

SEASONALITY AND THE LIFESTYLE “CONUNDRUM”  
An Exploratory Analysis of  
Lifestyle Entrepreneurship in Rural, Cool-climate Wine Tourism Regions

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## **Abstract**

This study explores the importance of non-economic, personal and family lifestyle goals in the establishment of rural wine tourism operations and how these lifestyle goals influence the decisions and actions of owners as they relate to seasonality management. It also explores the ways in which lifestyle-oriented operations may be deemed “problematic” at the destination level in relation to managing for seasonality. The wine and tourism industries provide a particularly useful forum to explore entrepreneurial lifestyle motivations and how these play out in efforts to manage seasonality. Both the wine and tourism industries rely on cooperation for regional initiatives such as managing for seasonality or regional marketing, particularly when the businesses are small-scale and located in peripheral areas. However, if the lifestyle or personal goals of some owners are at odds with the profit maximisation goals of other owners, then developing a cohesive strategy can be a problem. This may reflect a general trend as to the challenges faced by the wine and tourism industries in rural areas that attract a diversity of business owners, including lifestyle-oriented business owners.

## **Introduction**

Seasonality is a management issue faced by most tourist destinations and operators, particularly small operators. However, seasonality in wine tourism may be especially challenging because a winery hosting tourists must deal with the seasonality of tourism in conjunction with the seasonality of wine production. Furthermore, both the wine and tourism industries tend to attract a substantial number of “lifestyle entrepreneurs”, due to the fact that these industries are located in attractive areas and are thought to provide a “nice life”. If lifestyle is a strategic business objective, then this will be reflected in strategies employed to deal with seasonality.

For those wineries that are more focused on family-related or lifestyle-oriented goals, the concept of entrepreneurship changes from looking solely at business and profit growth to one that is comprised of social and cultural values. Therefore, it cannot be assumed that all businesses want more tourism and greater sales by extending the tourism season. If

social and cultural values dominate, then slow periods may not be seen as a problem, but rather, as an opportunity.

Given that businesses within a wine tourism destination rely on a collective name and reputation to market and sell their products, the way that one business acts can impact all businesses. If certain businesses (for the purpose of this paper we focus on lifestyle-oriented businesses) do not maintain regular opening hours, they may contribute to a perception that the region is not conducive to visitation, therefore exacerbating the seasonality “problem”. From a destination management perspective, it is crucial to understand the impact of owner motivations on the day-to-day business practices and strategic decisions of stakeholders. These practices and decisions influence the effectiveness and ultimate success of regional initiatives implemented by regional organizations and local government. Beyond wine tourism areas, destinations characterized by a diversity of entrepreneurs will also face similar challenges - particularly in places such as high-amenity areas that attract both lifestyle and growth/commercially-oriented entrepreneurs.

### **Entrepreneurship**

The conceptual meaning of entrepreneurship has changed over time. The importance of non-economic motives including lifestyle, social, and family-oriented goals illustrates how the concept has broadened. The dominant meaning of entrepreneurship has historically been associated with economics, economic theory, industrialization, and the image of the hero entrepreneur (Ogbor 2000). However, the entrepreneurship literature of today stems from a wide array of disciplinary backgrounds including anthropology, economics, management, marketing, psychology, and sociology (Kalantaridis and Bika 2006). A broadened view of entrepreneurship recognizes entrepreneurship as a process, highlighting the importance of context in the mix. This view includes cultural, economic, geographical, political, and social factors (Stam 2003). Getz et al. (2004) argue that the entrepreneurial process is not only recognized as an economic activity but is acknowledged to be driven by the motivations of individuals that seek to satisfy their own personal, social, and economic goals.

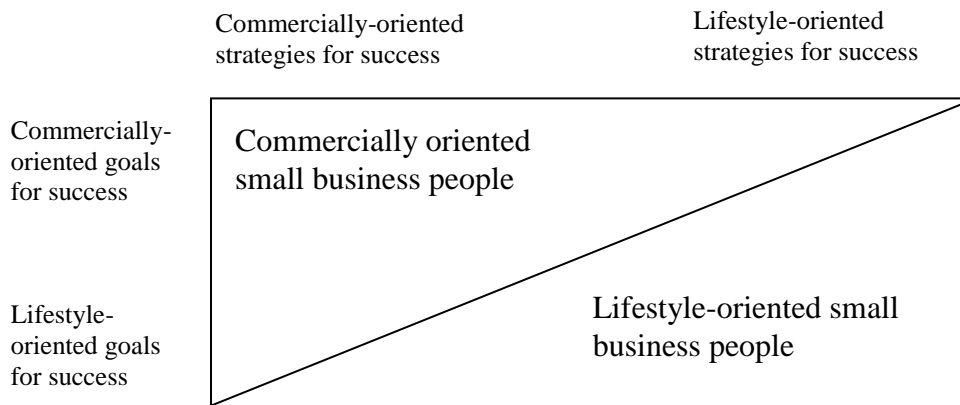
## **Lifestyle Entrepreneurship**

The concept of a “lifestyle” business describes a scenario where the owner/proprietor either balances their economic and non-economic goals or is primarily motivated by a set of lifestyle aspirations which are a higher priority over economic objectives (Lynch 1998; Morrison 2002; Morrison and Texeira 2003; Thomas 2000; Williams et al. 1989).

Although the use of the term “lifestyle” varies, at its heart is the idea that non-economic factors play an important part in explaining why many individuals establish small businesses. It also illuminates why certain decisions are made and not others, particularly in relation to business growth (Thomas 2004). Lazer (1963) suggests that lifestyle can be viewed as a pattern of living which influences and is reflected by consumption behaviour. Craig-Lees et al. (1995) stress that lifestyle relates to how people live, how they spend their money and allocate their time (Laws and Thyne 2004). As a business-related concept, lifestyle can be seen as a consequence of a set of values and expectations that are self-selected by the business operators (Andrew et al. 2001).

Lifestyle proprietors have been labeled “ubiquitous entrepreneurs” (Morrison et al. 1999), as they are likely to be concerned with survival rather than being overtly growth-driven. Making a profit is only one of a multitude of business goals, and is manifested in terms of acquiring sufficient income to ensure a certain lifestyle (Di Domenico 2005). Based on this notion, Dewhurst and Horobin (1998) developed a model of owner-manager tendencies with a continua for small-business owner managers that range between commercial and lifestyle for both goals and strategies. This is graphically represented in Figure 1 below.

Figure 1. A Taxonomy of Small Business Owner-managers



Source: Dewhurst and Horobin 1998

### **Lifestyle Entrepreneurship in Tourism**

Research clearly demonstrates that lifestyle and autonomy factors are predominant motivators in the tourism and hospitality sectors (Andersson et al. 2002; Ateljevic and Doorne 2000; Bransgrove and King 1996; Getz and Carlsen 2000; Nilsson et al. 2003; Ryan 1998; Shaw and Williams 1998). Studies on lifestyle migration in tourism have drawn attention to the blurring of boundaries between consumption and production; many tourism business owners have been motivated to relocate to a given area after having been former tourists themselves (Buller and Hoggart 1994; Lardies 1999; Muller 2006; Price et al. 1997; Williams and Hall 2002; Williams et al. 1989; 2000). Snepenger et al. (1995) termed this process “travel stimulated entrepreneurial migration”, whilst Urry (1992) refers to it as “colonizing the tourist gaze”.

In a study on the motivational structures of tourism entrepreneurs carried out by Getz and Carlsen (2000), the authors clustered two types of entrepreneurs in Australia, labelling them “family-first” and “business-first” entrepreneurs. The family-first entrepreneurs represented two-thirds of the two and were motivated by emotional factors associated with their families and the optimisation of their leisure time. Bransgrove and King (1996) found that while the most important goals of owner-managers of small tourism

businesses were challenge/stimulus, business opportunity, lifestyle and long-term financial gain, lifestyle goals were twice as frequent in rural areas.

For many businesses, particularly in rural and peripheral locations, the maintenance and protection of a preferred lifestyle will be prioritized over a commercial focus on profit-maximization (Sherwood et al. 2000; Thomas 2000). Small-scale tourism businesses not only reflect lifestyle motives generally but also, in certain circumstances, more specific lifestyles that reflect new forms of tourism consumption (Shaw and Williams 1998). An example of this is the new demand for food and wine tourism. In research completed by Ateljevic and Doorne (2000), the authors find that “tourism lifestyle entrepreneurs” in New Zealand provide unique opportunities to engage with “niche” market consumers informed by values common to themselves within rapidly segmenting markets. While lifestyle-oriented businesses may present opportunities in terms of tourism development, it also often poses challenges and constraints in terms of innovation and growth at the destination level (Stone and Stubbs 2007). This is discussed in the following section.

### **Lifestyle Entrepreneurship at the Destination Level**

Although the positive aspects of lifestyle-oriented businesses are generally given more emphasis in the literature than the negative aspects, there is one stream of discourse associated with lifestyle businesses that is of a negative nature. This discourse tends to focus on the idiosyncratic behaviour of the owners. In research on rural tourism operators in Finland, Komppula (2000) found that a typical rural tourism entrepreneur avoids economic risks rather than wanting to make rapid growth investments in the business. These personal objectives, which lead lifestyle-oriented business owners to "constrain" their own business growth, can also lead them to oppose further growth within the local area (Stone and Stubbs 2007). At a macro level, lifestyle proprietorship may be deemed "problematic" by others in destination areas (Goulding et al. 2004).

If a family-run or lifestyle-oriented business places personal or family needs ahead of growth, or places autonomy and hands-on management above growth potential, it can result in a widespread lack of ambition to grow such businesses (Getz et al. 2004;

Komppula 2004). These business goals may conflict with the ambitions for tourism development of local or regional authorities and governments. They also may conflict with the profit-maximization goals of some professionally managed firms. Those expected to promote increased tourism development may not be interested in doing so (Muller 2006).

Trends of lifestyle-oriented business ownership pose challenges in other rural industries as well. In a study of social networks amongst French farmers, Mailfert (2007) found that traditional strong social relationships in agricultural communities have been challenged by new, lifestyle-oriented “alternative” farmers. This is due to the fact that farmers starting out today are no longer exclusively sons and daughters of farmers but come from a variety of backgrounds, many of which are moving “back-to-the-land” in search of a fulfilling lifestyle and self-defined economic success. These “neo-farmers” are likely to be considered “outsiders” in their new communities and may experience social isolation. In a study on the farming scene in Canterbury, New Zealand, Egoz et al. (2006) found that established conventional farmers perceive lifestyle-oriented, organic farmers as a threat and see them as not being “real” farmers. The authors found that different ways of managing land were associated with different social beliefs shared by members of the various conventional and alternative (organic) farming subcultures. While these two studies focus on farming, it does highlight the fact that if farmers or other types of rural actors (e.g., winery owners) with diverse backgrounds continue to enter the countryside in significant numbers, then new forms of networks are bound to arise. Hill, McGown and Drummond (1999) argue that the overall strength of a social network is determined by geographical, psychological and cultural distances between the actors, along with the nature of the entrepreneur’s past experiences. New migrants may have more difficulty in easily establishing a working network since they may have considerable psychological, cultural or social distances with the host population (Shaw and Williams 2004).

### **Wine Tourism**

The tourism industry and wine industry have become increasingly seen as “natural

symbiotic partners” (Fraser and Alonso 2003) – a relationship now embraced as “wine tourism”. The origins of wine tourism research began in the mid-to late-1990s, growing out of several other existing areas of academic interest such as rural and special interest tourism (Hall and Mitchell 2001; Hjalager and Richards 2002; Mitchell and Hall 2006). Wine tourism has been defined 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” (Hall et al. 2000, p. 298). While winery visitation is often at the core of much of the early research, it is only a subset of the broader study of wine tourism which may include the study of wine festivals and various other tourism pursuits that include wine (Mitchell and Hall 2006). Getz (1998) defines wine tourism more broadly, including three major perspectives: as a strategy for destinations, as an opportunity for wineries and as a form of consumer behaviour. Many small-scale producers rely on wine tourism for sales and as a means to build brand loyalty (Dodd 2000; Fountain et al. 2008; Hall et al. 2000a; O’Neill and Charters 2006).

The existence of wine, wine tourism (O’Neill et al. 2001; 2002) and tourism more generally plays a pivotal role in attracting visitors to rural areas that in turn benefit local economies and communities (Hall et al. 2000; Hall 2004; Jaffe and Pasternak 2004). New wine regions and wine trails are increasingly being developed worldwide (Bigongiari 2003; Fensterseifer 2007; Jaffe and Pasternak 2004; Sharples 2002) and traditional regions facing decline are being revitalized - not to compete in the global wine market but, instead to boost the local economy via small-scale production for wine tourism (Scherrer et al. 2009). The heightened tourism that accompanies the “discovery” of a new wine-producing regions is economically important to many countries. This “value added” economic aspect of wine production is an important reason that many governments support strong research programmes in the development and improvement of their wine industries (Bisson et al. 2002).

Given that wine and tourism are both products that are significantly differentiated on the basis of regional identity, it is little surprise that the relationship between wine and



tourism is extremely significant at a regional level through the contribution that regionality provides for product branding, place promotion (Hall 2005b) and economic development (Hall 2000b; Illbery and Kneafsey). In order to build a critical mass and economies of scale in the marketplace, the wine and tourism industries benefit from a united, cooperative network that promotes the region (Hall and Macionis 1998). Despite the apparent benefits of collaboration and networking for the wine and tourism industries, poor linkages within a region might be caused by the different goals of owners in these emerging networks (Hall and Rusher 2004). Simpson and Bretherton (2004) note that while high levels of cooperation between private actors in the regional development process have traditionally provided enhanced performance, a realization of an optimum level of cooperation can not be automatically assumed as small firms in these industries are not normally known for their strategic thinking or integrative behavior patterns.

Furthermore, some small wineries may not be interested in incorporating more tourism, or any tourism into their business, despite encouragement from local associations and government. Fraser and Alonso (2006) argue that while adding a tourist dimension to a winery may increase regional tourism appeal and economic benefit, it may not provide much benefit to the individual winery business. Fraser and Alonso (2006) also argue that some owners do not want to be involved in tourism as their passion lies in producing wine and enjoying the associated lifestyle without such distractions. In the case of this research (discussed in the findings section) many winery owners are not interested in catering for tourists year-round, nor are they concerned with promoting for more wine tourism at a regional level. This has important implications in terms of destination management, particularly in relation to tourism marketing and seasonality.

### **Seasonality**

As noted in the Introduction, both tourism (in most destinations) and grape growing/wine production experience seasonal variations in activity. Therefore, it would seem that a combination of these two seasonal industries would lead to compounded seasonal effects. While seasonal extension initiatives may be implemented, some operators are unlikely to participate if the initiatives conflict with their personal lifestyle goals or overall business

objectives. As Getz and Nilsson (2004) argue, the seasonality “problem” is, to a degree, culture-specific.

Seasonality is also generally accepted to be a demand-driven phenomenon, which Goulding and Hay (2001) argue is an oversimplification. Few attempts have been made to develop a holistic understanding of supply-related aspects of seasonality, and the existing analysis of supply-side influences tends to concentrate on the "macro" dimension of the destination area or region as a whole. Much of the literature and empirical research on seasonality in tourism has focused on defining causal factors and policy responses to tourism seasonality, rather than on individual business owner-manager perceptions of seasonality (Goulding et al. 2004). The limitation of this is that there is an implicit assumption that places and the individuals within them share a common experience and common definition of peak season, seasonal downtime, et cetera. As Goulding (2008) argues, it must be acknowledged that the need or case for “solving” or “overcoming” temporal imbalances is not universally accepted. Operators may either maintain the status quo or concentrate their response efforts on redeploying resources more efficiently. One approach to “dealing with” seasonality is what might be termed the “level of response” continuum, where business operators can respond in one of the following ways: Try to shift demand within existing peak periods through tactics such as pricing, marketing, promotional packaging; Tackle issues of seasonal employment such as the high turnover which can lead to under-skilled employees; Optimize the use of low season for maintenance and repair tasks, business planning, marketing or recuperation (Goulding 2008).

Destination strategies employed by government or regional organizations to reduce seasonality, such as seasonal extension destination marketing initiatives (Goulding et al. 2004) may not be welcomed by certain business operators if it is seen to conflict with personal lifestyle objectives. Duval (2004) argues that while jointly co-ordinated marketing strategies among operators can be a solution to mitigating seasonal fluctuations, it is unclear whether businesses and operators even perceive seasonal fluctuation as a problem that needs to be rectified (Duval 2004). Getz and Nilsson (2004)

found five observed types of seasonal opening/closing patterns among family businesses in Bornholm, Denmark: Open all-year; Closed seasonally; Partially open; Strictly supplementary; Double occupation. Amongst these family businesses, the research illustrated a continuum of strategies for “coping” with or “combating” seasonality (see Figure 2).

Figure 2: Family business strategies and actions related to extreme seasonality of demand



Source: (Getz and Nilsson 2004, p. 28)

The present research study questions commonly-held assumptions in the literature, including how “entrepreneurship” is defined, the importance of tourism for wineries, and the perceptions of and responses to seasonality in visitation. The literature presented here has set the scene for exploring lifestyle motivations in wine and tourism entrepreneurial endeavors, and the impact of lifestyle entrepreneurship at the destination level. Of particular interest is how conflicting stakeholder interests and agendas (i.e., commercially-oriented versus lifestyle-oriented) will affect efforts to manage for seasonality. The first part of this paper has highlighted issues of importance for wine tourism at the destination (macro) level and at the individual, business (micro) level. Seasonality serves as an important domain through which to view these issues:

1. Entrepreneurship: In the context of wine tourism regions, there are clearly other definitions of success beyond a desire to maximize economic gain. In light of this, we must move beyond purely economic definitions to develop a definition of the entrepreneur in wider terms - most notably, acknowledging the importance of non-economic motivations such as personal, lifestyle, and family goals. These goals will be reflected in owner perceptions and responses to tourism and seasonality
2. Destination Management: At a destination level, seasonality is a significant area for goal conflict in terms of business objectives. While cooperation is seen as vital to the success of wine tourism destinations, conflicting stakeholder interests can pose significant challenges to cooperative initiatives, such as attempts to reduce seasonal tourism fluctuations.

## **Methods**

This research is based on qualitative, semi-structured, in-depth interviews with winery owners and additional stakeholders in two case study areas: The Finger Lakes wine region in Central New York State and the Central Otago wine region in the South Island of New Zealand. These regions were chosen because they are both New World, rural, cool-climate wine regions that cater to tourists. Over 2007, approximately 60 winery owner/managers were contacted in each region to ask if they would be willing to participate in this study. The owner/manager of the wineries selected for involvement were approached by email with a follow-up telephone call. The general purpose of the research was outlined and if the winery expressed interest in participating, a date and time was arranged for an interview. All willing participants were interviewed on their premises.

This process resulted in 21 interviews with informants in the Finger Lakes (18 wineries and three additional associations/organizations) and 26 interviews conducted in Central Otago (24 wineries and two additional associations/organizations). The duration of interviews ran from 25-90 minutes, and were audio-recorded and transcribed verbatim as soon as possible following the interview. The transcription process was conducted slowly and thoroughly, and included every decipherable word spoken over the course of

the interview as well as pauses and notes on respondent intonations. Transcripts formed the basis of analysis for this research and was the first step in data analysis. The interviews were then coded and categorized into emerging themes and sub-themes, and subsequent interpretation in light of the theoretical underpinnings of the study. Coding and categorizing allowed us to structure and conceptualise the data in order to come to a clearer and more comprehensive understanding of the issue. The categories we used for coding the material were developed from the material itself rather than from existing theories.

A comparison of data at different levels was conducted at each stage of this research, with a thorough and critical inspection and analysis of all parts of the data. This was done by grouping answers to common questions and analyzing the different perspectives on a common issue. On one level, the individual respondents are compared with each other (within and across case study areas). Different typologies were established (e.g., absentee owner, family-run, owner-operated) of which these “types” of respondents were compared with each other. The answers given by different participants to a specific question are compared, as well as parts of narratives by different participants. Between the two case studies I considered how different and similar responses were given by various respondents on different topics. This served to confirm that information was reported as objectively as possible and as a means to validate the data, avoiding anecdotalism. Furthermore, a very careful and thorough transcription, coding and categorizing has contributed to the reliability of this research. The interview method emphasized respondents' own definitions of business success and took into account their own perspectives and values in order to come to a more thorough understanding of the individual business orientation of each respondent.

## **Findings**

Characteristics of winery owners involved in this research ranged from pure profit/growth motives through to non-economic motivators such as lifestyle and personal goals.

Central Otago respondents did not cite earning an income or profit as a *primary* motivation in their decision to produce wine. For those that do rely primarily on the wine business for an income, they acknowledged that they would make more money doing something else. The majority of Central Otago respondents are in-migrants (92%), and came to the industry with no experience in farming or grape growing. For most owners, producing wine was a long-time dream, a lifestyle-move, an investment decision or a hobby/side-project.

There are quite a considerable number of wineries here who it doesn't really matter whether the enterprise is profitable or not...whether it's a tax write off or whether it's a hobby...whatever it is (Winery respondent, Central Otago).

Those individuals motivated to live and run a business in Central Otago for the lifestyle emphasized the environmental, recreational and amenity appeal of the region.

Everyone's got a different story. Most people are passionate about wine, a lot of people are here because Central is the place they want to be – all sorts of lifestyle reasons (Winery respondent, Central Otago).

For most Central Otago respondents, tourism is not seen as a significant or primary aspect of their business. Rather, tourism is used as a showcase for their wines and is sometimes even seen as an interference or distraction from their lifestyle goals or goals of producing high-quality wine. Out of the 23 wineries interviewed in Central Otago, 13 have a cellar door and have regular operating hours for tourists while the remaining 10 were open to visitors by appointment only. Some respondents are entirely focused on wine production and have no interest in adopting formalized tourism (but will host tastings if requested by appointment). Others are somewhat involved with tourism and will open the cellar door over certain periods of the year or for certain days of the week. For those wineries that are partially involved, tourism is a side project or secondary concern. As one winery owner stated: "It's only something I'll do until I want to anyway". A number of the wineries initially planned to be open regularly for visitors but then decided it was not worth the "hassle". Wineries that do not regularly cater to tourists spoke of their focus on high-quality Pinot Noir, low supply and relatively higher prices. Because of this, they do not think that it makes sense to open regularly.

Conversely, two-thirds of Finger Lakes winery owners are originally from the region, many with backgrounds in farming and grape-growing. Many of these individuals decided to expand their grape growing business into wine production because it was more profitable to do so, or out of necessity. For the overwhelming majority (78%) of Finger Lakes respondents, their primary motivation is to make money and earn a living. The remaining 23% of Finger Lakes winery respondents highlighted non-economic and lifestyle motivations as the primary reason for owning a winery in the region. These individuals emphasized the benefits they gain from a more flexible, independent, and slower pace of life, or being “hands-on” and working outside. For others, it means living in a beautiful place and producing a desirable, romantic product. While over three-quarters of Finger Lakes respondents are primarily motivated by financial incentives, not all actions and decisions are solely based on profit motives. For many, it is a mix of both economic and non-economic motives.

The wine and tourism industries are seen as inseparable in the Finger Lakes, and all wineries directly cater to tourists in some capacity. Those wineries that participated in this research project sell 70-100% of their wine at the cellar door. As one winery respondent described it: “The wine industry couldn’t survive without tourism. That’s why it’s such a neat relationship, it’s truly symbiotic”.

### **Individual Responses to Seasonality**

#### *Finger Lakes*

For most Finger Lakes winery respondents, increasing sales through the cellar door is an important strategic business goal. Most individuals are focused on achieving this is by extending the tourism season and increasing year-round cellar door sales. For these businesses, tourism seasonality is seen as a challenge to overcome or at least to try and reduce in impact.

It’s definitely a seasonal region and a seasonal business. Seasonality’s role is somewhere between huge and just about everything...that is why we have been trying to

affect seasonality with the special events and that kind of thing (Winery respondent, Finger Lakes).

However, those Finger Lakes winery owners who entered the industry for lifestyle reasons always planned to take time off during the slow periods so that they could take a break, go on holiday, or pursue other lifestyle goals. For these owners, the ability to take time off was part of the attraction of starting a business with a built-in downtime:

We close at the end of November and we don't reopen until the end of May.

[My husband] wants to make wine and keep the lifestyle that we have. In the winter time we go away, so see our son, go someplace for vacation (Winery respondent, Finger Lakes).

These individuals are not interested in partaking in regional collaborative efforts to increase tourism or reduce seasonal downtimes in visitation. The downtime also allows some operators to catch up on other aspects of the business such as maintenance and marketing.

We close in the winter. We have always designed with closing in mind...I love the seasonality of our business because when you have downtime, you're working in the back room operation which is nice. Because you're like 'ok, I'm tired of the public I just want to get hands on work done'...working on the wines, clean the place... inventory. (Winery respondent, Finger Lakes).

### *Central Otago*

Many Central Otago wineries are open for visitors by appointment only, so seasonal fluctuations in visitor numbers is not an issue. For those Central Otago winery owners who do cater to tourists and are motivated by a desire to maintain a particular lifestyle, they may see seasonality as an opportunity to take time off, go on holiday or pursue other lifestyle or family goals.

I would say that seasonality works really well in this industry because there's significant down periods where people can get away and do other things. So I would say it's pretty good (Winery respondent, Central Otago).



For those owners who are focused on fostering the production of high-quality wine, the built-in downtime associated with seasonality may be seen as an opportunity to catch up on other aspects of the business, or a chance to sharpen and advance their winemaking skills. For those owners who are focused on becoming a “globally distributed, internationally-recognized brand” (Winery respondent, Central Otago), they are primarily concerned with exporting and cultivating relationships with global distributors. These operations withhold only a small proportion of their wine to be sold through the cellar door:

We allocate a certain amount to sell through the cellar door and we always sell out...We could certainly make more money by being open longer hours and being open on the weekends when you're selling at full retail margins at cellar door. It just hasn't been part of our strategic business goal (Winery respondent, Central Otago).

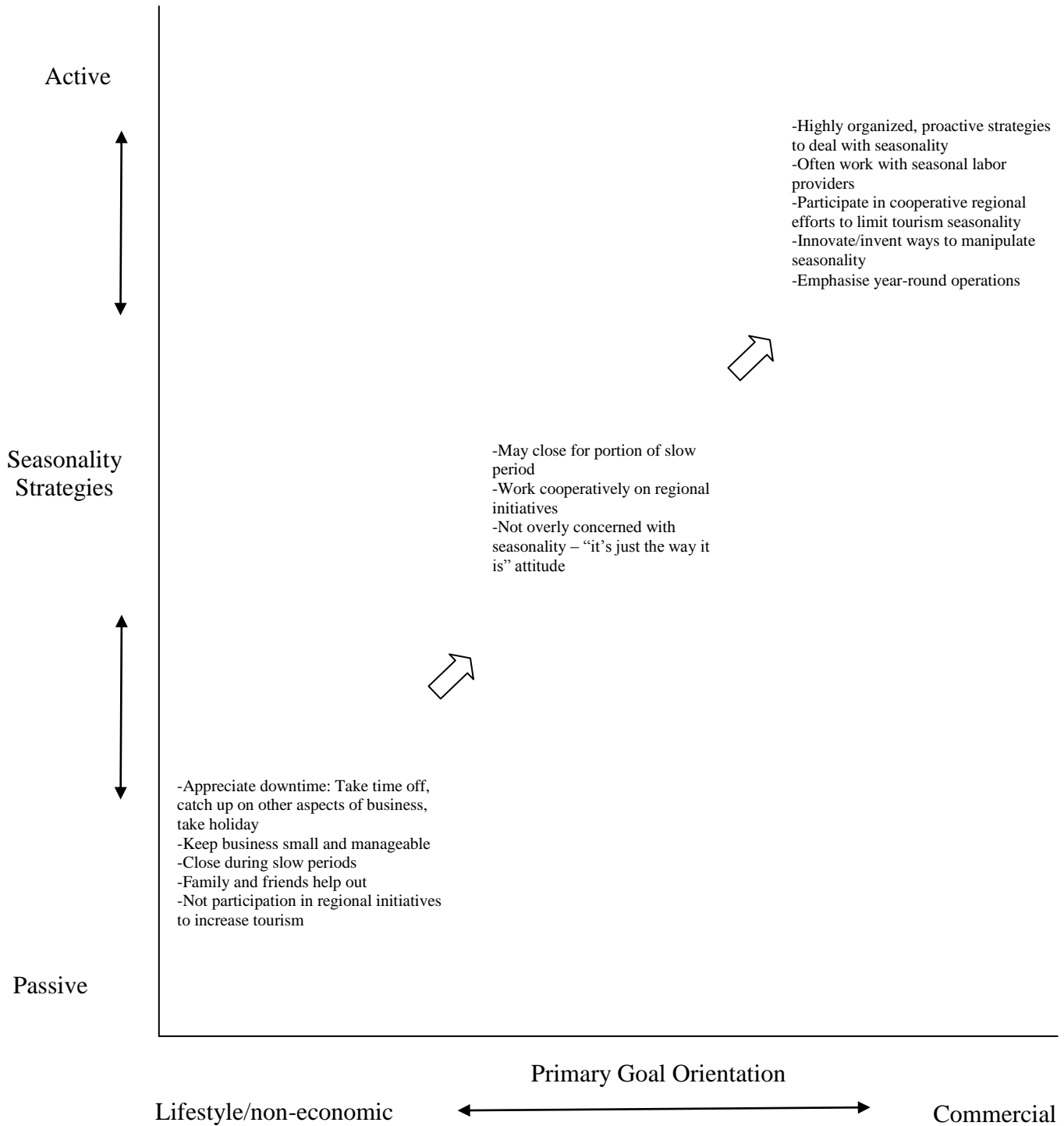
### **Model of Owner Goal-orientations in Relation to Seasonality Management.**

Based on the various motivations highlighted by respondents, a model of owner goal-orientations in relation to seasonality management has been developed to enhance understanding of winery owner's perceptions of seasonality and strategies employed to deal with seasonality (Figure 3 below). On the one hand are those commercially-oriented winery owners that are focused on promoting tourism in the region and increasing cellar door sales by extending the tourism season. These owners participate in regional cooperative initiatives to reduce seasonality and are proactive in managing for and dealing with seasonality. On the other hand are those winery owners who are more focused on family, lifestyle-oriented goals or alternate goals such as producing a high-quality, globally distributed wine, and who do not view tourism as a priority.

Many of lifestyle-oriented owners purposely limit the size and scale of their operation in order to curtail the management demands of the business. By keeping the operation small, they can more easily deal with seasonal fluctuations. This is because they have less invested and less risk. They also have more flexibility in terms of hiring staff in the vineyard and cellar door. In general, these owners do not perceive seasonality to be a problem or challenge to overcome and are passive in their “response” to seasonality.

These owners do not participate in regional cooperative initiatives to reduce tourism seasonality nor do they employ seasonal extension initiatives for their own business.

Figure 3: Model of owner goal-orientations in relation to seasonality management



## **Destination Perspectives on Seasonality**

There have been efforts in both The Finger Lakes and Central Otago, particularly in the more peripheral sub-regions around them, to build a year-round critical mass of visitors, sufficient enough to sustain local businesses. This involves encouraging wineries and other services (accommodation, restaurants) to stay open throughout the year in order to attract more tourists. Although extending the tourism season is a priority for those wineries and associations concerned with growing tourism in The Finger Lakes and Central Otago, not all stakeholders subscribe to the opinion that seasonality needs managing, fixing or mitigating (see Figure 3 above). Currently, many wineries and additional businesses shut down during the off-peak season for personal, lifestyle reasons or because there is not enough business to justify staying open. Yet part of the reason visitor numbers are low is because there is a perception among potential tourists that most businesses in these destinations shut down. This leads to a self-perpetuating cycle where services and attractions close due to poor business, which further reinforces the popular perception that everything is closed.

There is a perception that wineries are closed because for years they were. And you can't break peoples perception overnight. And as much as everybody now understands that for the last 5 years there's a thriving wine industry in The Finger Lakes, there was 100 years ago, it just wasn't tourist-friendly, it wasn't marketed that way...so things take time, and perception still lingers that the wineries are closed (Winery respondent, Finger Lakes).

While this is more of an issue in The Finger Lakes, Tourism Central Otago has identified the lack of consistent opening hours in the peripheral sub-region of Alexandra as an issue to manage. Many of the wineries either close during the slow periods or do not to open at all:

Within the Alexandra basin there is a distinct lack of cellar doors open regular hours with currently only two operating regularly from 14 in the area. Some wineries are not interested in tourism, the focus being on producing rather than providing a visitor experience (Tourism Central Otago 2008c, p. 100).

While seasonality (and seasonal extension efforts) may seem like a natural domain in which collaborative efforts occur, the various and often conflicting stakeholder interests limit the effectiveness of collaborative initiatives. Those winery owners that are not focused on tourism may not think seasonality needs “fixing” and instead appreciate the downtime associated with seasonality. This raises the question of how tourism destinations can plan for seasonality in tourism-relevant businesses when there are conflicting stakeholder interests. This may be especially prevalent in areas such as the case study regions, which attract people for their perceived lifestyle and amenity-value.

### **Discussion**

The term “entrepreneur” has traditionally been reserved for an extra-ordinary person who starts a new firm, which rapidly grows (Berglund and Johansson 2007; Ogbor 2000). However, as illustrated by the characteristics, motivations and business practices of entrepreneurs in tourism destinations such as the case study regions, it is clear that we must develop a definition of the entrepreneur in wider terms. Entrepreneurship must be approached as a concept that comprises social and cultural values as success factors rather than just “development and business growth”. “Lifestyle” is clearly an important success factor for many entrepreneurs in rural, high-amenity tourism destinations such as the Finger Lakes and Central Otago. Individual lifestyle motivations will serve to shape and influence both the decision to start a small business and the strategic decisions and actions taken by the entrepreneur. Of particular interest for this paper is how the motivations of the owner reflect the perceptions of and responses to seasonality.

The overwhelming opinion expressed in the literature on tourism is that seasonality is a problem that has to be overcome, modified or reduced in effect (Butler 1994). It is generally only in relation to employment, environmental and social effects that “positive” impacts of seasonality are mentioned (Brougham and Butler 1981; Flognfeldt 1988; Mathieson and Wall 1982; Murphy 1985). As noted at the start of this paper, much of the supply-side analysis of seasonality looks at the macro view of the destination region, with an implicit assumption that stakeholders share the same perception of seasonality. In the case of this research, seasonality has not emerged as a universally-accepted problem for

research respondents. Indeed, there was significant diversity in terms of respondents' perceptions of and responses to seasonality. This diversity of interests and agendas limits the effectiveness of collaborative initiatives. Both the wine and tourism industries rely on cooperation for regional marketing and building a tourist constituency, particularly when the businesses are small-scale and located in peripheral areas. However, if the lifestyle or personal goals of some owners are at odds with the profit maximization goals of other owners, then developing a cohesive strategy can be a problem. Demand fluctuations may be one of the many problems for people struggling to make a living, while seasonal closing can be a necessary component of living a particular lifestyle. If lifestyle-oriented owners choose to close during the off-peak or shoulder-seasons it contributes to a perception that the region "shuts down" during these periods and is not conducive to visitation. These business practices may be deemed problematic at the destination level. Furthermore, if these owners do not perceive seasonality as a problem to be "fixed" then they are not motivated to contribute to or partake in seasonal extension initiatives carried out by local authorities and regional organizations. Their non-involvement is perceived to weaken the overall effectiveness of such initiatives.

## **Conclusion**

This paper has sought to clarify the diverse perceptions and impacts of seasonality on wineries as revealed by stakeholders in two rural, cool-climate wine regions. This research has also framed seasonality as a useful forum to explore lifestyle entrepreneurship. While seasonality does pose challenges, many owner-operated, lifestyle-oriented winery owners appreciate the downtime associated with seasonality because it gives them a break and thus time to catch up on other aspects of the business. While some wineries (as well as other tourism-related businesses) choose to close down over the slow period, others are actively trying to build a year-round critical mass of visitors and promote the region as a year-round destination. These conflicting interests lead to challenges from a destination management point of view. Reducing seasonality is a priority for regional organizations, yet many winery and business owners do not think seasonality needs "fixing" and plan to continue closing over certain times of the year, when business would be minimal. This perpetuates a perception that everything shuts

down during the slow periods with nothing to do, nowhere to stay, and nowhere to eat. Such beliefs pose a particular challenge for the more peripheral areas that struggle to build a reliable clientele. While cooperation amongst these businesses is seen as vital to the success of tourism destinations, conflicting stakeholder interests can present significant challenges to cooperative initiatives, such as attempts to reduce seasonal tourism fluctuations. Given the untangling of commonly-held assumptions regarding seasonality management, there is much potential for future research based on the current findings. Future research could highlight whether other tourism destinations face similar challenges or whether wine tourism destinations are particularly susceptible to such challenges given the inherent seasonal nature of wine production.

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