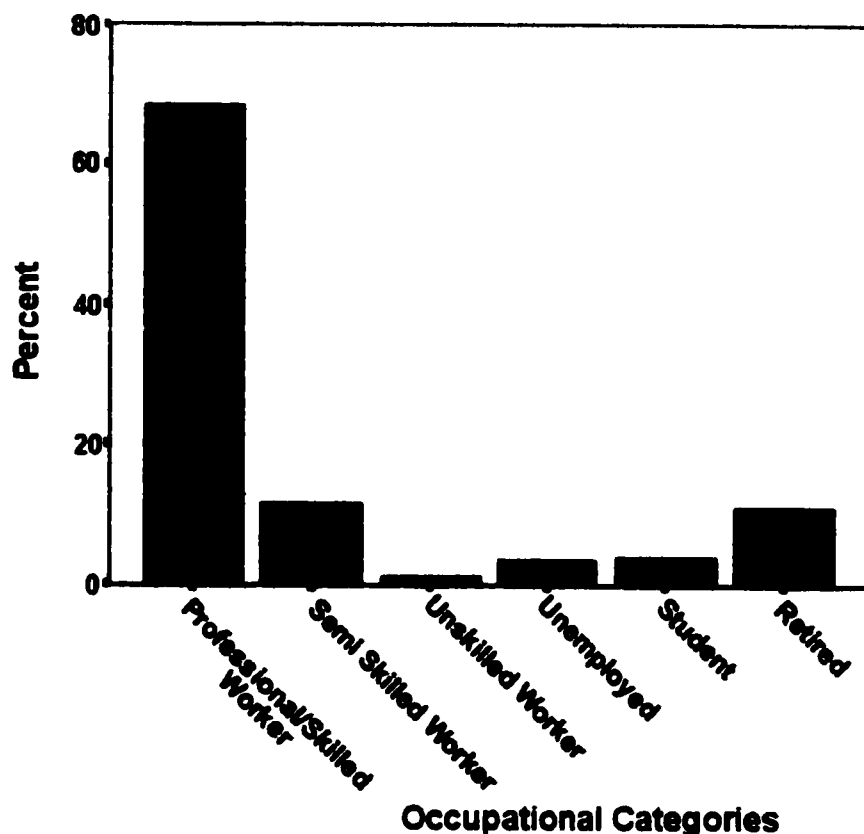
Figure 5.4: Income of Winery Visitors



Occupation

The high income levels of most visitors can be explained by the fact that a large proportion of visitors were professional/skilled workers, or semi-skilled workers (Figure 5.5). The large percentage of professional/skilled workers is not surprising since the visitors tended to be highly educated. Many of the visitors that were unemployed are actually stay-at-home mothers, or 'housewives', which is often considered to be a full time job. The main difference in occupation between the three groups of visitors was that more of the overnight tourists were professional/skilled workers (72.5%), compared to day tourists at 66.7% and locals at 57.1%.

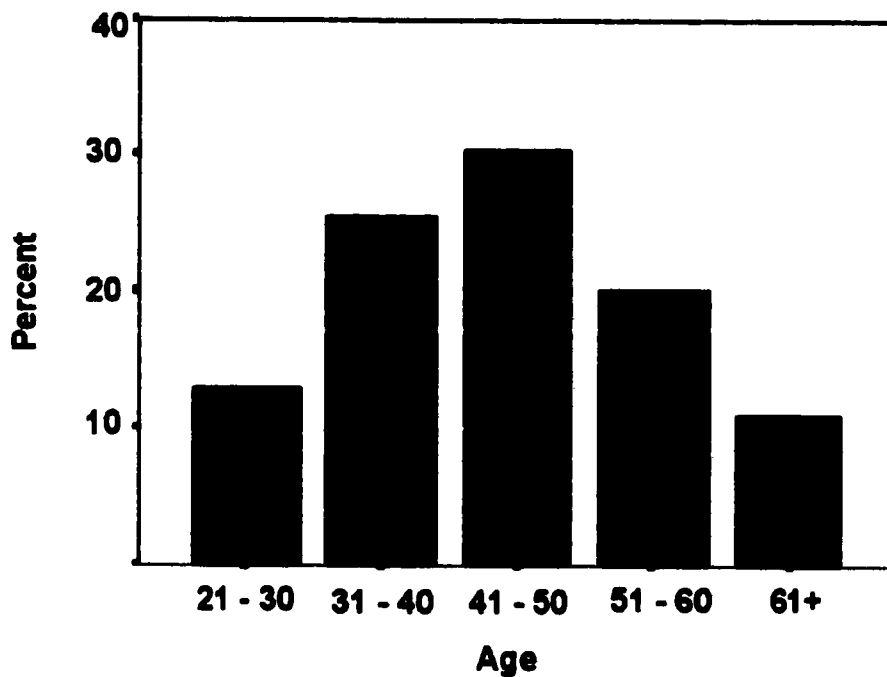
Figure 5.5: Occupation Of Winery Visitors



Age

The age of visitors was fairly well spread out, as seen in Figure 5.6, however, the majority of visitors were between 31 and 60 years old (76%). There were fewer people between 21 and 30 years old (12.9%) and above 61 years old (11.1%), than there were in the middle age categories. When examining the three groups of visitors, the percentage of over 61 years old was slightly higher for the locals than it was for the tourists.

Figure 5.6: Age of Winery Visitors

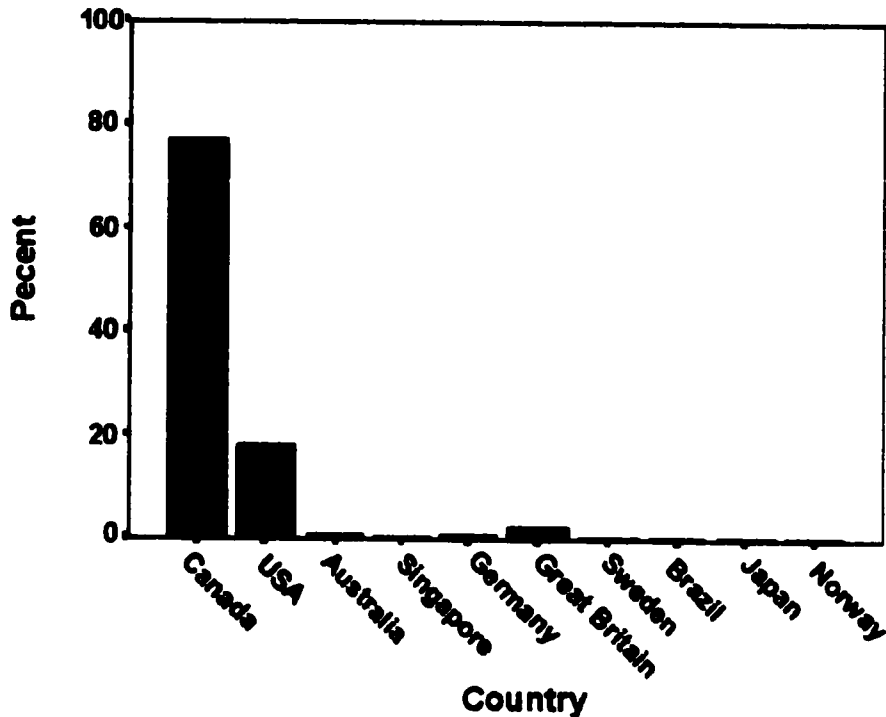


Origin

The majority of visitors (77.0%) were domestic travelers. The next highest number came from the United States (17.6%), which is not surprising due to its close proximity. Finally, 5.4% were international visitors, with many of these coming from Great Britain (Figure 5.7). Within Canada and the U.S., the top three provinces/states were Ontario (76.2%), New York (5.4%) and Pennsylvania (3.5%), again, indicating their close proximity (Figure 5.8). The origin of visitors will have implications in the marketing section and will be discussed further then. Another characteristic that will also be discussed in the marketing section is the fact that 92.7% of visitors surveyed were independent travelers. This result most likely occurred because people who were on tours did not usually have time to answer the survey due to a strict time

schedule. Also, the people on some international tours did not speak English, which made it impossible for the researchers to interview them.

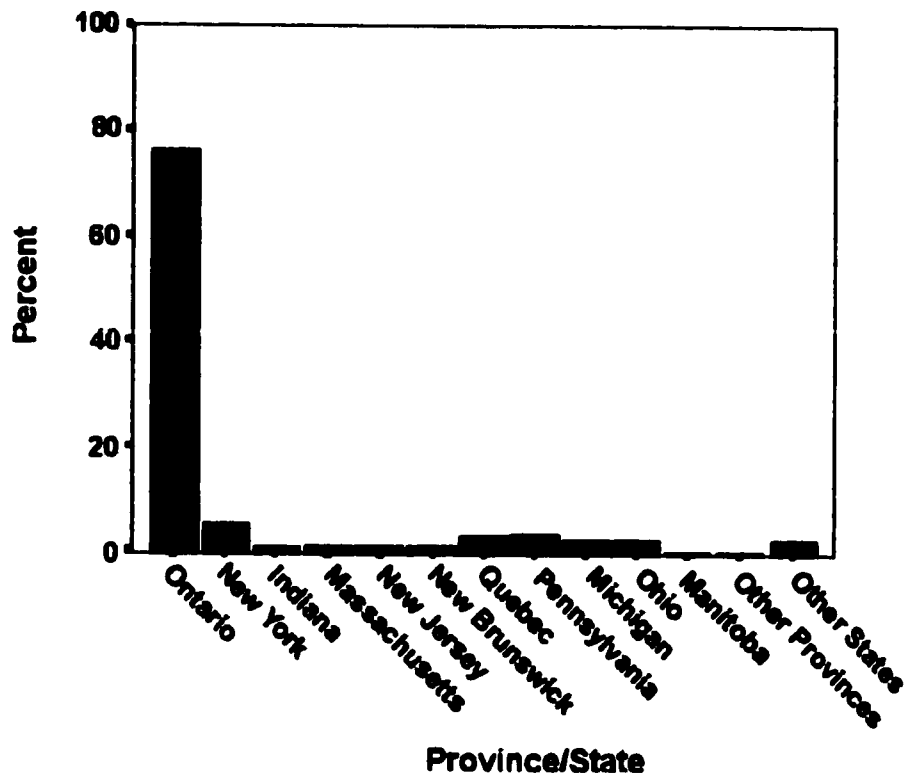
Figure 5.7: Origin of Visitors by Country



5.2.2 Summary of Winery Visitors

To summarize, a typical winery visitor in the Niagara Region would be well educated, have a moderate to high income, be a professional/skilled or semi-skilled worker and be between the ages of 31 to 60 years old. It is also likely that the visitor would come from Ontario. Although the three types of visitors (overnight, day and locals) have similar demographic profiles, the separation of these groups will be discussed further in the economic section of this study.

Figure 5.8: Origin of Visitors by Province/State



5.3 The Wine Industry and Rural Tourism

There are many links between wineries and rural tourism in Niagara Region. A reciprocal relationship between wineries and tourism seems to have developed throughout the region. In other words, not only does rural tourism depend on the wineries, but many of the wineries also depend on tourism in order to be sustained in the future. Tourism assists the wine industry in many ways and brings a wide range of advantages to the wineries themselves and to the winery region. At the same time, the wine industry assists both tourism and the economy of Niagara Region. The general links between the wine industry and rural tourism will be discussed in this section, and the economic links will be described in much greater detail in the following section of this chapter.

The wine industry in Niagara Region currently plays many roles in rural tourism, however this was not always the case. Prior to the 1990's the wine industry had very little to do with the tourism industry in Niagara Region (Hardy, Nov. 26th 1999). The whole winery "experience" as described previously, did not even exist in this region until approximately 10 years ago, when the Wine Route was created. The Wine Route was developed in order to encourage people to visit the wineries and its main features include signage directing visitors to wineries and a promotional map of wineries, distributed by the Wine Council of Ontario. Any winery that joined the Wine Council was included on this Wine Route. The route was designed to encourage visitors to get off the highway and into the more rural areas of the region, so that they could discover what the region had to offer (Wine Council of Ontario, personal interview 1999). The wineries began building facilities for visitors and offering tours, and out of this Wine Route grew the wine tourism industry that exists today.

5.3.1 Roles of Wineries in Rural Tourism

The wine industry in Niagara has grown so much over the past 10 years that it is now often said that "a trip to the region is not complete without visiting at least one winery" (Hardy, Nov. 26th 1999). Ten years ago, there were only 15 wineries in the Niagara Region (WCO 1999). There are now approximately 60 wineries in the region, which receive about 450 000 visitors in total per year (WCO 1999). Although most of the wineries studied do not keep track of visitor numbers, all representatives agreed in the personal interviews that the number of tourists and the industry itself is rapidly growing.

Some of the roles that the wine industry plays in rural tourism were discussed in the visitor survey. For example, visitors were asked to rate the importance of a number of reasons in their decision to visit the winery region (Table 5.1).

Table 5.1: Importance of Factors in Enjoyment of Winery Region

<u>Rank</u>	<u>Reason</u>	<u>Mean (n=)*</u>
1)	rest and relaxation	5.58
2)	attractive scenery	5.19
3)	a unique experience	4.85
4)	to purchase wine	4.25
5)	education	3.69
6)	contact with friends/family	2.95

*on a scale of 1 to 7 where 1 is not very important and 7 is very important

Source: Visitor Survey in Niagara 1999.

It is useful to note that “to purchase wine” is not as important as three other reasons for visiting the region. The other three components, rest and relaxation, attractive scenery and a unique experience, are all parts of the ‘wine tourism experience.’ It is this ‘experience’ that people appear to be coming to the region for, much more than simply for the purchase of wine itself. One of the main components of the experience is the very attractive rural landscape that is created by the wineries. This rural landscape in itself provides a large draw for tourists, especially from major urban centres, such as Toronto. In another survey question, rural landscape was ranked as being very important in influencing the enjoyment of the winery region experience (Table 5.2). Results of the survey also show that visitors currently think

highly of the rural landscape in Niagara Region, which is shown in the second line of the following table.

Table 5.2: Importance and Rating of Regional Factors (by Mean)

	<u>Rural Landscape</u>	<u>Ease of Access</u>	<u>Signage</u>
<u>Importance</u> *	5.79	5.55	5.45
<u>Rating</u> **	6.34	5.96	5.37
*on a scale of 1 to 7 where 1 is not important and 7 is very important			
** on a scale of 1 to 7 where 1 is very poor (i.e. the signage is very poor) and 7 is excellent (i.e. the signage is excellent)			

Source: Visitor Survey in Niagara 1999.

Since wineries play a large role in the scenery of the area, they also play a large role in sustainable rural tourism in Niagara, as the attractive scenery provides an excellent backdrop for the tourism industry. Without this attractive landscape, one of the prime reasons for visiting the region would be lost, therefore the landscape must be maintained in order to sustain rural tourism. Since wine tourism encourages the growth of agriculture in the area and helps to maintain the farmland currently in production, it is also generally compatible with the preservation of escarpment lands (Franklin, Oct. 6th, 1999). By helping to maintain the rural landscape, wine tourism discourages urban encroachment, such as the construction of large subdivisions and industrial parks. This compatibility with the preservation of escarpment lands should assist in keeping wine tourism sustainable in the future.

The rural landscape is also part of the unique aspect of the experience and may add to the feeling of rest and relaxation that the area provides. Rural areas are often less congested than urban areas, and therefore offer a more relaxing experience, which is ranked number one on importance of reasons to come to the winery region

(Table 5.1). The vineyard landscapes also provide unique scenery that cannot be found in many other parts of Canada or the world due to the specific growing conditions required for the vines. From the survey results, it is quite obvious that wine tourism provides people with a form of rest and relaxation, as well as providing a unique tourism experience.

Other parts of the wine tourism experience include purchasing wine, education and contact with friends and family (Table 5.1). Although many people purchase wine at the wineries, it is important to note that this is only one part of the whole experience. Another role that wineries play in tourism is that of education of the visitors. Wine seems to be becoming a larger part of the North American culture and this increase may be partially due to education. Not only is visiting a winery relaxing, it may also provide an educational experience. Many of the wineries are attempting to educate the visitors, in order to create long-term buyers for their product (Winery E, personal interview 1999). The tours at wineries give an educational dimension that may appeal to tourists who come for a learning type vacation. This follows a growing trend in learning type vacations, as “studies on the new tourist indicate that the kinds of tourism products that will hold the most appeal are those that add value to an individual’s life experiences” (Canadian Tourism Research Institute 1999:1). This is another reason why wine tourism can be expected to be sustainable in the future. Although education is not considered to be as important by those surveyed as several other factors (Table 5.1), it can still be considered to play a role in the wine tourism experience. It is possible that some visitors do not realize that they are learning in this type of environment, even though they likely are,

especially if they take a tour. Something else that the visitors may not consciously realize is that wine tourism often provides a day out with family and friends. This was ranked as fairly low in importance in the survey (mean=2.95).

It is easily illustrated how large a role the wineries play in the entire rural tourism business in Niagara. For example, wineries were the main reason to visit the region for 46.1% of people surveyed (Table 5.3). Although many people combine their visit with other attractions, this percentage shows that wineries are a strong pulling force for visitors and they are a definite attraction on their own, as well as in combination with other attractions.

Table 5.3: Top Reasons for Visiting the Niagara Region

<u>Main Reason for Visiting Region</u>	<u>Percentage of Visitors</u>
Wineries	46.1%
Niagara Falls	6.8%
Shaw Festival	5.5%
Visiting Friends/Relatives	4.8%

Source: Niagara Visitor Survey, 1999.

Another advantage to having wineries as part of rural tourism in a region is that they attract repeat visitors. Over half of the people surveyed (56.9%) had visited one or more wineries in the region before, and 90.6% of people said that they would return in the future. These statistics are very important in future planning and will be discussed further in the marketing section. The statistics are also important in showing the sustainability of visitor numbers. Without repeat visitors, the wine tourism industry would not be as easily sustained in the future.

‘Touring’ from one winery to another is often an important part of the experience. Most visitors are not just coming to one winery. In fact, 72.3% of the people surveyed are visiting more than one winery within the region. Many people

(59.6%) also combine winery visits with other attractions in the region. This shows that wineries are an integral part of the tourism industry within the region. Winery touring can be combined with other rural activities such as farm tours, hiking or cycling, as well as with a more urban experience, such as visiting the casino in Niagara Falls. Wineries may provide the initial attraction to the region, but when visitors arrive, they may decide to visit some of the many other attractions available, and therefore many spin-off effects occur. The links between different attractions will also be discussed further in the marketing section.

Another role that the wine industry plays in Niagara tourism is that it helps to diversify the tourism product. For example, it encourages people who are visiting Niagara Falls to stay longer and spend more money. Also, the industry has helped to create upscale services and amenities that previously did not exist in the Niagara Region (Hardy, Nov. 26th, 1999). The creation of this new product has encouraged repeat visits from markets such as Toronto. Many of these people have likely already visited Niagara Falls, so need another reason to visit Niagara Region, and wineries provide such a reason. The wine industry and the upscale amenities that accompany it, also encourage new people to come to the area, who may be highly educated and have high incomes, as discussed in the “Wine Tourist” section. Wine tourism also transcends sectors, therefore creating ‘experience trips,’ such as the joining of wine and cuisine, which also may appeal to new types of tourists. The joining of wine and food provides an opportunity to attract new visitors and encourages them to stay longer than just a couple of hours at Niagara Falls (Telfer, in press).

Overall, wineries play many roles in rural tourism. Two of the most important of these are that they provide attractive rural scenery, and they create an opportunity for rest and relaxation. The wineries are also a large attraction to the region as a whole, and they help to diversify the tourism product in the region.

5.3.2 Influences of Various Factors on the Wine Tourism Experience

The wine tourism experience is affected by several other factors within the region, some directly related to the wine industry and others that are not necessarily connected to the wine industry itself, but may be related to the rural tourism experience. For example, in the survey, visitors were asked how important several factors were in influencing their enjoyment of the experience. The regional factors included were rural landscape, ease of access and signage (Table 5.2). The factors specific to the wine industry were, the variety of wineries, the Wine Route, and the attractiveness of winery buildings, and these will be discussed later.

From Table 5.2, it appears as though generally, visitors are very satisfied with their experience in the Niagara Region. All three of the regional factors (rural landscape, ease of access and signage) have high means on the rating scale, which shows that many visitors think highly of these factors in Niagara. The three factors are also quite important in influencing the visitors' enjoyment of the experience, therefore, the standards of these factors should be kept high in order to keep wine tourism sustainable in the future. One factor on which the region falls slightly below expectations is the signage. Based on the survey results and personal observation in the region, there is a definite need to improve signage in some areas. This would decrease the frustration that often comes with poor signage, which would raise the

quality of the experience. The ease of access is rated fairly high. This is most likely due to the region's close proximity to the United States, as well as the major highway (the Queen Elizabeth Way) that runs from Toronto to Niagara. According to the video "Niagara Tourism Investment: Capitalizing on Success" (NETC 1999), new roads and bridges are also being built to improve access to the region. The only time that access may be a problem is in the winter months. According to survey results from another question, when asked how likely it would be that they would visit Niagara during the winter, 56.9% said that it was highly unlikely. One of the main reasons for this is the weather, which may cause an access problem to the region.

As well as the regional factors, the visitors were also asked to rate the Niagara Region on three factors that related specifically to the wineries. Visitors were also asked how important these factors were in influencing their enjoyment of the experience. The importance of factors in influencing enjoyment can be compared to the rating of factors, by comparing the means in Table 5.4.

Table 5.4: Importance and Rating of Winery Factors (by Mean)

	<u>Variety of Wineries</u>	<u>Wine Route</u>	<u>Attractiveness of Winery Buildings</u>
<u>Importance*</u>	5.54	5.00	4.86
<u>Rating **</u>	6.18	5.69	5.50
*on a scale of 1 to 7 where 1 is not important and 7 is very important			
**on a scale of 1 to 7 where 1 is very poor and 7 is excellent			

Source: Visitor Survey in Niagara 1999.

From the table, the variety of wineries is fairly important in influencing the enjoyment of the visitor, but it is also rated as very good to excellent. The variety is improving every year in the region, so it should continue to have a high rating. The

Wine Route is fairly important to visitors (with a mean of 5.00), but it is also rated even higher (with a mean of 5.69), therefore, the Wine Council should continue to promote the Wine Route in a similar manner. However, several suggestions to improve the Wine Route map will be made in the following chapter. Finally, the last factor to discuss is the attractiveness of winery buildings. From the list, this is the least important factor to visitors (4.86), but again, it performs fairly well (5.50). There are a large variety of winery buildings in Niagara, so the performance may vary depending on which wineries the tourist visited.

5.3.3 Summary of Factors

Overall, both the regional factors and the specific winery factors were rated highly by visitors to the region. All of the factors were also quite important in influencing the visitors' enjoyment of the winery region experience. However, it is what surrounds the winery that seems to be of more importance than the actual winery buildings. This is shown in the high importance of the rural landscape and the relatively lower importance of the buildings and, wineries should keep this in mind when constructing new facilities for visitors.

5.4 Advantages of Tourism to the Wine Industry

It has already been shown that the wine industry brings many advantages to tourism, but the reverse is also true. In fact, many of the wineries that exist in Niagara today would not be there without tourism. The following table (Table 5.5) summarizes some of the advantages that tourism brings to the wineries of Niagara Region.

Table 5.5: Advantages of Tourism to Individual Wineries

<u>Winery</u>	<u>Advantages of Tourism to Winery (as stated in interviews)</u>
A	-increased sales -promotes positive perception of wines -brings exposure to products
B	-increased revenue -on-site sales based 90% on tourism
C	-huge benefits -70% of product sold from this site
D	-increased revenue -sell more because of cellar door sales
E	-increased sales -increased recognition -higher profit than if sold through LCBO
F	-large cellar door sales (70-80% sold from here) -tourism put winery 'on the map'
G	-financial gain -community gain – adds to community
H	-helps build client base -educate visitors- raises awareness of wines -creates brand loyalty

Source: Personal Interviews with Winery Representatives, 1999.

Of course, one of the prime advantages of wine tourism to the wine industry is an increase in sales revenue. Selling from the cellar door provides the winery with a

much higher profit than if they were to sell through the Liquor Control Board of Ontario (Winery E, personal interview 1999). It also gives the winery the opportunity to sell more wine, than if they only sold through the LCBO. In fact, at several of the wineries visited, cellar door sales represent 70-80% of total sales (Table 5.5). As well as these direct revenue benefits, wine tourism also brings other advantages to the wine industry.

Selling from the cellar door brings increased exposure to products. By giving tours and allowing people to look around the winery, the wineries create a larger awareness of their wines and where they come from. This may help visitors to gain a new, positive perception of Ontario wines and may also create brand loyalty. By actually showing where the grapes are grown and the wines are produced, the wineries are hoping to create a lasting impression of their wines. Therefore, the next time the consumer goes to the LCBO, it is hoped that they will remember their positive experience at the winery and purchase that brand of wine. Wine tourism generally helps to create a good customer- business relationship, and actually helps to put some wineries ‘on the map.’ Without the exposure to visitors, some wineries would have very little exposure at all. Wineries also provide an outlet for visitors to taste the wine, before they buy, which is a part of good customer relations.

It is quite obvious that the wineries of Niagara see tourism as a very positive part of their businesses. Visitors are considered very important to the long-term sustainability of many of the wineries in this region. The following table (Table 5.6) summarizes the comments made by winery representatives when asked if tourism is important to the long-term sustainability of their business.

Table 5.6: Importance of Tourism to the Sustainability of Wineries

<u>Winery</u>	<u>Responses to Question: Do you consider tourism to be important to the long-term sustainability of your business? Please explain.</u>
A	YES and NO – not of business as a whole, but tourism is the key to this store -agri-tourism – focus of this store
B	YES – on site sales based 90% on tourism
C	YES – tourism is a very important variable
D	YES – critical –tourists help produce world-wide credibility of wines
E	YES – educate consumer through visits – produce long-term buyer -promote brand loyalty for future
F	YES – tourism put winery on map -70-80% of sales made from here
G	YES- good tourism base = profit and quality
H	YES– built new facility to be complete tourism centre -educate and build client base through tourism

Source: Personal Interviews with Winery Representatives, 1999.

Most wineries hope to create long-term buyers through their visitor programs. Since so much wine is sold from the cellar door, many of these wineries would not survive without visitors. There is one major exception to this reliance on visitors, from the eight wineries studied. Winery A is so large and sells so much wine from other locations that it does not rely specifically on its' retail store in Niagara to survive. However, according to the interview at Winery A, the focus of this particular location is agri-tourism and therefore this particular retail store could not survive without the

winery visitors. The other wineries studied are smaller in comparison, and thus have different business strategies.

5.4.1 Summary of Advantages

Although most winery representatives focused upon the economic advantages of wine tourism to their winery, such as an increase in business revenue, it should also be noted that there are several other important advantages of wine tourism. These advantages include exposure to the winery and its products, increased awareness of wines, brand loyalty, education, increased recognition and a lasting impression created by the visit.

5.5 Group Tours

Although most of the survey data collected for this study came from independent travelers, some information on group tours was collected from interviews with winery operators. Policies regarding group tours, especially large coaches vary from winery to winery. For example, all wineries prefer that large groups make an appointment to visit before they arrive, but some wineries will still allow tours to drop in, where as others will turn the group away. The number of coach tours that each of the wineries receives every year varies greatly, with the range being between approximately 20 per year to 600 per year. It was very difficult to determine the exact number of tour visitors that arrive at each winery, as not all of the wineries keep good data on the number of tour groups they receive every year. Also, even if the number of groups was monitored, often the winery representative did not know the number of people on each tour, as this varies by the size of the coach.

As well as the large variation in numbers of coach tours, the reliance of each winery on group tours varies greatly. For some wineries group tours represent a large proportion of their revenue. For example, at Winery A, 55% of visitors are either on bus tours, or come in large groups who pre-book, and these groups represent approximately 38% of total wine sales. At Winery H, private group tours and group events represent approximately 20% of revenue. Some of the other wineries, especially the smaller ones, for example, Winery C try to discourage group tours, as they prefer the independent traveler, who generally creates a higher return and causes less congestion within the winery itself and in the surrounding rural roads. Charges for group tours and tastings also vary between wineries. They range from no charge at all to packages which cost up to \$25 per person, for a tour and tasting.

Another aspect of group tours that should be mentioned is that different nationalities of visitors have different spending patterns. For example, according to Winery A, the Ontario coach tour market represents the least amount of revenue (approximately \$10/person), the United States market is in the middle at \$15/person and the Asian market represents the highest amount of spending at \$50/person. The Asian market is encouraged to visit certain wineries, such as winery E, as they employ tour guides who speak Japanese and have signs and literature in Japanese. Although the Asian tour groups are known to spend more, they are not always desired, as they often require extras such as special staff who speak their language, and unique products such as icewine, which not all of the wineries produce.

Another type of group tour that is becoming popular in Niagara is bicycle tours. Wineries also have mixed feelings on these tours, but generally they are

accepted, as they do not cause as much congestion as coach tours. Bicycles are much easier to park than large coaches, and generally fewer people arrive on a bicycle tour than a coach tour, so less congestion is created within the winery itself. Some wineries work with bicycle tour companies, and cater to the tours, such as providing them with lunch. At other wineries, bicycle tours are less desired, as they cannot buy much wine on the spot, since they cannot carry it. It is hoped that those people on the tours will either return to the winery at a later date to buy the wine or purchase that brand at the LCBO.

5.6 Conflicts Related to the Growth of Wine Tourism

Wine tourism in general seems to be a positive mode of economic development in the Niagara Region. Very few negative effects were found. However, several small issues, all related to congestion were discussed. For example, one negative effect on wineries occasionally arises from coach tour visits. If large coach tours arrive without booking, then they tend to cause overcrowding at wineries, and it is a challenge for winery staff to deal with them. The large crowds may also annoy the independent travelers, discouraging them from visiting again. In fact, congestion in peak season is the only problem mentioned, by the winery representatives in the interviews, and many wineries are already taking steps to alleviate this problem. For example, they are trying to expand the season by encouraging people to come all year round, as this will reduce minor problems such as a shortage of parking. The representatives interviewed at the Wine Council and the NETC both agreed that congestion could be a problem, but they emphasized that if tourism is managed properly, it will have very few negative effects. The key seems

to be a balance between growth and preservation. The rural landscape and charming country character that attracts the tourists to begin with must be maintained, in order to keep visitors coming back.

5.7 Tourism and Economic Development

Before discussing the economics of wine tourism specifically, some details will be given of tourism's effect in general, on the economy in the Niagara Region. Tourism is a very important and large component of economic development in Niagara (NETC, personal interview 1999). In fact, tourism will likely be the prime economic generator in the region in several years, as it is expected to surpass manufacturing. Tourism is a main part of many economic development strategies within the various towns located in Niagara Region. For example, the town of Grimsby states that tourism/agri-tourism and agriculture/greenhouses/wines are two of the top three targeted sectors for their economic plan as of 1996 (Table 3.2). The two main sectors targeted in the economic plan for Niagara-on-the-Lake are tourism and agriculture and finally, tourism and agri-tourism are also included in the economic plan for the City of St. Catharines (Table 3.2).

The reason behind the extensive targeting of tourism is likely due to the large amounts of revenue that it generates. For example, in 1996, tourist spending in Niagara Region was \$922.6 million (Canadian Tourism Research Institute, 1999). The largest proportion of this money was spent on food and beverages, which was followed by the accommodation sector. By 1997, tourism spending in the region had increased to \$1.51 billion, and this is projected to increase to at least \$1.98 billion per year by 2002 (Canadian Tourism Research Institute, 1999).

As well as creating revenue for businesses, tourism also creates many jobs, taxes and investment impacts within the region. For example, tourism helped support 30 880 full-year jobs in the Niagara Region in 1997 (Canadian Tourism Research Institute 1999:20). The impact analysis done by the CTRI suggests that tourism helped support 19.1% of local employment in 1997. There were also a large amount of taxes created by tourist spending in 1997. The total level of taxes supported by tourism in general in Niagara Region in 1997 was estimated to be \$572 million (Canadian Tourism Research Institute 1999). When all tourist spending and tourism-related investment and construction activity are included, tourism in Niagara Region generated a total of \$2.07 billion of economic activity within the region, in 1997 (Canadian Tourism Research Institute 1999). This number was determined by the CTRI, by entering expenditures as inputs into the Tourism Economic Assessment Model (TEAM) developed by the Institute.

5.8 Wine Tourism and Economic Development

Wine tourism assists the economy of Niagara Region in several ways, just as tourism in general does. Not only does it have direct benefits, such as providing a source of business revenue, taxes and employment, but it also has many indirect benefits such as increasing investment in the region, and the creation of other spin-off effects. Statistics and information from the WCO, the NETC and from the wineries themselves will all be used in this analysis. Also, results of the survey will be analyzed and described.

5.8.1 Business Revenue and Tourist Spending

The first way that wine tourism may be shown to assist the economy of the Niagara Region is through an increase in business revenue. According to a study done by Deloitte and Touche, every \$10 million in wine sales translates into \$14.8 million in economic activity in Ontario and in 1997, total retail sales value was \$275 million dollars (WCO 1997). When interviewed, all winery representatives stated that one of the main advantages to wine tourism was an increase in revenue. This revenue mainly comes from winery visitors purchasing wine and other items directly from retail stores at the wineries. Not only has the revenue at wineries increased, but winery visitors also financially support other local businesses such as hotels, tour companies and restaurants. Results from the survey conducted in August and September 1999 indicate that on average, visitors to wineries were spending approximately \$38/day on wine, \$34/day on accommodation and \$32/day on restaurant food and beverages. When other items were included, (such as souvenirs and attractions), the average total spending by one visitor per day was \$130 (Table 5.7). However, this number fluctuated depending on several factors such as, if the visitor was on a tour or traveled independently, where the visitor came from and if the visitor stayed overnight in the region or not. The average amount spent by day visitors only was approximately \$67/day, whereas visitors staying at least one night were found to spend \$178/day on average (Table 5.7). Therefore, if more people can be convinced to stay overnight, then even more revenue will be created.

There was also a difference in spending patterns between Canadian and American tourists. American tourists spent an average of approximately

Table 5.7: Visitor Spending Figures (averages per person per day)

	<u>Total Direct Spending</u>	<u>Spending on Wine</u>
<u>From Survey</u>		
All Visitors	\$130	\$38
Day Visitors Only	\$67	\$32
Overnight Visitors Only	\$178	\$42
American Visitors Only	\$172	\$27
Canadian Visitors Only	\$123	\$40
Independent Visitors Only	\$128	\$40
Tour Visitors Only	\$168	\$14
<u>From Winery A</u>		
Ontario Coach Tour Visitors		\$10
American Coach Tour Visitors		\$15
Asian Coach Tour Visitors		\$50

Source: Visitor Survey in Niagara, 1999 and Personal Interview, Winery A, 1999.

\$172 per day, whereas Canadians only spent about \$123 per day. However, Canadians spent more than Americans on actual wine purchases, \$40 compared to \$27 (Table 5.7). The three main areas where the Americans spent much more than Canadians were accommodation, restaurants and souvenirs.

By comparing figures on wine spending between tour visitors and independent visitors, it becomes obvious why the independent visitor is preferred by most wineries. For example, from the survey, independent visitors were found to spend \$40 on wine, where as tour visitors spent only \$14 on wine (Table 5.7). Although according to the survey, tour visitors actually spend more per day in total than

independent visitors, much of this money likely goes to the tour companies, which contributes to the region's economy, but less is gained by the actual wineries.

Since the survey sample was composed mainly of independent visitors, spending statistics for coach tour visitors were also obtained from Winery A. According to Winery A, the Ontario coach tour market spends approximately \$10/person on wine and the American coach tour market spends approximately \$15/person on wine (Table 5.7). These figures show that the amount of money spent on wine by coach tour visitors (both Canadian and American) is significantly lower than that spent by independent visitors. An exception to these spending figures arises with Asian coach tour visitors, who spend about \$50/person on wine, according to Winery A. However, most wineries are not equipped to deal with Asian coach tour visitors, so they still prefer independent visitors.

When all nationalities were included and the independent visitors (those not on a tour) were separated from the other survey results, they were found to spend approximately \$128/day on average. This is very close to the figure of \$130/day for the entire sample, as approximately 93% of the sample were independent travelers. Those visitors on a tour were found to spend approximately \$168/day. It is difficult to determine a total for all visitor spending in the region, however, wine tourism definitely contributes to the direct spending of tourists in the Niagara Region, which the CTRI determined to be \$1.51 billion in 1997.

Another aspect of direct revenue that can be discussed is money spent at the actual individual wineries. Unfortunately, most wineries do not keep very good track of visitor numbers or average visitor spending. Therefore, average transactions

figures obtained from the personal interviews vary from approximately \$12/person to \$45/person. However, Winery A, which is the largest of the eight wineries studied keeps very accurate and up-to-date figures for each type of visitor that comes to the winery. According to their 1997/1998 figures, the visitors who spend the most are 'Drop In Shoppers,'(locals) who spend \$33/person on average. These are followed by 'Travelling Tourist' (independent travelers) who spend \$16.50/person on average, the "Travel Trade Market" (coach tours), who spend \$15/person and Clubs/Organizations, who spend \$12.50/person on average. Although these figures for the different types of visitors are similar, they provide further evidence of why the independent traveler is preferred and therefore targeted by most wineries over the coach tour visitor.

One final aspect of visitor spending from the survey that will be discussed is the differences between the spending in the Bench area, compared to that in the Niagara-on-the-Lake area. In fact, total spending by visitors to the two areas was very similar, with both spending approximately \$130 per day. However, the division of this \$130 between sectors varied. For example, more money was spent on wine in the Bench area, at approximately \$44 per day, compared to \$31 per day in Niagara-on-the-Lake. However, in Niagara-on-the-Lake, more money was spent on accommodation, at \$39 per night, compared with \$29 in the Bench area. The other sectors of spending such as restaurants and souvenirs were very similar for the two areas.

5.8.2 Employment

The next aspect of the economy that wine tourism assists is employment. Not only are those working directly in the wine tourism industry included, but other areas included are farming, hotels and restaurants, and construction. For example, of 2 672 farms in Niagara Region, 522 of these grow grapes (NETC July 1998), which provides 829 jobs (WCO 1998). Working directly in winery operations are 997 people and about 1 796 people are employed in the winery retail system. In total, there were 4 778 jobs in wine tourism in 1997, according to the WCO (Table 5.8).

Table 5.8: Wine Industry and Related Employment

<u>Employment Type</u>	<u>Number Employed In Wine Industry</u>
Winery Operations	997
Winery Retail System	1 796
Direct Winery Suppliers	700
Indirect Winery Suppliers	403
Grape Growers	829
Indirect Employment of Grape Growers	53
Total: (full and part-time) (in Wine industry)	4 778
Total number employed in Niagara Region (1997)	161 900
Total number of jobs supported by Tourism In Niagara Region (1997)	30 880

Source: WCO 1998 and CTRI 1999.

When comparing this wine industry figure to employment figures for the entire region (Table 5.8), wine industry-related jobs accounted for approximately 3% of total

employment in Niagara Region, and approximately 15% of jobs supported by tourism in the region.

When examining the tourism sector of the wine industry, it is important to note the large number of people that are involved in the winery retail system (1 796). If visitors did not come to the wineries, then many of these jobs would not exist. In fact the WCO states that, "Employment related to winery tourism has tripled in the past three years" (1999). This number is expected to grow even more in the coming years, as many of the wineries are expanding, and many new wineries are also being created. A good example of growth in employment is at winery D. This winery currently employs about 25 people full-time (Table 5.9), but after their expansions are finished, in two years, they expect to employ about 100 people (Winery D, personal interview 1999).

Table 5.9: Current Employment at Eight Niagara Wineries

<u>Winery</u>	<u>Number of Employees (1999)</u>
A	75 (on site only)
B	25
C	86 (peak), 61 (off season)
D	25
E	30
F	8
G	20
H	40-50
Totals:	319 (highest with estimates) 284 (lowest with estimates)

Source: Personal Interviews with Winery Representatives 1999.

According to a study done at Niagara College, the following occupations are also expected to increase in the wine industry: tour guides; sales people; cellarmen; farm labourers; vineyard managers; wine chemists and technicians (Niagara College and Human Resources Development Canada 1999). As well as these projections, the same study projected increases in employment in the accommodation, food and beverage services. The following occupations, are expected to increase: waitresses/waiters; cooks; kitchen helpers; chefs; bartenders; restaurant managers; front desk clerks; grounds-keepers; sales; conference planners and caretakers. Since wine tourists often purchase food and beverages in the area, and many also stay overnight, wine tourism assists this projected increase in employment. New jobs are also being created by new tour companies, such as 'wine tour' buses and bicycle tours (NETC, personal interview 1999; WCO, personal interview 1999). More and more companies are starting up businesses which are direct spin-offs from wine tourism and these provide new employment opportunities for people in the region.

Unfortunately, not all of the jobs created by wine tourism are full-time and year round. However, the seasonal jobs and part-time jobs still provide excellent opportunities for many people in the area. For example, these jobs are a good source of income for students in the summer months. According the study done by Niagara College and the HRDC in 1999, the pay for these part-time jobs is above minimum wage. The part-time hourly wages ranged from \$7.00 to \$23.00 per hour, with an average of \$9.42 per hour (Niagara College and HRDC 1999). Wages for full-time employees are slightly higher, ranging from \$7.00 to \$26.00 per hour, with an average of \$10.97 per hour.

Another sector that gains employment through wine tourism is the construction industry. All of the eight wineries studied have either recently expanded or are planning to expand in the future. These expansions are often related to the tourism/hospitality aspect of their business, with good examples being wineries C and H (Table 5.10).

Table 5.10: Expansion Plans of Wineries

<u>Winery</u>	<u>Planning to Expand</u>	<u>Examples of Expansion Plans</u>
A	YES	unavailable
B	YES	expanding adjoining restaurant
C	YES	recently expanded- restaurant and shop planning to expand or build – production area, underground cellars, B&B, culinary school
D	YES	building visitor facilities on several new properties ie. retail facilities
E	YES	build new hospitality centre and raised walkway through vineyard
F	YES	new hospitality room for large groups, increasing vines and tank space
G	YES	new service areas (wine bars, tasting areas, educational areas)
H	YES	expand for tourism, hospitality and production – ie. increase shop size, special functions area

Source: Personal Interviews with Winery Representatives 1999.

Obviously, all of this physical expansion involves building and renovating, which helps to create jobs in the construction industry. In fact, in the tourism and hospitality sectors in general, there are proposals totaling more than \$5 billion in

capital development projects in Niagara Region. This is expected to create 50 000 jobs in the next five years (NETC, fact sheet D, July 1999).

5.8.3 Economic Summary

The general trend in the Niagara Region seems to indicate a large increase in tourism over the next several years. Wine tourism is one of the many aspects of this growth. Wineries are attracting more and more new people every year, as well as having a very large proportion of repeat visitors (approximately 91% of people surveyed said they would return in the future). The wine industry is expanding to meet this increased demand from winery visitors, and through this expansion is having a very positive effect on the economy. Many new jobs are being created by the wine industry and by spin-offs of wine tourism. Revenue and investments are also increasing, which have a positive effect on the economy. Overall, wine tourism increases wine sales, allows for new developments (i.e. restaurants), fosters growth of new estate wineries and brings economic development to a region (Franklin, Oct. 6th, 1999). If managed properly, with regard for the environment and society as a whole, wine tourism will be a very sustainable form of economic development.

5.9 Marketing and Promotion of Wine Tourism

There are many different marketing strategies and promotional tools used in wine tourism marketing in the Niagara Region. Marketing strategies and target markets vary between wineries, depending on the image that they are trying to create. However, many wineries in Niagara partake in joint marketing and promotion with other wineries and other types of businesses. Wine tourism is marketed as an attraction on its own, as well as in combination with other attractions in the area, and

various organizations include wine tourism as part of their Niagara tourism marketing strategies. A general overview of the type of marketing currently taking place will be discussed in this section and details of suggestions for new strategies will be given in the following chapter.

Before joint promotions are discussed, some of the marketing strategies of wineries as individuals will be explained (Table 5.11).

Table 5.11: Popular Methods of Advertising

<u>Winery</u>	A	B	C	D	E	F	G	H
<u>Method</u>								
Word of Mouth	X	X	X	X	X	X	X	X
Wine Council	X	X	X	X	X	X	X	X
Newspapers(independently)	X							
Magazines		X	X	X	X	X		
Internet		X		X				X
Mail	X					X		X
Signage	X		X		X		X	
Pamphlets			X	X	X			X
Tradeshows	X			X				
Local Tourism Agencies	X			X		X		
Phone calls	X	X						
Local Partnerships		X	X	X	X	X		X

Source: Personal Interviews with Winery Representatives 1999.

From the sample of eight wineries, it appears as though most wineries have a limited advertising budget, so very few advertise on the radio or television. The more popular methods of advertisement include mailing lists, the internet, brochures (pamphlets), signage and advertising in magazines. Some wineries actually rely on free advertising, such as articles about the winery in culinary and wine magazines. The type of magazines that the wineries tend to advertise in are those such as Toronto Life magazine, and 'Where' magazine, which are available to a large urban market.

Most wineries host their own special events, such as art shows, which may attract additional people, and brochures are often used to advertise these.

Signage is another important part of advertising for most wineries. In fact, it would be difficult to find some wineries without their signs to direct visitors. Often, large signs are located on the QEW, which are used to draw people off the highway and into rural areas. However, it is then necessary for most wineries to have additional signage to help visitors to wind along back roads to find the winery. In fact, from the survey, 6.8% of visitors found out about wineries just as they were passing by, which can be attributed to the signage (Figure 5.9).

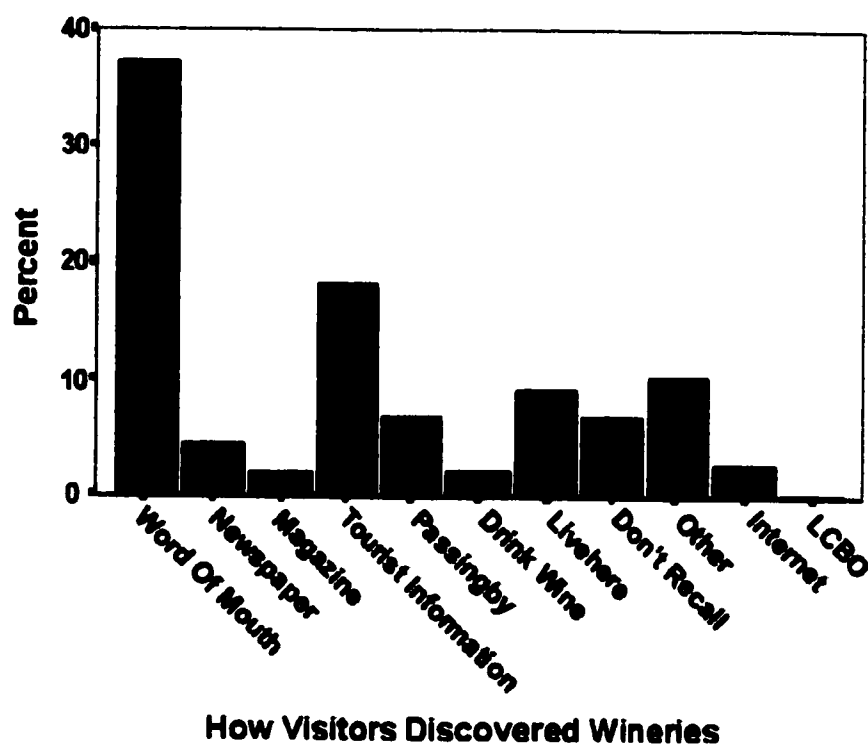
It is important to mention that one of the most relied upon methods of advertisement is word of mouth. A good example of the importance of word of mouth is from winery F, which claims that over 70% of their advertising is through this method. From the survey, word of mouth is the number one method of how the visitors found out about the Niagara wineries, as 37% found out this way (Figure 5.9). A prime way to maintain and increase this mode of advertising is to give visitors an excellent experience while they are in the region, so that they will tell others about it.

5.9.1 Joint Promotions

Besides word of mouth, and the individual promotional tools, a large mode of advertising for Niagara wineries is joint promotion. All of the wineries studied were involved in several types of joint promotion, and all but one thought that joint promotions were a very good idea. Joint promotions save money for each individual winery, and they also help to create a destination attraction, rather than just one winery alone trying to draw visitors to the area. There are a wide variety of joint

promotions that take place in Niagara, some of which are simply several wineries joining together, and others involve additional tourism businesses as well. The main joint promotion that the eight wineries interviewed are involved in is with the WCO. The WCO is a non-profit trade association, and they play a large role in the wine industry's marketing program as a whole. Tourism is a very important

Figure 5.9: How Visitors Discovered Wineries



part of their marketing strategy, as the wineries wish to be promoted as tourist destinations (WCO, personal interview, 1999). The WCO runs a number of promotions and festivals throughout the year, which include every winery that is a member of the organization. Three of the largest festivals are, 'The Six Unforgettable Weeks of Summer,' 'The Niagara Grape and Wine Festival' and the 'Days of Wine and Roses.' Each of these is in a different season, with the first in summer, the second in the autumn and the third in the winter, but each is set up in a similar way.

The 'Six Unforgettable Weeks of Summer' will be used as an example of how a festival is set up. Brochures are created for this festival, which outline each event at each winery that takes place during the duration of the festival. The brochures are then placed at various locations throughout Niagara, such as at each winery, as well as in other cities, such as they are inserted into newspapers in Toronto and Ottawa. The festival has been running for seven years and grows every year. It became so busy on weekends during the festival, that it was expanded to the weekdays as well, and now consists of about 350 events at 32 wineries. As well as creating and distributing brochures for the various festivals, the WCO also advertises the wineries in various brochures throughout the region, which promotes the wineries as an attraction.

Another large joint promotion that is run by the WCO is the Wine Route. The route was developed in 1988 in order to get visitors off the highway, and onto rural roads, in order to explore wine country. The WCO is responsible for promoting the route year round. They distribute a map, which can be found at many locations throughout the region (Appendix F), as well as in other locations, such as Toronto. The list and map can also be downloaded from their web-site, which is another of their promotional materials. Overall, the WCO does a great deal of promotion for the Niagara wineries as a whole.

Niagara wineries are also included in the co-operative marketing programs of the NETC. This agency does Regional Destination Marketing, in which wineries and many other attractions are promoted. They market the region as offering a multi-dimensional experience, with multi-attractions (NETC, personal interview 1999), and

wineries are seen as a key component of the experience. The corporation combines wine with food in various festivals, such as the 'Tastes of Niagara,' and they promote agri-tourism as a whole. They distribute many brochures on various aspects of tourism in Niagara, but wine tourism is included in most of these. For example, wineries are mentioned in their 'Niagara's Great Escapes' brochure, the 'Touring Niagara' brochure and the 'Golf Niagara' brochure. They also produce a magazine called 'Niagara's Seasons,' which can be found throughout the region, and includes a section on 'Wine Country.' As well as these publications, they have a web site which provides information on all kinds of tourism in Niagara.

As well as these generic marketing schemes, wineries also have smaller joint promotions of their own. For example, the wineries around Niagara-on-the-Lake have joined together to produce a card that lists those included as "The Wineries of Niagara-on-the-Lake." The card also includes some of the events that take place at these wineries. This group of wineries does joint advertisements on various bed and breakfast brochures as well as in magazines in Toronto, such as 'Where' Magazine. Some of the wineries on the 'Bench' also join together in a very similar fashion, in order to promote that area's wineries.

Most wineries also have partnerships with other businesses, as well as with the other wineries. It is common to find partnerships between wineries and upscale restaurants, hotels, and the Shaw Festival, as these tend to attract the kind of visitors that the wineries are looking for. Some restaurants agree to sell a certain winery's product, if the winery in turn promotes and recommends the restaurant. The wineries also have agreements with other types of tourism businesses, such as with bicycle

tour companies whereby the bicycle tours agree to stop for lunch at the winery restaurant, and the winery then distributes the company's brochures. The wineries also offer various packages to visitors. For example, wine tasting may be combined with other activities such as hiking, golfing, farm tours or visits to the theatre. An example of a package that already exists is 'Elegant Traditions,' which combines tickets to the Shaw Festival, a winery visit and accommodation at a bed and breakfast.

When all types of advertising are taken into consideration, the wineries of Niagara Region receive a great deal of promotion. They are included in WCO marketing, NETC marketing and their own joint marketing with other wineries and businesses. Through the larger organizations, the wineries become included in many different brochures, which advertise a variety of attractions. The winery advertisements in these brochures are usually generic and focus on the wineries as a whole, rather than specific ones. The other attractions included in these types of brochures include historical sites, power stations, helicopter rides, museums, shopping, restaurants, conservation areas, golf courses and many more. Special events, such as the Niagara Grape and Wine Festival also tend to get exposure in these brochures. Occasionally, as well as the generic advertisements, individual wineries have their own advertisements within these diverse brochures. When all the advertising is considered, the wineries of Niagara receive a great deal of exposure within Niagara Region.

5.9.2 Target Marketing

When discussing the marketing strategies of wineries, it is important to mention which markets are being targeted, and at what time of year. Most wineries

try to promote themselves as full-year attractions. Therefore, marketing is done throughout the year, however, more seems to be done in the summer and the autumn, as these seasons are when the major events take place. There are however, other marketing techniques used in other seasons, such as one winery mentioned in the personal interview that they have a pre-Christmas mailing list.

The types of target markets vary from winery to winery. Some wineries target all wine drinkers in general, where as others target those with a high appreciation for wine. Most wineries try to encourage independent travelers, more than coach tour visitors, as the independent visitors tend to spend more money on wine (Winery A, personal interview 1999; Visitor Survey 1999). The age of the target market is also varied, although the average age seems to be decreasing. For example, the representative from Winery E said that the average age of a winery visitor in the past was about 55 years old, where as now the average is about 35 years old. Most wineries now seem to target anyone from the ages of 25 to 60, who have a moderate to high income. They often try to attract professionals, who are middle to high class and this is accomplished by promotion in 'higher-end' hotels and restaurants, in areas such as Toronto and Buffalo. Also, they advertise in 'higher end' magazines and newspapers in these urban areas, in order to attract those people with a high income. One exception to the targeting of the independent, wealthy traveler arises at Winery A. This winery would like to attract these people, but has a great deal of difficulty doing so, so has therefore decided to attract seniors instead, who generally arrive on coach tours. Although the seniors tend to spend less money than the independent traveler, there are more of them, so they still represent a larger proportion of total

sales than the independent traveler, for this particular winery. Another popular target group is corporations, either from The Greater Toronto Area (GTA), Buffalo, or from in Niagara itself. Wineries often provide special package deals for corporations, and some offer catered, corporate functions, which provide an additional source of revenue for the winery. This also produces spin-off effects with other businesses, such as catering companies, if the winery does not have its own catering facilities.

5.9.3 Links Between Attractions in the Niagara Region

Now that the current marketing practices have been explained, links between various attractions in the region will be discussed, as determined from the survey. This will allow marketing techniques to be analyzed and compared to what is actually happening in the area, and therefore new marketing suggestions can be made.

Winery visitors can be linked with various places and attractions throughout Niagara Region. Before links with other attractions are discussed, it is useful to know, from a marketing perspective how many wineries the visitors are visiting while in the region. About 72% of people surveyed were visiting more than one winery, with 71.5% of these visiting at least four wineries during their stay. This shows that touring wineries is quite popular, and thus marketing wineries together is a good idea. By marketing together, the wineries represent an attraction that is worth coming to the region for, where as on their own, they may not be a large enough draw for tourists. Therefore, wineries should continue the joint promotions that they are currently involved in, and possibly even expand these, as will be discussed in the following chapter.

The next link that should be mentioned is the link with accommodation and the towns where the wine tourists are staying overnight. The top five places that tourists stayed in from the survey were, Niagara-on-the-Lake (41.3%), Niagara Falls (33.7%), St. Catharines (9.9%), Jordan (4.7%), and Vineland (2.3%). This shows that many more people stay in the Niagara-on-the-Lake area, compared to the Bench area. This is most likely because the Niagara-on-the-Lake area is more well-known, and is closer to Niagara Falls, which is also well known and is frequently visited by tourists. There is also more accommodation available in the top three places than there is in Jordan and Vineland. The accommodation in the Bench area is something that could be expanded upon in the future.

The types of accommodation that were most popular, from those surveyed were, hotel/motel (60.4%), bed and breakfast (24.2%) and camping (7.1%). From this, it is shown that joint promotions with hotel/motels and bed and breakfasts are a very useful promotional method that should be continued.

As well as visiting other wineries, 59.6% of those surveyed are also visiting other attractions within the region. The most popular attractions for winery visitors from the survey are, Niagara Falls (33.5%), the Shaw Festival (11.5%), the shops at Niagara-on-the-Lake (14.8%), the Casino (8.5%) and the Butterfly Conservatory (3.0%). Several other attractions that were visited by less than 2% of those surveyed were Fort George, the Welland Canal, the Jet Boats, and Montibello Park. Very few people visited the other attractions within Niagara Falls, such as the wax museums. Of those people who were visiting other attractions, only 34% were actually visiting more than one other attraction. The most popular combinations of attractions were

Niagara Falls and the Casino, Niagara Falls and the Shaw Festival and Niagara Falls and the town of Niagara-on-the-Lake. Very few people surveyed (about 5%) combined visiting the wineries with more than two other attractions within the region.

The attractions were visited in very similar rank order from people surveyed in both of the areas (Niagara-on-the-Lake and the Bench area). However, overall more people surveyed in the Niagara-on-the-Lake area visited other attractions (68%), compared to the Bench area (51%). Also, more people who found out about the wineries through tourist information visited other attractions (78%) than those who found out by word of mouth (54%). From these results, several suggestions can be made as to additional joint promotions, and these will be discussed in the following chapter.

5.9.4 Additional Marketing Information

When discussing wine tourism from a marketing perspective, it is also very useful to know other facts such as where the visitors come from, how long they are staying, when and how often they visit, and if and when they will return. For example, as explained in 'The Wine Tourist' section, a large majority of the visitors (76.2%) came from Ontario itself, with many of these coming from the GTA. These results arise not only due to the large population and close proximity of this area, but also due to the large amount of advertising done in this area. This is the main target area for all of the wineries interviewed in Niagara. There is potential however, to attract visitors from other Ontario cities such as Kitchener-Waterloo, London and Sarnia. These cities and others are in relatively close proximity to the Niagara Region, and have fairly large populations. New winery visitors could be encouraged

to come from these cities. After Ontario, the next two highest numbers of visitors came from New York State and Pennsylvania, which are also fairly close, but again, not as much advertising is done in these places as in Toronto. The border States are also other areas of potential visitors to Niagara with additional advertising. Finally, the wineries could expand their joint advertising with other attractions, internationally. The highest potential for this international advertising for independent travelers seems to be with Great Britain, as many of the international visitors surveyed came from there.

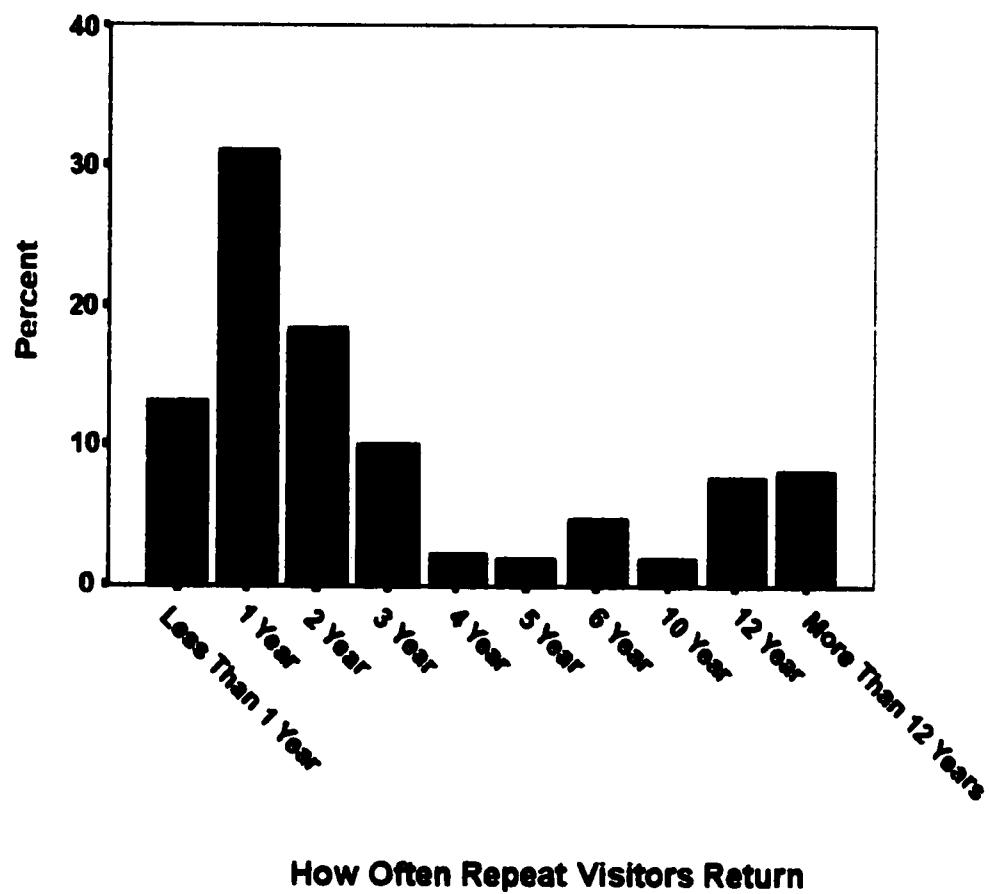
Most visitors to Niagara wineries come in the summer and autumn, and 41.2% stay only for the day. Only 14.8% stay for one night and 18.7% stay for two nights. Since it was found that overnight visitors spend much more per day per person within the region (about \$111 more per day), it is very important to encourage visitors to stay for at least one night. Therefore, wineries should continue to do joint promotions with bed and breakfasts and hotel/motels, as well as with other attractions. The region should be promoted as a longer-stay destination, as it has so much to offer that not everything can be done in one day.

There is also potential to attract visitors to the region during the spring. In fact, when asked how likely they were to visit the wineries during the spring, on a scale of 1 to 10, where 10 is highly likely, and 1 is highly unlikely, 37.6% said 7 and above, which means that they are quite likely or very likely to visit. However, in order to encourage these people, the wineries must offer special programs and events during this season. Currently there is not much offered during the spring, compared to the summer and the autumn, but wineries must recognize this potential to expand

the season. Although wineries do offer some programs in the winter it is unlikely that they will ever draw a very large amount of people during this season due to accessibility problems created by the weather.

Another important fact explained by the survey is that of repeat visitation. Repeat visitors are very important to a region, and they are often easier to attract than first time visitors (Franklin, Oct. 6th, 1999). Of those surveyed, 90.6% said that they would definitely return in the future and only 2.6% said that they would not. For 56.9% of visitors surveyed, this was not their first visit to the wineries of Niagara Region. Of these repeat visitors, only 13.1% visit less than once a year. The majority of repeat visitors (59.7%) visit between one and three times per year (Figure 5.10). There is definitely a large potential for repeat business from current winery visitors. The visitors are obviously satisfied with the current experience, or they would be unlikely to return again in the future. From a marketing perspective this is excellent, as word of mouth will likely spread even further than it already has and, many wineries rely on word of mouth as a prime mode of advertising. However, other modes of advertising should also continue to be used, especially tourist information, as 18.1% of those surveyed found out about the wineries by this method. Wineries should also continue to advertise in newspapers, magazines and through signage, as all of these methods attract visitors. More suggestions for advertising and promotion will be given in the next chapter.

Figure 5.10: How Often Repeat Visitors Return



CHAPTER 6: CONCLUSIONS/RECOMMENDATIONS

This chapter will summarize the results analyzed in the previous chapter, and will make some more general conclusions and recommendations that can be applied in other wine growing regions throughout the world. The chapter will include sections on the wine tourist, rural sustainability and the economic development aspects of wine tourism, marketing of wine tourism, limitations of research, and some general conclusions for the study. In addition to the conclusions made from this study, suggestions for additional research in the wine tourism area will be given.

6.1 The Wine Tourist

Several different aspects of winery visitors were examined throughout this study. The demographic results determined from the survey in Niagara are similar to those found by researchers studying wine tourists in other parts of the world. The results from the survey in Niagara show that generally, visitors to wineries are well educated, are in a high income bracket, are professional or skilled workers and are between the ages of 31 and 60 years old. These results are similar to those of Macionis and Cambourne (1998) who found the majority of wine visitors in Australia to be mature (30-50 years old) and to have moderate to high incomes. Also, Dodd (1995) who did a study of winery visitors in Texas, found that the visitors tended to have relatively high incomes and education levels.

Another aspect of the winery visitors that can be compared is their motivation or reason for being in the wine region. Hall and Macionis (1998) found that winery visitors could be separated into three groups, which are 'wine lovers,' 'wine interested' and 'curious tourists' and, these groups can be compared to results from

the visitor survey in Niagara. The first group, the 'wine lovers' are said to be extremely interested in wines and wine making, and wineries may be their sole purpose of the visit to the destination. From the survey in Niagara, it appears as though very few of the visitors would fit into this group. Although wineries were often a main reason for visiting the region, they were rarely the only reason for visitors to come to Niagara. Niagara visitors tended to come for the whole experience of visiting wineries, which is why rest and relaxation, attractive scenery and the offer of a unique experience were all rated as being more important than buying wine. Also, the rural landscape was rated as being more important to most visitors than the variety of wineries, which again shows that wine itself is likely not their prime motivation for visiting.

Niagara visitors would likely fit into one of the next two of Hall and Macionis' groups. For example, their 'wine interested' group have a high interest in wine, but it is not the sole purpose of their visit. This group also tended to gain interest in the wine region through 'word of mouth' and wine columns in newspapers. They were also found to be purchasers of wine and food magazines. Many similarities can be found between this group and the Niagara visitors. For example, many winery visitors in Niagara discovered wineries through word of mouth and the wineries themselves tend to advertise in food and wine magazines. Many of the visitors in Niagara are definitely interested in wine, but they are also interested in visiting other attractions and enjoying other aspects that the region has to offer, such as the attractive scenery.

The final group of Hall and Macionis' is 'curious tourists.' These people are in the region for another purpose and often think of wineries as 'just another attraction.' Their curiosity is often aroused by drinking wine or by general tourism promotion pamphlets. This group was also discovered in Niagara. For example, 18.1% of Niagara visitors found out about the wineries through tourist information pamphlets and 6.8% were 'just passing by' and decided to stop at the winery. Some of the visitors were also visiting other attractions within the region, so could be regarded as 'curious tourists.'

Overall, it appears that Niagara winery visitors are seeking the whole 'experience' of visiting the winery region. They could likely be broken down into two of Hall and Macionis' groups, but very few would fit into the third group of 'wine lovers.' Since Niagara Region has so much to offer to visitors, there is likely no need to attract such as focused group of visitors as the 'wine lovers.' The other two groups are much more likely to be more numerous in Niagara, due to the many other attractions available and different reasons for visiting the region.

6.2 Rural Sustainability

From the case study of Niagara Region, wine tourism has been shown to exhibit many aspects of, and play many roles in, rural sustainable tourism. Some of the rural aspects of wine tourism include the location on the rural-urban fringe, the small scale locally owned businesses that are present in the area, and the feature of open space provided by the fields of grapevines. Wine tourism helps to maintain this rural landscape, which is needed for rural tourism to exist, therefore, this is one role that wineries play in rural sustainable tourism. Also, another advantage of

maintaining the rural landscape is that the quality of life for both the local people and the tourists is maintained.

Another role of the wineries is that they provide a unique, relaxing experience to visitors. This experience helps to contribute to the overall tourism base in Niagara, and is fairly unique, due to the micro-climate of this region. Wine tourism provides a year-round attraction, which encourages many visitors to return to the region, year after year. This provides economic benefits to the region, as well as helping to keep rural tourism sustainable. Overall, the wine industry contributes a great deal to the tourism industry in Niagara, and therefore, the industry has the potential to contribute to tourism in other parts of the world as well, provided there are suitable growing conditions.

Wine tourism also provides benefits to the wineries themselves. In the analysis, it was shown that most of the winery representatives focused on the economic benefits provided by winery visitors. However, more advantages arise from having winery visitors, than just an increase in revenue. These advantages include exposure to the winery and its products, increased awareness of wines, the creation of brand loyalty, education of the public, increased recognition and a lasting impression created by the visit. When visitors come to the winery, the winery has an opportunity to educate people and create a positive perception of their wines. If the visitors have a positive experience at the winery they are likely to remember this trip and possibly buy that brand of wine in the future. They may also tell friends and family about their experience at the winery, which is an excellent mode of advertising

for the winery. It is important to consider all of these advantages, rather than just the economic advantages when discussing wine tourism.

In order for tourism to be sustainable, many factors must be considered, especially during the development stages. For example, new developments should fit in with the current character of the area, in both type and scale of development, as discussed in the literature review. This is shown in the wine region of Niagara through the development of small-scale accommodation, such as bed and breakfasts in small towns, which maintain the character of the towns. Also, the wineries themselves sometimes convert older buildings, such as barns and existing houses into visitor facilities. By keeping the buildings small scale, and converting older buildings when possible, rather than constructing brand new buildings every time, less agricultural land is destroyed. This is very important when it comes to wine tourism, as many of the tourists come to experience the rural atmosphere of the area, which is provided by maintaining the agricultural land. Therefore, not only is this good for the natural environment, but maintaining the agricultural land also helps to sustain this and other forms of rural tourism.

However, as well as the older, refurbished buildings, large new buildings are also being constructed in Niagara, and wineries must be careful not to destroy the landscape and thus the rural character of the area with these new buildings. One very important conclusion from the survey is that the winery visitors are more concerned about the rural landscape than they are with the attractiveness of winery buildings. It is the rural landscape that is most important to visitors in influencing their enjoyment of the experience. This creates a conflict with the actions of the winery owners, who

are building brand new expensive buildings, which may not be desired by many of the visitors. Therefore, it is suggested that winery owners try to keep their buildings simple, and instead of spending a great deal of money on buildings, they should use the money on maintaining the surrounding landscape.

Although wine tourism is generally considered to be compatible with the preservation of escarpment lands, another conflict has arisen in the Bench area. Some wineries have major development plans to build on the sensitive Niagara Escarpment Bench. Unfortunately, in order to maintain compatibility with escarpment lands and to keep wine tourism sustainable from an environmental perspective, wineries must restrict new buildings to a minimum and avoid building in these sensitive areas. With proper planning and government controls, this will be possible in the future. The key to sustainable tourism seems to be an understanding that a balance is needed between preservation and development.

6.3 Rural Sustainability and Economic Development

In order to keep tourism sustainable, the industry must try to consume as few resources as possible, while at the same time, they must make a profit, otherwise they will not be sustained economically. There are several ways to enhance profit, without consuming excessive resources, and this is accomplished by encouraging economies of scope, rather than economies of scale. This implies that rather than attracting as many visitors as possible, the industry needs to attract specific people who will spend the most money. For example, generally, the wine industry in Niagara tries to attract a wealthy, independent travel market, as these people tend to spend more money on wine than those visitors on a tour. The increasing wine quality and the variety of up

market attractions in the region, such as the Shaw Festival are important in attracting this market. If the wealthy travelers can be attracted, then visitor numbers can be lower, but the economy will still benefit in the same way as if a larger number of mass tourists visited. Also, visitors must be encouraged to stay longer in the region and spend more money. This is accomplished through marketing techniques, such as promoting many attractions together. Again, fewer people will create less demand on resources, but if encouraged to spend more money, they will still provide benefits for the economy. This cooperative marketing technique of promoting attractions together is often being used in Niagara, and will be discussed further in the marketing section.

Even though wineries are encouraging the wealthier tourist, they must still maintain visitor numbers in order to be sustainable as service facilities. Visitors may be encouraged to return by offering new, unique experiences for them each year. From the survey, it was found that Niagara generally provides an excellent experience that encourages repeat visits. Many factors of the experience, such as the rural landscape and ease of access were rated very high in the survey. Also, a very large percent of visitors said that they would definitely return in the future, which means that tourist numbers are maintainable. As well as these repeat visitors, wine tourism is likely to attract new visitors as well, due to its diverse nature. Wine tourism appeals to the new type of tourist such as those seeking to educate themselves, as well as having the potential to join with other types of tourism, such as eco-tourism which may attract new visitors.

Another method of keeping tourism sustainable is to disperse tourists over time and space. This is being attempted in Niagara by some wineries, by encouraging

tourists to visit off-season. However, more can also be done to encourage this, such as introducing festivals and activities in the springtime, as well as in the popular seasons of summer and autumn. The Niagara wineries seem to be improving winter advertising every year. For example, major newspapers, such as the Toronto Star produce large articles on Niagara Icewine in the winter months. Icewine is a very unique and expensive product that Niagara offers, which is not available from all wine regions in the world and therefore, it is a good idea for wineries to take advantage of this product. Products such as icewine may provide a competitive edge over other wine regions of the world, and thus help to keep wine tourism sustainable in Niagara.

In order to disperse tourists over space, as well as time, more joint advertising between the two Niagara areas (The Bench and Niagara-on-the-Lake) should be done. Many tourists are already visiting several different wineries and attractions within the region, but further dispersion could be encouraged by joint promotion of the two areas and an increased number of package deals. Generally, the dispersion of tourists over time and space creates less stress on resources and helps avoid problems such as congestion.

6.4 Wine Tourism and Economic Development

By examining the economic analysis section of the previous chapter, there can be no doubt that wine industry and the development of wine tourism assists the economy of Niagara Region in a positive way. Wine tourism provides many benefits to the region, such as an increase in business revenue, taxes and employment opportunities. It also creates spin-off effects, such as, jobs are created in the

construction industry during new developments. Many new businesses are also created in the region, as direct spin-offs from the wine industry, such as bicycle touring companies that provide tours of the wineries. The increased investment in the region leads to further economic development, which is especially important in an area that traditionally relied upon manufacturing and agriculture. Wine tourism also provides pleasant jobs, with good working conditions, which benefits the residents of the region. Although the wine industry itself provides a small percentage of employment for the entire region (about 3%), this number is expected to grow, and these jobs should last well into the future. Also, more jobs are created by the spin-offs of wine tourism, such as companies which specialize in wine tours, which are not included in this figure. Overall, wine tourism provides a sustainable form of employment (the jobs will be maintained in the future), but wine tourism itself could not provide jobs for the entire region.

Unfortunately, in general, some of the money created by tourism leaks out of local economies, so benefits to the local population decrease. However, in Niagara Region, leakages are being reduced by new programs which encourage the use of local products and co-operation between local businesses. A prime example of this is a program called 'Tastes of Niagara: A Quality Food Alliance.' This program involves local food producers, processors, distributors, wineries, restaurants, chefs and hotels, and is designed to promote use of local products in Niagara (Telfer, in press). With a good, varied set of local inputs, such as in this example, the economy of the wine region itself can benefit greatly from wine tourism.

As well as providing economic benefits to the region at the current time, wine tourism can be expected to be sustainable in the future. Many statistics indicate that tourism in general, in the area is growing and will continue to grow in the future, and wine tourism is expected to be a part of this growth. All of the wineries studied are planning to grow and expand, which will continue to provide new jobs and investment opportunities in the future. Also, if tourists can be encouraged to stay longer in the region, and visit more attractions, thus spending more money, revenue and employment opportunities should both continue to rise. Therefore, not only is wine tourism currently providing economic benefits, wine tourism will be a sustainable form of economic development in the future.

6.5 Marketing Summary and Recommendations

Although the future for wine tourism seems positive, and current marketing techniques for the wineries of Niagara are somewhat successful, there is always room for improvement. According to literature reviewed in Chapter 2, joint marketing is the key to promoting small rural businesses, such as the wineries. It is thought that in general, one small business alone cannot attract visitors to the area, so this is why businesses are encouraged to work together and help promote each other, rather than creating a highly competitive environment. In Niagara, many wineries are working together in advertising, and they have created an attractive destination for visitors. This is evident from the survey research as, for 46% of those surveyed the main reason for visiting the region was the wineries. Also, approximately 72% of visitors were visiting more than one winery during their stay. Therefore, it can be concluded that joint promotions between wineries are effective and should continue in the

future. However, the situation with other types of attractions and businesses is different.

Although the wineries are advertising with many different types attractions within the region, only about 60% of visitors surveyed were visiting other attractions, and only 34% were visiting more than one other attraction. Despite the fact that there are many links between attractions in the various brochures, very few links between different attractions were evident from the visitor survey. Winery visitors still seem to mainly be visiting the well-known attractions such as Niagara Falls, and very few are visiting relatively new attractions, such as the Butterfly Conservatory. Several reasons for this result can be identified. One reason may be that very few multi-attraction brochures are found at the wineries themselves. The wineries tend to focus on promoting other wineries and bed and breakfasts, rather than on other attractions. Since 37% of winery visitors found out about wineries through word of mouth, then it is necessary to provide advertising for other attractions at the wineries themselves. A higher percentage of people who found out about wineries through tourist information, rather than word of mouth were found to be visiting additional attractions during their stay. These people had likely seen advertisements for the many other attractions, included in tourist information brochures. Another reason for so few people visiting multiple attractions could be the lack of joint advertising in most of the brochures found in other cities. For example, brochures found in newspapers in Toronto, which promote the wineries tend to focus upon specific special events at wineries, such as the Niagara Grape and Wine Festival, and do not provide information on the other types of attractions within the region. Most

brochures that were found to advertise many types of attractions together were found within the Niagara Region itself. Therefore, in order to promote multi-attraction visits, these types of brochures could be more widely spread.

Along with the joint promotions discussed, there is room for additional package deals within the Niagara tourism market. Many different types of packages should be offered, and widely advertised, in order to encourage visitors to stay longer and do more in the region. A simple package could consist of combining visits to several wineries with a bed and breakfast for the night, and a local restaurant for dinner. These could be promoted as 'romantic getaways' which would be perfect for honeymoons or anniversaries. However, more complex packages with other attractions should also be offered and these will be discussed shortly.

In order to entice visitors to stay longer in the area, the Bench wineries and the Niagara-on-the-Lake wineries could join together and offer a unique package, rather than marketing these two areas separately. For example, one night could be spent on the Bench and the other in Niagara-on-the Lake, with visits to several wineries within each region. Other types of packages can also be put together with additional attractions in the region. Several packages currently include the Shaw Festival, but more opportunities exist for joining with other attractions. For example, winery visits could be combined with a visit to the Butterfly Conservatory, which also provides a unique learning experience for visitors. The Butterfly Conservatory has potential to draw similar types of visitors as the wineries, as these attractions may both appeal to visitors who are seeking a somewhat educational experience. There is also potential to offer packages that combine Niagara Falls with wineries, especially for first time

visitors. Although not all Niagara Falls visitors will be interested in wineries, so many people visit the falls, that there is still potential to draw winery visitors from there. Niagara Falls could be promoted as a natural attraction, in the package, stressing that it is a natural wonder, in order to appeal to ecotourists and visitors who are interested in the natural environment. More marketing could also be done with the Casino, which is a very large visitor draw to the area. Several attractions could be joined together in packages along with the wineries, such as visiting the town of Niagara-on-the-Lake, Niagara Falls, the Butterfly Conservatory and the Shaw Festival.

As well as combining permanent attractions into packages, special package deals can be set up when certain events are running, especially during winter events, when it may be more difficult to attract visitors. In fact, each type of package can be discounted in the winter and spring, in order to attract more visitors at these times, and increase the length of the tourism season. This helps to disperse the visitors over time and thus problems of congestion can be avoided. Another type of package deal that should be kept in mind by the wineries is packaging with conventions and business meetings. At present, several wineries have facilities to accommodate business functions, however, if a convention centre is built in Niagara Falls, which is a distinct possibility in the future, this will offer even more opportunity for wineries to attract new visitors.

Along with a growing trend in cultural and wine tourism, another area of growth is eco-tourism and this growth can also be taken advantage of by the wine industry. Niagara has great potential for different types of eco-tourism, with a prime

example being hiking on the Niagara Escarpment. To date, not many packages exist that combine hiking with wine touring, so this is one area of potential for increased package deals. By combining the two growing trends in tourism, more people can be attracted to the region. Also, although not always true, ecotourists may have a higher regard for the natural environment than others, which may help in sustaining the resources of the region.

At the same time as encouraging joint promotions and package deals, several general recommendations for marketing can be made. For example, the industry must realize that the future for wine tourism depends on young people, so they must be recognized as a potential market, rather than just focussing on the older, 'boomer' market, as many wineries did in the past. The average age of a wine tourist seems to be decreasing, so there is definite potential to expand the traditional ages that are marketed to. Wineries of Niagara should also try to expand marketing to a larger geographical area, in order to attract new visitors in the future, rather than simply relying on big cities such as Toronto and Ottawa. They must realize that there is potential in other Ontario cities as well. Also, joint marketing with New York wineries that took place in the past could be re-introduced, to capture some of the U.S. market. The wineries and other attractions should also try to encourage visitors to stay at least one night in the region. The fact that Niagara has so much to offer that it cannot be seen in one day should be stressed, so that visitors are encouraged to stay longer and thus spend more money.

In order to encourage visitors to stay overnight, especially in the Bench area, the accommodation in towns such as Jordan and Vineland may need to be expanded

upon. With the growing number of tourists, it may be necessary to build additional accommodation. However, since currently, the majority of visitors stay in Niagara-on-the-Lake and Niagara Falls, the Bench area should first be advertised more, so that people know that there are places to stay in the area. The wineries should continue to place brochures in the various accommodations, such as hotels and bed and breakfasts in order to attract more visitors. In turn, the wineries could display brochures from the accommodation sector, as some of them do already.

Another recommendation arises when wineries wish to expand and diversify. The wine industry must remember that their main goal should be to produce wine and provide the visitors with this aspect of the tourism industry, such as the wine tours and wine tasting, as other businesses are available to provide other services. Wineries should avoid direct competition with other businesses in the region, such as restaurants unless there is room for more development in the area. Therefore, if a winery wishes to expand and diversify, they should first do research to determine if there is an increased demand for the type of business they wish to open, so that they do not take customers away from current businesses.

Two other recommendations to be made are to improve the signage in the area, and to improve the Wine Route map. Although in some areas, the signage is adequate, in other areas it is lacking, and this becomes frustrating to the visitors. Also, the map of the Wine Route should be improved in several ways. Currently, the map is difficult to follow in several areas, and the lack of a scale is extremely misleading. There is also no indication on the map of passing through an urban area, such as the city of St. Catharines. The map should be scaled properly and should

provide more detailed roads, especially in urban areas, in case the visitor becomes lost, or wanders off the route by accident. This would also allow more flexibility to the visitors, especially if they wished to include other attractions on their visits, rather than just the wineries. In fact, several other attractions could be added to the map, in order to encourage people to visit more than just the wineries during their stay.

As well as the research completed in this study, several wineries are also currently carrying out their own market research. This research is very useful to the wineries themselves, as well as to other tourism businesses within the region, and should continue in the future. If wineries continue with ongoing research, then it will be possible to monitor changes, such as changes in demand, or changes in market composition, which is useful for future marketing.

Table 6.1: Summary of Recommendations

Recommendations for Wineries

- join together the two areas (Niagara-on-the-Lake and the Bench) in promotions
- improve signage
- begin to keep track of visitor numbers and additional visitor characteristics (if not already doing so)
- expand target market regions (to other Ontario cities beyond Toronto and Ottawa)
- research and plan new projects carefully – balance preservation with development
- try to disperse visitors over time and space
- continue cooperation with other local businesses and organizations
- offer more package deals
- encourage ecotourists
- keep winery buildings simple, and concentrate on maintaining the land

Recommendations for Wine Council

- improve Wine Route map (Appendix F)
- improve Wine Route signage
- expand target market regions

Recommendations for Any Group Promoting Niagara Tourism

- promote region as a longer stay destination
- expand joint promotions and package deals
- encourage new trends in tourism, such as try to attract eco-tourists
- remember to preserve the natural environment as much as possible when making management decisions

6.6 Limitations of Research

There were several limitations with this research. These limitations mainly arise from the field work. For example, the survey sample is mainly composed of independent travelers, rather than those on tours. In many cases, those people on tours were in too much of a rush to fill out the survey. Another problem arose with Asian international tour groups, where very few visitors spoke English or French, so unfortunately, they could not be interviewed by the research assistants. In addition, some visitors did not want to cooperate, so there were over 100 refusals. Some visitors were either in too much of a rush to answer the survey or thought that it required too much effort to answer. This may stem from the fact that many visitors were on vacation, and considered the survey to be an interruption to their vacation. One way that this problem might be avoided in the future would be to offer the visitors an incentive, such as money, to answer the survey. Unfortunately, this would require a higher budget than is often available to researchers.

In order to capture the tour visitors, a different method or timing of data collection would have to be used. If the survey was shorter, then more tour visitors may have had time to answer it, however, it is still unlikely that an even sample of tour visitors and independent visitors would be collected. Therefore, a new method of surveying would have to be found. For example, one researcher in Niagara, Tony Silvestri surveyed the tour guides, rather than the tourists in order to gain data about coach tour visitors (Silvestri, personal communication, 2000). In the future, a researcher could request that tour companies distribute the survey to the visitors while they are on the tour. However, although this method would capture the tour group

sample, there is no guarantee that visitors will respond to every question, or even bother to answer the survey at all. Silvestri (2000) suggests that ideally, the tour guides would give out surveys on the coach at the end of the day, and act as translators, in order to help those tourists who do not speak English to fill out the survey. These suggestions could be tested and if effective, could be used by future researchers.

Another limitation with this research is that wine tourism is such a new concept that it can be debated where it fits into the current tourism literature. Wine tourism is definitely a form of agri-tourism, but whether it is always 'rural' or not is debatable. Rural tourism is very difficult to define and the term 'rural' produces different images for different people. Many tourists who visit Niagara Region consider the grape-growing areas there to be 'rural,' however, not all visitors may agree with this term. Some visitors may believe that the Niagara Region is too highly developed and is not isolated enough to be 'rural.' Also, wine tourism may not be truly 'rural' in other areas of the world, such as on the outskirts of Vienna, Austria. As wine tourism becomes more widely researched, it will likely create its' own niche in the tourism literature, so may or may not be included in rural tourism literature, due to the different locations and different views of people throughout the world. Although wine tourism may not always be considered 'rural,' the benefits it brings to the wineries and the surrounding region cannot be denied.

6.7 Areas for Further Research

There are several areas for further research that can be identified. For example, from the previous section, it has been explained that a lack of research has

been completed on tour visitors to Niagara wineries, especially those from non-English speaking countries. Also, many wineries should be doing more data collection for their own future plans such as keeping track of visitors numbers, average spending, and visitor characteristics. For example, if the wineries find out where their own visitors are coming from, then they will know where they are not attracting people from and could then expand their advertising to new areas. Also, if they keep track of visitor numbers then they can monitor fluctuations and thus plan appropriately for the future, such as building additional facilities.

Two more broad areas for further research are the social and environmental aspects of wine tourism. For example, from the social aspect, more work could be done on gathering resident attitudes towards wine tourism in Niagara. From the environmental aspect, the effects of congestion and the building of new wineries could be studied. After the completion of this study, it can be said that few environmental or social problems are expected, however, there is still room for more research in these areas. Wine tourism could also be studied from other perspectives, rather than from a rural tourism and economic perspective, such as an historical perspective, which focuses on heritage.

6.8 Study Significance

This study has significance in several areas. For example, this research may be useful to economic development agencies, such as the NETC, as it shows that wine tourism is a new and expanding form of economic development. Also, wine tourism is a form of rural tourism which offers great potential to both farmers and wine

makers, as it is a new source of income and a new area of development for these industries.

Each of the sectors that this study transcends fits into the study of geography in some way. With the increase in travel throughout the centuries, due to phenomenon such as improvements in transportation and increased disposable income, the travel and tourism industry has become an important part of geographical studies. The main trend in tourism is growth, and with this growth comes a variety of impacts on society, both on the natural environment and on the humans living in this environment. It is therefore necessary to plan and manage tourism properly, in order to avoid the problems that are sometimes associated with growth. It is especially important to plan tourism properly when the type of tourism depends heavily upon use of the natural environment. Because of the special geographical conditions necessary for grape growing, wine tourism is especially dependent upon the natural environment, and therefore must be managed with great care.

6.9 Summary

One of the main trends in the wine tourism industry is rapid growth. Wine tourism seems to be appealing to more and more types of people and is joining with the increasing trends in cultural and eco-tourism. With the increasing numbers of people participating in wine tourism, it is very important to remember that tourism must be managed carefully, in order to keep it sustainable. For example, new developments must be monitored to avoid damaging the natural environment that many tourists come to experience. Also, congestion and the degradation of land by visitors must be avoided. At the same time as gaining economically in the present, it

must be remembered that as few resources as possible must be used, so that there are plenty left for future generations. Therefore, the wine industry must try to attract the “right kind” of tourist, such as those who will spend the most money and be sensitive to environment. It is necessary to make money, in order to be economically sustainable, however, the natural environment and the residents in the area must not be ignored. One of the most important things to remember from a tourism perspective is, if the landscape is lost, so are the tourists who come to see and experience it.

In order to provide the most benefits to a local area, wine tourism must not only be managed properly with regard for the environment, but it must also be marketed effectively, to the right market. The information gained from this study will help wineries determine who their main market is, and how they can expand this market. Also, suggestions for additional alliances between businesses in the form of joint promotions and packaging have been given. Although the businesses in Niagara are somewhat effective at co-operative marketing and working together, there is room for improvement. The most successful partnerships seem to be between the wineries, accommodation, and restaurants. However, co-operative marketing with other attractions needs to be more widespread. There are more opportunities for packages especially with those attractions that are not well known. Also, there needs to be an increased distribution of joint promotional materials. Generally, if the Niagara wineries continue to form alliances, and promote the wineries through a variety of sources, they will be able to maintain visitor numbers.

Currently, Niagara seems to be experiencing very few problems related to wine tourism, and therefore this area sets a good example for others to follow. Wine tourism is definitely contributing to economic development in the Niagara Region, and can be used as a tool for economic development in other regions with suitable growing conditions. Wine tourism is a growing industry and can be used both to replace older industries for economic reasons, and to maintain agricultural land.

Overall, agri-tourism can help revitalize rural areas, and encourage the maintenance of agricultural lands. Tourism in rural areas may encourage people to remain and work in the area, rather than seeking work in more populated urban areas, which are under pressure from growth. As well as providing benefits to those living in rural areas, agri-tourism also provides a unique 'agricultural' experience for urban dwellers. It gives urban people a chance to escape the city, relax and be educated about life in agricultural areas. The importance of agri-tourism has been shown in the case study of wine tourism in the Niagara Region, with a focus on economic benefits and maintaining land within the community.

APPENDIX A:
LETTER TO WINERIES FROM LINDA FRANKLIN

June 29, 1999

MEMO TO: WCO MEMBERS

FROM: LINDA FRANKLIN

In the near future, Barbara Carmichael, an Assistant professor at Wilfrid Laurier University may be contacting you with regards to a winery research project which she hopes to develop for funding by the Ontario Hospitality Institute. This project was developed in consultation with Laurel Reid from Brock University, who has worked with our industry on tourism research in the past.

Professor Carmichael has met with us and spoken to Joanna on a number of occasions in developing the original design of her research project, and we believe it will help advance tourism research in the wine industry significantly. With the growth of tourism over the past few years, and the relative lack of substantial, scientific research in this area, this project should be very beneficial to our industry.

I would appreciate any help you can offer Professor Carmichael in finalizing the design of her research when she calls.

Thank you for your help in this matter.

Yours truly,

**Linda Franklin
Executive Director**

APPENDIX B:
INFORMATION LETTER SENT TO WINERIES BY RESEARCHERS

Date

Name of contact

Address

Dear _____,

This letter is to introduce myself, Barbara Carmichael, Assistant Professor at Wilfrid Laurier University, in the department of Geography and Environmental Studies, and my graduate MES student, Gillian Northwood. By now you will have been contacted by Linda Franklin from the Wine Council of Ontario about our planned winery research project. Our purpose is to a) improve our understanding of the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience and service quality b) to determine and describe the roles wineries play in sustainable rural tourism c) to consider how the wine industry in the Niagara Region can assist both tourism and the economy of the region and d) to identify the linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts. We are very interested in using your winery as part of our randomly chosen sample of eight wineries from the Niagara Region. We would like to conduct a visitor survey during four weekend days in August 1999, chosen from August 7-8th, 14-15th, and 21-22nd. This would involve an experienced researcher administering a brief questionnaire on site for the period 10am-1pm or 2pm-5pm. Visitors will be interviewed as they leave the winery and will be asked to volunteer to participate in the survey. They will be reassured that they will be free to withdraw from the survey at any time and that their responses will not be reported separately. Data will be collected on trip characteristics, visitor experiences and visitor demographics. Results from the sample of wineries will only be reported in aggregate. Our findings will be available after completion of the analysis. If you would be willing to participate in this research please fax the enclosed consent form to Dr. Barbara Carmichael at 519-725-1342. We look forward to hearing from you soon. If you have any questions feel free to contact me by phone at 519-884-1970 ext.2609 or Gillian Northwood at 519-883-7490 for clarification.

Sincerely,

Barbara Carmichael, PhD and Gillian Northwood

APPENDIX C:
WINERY VISITOR SURVEY/QUESTIONNAIRE AND
INFORMATION SHEET

Wineries Survey August 1999

Interviewer _____

Code no _____ Questionnaire No _____

Date _____ Time _____

Good morning/afternoon! I am _____ from Wilfrid Laurier University, and am assisting Dr. Carmichael in conducting a survey on wine tourism in the Niagara Region. We have permission from this winery to conduct this survey and the survey has been approved by the WLU Research Ethics Committee. I was wondering if you would like to volunteer to answer the survey. It will take less than 10 minutes, and you are free to withdraw at any time. Here is a sheet that provides information about the study objectives and the confidentiality of the research.

First a few questions about your trip.

1. What is your main reason for your visit to the Niagara Region?

- | | |
|-----------------------------------|------------------|
| a) Visiting friends and relatives | e) Niagara Falls |
| b) Business | f) Casino |
| c) Wineries | g) live here |
| d) Shaw Festival | h) Other |
- _____

2. On a scale of 1 to 7 with 1 being not very important and 7 being very important, how important are the following reasons in your decision to visit the winery region today?

to purchase wine	1	2	3	4	5	6	7
for an educational experience	1	2	3	4	5	6	7
attractive scenery	1	2	3	4	5	6	7
contact with friends/family	1	2	3	4	5	6	7
rest and relaxation	1	2	3	4	5	6	7
for a unique experience	1	2	3	4	5	6	7
other _____	1	2	3	4	5	6	7

3. What type of transportation are you using today?

- a) car
 b) tour coach
 c) bicycle bicycle tour YES NO
 d) other

4. Is this your first visit to the wineries of Niagara Region? YES NO
 If NO, approximately how often do you visit one or more wineries here?

5. How long are you staying in the region? _____

And if overnight, what type of accommodation are you staying in?

- | | |
|----------------|--------------------------------|
| a) hotel/motel | d) staying with friends/family |
| b) B&B | e) other |
| c) Camping | |

Where are you staying overnight on this trip? _____ (name of town/city)

6. Where is your home town (city/town, province/state/country)? _____

7. Are you visiting any other wineries during your trip? YES NO
If YES, how many, _____ and which ones have you already visited? _____ and plan to visit _____

8. Are you visiting any other attractions within the region during your stay? YES NO
If YES, which ones have you already visited? _____ and plan to visit _____

9. How did you find out about the Niagara wineries?
a) word of mouth e) television
b) from a newspaper f) tourist information pamphlet
c) magazine g) just passing by
d) radio h) other _____

10. Did you take a winery tour within this winery? YES NO

11. Did you taste the wine? YES NO

12. Overall, how do you rate the wine from this Niagara winery?

excellent very good, good, average, poor, very poor

13. How many people are in your party? Adults _____ Children _____

14. Approximately how much are you spending per day within the Niagara region on your trip? (can be recorded for one person or for entire party, please indicate by circling below)

	Circle	One person	Party
Accommodation			_____
Wine purchases			_____
Restaurant Food & Beverage purchases			_____
Souvenir purchases			_____
Gas			_____
Fruit purchases			_____
Other Attractions			_____
Other			_____
Total (to be added later)			_____

15. Did you make any purchases at this winery today? YES NO
 Do you mind telling me how much you spent at this winery today on
 wine purchases \$ _____,
 souvenir purchases\$ _____?

16. On a scale of 1 to 7 where 1 is not important and 7 is very important, how
 important are the following factors in influencing your decision to buy wine?

	Not imp					Very imp		
Wine Taste	1	2	3	4	5	6	7	d't know
Wine Quality	1	2	3	4	5	6	7	d't know
Pleasant Aroma	1	2	3	4	5	6	7	d't know
Value for money	1	2	3	4	5	6	7	d't know
Brand Label	1	2	3	4	5	6	7	d't know
VQA	1	2	3	4	5	6	7	d't know
Service Quality	1	2	3	4	5	6	7	d't know

Now we are interested in your winery region experience

17. On a scale of 1 to 7 where 1 is not important and 7 is very important how
 important are the following factors in influencing your enjoyment of the winery
 region experience?

Rural landscape	1	2	3	4	5	6	7	d't know
Variety of wineries	1	2	3	4	5	6	7	d't know
Ease of access	1	2	3	4	5	6	7	d't know
Good Signage	1	2	3	4	5	6	7	d't know
Wine Route	1	2	3	4	5	6	7	d't know
Attractiveness of Winery buildings	1	2	3	4	5	6	7	d't know

18. Please rate the Niagara region as a whole on these factors, where 1 is very poor
 and 7 is excellent

Rural landscape	1	2	3	4	5	6	7	d't know
Variety of wineries	1	2	3	4	5	6	7	d't know
Ease of access	1	2	3	4	5	6	7	d't know
Good Signage	1	2	3	4	5	6	7	d't know
Wine Route	1	2	3	4	5	6	7	d't know
Attractiveness of Winery buildings	1	2	3	4	5	6	7	d't know

We are now interested in your evaluation of service at the winery

19. Please give an overall opinion of the service at this winery today where 1 is strongly disagree and 7 is strongly agree

The staff were neatly dressed	1	2	3	4	5	6	7 d.k
Their manner was professional	1	2	3	4	5	6	7 d.k
They were willing to help you	1	2	3	4	5	6	7 d.k
They gave prompt service	1	2	3	4	5	6	7 d.k
They were polite and courteous	1	2	3	4	5	6	7 d.k
They seemed to be knowledgeable	1	2	3	4	5	6	7 d.k
They tried to give individual attention	1	2	3	4	5	6	7 d.k
The wine was consistently served in an appropriate fashion	1	2	3	4	5	6	7 d.k

20. Please tell us what you were **expecting** of the service at this winery before your visit where 1 is strongly disagree and 7 is strongly agree

The staff would be neatly dressed	1	2	3	4	5	6	7 d.k
Their manner would be professional	1	2	3	4	5	6	7 d.k
They would be willing to help you	1	2	3	4	5	6	7 d.k
They would give prompt service	1	2	3	4	5	6	7 d.k
They would be polite and courteous	1	2	3	4	5	6	7 d.k
They would be knowledgeable	1	2	3	4	5	6	7 d.k
They would give individual attention	1	2	3	4	5	6	7 d.k
The wine would be consistently served in an appropriate fashion	1	2	3	4	5	6	7 d.k

21. Based on your experience today, will you return to one or more winery here in the future?

YES

NO

DON'T KNOW

If YES, do you expect to visit:

k) within 3 months

l) between 3 and 6 months

m) between 6 months and a year

n) between 1 year and 3 years

o) other

22. On a scale of 1 to 10, where 10 is highly likely and 1 is highly unlikely, how likely are you to visit a winery during the week(not weekend)? 1 2 3 4 5 6 7 8 9 10

23. On a scale of 1 to 10, where 10 is highly likely and 1 is highly unlikely, how likely are you to visit a winery during the winter 1 2 3 4 5 6 7 8 9 10, spring 1 2 3 4 5 6 7 8 9 10

Now, if you wouldn't mind, I would like to ask you a few personal questions.

24. What is the highest level of education you have completed?

a) some high school

b) graduated from high school

c) graduated from college or university

d) higher degree

25. What is your occupation? _____

26. What is your approximate household income?

- a) Below \$40 000/year
- b) \$40 000-\$64 999/year
- c) \$65 000-\$89 999/year
- d) \$90 000 and above/year

Interviewer circles

Gender

M

F

27. Would you mind telling me what age range you are in?

21-30____, 31-40____, 41-50____, 51-60____, 61+____

Thank-you very much for your time.

INFORMATION SHEET THAT ACCOMPANIES SURVEY

Wineries Survey August 1999

Thank-you for agreeing to participate in this wineries survey conducted by Dr. Barbara Carmichael and graduate students from Wilfrid Laurier University. We have permission from this winery to conduct this survey and the survey has been approved by the WLU Research Ethics Committee, and the Assistant Dean of Research, Dr. Linda Parker ext. 3126. Our objectives are:

- a) To improve our understanding of winery visitor characteristics and perceptions of the wine tourism experience.
- b) To describe the roles wineries play in sustainable rural tourism.
- c) To consider how the wine industry can assist tourism and the economy of this region through industry linkages.

This survey is voluntary and you are free to withdraw at any time. Your name will not be recorded and your responses will not be reported separately. Data collected from this survey will be stored in a locked filing cabinet and will only be seen by Dr. Carmichael and her students. On completion of the study the data will be destroyed.

If you are interested, the results of this research will be available by spring 2000 by contacting Dr. Carmichael at WLU at (519) 884-1970 ext. 2609.

APPENDIX D:
INFORMATION/CONSENT FORMS FOR PERSONAL INTERVIEWS

WILFRID LAURIER UNIVERSITY
INFORMED CONSENT STATEMENT
Wine Tourism
Principle investigators: Gillian Northwood
Dr. B. Carmichael

You are cordially invited to participate in an academic research study. The study is being conducted as a part of a master's degree in Geography and for faculty research at Wilfrid Laurier University. The purposes of this study are 1) to improve our understanding of the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience 2) to determine and describe the roles wineries play in sustainable rural tourism 3) to consider how the wine industry in the Niagara Region can assist both tourism and the economy of this region and 4) to identify the primary linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts.

INFORMATION

Your participation is in the form of a personal interview which will require one session of no more than one hour. You are one of ten individuals in the tourism or wine industry that have been asked to participate in the study. The types of questions that you will be asked involve the tourism aspects of your business, such as tourism marketing methods, and the sustainability of tourism in the area. After the study has been completed, you will be provided with a short summary of results by the researchers. There are no risks to you as a result of this study.

BENEFITS

Tourism managers in the Niagara Region will benefit from the marketing information gained from this study, as marketing techniques may be improved by the use of this data. The literature on wine tourism and how this economic activity impacts on the region's sustainability will also be enhanced.

CONFIDENTIALITY

Please be reassured that your name will not be used in any reports written. You will only be identified by a code. Your exact interview data will be kept in a locked filing cabinet and will only be seen by the researchers. The data will be destroyed at the end of the study.

subject's initials

CONTACT

If you have questions at any time about the study or the procedures, you may contact Gillian Northwood at Wilfrid Laurier University – Department of Geography and Environmental Studies, phone number 519-883-8348 or Dr. Barbara Carmichael, Department of Geography and Environmental Studies, phone 884-0710 ext. 2609. If you feel you have not been treated according to the descriptions in this form, or your rights as a participant in research have been violated during the course of this project, you may contact Dr. Linda Parker, Assistant Dean of Graduate Studies and Research, Wilfrid Laurier University, 884-0710, extension 3126.

PARTICIPATION

Your participation in this study is voluntary; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at any time without penalty. If you withdraw from the study before data collection is completed your data will be returned to you or destroyed.

CONSENT

I have read and understand the above information. I have received a copy of this form. I agree to participate in this study.

Subject's signature _____ Date _____

Investigator's signature _____ Date _____

WILFRID LAURIER UNIVERSITY
INFORMED CONSENT STATEMENT
Wine Tourism
Principle investigators: Gillian Northwood
Dr. B. Carmichael

You are cordially invited to participate in an academic research study. The study is being conducted as a part of a master's degree in Geography and for faculty research at Wilfrid Laurier University. The purposes of this study are 1) to improve our understanding of the demographics of visitors to wineries, and the visitors' perceptions of the wine tourism experience 2) to determine and describe the roles wineries play in sustainable rural tourism 3) to consider how the wine industry in the Niagara Region can assist both tourism and the economy of this region and 4) to identify the primary linkages between wineries and other attractions and amenities within the region and suggest ways of integrating promotional efforts.

INFORMATION

Your participation is in the form of a personal interview which will require one session of no more than one hour. You are one of eight winery operators that have been asked to participate in the study. The types of questions that you will be asked involve the tourism aspects of your business, such as tourism marketing methods, numbers of visitors and types of facilities offered to visitors. After the study has been completed, you will be provided with a short summary of results by the researchers. There are no risks to you as a result of this study.

BENEFITS

Tourism managers in the Niagara Region will benefit from the marketing information gained from this study, as marketing techniques may be improved by the use of this data. The literature on wine tourism and how this economic activity impacts on the region's sustainability will also be enhanced.

CONFIDENTIALITY

Please be reassured that your name will not be used in any reports written. You will only be identified by a code. Your exact interview data will be kept in a locked filing cabinet and will only be seen by the researchers. The data will be destroyed at the end of the study.

subject's initials

CONTACT

If you have questions at any time about the study or the procedures, you may contact Gillian Northwood at Wilfrid Laurier University – Department of Geography and Environmental Studies, phone number 519-883-8348 or Dr. Barbara Carmichael, Department of Geography and Environmental Studies, phone 884-0710 ext. 2609. If you feel you have not been treated according to the descriptions in this form, or your rights as a participant in research have been violated during the course of this project, you may contact Dr. Linda Parker, Assistant Dean of Graduate Studies and Research, Wilfrid Laurier University, 884-0710, extension 3126.

PARTICIPATION

Your participation in this study is voluntary; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at any time without penalty. If you withdraw from the study before data collection is completed your data will be returned to you or destroyed.

CONSENT

I have read and understand the above information. I have received a copy of this form. I agree to participate in this study.

Subject's signature _____ Date _____

Investigator's signature _____ Date _____

APPENDIX E:
PERSONAL INTERVIEW QUESTIONS

Interview Questions for the Wine Council of Ontario

1. What role does tourism play in your strategies and policies for the wine industry in Ontario?
2. How **important** is tourism in your (marketing) strategy and what type of marketing is done? (joint promotions, mode of advertising, target markets, time of year)
3. What **advantages** does tourism bring to the industry?
4. Are there any **downsides** to using tourism in your strategy?
5. I understand that about 450 000 tourists visit the Niagara wineries annually. Can you please tell me how this number is determined?
6. I was wondering if you have an employment statistics for the wine industry in Niagara - If so, would it be possible to share these with me please?
7. Do you think that wine tourism in Niagara Region will be sustainable in the long-term and do you know of any other information that could help me to determine this?

Interview Questions for the Niagara Economic and Tourism Corporation

1. What is the relationship between tourism and economic development in the Niagara Region?
2. Are you aware of any conflicts related to the growth of tourism in the region?
3. Could you please tell me if the wine industry is included in your co-operative marketing programs for tourism and if so could you give me some details of this marketing? (mode of advertising, target markets, time of year)
4. I was wondering if you have any numbers available on tourism visits to the region?
5. Do you know of any other information that could assist me in determining what roles the wine industry plays in sustainable tourism and if wine tourism is a sustainable form of economic development?

Interview Questions for Winery Owners/Operators

1. What advantages (if any) has tourism brought to this winery?
2. Do you consider tourism to be important to the long-term sustainability of your business? Please explain.
3. How do you market your winery to potential visitors? (joint promotions, mode of advertising, target markets and time of year of marketing, special facilities and expansions)
4. Do you find that there are any negative effects of tourism a) on your winery? and b) on the area?
5. I realize that this may be confidential information, but I was wondering if you might be able to tell me how many people you employ at this winery and what type of employment this is.
6. Again, this may be confidential, but do you keep track of visitor numbers to the winery? If so, would it be possible to share these with me please?
Also, would it be possible to tell me the average amount each visitor spends?
7. Do you allow coach tours to stop at this winery? If so, would it be possible to share some details of this with me, for example, how many per day and how many people per coach and how many coach visitors are from international locations?
Do you monitor spending by coach tour visitors?
8. Do you have any additional information that may assist me in trying to find out if wine tourism is sustainable over the long-term in this region?

APPENDIX F:
WINE ROUTE MAP

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