

**ONLINE WINE TOURISM MARKETING EFFORTS OF WINERIES
AND CONVENTION AND VISITORS BUREAUS IN TEXAS**

A Senior Scholars Thesis

by

LESLIE ANNE RASCH

Submitted to the Office of Undergraduate Research
Texas A&M University
in partial fulfillment of the requirements for the designation as

UNDERGRADUATE RESEARCH SCHOLAR

April 2008

Majors: Recreation, Parks, and Tourism Sciences
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ABSTRACT

Online Wine Tourism Marketing Efforts of Wineries and Convention and Visitors Bureaus in Texas (April 2008)

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Wine tourism has become an important driver of business for wineries in many regions around the world, while Texas wine regions are only starting to emerge as important tourism destinations. A study was conducted to investigate how effectively Texas wineries conduct online marketing of wine tourism through their own establishments as well as in a regional context. A specific focus was placed on indications of collaborative wine tourism marketing practices on winery websites. Additionally, Convention and Visitors Bureaus (CVBs) websites were analyzed to investigate the online wine tourism promotion. The results indicate that wineries' websites provide basic visitor information but are missing out on strategic opportunities to market wine tourism to their areas. The results show that very few CVB websites mention wineries on their homepage. Only two websites had a wine hyperlink on their homepage. Nearly half of the CVB websites provided descriptions or contact information about the wineries at least somewhere on the website, while the other half did not even mention wineries on their websites. To a large degree, many CVB websites have the potential to further contribute to the regional

image of wine destinations in Texas.

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NOMENCLATURE

AWF	Australian Wine Federation
TWGGA	Texas Wine and Grape Growers Association
TIA	Travel Industry Association of America
CVB	Convention and Visitors Bureau

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CHAPTER I

INTRODUCTION

Wine consumption is well established among societies across the world. Wine consumption within the United States has steadily increased over the past decade, maximizing at 259 million cases of table wine in 2006 (Wine Market Council, 2006). The Wine Market Council recently ranked the United States third in consumption of table wine worldwide. Furthermore, the council states that wine consumption growth has been steady for the past thirteen years. As the population gains more interest in wine, the potential for wineries to develop wine tourism increases. Wine tourism is becoming an important factor for wine regions. As the industry shifts from agriculture to enter a new business of customer service, wineries need to monitor such a transition. In order to receive maximum benefits, wineries must implement wine tourism effectively (Wargenau & Che, 2006). Visitations to wineries influence the consumer's perception of wine quality, and it has been found that wine tourism enhanced the appeal of wines in Canada, the United States, and Australia (Mitchell & Hall, 2000).

Wine tourism

For the purpose of this study, wine tourism is defined as visitations to winery grounds or wine regions for a variety of experiences such as cellar door sales, wine festivals, education, tastings and winery tours (Charters & Ali-Knight, 2002; Getz & Brown,

This thesis follows the style of *Tourism Management*.

2006; Yuan et al. 2005). Generating secondary economic activity, the creation of full/part time jobs, potential foreign exchange earnings if international visitors are attracted, creating substantial long-term wealth, distribution of the wines at low costs and development of brand equity are all ways in which the winery itself and the wine region can benefit from wine tourism (O'Neill & Palmer, 2004). Tourism research has focused on analyzing benefits derived from wine tourism using wine regions across the globe as case studies.

Research suggests that to maximize benefits from wine tourism, wineries in similar geographic locations should collaborate. Alliances can be both vertical and horizontal. Horizontal alliances refer to the partnerships between local wineries. By working together, wineries can create strategic partnerships that can create joint marketing and joint production (Wargenau & Che, 2006). Funding for brochures and magazine advertisements becomes feasible when the wineries pull together; whereas, individually, wineries might not have money for advertisement or might not have funds to market the winery. Joint production allows smaller wineries to benefit from the larger wineries that can lend equipment or share bottle purchases. By working together, wineries can effectively create a wine region where tourists can easily visit and learn about wine production in a certain area.

Vertical alliances describe the relationship between multiple partners within different parts of the community and the degree to which they represent the winery. Vertical

alliances include tourism councils, tour operators, accommodation providers, and restaurants as well as the wineries (Wargenau & Che, 2006). Wineries should be members of local tourism councils and these tourism councils should guide tourists to the wineries.

Tourism operators can both benefit wineries and create an overload for wineries, depending on the size of the winery (Wargenau & Che, 2006). Smaller wineries cannot properly accommodate visitors when a motor coach brings in a large group of clients. The smaller wineries are staffed with fewer employees and cannot provide adequate service to all the visitors. Larger wineries profit from tour operators such as motor coaches because they receive a large profit from the huge influx of tourists when they charge a “per bus” fee. Another way vertical alliances can operate is for hotels or other accommodation providers to offer special discounts while wine festivals take place; however, smaller wineries only utilize this alliance through informal means such as word of mouth or flyers (Tefler, 2001). Formal vacation packages can encourage the public to visit the festival.

Larger wineries typically have more partnerships, both vertically and horizontally, than do the smaller wineries (Wargenau & Che, 2006). All wineries, no matter their size, may find benefits from alliances with the local community (Lockshin & Spawton, 2001). Vertical and horizontal alliances allow a particular region to develop as a wine region, which invites wine tourists to the area.

The role of food tourism

Successful wine tourism also depends on the linkage with food (Wargenau & Che, 2006; Jaffe & Pasternak, 2004). Wineries that pair wine with regional food develop a profitable culinary reputation. Hosting educational seminars or catering events can create an “experience” value for the tourists. Additionally, partnering with local orchards to organize on-site culinary events offers added benefits for tourists (Wargenau & Che, 2006). Partnerships with local restaurants further exemplify how wineries can market their products. In Wargenau and Che’s (2004) research on the Southwest Michigan wine region, they found that restaurants offer wine from the larger wineries, while the smaller wineries are not found in local restaurants. The utilization of a vertical alliance between winery and restaurant enhances marketing abilities for the winery.

Furthermore, wineries have a more attractive appeal to visitors when defined as wine regions. Getz et al. (2008) note that wine tourism will not be successful when vineyards and wineries are the only attractions. Getz et al. found that successful development of wine tourism destinations includes additional attractions such as fine dining, cultural experiences, and unique lodging opportunities. This research suggests that further collaboration with regional attractions, and especially culinary attractions, will increase opportunities for attracting tourists.

Agritourism

There can be many problems associated with wine tourism. The wineries, which normally are agriculture-based industries, must now accommodate tourists and incorporate aspects of a service-based industry to their business (O'Neill & Palmer, 2004). O'Neill and Palmer label this transition as going from factory business to customer service. The success of the wine tourism will depend on the visitors' perceptions at the cellar doors. It will not only be the quality of wine that is important, but also the quality of service being offered (O'Neill & Palmer, 2004). Wine tourism could be viewed as a form of agritourism. Farm tourism, considered a division of rural tourism (Clarke, 1999) draws the attention of many farmers. Farm tourism, or agritourism, invites tourists to the farm so visitors can seek benefits such as educational awareness or a connection with nature (McGehee, 2007; Veeck, Che & Veeck, 2006; Busby & Rendle, 2000). Farmers benefit from agritourism as well (McGehee & Kim, 2004). Research on farms in the United Kingdom found that the principal reason for diversification into tourism was additional income (Sharpley & Vass, 2005). Furthermore, effective promotion and marketing will ensure that tourism is successful (Veeck, Che & Veeck, 2006). Farmers in the United Kingdom believe that certain marketing methods are more important than others; internet marketing, word of mouth, or a combination of the two methods are the most effective methods of marketing agritourism (Sharpley & Vass, 2005). Wineries who enter the tourism business must balance good wine making and service to ensure customer satisfaction.

Rural tourism

A benefit to wine tourism is the potential to develop sustainable tourism in rural communities. Rural communities often use tourism to preserve their culture. Heritage and cultural tourism allows communities to exchange money from tourists for knowledge about their culture. Heritage tourism is linked with sustainable tourism development, yet this type of tourism often falsifies traditional culture (Swarbrooke, 1996). Rural communities can develop wine tourism as an alternative to a false cultural tourism (Mitchell & Hall, 2000).

Wine tourism motivations

Understanding the drivers for wine tourism from the visitor's perspective is essential to the success of wine tourism (Sparks, 2006). Yuan et al. (2005) analyzed the motivations of wine festival attendees. This research investigated the motivations of visitors to the festival, the socio-demographic characteristics, and the attempts to segment attendees. Motivation is "determined by the interest in a hobby"; wine festivals generate the reason to go to the wine region (Yuan et al., 2005). Yuan noted the internal push factors and the external pull factors. Winery pull factors include wine tasting, buying, eating, entertainment, and rural setting; winery push factors include socializing, relaxing, meeting the winemaker, and acquiring specialized knowledge (Yuan et al., 2005). Surveyed wine tourists in Israel revealed their interest in learning at the wineries (Jaffe & Pasternak, 2004). The educational experience is of value to wine tourists and wine tourism managers should use this information to reposition the wineries. Furthermore,

many visitors planned trips to wineries to learn about wine making (Jaffe & Pasternak, 2004). A study evaluating the wine routes in South Africa found that 47% of tourists were motivated to visit the wineries in order to learn about wine and wine making (Bruwer, 2003). Managers can meet this education want of the tourist by educating the tourist through a sharing of wine making knowledge when the tourists come to taste the wine.

Although wine tourism can increase tourist visitation to a destination, the benefits of wine tourism are often less clear to the wineries. For example, tourists often visit a winery to taste the wine but they do not make wine purchases (O'Neill & Palmer, 2004). However, benefits for the destination are clearer and include regional tourism development, business growth, and corporate investment. The research conducted by O'Neill and Palmer is pertinent particularly to Texas wine tourism because their research dealt with Australia, a country who is young to quality wine production as is Texas. Other countries such as France have differences because a longer tradition of buying wines from the cellar door exists.

Texas wine tourism

Research has noted that wine regions across the globe have distinct differences that make direct comparisons between regions difficult and require a thorough understanding of the local circumstances when conducting research (Getz & Brown, 2006). Beames (2003) notes that many of the world's major wine destinations such as the wine regions

found in South Africa, California, France, Italy and New Zealand have the necessary coordination, development, and planning for successful wine tourism. The Texas wine industry seems to fall behind these developed wine regions not only in the sheer number of wineries and wine tourists but also in the lack of strategic orientation and coordinated marketing efforts. The Texas wine industry has a very low number of wineries compared to other wine destinations. The Texas wine industry is comprised of only 110 wineries, whereas, for instance, 355 wineries exist in South Africa and about 1465 in Australia (Winetitles, 2002). However, at the same time, the number of wineries has grown tremendously over only the past three years, which indicates increasing potential for wine tourism in Texas. Specifically, in 2001 Texas had only 40 wineries but by 2007 the state had reached its current number of over 100 wineries (Scotch 2004). Also, despite the small number of wineries, wine production is quite high. The United States has over forty wine-producing states, and Texas ranks among the top five in level of wine production (Scotch, 2004).

Yet, several factors seem to negatively influence the development of wine production and related wine tourism in the state. Government plays an important role in the Texas wine industry. In Texas, a winery must be at least 51% owned by a Texan. This law makes foreign investment a challenge. Additionally, alcohol licensing creates a barrier to the wine industry (Martin & Williams, 2003). Texas is divided into 52 dry, 37 wet, and 254 partial counties (Scotch, 2004). Currently 95% of the wine produced in Texas is consumed within Texas (Dodd, 2006), which suggests a lack of marketing to non-Texan

wine drinkers. Research notes that decisions as to where to engage in wine tourism rely on prior knowledge of a wine region and its wines (Getz et al., 2008). According to Scotch (2004), wineries feel that the poor perception of Texas wines by the public results in a lack of success of Texas wineries. Indeed Texas tourism is a multi-billion dollar industry; however, wine tourism comprises only a fraction of these dollars. Direct travel spending in Texas is over \$44,431,000,000 while wine tourism-related spending amounts to only \$27,720,000 (Dodd, 2006; Dean Runyan Associates, 2007). Based on these figures, wine tourism in Texas constitutes only 0.06% of the overall travel spending in the state of Texas (Beames, 2003). The lack of awareness of Texan wines outside of the state also impacts the structure of wine tourism in Texas with only 15 percent of wine tourists in Texas being non-residents (Dodd, 1995). According to the Texas travel bureau, travel trends in Texas show that 44% of general tourism within the state comes from non-residents (D.K. Shifflet & Associates, Ltd, 2006). This suggests that marketing efforts by Texas wineries are needed to increase awareness and enhance public perceptions of Texas wines in order to create opportunities for growth in terms of visitation to Texan wineries, especially from out-of-state visitors.

There are also challenges related to the effective promotion of wine tourism to Texas. Other wine regions outside of Texas have flourishing wine tourism due to successful marketing. The case of Italy's wine tourism, especially, demonstrates that it is possible to increase wine tourism through specific marketing programs. Italy only developed wine tourism in 1993 when the Italian Wine Marketing Assistance Program was

founded. Within a three-year span, visitors to wineries increased from 400,000 to 2,500,000 (Jaffe & Pasternak, 2004). According to Scotch (2004), Texas wineries recognize the importance of marketing. The Texas Wine Marketing Assistance Program was initiated in 2001 to help boost the wine industry. Yet, the focus of these marketing efforts has been mostly on increasing sales. Indeed, over 66% of wineries saw an increase in sales as a result (Scotch, 2004). As far as wine tourism is concerned, Texas faces the difficulty of marketing wine regions that are widely distributed across the state. Unlike other wine regions across the globe, Texas has 8 viticulture areas: Texas High Plains, Texas Hill Country, Bell Mountain, Fredericksburg in the Texas Hill Country, Escondido Valley, Texas Davis Mountains, Texoma, and Mesilla Valley (Dodd, 2006). Other entities have fewer regions, for example British Columbia has only four wine regions (Martin & Williams, 2003). Distances among wineries and among wine regions can be quite substantial, potentially inhibiting collaboration if not carefully orchestrated. In addition, the Texas wine industry is currently comprised of a few large wineries and a majority of small wineries. About 70% of Texas wine comes from four major players, while the rest of the wineries produce a relatively small amount of wine (Scotch 2004). Smaller wineries have limited funding for marketing. Furthermore, most people in the wine business do not work exclusively for the wine industry; wine business is not their only job. Thus, they typically dedicate fewer resources to the promotion of their winery. A collaborative effort between wineries to promote tourism and to conduct market research is particularly needed in Texas because the majority of wineries are small independent businesses.

Online opportunities for marketing wine tourism

Sellitto (2005) found that websites are instrumental in promoting wine tourism. Wine tourists are well educated, have a higher income and a high interest in wine (Levine & Pownall, 2004; Yuan et al., 2005). Internet use among wine tourists is common. Over 50% of US adults use the internet, which is over 120 million adults, and travelers who use the internet, or “online travelers”, number to 101.3 million adults (TIA, 2005). A high majority (79%) of online travelers now use the Internet to gather travel and destination information (TIA, 2005). The advancement of the Internet introduces new marketing opportunities for wineries. To take advantage of such opportunities, wineries need to create and maintain a website. The Internet benefits wineries in more ways than just marketing opportunities; interaction with intra-industry colleagues, improvement of business images, increased brand awareness, and visitor increase are all benefits of adopting an Internet website (Sellitto, 2005). Research relating to the winery adoption of the Internet in Australia demonstrates that websites are crucial to wine tourism (Sellitto, 2005). Furthermore, websites enable online planning of wine tour itineraries. Sellitto (2004) noted that a main benefit of websites is permission marketing. Permission marketing benefits both the winery and the customer; the wineries build an electronic marketing database while customers receive winery information and special offers about the winery. Business aspects include timesaving, fast delivery of business documents, cost reduction, and easier to receive production materials. Furthermore, websites increase new wine sales, increased wine sales with existing customers, and allow for customer newsletters and mail order distributions, special wine offers (Sellitto,

2004). Richardson (2002) found that wineries have developed and maintained websites with few difficulties. He noted that the purpose of adopting a website includes direct sales to customers, promotion and direct marketing, tourism promotion, and indirect marketing. Websites are effective in increasing tourist visitation; over 10% of tourists visited wineries after viewing their website (Richardson, 2002). These visitors use the website to find details and dates of special events. Sellitto researched the use of websites within Australian wine regions and found that over 90% of the wineries adopted websites (2005). Although wine purchasing is available online, the main function of Australian websites is to provide information (Sellitto, 2005).

Sellitto (2005) notes that winery websites have links to other wineries, which suggests that wineries are in collaboration rather than in competition amongst each other to collectively create a tourism experience. However, no evidence is available with respect to whether collaborative efforts also include other players in the tourism industry such as restaurants, accommodations and destination marketing organizations. In addition, while Richardson (2002) states that visitor information is provided on websites, it is not clear how comprehensive this information is and what elements it encompasses.

While previous research has found wineries to engage in online marketing through the establishment of websites (Stevens & Burns, 2005; Sellitto, 2004; Richardson, 2002; Murphy, 2007; Murphy, Ho & Chan, 2005) no study has gauged the wineries' involvement in promoting wine regions and specific aspects of wine tourism online

through their winery websites. Further, there is currently no research available regarding online marketing efforts of emerging wine regions such as Texas. Such online wine tourism marketing efforts are especially important for emerging wine tourism regions such as Texas. Consequently, a study was conducted to analyze the websites of Texas wineries with respect to their overall marketing strategy and specifically their practices to market wine tourism in their region. In addition, the representation of wineries at CVB websites was researched to further determine the online marketing efforts of wineries.

CHAPTER II

METHODOLOGY

Sample

Winery websites

A list of wineries in Texas needed to be generated as the various winery associations list only their members and no comprehensive list was available for the state of Texas.

Using information from the Texas Wine Marketing Assistance Program (TWMAP), the Texas Wine Grape and Growers Association (TWGGA), and the Wine Society of Texas a comprehensive list of bonded wineries was formulated. A total of 110 wineries were identified. Of those, only 98 had an online presence. Several wineries had the same ownership and shared a website while other websites were not accessible, leading to a total sample of 90 winery websites that were analyzed for the purpose of this study.

Convention and Visitors Bureau websites

A list of Texas Convention and Visitor Bureaus (CVB) that have wineries in their area needed to be generated as no list of CVBs with wineries existed. The CVBs of cities or neighboring cities with at least one winery were included in the study. A total of 34 CVBs were identified. Of those, only 32 had an online presence, resulting in a sample size of 32 CVB websites.

Analysis

Winery websites

The study involved a content analysis of winery websites. The analysis of the websites looked for key indicators of online marketing practices, and specifically the promotion of tourism on winery websites. Existing research shows that wineries use websites in many ways to promote themselves (Sellitto, 2004; Sellitto, 2005; Richardson, 2002). In terms of general marketing use, the websites were analyzed regarding use for 1) improvement of the winery image, 2) direct sales to consumers and 3) permission marketing (Table 1). Key indicators for winery image improvement were wine descriptions and listings of awards as well as links to associations. Direct sales to the consumer are indicated by the ability for individuals to purchase wine online through electronic payment on the website and direct shipment. The ability to sign up for a newsletter publication, the ability to be added to a mailing list and the opportunity to join a wine club were used as indicators for permission marketing.

In terms of marketing for the purpose of promoting the winery and the area to tourists, the contents of the websites were analyzed with respect to whether they provided 1) visitor-relevant information about the winery, 2) information about winery events, and 3) information and links to tourism resources in the area. Indicators for visitor-relevant information were maps specifying the winery's location, directions to the winery, opening hours and information about winery tours and wine tasting opportunities. The listing of special events at the winery served as an indicator of event promotion. Links

to accommodation establishments, restaurants, other wineries, events/festivals and destination marketing organizations were used as indicators of the winery's involvement in the promotion of wine tourism in the area.

Table 1. Indicators of Specific Online Marketing Practices

Online Marketing Practice	Key Indicators
<p><i>General Marketing</i></p> <p>Improvement of winery image</p> <p>Direct sales to customers</p> <p>Permission marketing</p>	<ol style="list-style-type: none"> 1. Wine descriptions 2. Awards 3. Links to winery associations <ol style="list-style-type: none"> 1. Online wine purchasing capabilities <ol style="list-style-type: none"> 1. Subscription for newsletter 2. Opt-in for mailing list 3. Sign-up for wine club
<p><i>Marketing of Wine Tourism</i></p> <p>Visitor information</p> <p>Event information</p> <p>Links to tourism resources in the area</p>	<ol style="list-style-type: none"> 1. Maps 2. Directions 3. Opening hours 4. Tours/tasting information <ol style="list-style-type: none"> 1. Events hosted by the winery <ol style="list-style-type: none"> 1. Links to accommodations 2. Links to restaurants 3. Links to events/festivals in the area 4. Links to destination marketing organizations

Convention and Visitors Bureau websites

The CVB websites were analyzed for representation of wineries. The websites were analyzed using three key indicators 1) Provide the name of winery 2) provide an itinerary involving a winery visit 3) provide detailed information about a winery.

Detailed information included such things as a description of the winery, phone number, website hyperlink and postal address.

CHAPTER III

RESULTS

Winery websites marketing efforts

General online marketing practices

In regards to wineries promoting a positive image online, most Texas wineries are indeed attempting to portray themselves in the best light. Over 84% of the wineries in the sample included a description of their wines, often presenting images of the specific wines or their labels. Furthermore, almost 47% of the wineries listed awards and accolades of their wines. It could of course be that the rest of the wineries do not have award-winning wines and, thus, cannot post information about awards online. A total of 48 wineries (53%) have links to winery associations included on their websites. Direct sales capabilities are offered on more than 33% of the websites. An additional 15% of the wineries promote wine sales to consumers on the website; however, purchases cannot be made online. These websites offer email, fax or telephone orders and many of these wineries make order forms available online to facilitate offline transactions. As far as permission marketing is concerned, only 8 winery websites (9%) allow online visitors to subscribe to an online newsletter while 17 wineries (19%) allow online visitors to join their mailing list. However, 24% of the wineries provide information and application opportunities for their wine clubs. Interestingly, almost 19% of the wineries also promote other products on their websites such as wine glasses, small gift items, food products and clothing/t-shirts.

Marketing of wine tourism

A majority of the websites employ all of the key indicators for visitor information.

Table 2 below illustrates the number of wineries utilizing indicators of online marketing practices. About 90% of the wineries include opening hours and a map of the winery's location while over 83% include directions to the winery on the website. Over 84% of the wineries include information on tours and tastings. Concerning events at the winery itself, about 69% of the websites list winery event information. Events at the winery includes activities such as food and wine pairings, party rentals, wine workshops, live music and entertainment, and grape stomps. More than 23% of the wineries offer lodging information on their websites and a very small number (4) even promote their own lodging facilities. The latter also provide images and rates of the rooms. More than half of the winery websites with external lodging information present direct links to the websites of these establishments. Except for two instances, all the lodging facilities listed are Bed & Breakfast establishments or local inns. Roughly 20% of the winery websites include information about local restaurants, with most of these descriptions including links to the respective restaurant websites. Approximately 24% of the winery websites promote events outside of their wineries. Links to destination marketing organizations are not very common: just over 13% of the websites link to chamber of commerce sites and only 4% include links to local convention & visitor bureaus. Only 12% of Texas winery websites recommend other wineries through one of three methods: hyperlinks to other winery websites, selling other Texas wines, or listing other winery names on their website. Texas wineries almost exclusively recommend wineries that are

in the same geographic region. Almost all listings of other wineries include hyperlinks. Further analyses were conducted to investigate whether these links are reciprocated. Only two pairs of wineries include mutual hyperlinks between each of the websites. One winery recommends other wineries through an interactive map that provides the names of wineries on a local wine trail. As many wine associations also promote wine tourism through events and trails, links to those associations can also be counted as a way to promote wine tourism. As indicated above, over half (68%) of the wineries include hyperlinks to associations.

Table 2. Results of Indicators of Specific Online Marketing Practices

Online Marketing Practice	Key Indicators	Number of Wineries Utilizing Indicators
General Marketing		
Improvement of winery image	1. Wine descriptions	1. 76
	2. Awards	2. 42
	3. Links to winery associations	3. 48
Direct sales to customers	1. Online wine purchasing capabilities	1. 30
Permission marketing	1. Subscription for newsletters	1. 8
	2. Opt-in for mailing list	2. 15
	3. Sign-up for wine club	3. 21
Marketing of Wine Tourism		
Visitor information	1. Maps	1. 82
	2. Directions	2. 75
	3. Opening hours	3. 81
	4. Tours/tasting information	4. 77
Event information	1. Events hosted by the winery	1. 62
Links to tourism resources in the area	1. Links to accommodations	1. 12
	2. Links to restaurants	2. 18
	3. Links to events/festivals in the area	3. 22
	4. Links to destination marketing organizations	4. 16

Wine tourism marketing through CVB websites

The CVB websites were analyzed to determine whether online wine tourism promotion exists. The focus was on the content regarding local wineries such as wine descriptions and content information. Largely, CVB websites have the potential to contribute further to the regional image of wine destinations in Texas. Exactly one-half of the CVB websites do not mention the wineries in their local area nor do they mention wine festivals or events in the area. However, the other 50% of the websites did include some information regarding wine tourism on their website. At the time of this study, only three websites (9.4%) have a hyperlink on the first level of their website that is related to wine. Wine tourism information is available on the remaining websites (40.6%) categorized under the following headings: events, entertainment, special packages, things to do and see, tour itineraries, and meetings/conventions. All of CVB websites that include information regarding wine tourism provided the names of wineries on their websites. Furthermore, about 32% of CVB websites, which include wine tourism information, offer sample itineraries for tourists that include wine tastings and tours at a nearby winery. Nearly 76% of these websites provide contact information about wineries; yet the information provided varies among the CVB websites. The main information provided on these CVB websites includes descriptions about the wineries (56%), postal address (68%), telephone number (62%), and a hyperlink to the winery websites (56%). Only three of these websites (18.8%) mentioned wine festivals.

CHAPTER IV

SUMMARY

Discussion

The results confirm findings from previous studies regarding the use of the Internet by wineries in that a large majority of Texas wineries has a website. However, while most have an online presence, some do not even include basic descriptions of their wines.

These websites are very simple sites that resemble websites designed in the early stages of Internet use (Hanson, 2000) and offer no or only limited functionalities and often designs that look very unprofessional. Similar to the findings of Murphy, Ho and Chan (2005), the Texas wineries did not take advantage of online customer relationship building opportunities. Neither newsletter subscriptions and mailing list opt-ins nor wine club applications are widely offered online. Also, the majority of Texas wineries do not take advantage of eCommerce opportunities. Since these general marketing practices create interest in the wineries, they have direct effects on individuals' desire to visit a winery.

A large majority of wineries include the necessary information for a tourist to locate the winery, suggesting that many wineries want visitors to come the winery. In addition, most seem to organize winery events and promote these on their websites. However, tourism-related information beyond the winery itself is rather rare, except for wine-related events being held in the community or organized by winery associations. As Getz et al (2008) found, attracting tourists to wineries has increased success when non-

wine related attractions are promoted in addition to the wine events. Only some wineries have recognized the natural link to local bed & breakfast accommodations and restaurants and seem to have formed such vertical alliances and promote them actively online. Also, from a wine region perspective, it is important to present one's winery in the context of that region. Horizontal alliances between Texas wineries of a specific region do not seem to be well promoted online. Effective collaboration among wineries provides opportunities for wineries to attract tourists to the winery. Horizontal alliances between wineries allow tourists to access information about nearby wineries. Websites need to have hyperlinks to neighboring wineries to promote wine tourism in the area. Mutual hyperlinks increase website visitation to Texas wineries because hyperlinks guide the online user and create an image of the existence of a critical mass of wine-related resources that warrants a visit to the region. While indirect linkages exist through association websites, these sites list wineries from various regions and, thus, do not create a regional image. The regional context is also not established through links to the respective destination marketing organizations. As this study found, only half of the CVBs, with wineries in their region, mention wineries on their websites. Furthermore, only one-third of the respective CVB websites provide any medium to contact the winery. Clearly, Texas wineries are missing out on important opportunities to entice their website users to actually travel to the area and CVBs are missing out on opportunities to effectively promote wine tourism at their destinations.

Conclusions

The implications for Texas wineries are many. Texas has yet to create a strong image of wine regions in the mind of the consumer. The study results indicate that current online marketing efforts are insufficient in promoting wine regions in the state. Collaboration will very likely increase tourist awareness of regions and their wineries and result in an increase in tourist visitation. Furthermore, boosting visitation results in economic growth for the wineries because tourist visitation and wine sales have a direct correlation (Nowak & Newton, 2006). Also, collaboration is especially important for regions like Texas where wineries are small and could greatly benefit from a pooling of their resources, thus saving on online and offline promotional efforts by avoiding duplication and being able to invest more.

In general, the study results stress the many opportunities for collaborative marketing efforts available through websites. However, although links could be easily established online, creating such connections and partnerships with other wineries and including entities outside of the wine industry in these alliances to effectively promote wine tourism seems to require a collaborative mindset within the region that might not necessarily exist. While some exceptional wineries might have the drawing power to lure in tourists, most wineries rely on a cluster of wineries and tourism attractions as well as amenities to create an attractive wine tourism destination and be able to persuade people to visit. By not providing relevant information for wine tourists on their websites or linking to websites that have the respective information, Texas wineries are not very

effective in building capacity for wine tourism in their regions. While most wineries are open to visitors, many seem to be strongly focused on traditional channels to sell their wines. From the results of this study one can conclude that either promoting tourism to their area is not a major priority for Texas wineries, or that Texas wineries have yet to learn how to effectively use websites for the purposes of marketing wine tourism in a regional context.

The implications for Texas CVBs are many. CVBs are not promoting the wine tourism opportunities that exist in their regions. The wine tourism infrastructure exists as a potential revenue source from a highly affluent market segment of wine consumers. Promoting wine tourism to this market segment will provide economical benefits and should be further developed by CVBs.

Using websites as the data set results in certain limitations. The CVB websites might change the content of the websites in conjunction with current seasons. This research was conducted in the winter months, so the lack of wine festival information on CVB websites might result in part due to the lack of wine festivals in the area. Reanalyzing the CVB websites each season would provide results that are more comprehensive. Additionally, this study used key indicators to determine the purpose of the wineries' websites, however the wineries' might have a different purpose for developing the websites. Also, collaborative marketing might have been implemented for offline media, although it is very unlikely that these collaborative efforts would not be reflected

on either the winery or the CVB websites. Further investigation, such as surveying the wineries and CVBs, would give more accurate insight as to the reason for developing the websites and the specific marketing goals for the wineries and the regions.

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