

WINE TOURISM IN CHILE: DRIVERS AFFECTING THE DEVELOPMENT OF WINE TOURISM AND ITS IMPACT ON PRICE

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Extended Abstract (799 words)

This study focuses on identifying the key drivers, and their causal relationships, of wine tourism adoption in Chile. Charters & Ali-Knight (2002) highlight three dimensions related to customer behavior during wine tourism activities: the purpose of the visit, the general motivation of the tourist, and the connection with other tourist activities that can predict the intention to visit a vineyard.). Although such emergent mechanisms for visiting wine firm affects wine tourism adoption, some authors suggest that deliberate firm initiatives can better explain successful wine tourism adoption (Torres & Kunc, 2016). We suggest the dynamics of wine tourism adoption are driven by five drivers: word of mouth (Kunc, 2009; Aizen, 2001), product attractiveness (Kunc, 2007; Zamora & Barril, 2007), wine tourism services (Zamora & Barril, 2007), digital channels (Carlisle, Kunc, Jones, & Tiffin, 2013) and tour operators (Kunc, 2007, 2010).

The research strategy is a mixed methods approach to study the dynamics of wine tourism adoption in Chile. First, we contextualized our research in terms of the characteristics of wine tourism in Chile. Then, we compared the theoretical drivers with those identified by wine managers in five Chilean firms. We also analyze the effect of some wine tourism practices on average price and sales of 69 wine firms in 2013. We employed data from the national survey on the resources and practices of wine tourism in Chile, called “Diagnóstico del Enoturismo en Chile 2013”, to complement our primary research.

Five drivers affect wine tourism adoption: word-of-mouth recommendations, product attractiveness, wine tourism services, adoption from the internet, and tour operator influence. Tour operators and wine tourism services are two critical drivers that increase the number of wine tourists, but adoption via product attractiveness has a strong influence in the long term. We also evaluate the impact of wine tourism in wine prices. Table 1 presents the results of the partial correlation analysis between the variables that affect wine tourism adoption collected in the “Diagnóstico del Enoturismo en Chile 2013” study. Overall, 69 firms had a registry of the annual visitor demand (78.2 percent of the surveyed vineyards had records of how many bottles every tourist bought during tours). We considered the global wine sales in 2013 as a measure of wine demand. We also collected data from all digital media used by the vineyards to promote wine tourism offers. Additionally, we collected the number of tours held by the vineyards in their installations, the number of official tour operators used by each vineyard, the number of languages available for the tours, and all services provided by the vineyards such as restaurant areas, picnic spaces, wine cellar visits, and the infrastructure available to tourists. The correlation analysis shows that demand is significantly correlated with all drivers affecting wine tourism adoption, as described in the literature.

Table 1. Summary statistics of the variables and correlation analysis of data collected in 2013

		Mean	Std dev	1	2	3	4	5	6	7
1	Wine Demand (USDx10 ⁶)	172.6	27.96	1						
2	Nº Media used by wine firm	2.04	0.87	0.212***	1					
3	Nº Tour activities	3.37	1.98	0.298*	0.222	1				
4	Nº Tour operators	13.57	19.71	0.530*	0.211	0.461*	1			
5	Nº Languages in tours	3.39	0.81	0.246**	-0.101	0.319*	0.361*	1		
6	Nº of Services	5.50	1.31	0.286*	0.148	0.260**	0.261**	0.062	1	
7	Area (M2) of facilities	9.31	2.56	0.257**	0.368*	0.400*	0.437*	0.148	0.507*	1

P-Pearson coefficients. Two-tailed P-Values: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. Source: Original calculations based on data collected in 2013. Sample size: 69 firms.

Additionally, we perform a t-test to identified specific wine tourism practices that allow wine firms to increase the average price of wine bottles and it sales. The t-test considers the effects of traditional marketing and wine tourism practices on the average price per bottle and sales in our sample. Results suggest that wine firms that have award and wine tourism facilities exhibit a higher average price per bottle. In fact, the group of awarded wine firms also have higher sales. Wine firms that are within a cluster (region or valley) have higher sales.

We have contributed to the literature in a number of ways. First, tour operators and wine tourism services have the greatest influence on increasing wine tourism adoption in Chile. Second, product attractiveness, e.g. awards and cellar facilities, is a key driver that accelerates the adoption of wine tourism in Chile. Third, small wine firms may benefit from the product attractiveness generated by large firms if the product attractiveness is also associated with geographical location (cluster or valley in Chile) by locating within the same geographical area. Tour operators can increase wine tourism adoption in particular wine regions because when they operate in those wine routes, they help people know about the wine tourism activities beyond those of the large and famous wine firms.

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