

Main challenges, trends and opportunities for wine tourism in Portugal

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Abstract

Purpose – This paper aims to define the boundaries of wine tourism to identify the main challenges, trends and opportunities of wine tourism in Portugal, providing some critical recommendations for those operating in this sector.

Design/methodology/approach – The paper draws on a literature review and content analysis of prior and ongoing work.

Findings – The main challenges, trends and opportunities for the wine tourism industry in Portugal are identified, as well as suggestions and practical recommendations/contributions for managers, stakeholders, players and marketers. The paper concludes with some key points that could form the basis of a strategic agenda for future action.

Originality/value – Based on the reviewed literature, some benchmarks for the wine tourism industry in Portugal were developed.

Keywords Trends, Challenges, Opportunities, Wine tourism, Wine tourist

Paper type General review

Wine tourism perspective analysis – challenges, trends and opportunities

Context and relevance of wine tourism in Portugal

Portugal is no longer just a sun and sea destination. Some touristic products and attributes like wine, city breaks and value for money are now more aligned with the country's tourism image than ever before (Costa *et al.*, 2014). There is also a greater need to understand the different types and motivations of tourists that explore specific areas, where wine tourism is one of the key offers. In this context, Carvalho *et al.* (2018) conclude that the effects of brand image and satisfaction explain tourist loyalty and have direct implications for brand performance evaluation, consumer behaviour and tourist profiling. The understanding of wine tourism and its branding success reinforces the need to make continuous efforts to unify marketing collaboration among stakeholders. This should contribute to the creation of a consistent wine-related image. The success of a wine region also has to take into consideration the associative relationship around the critical factors success – CFS (Singh and Hsiung, 2016). For example, when a particular region is analysed as a wine tourism destination, the CFS could be the interrelatedness of the product, lifestyle, branding, land



protection, entrepreneurs/individuals, partnerships and community involvement and support (Jones *et al.*, 2015). Following this line of thought, Portugal seems to be on the right track: “The wine tourism units introduce a traditional and authentic image of Portugal. However, simultaneously, the modern cellars that have arisen in some wine regions of the country also introduce a more contemporary and technological side. These units also have a relevant role in enriching the tourism experience associated with the discovery of regional territories and cultures”. (Turismo de Portugal, 2014, p. 1).

The Porto wine cellars can provide a very useful insight and benchmark for other forms of wine tourism in Portugal. They are the oldest and, for many years, the most dynamic driving force in the Portuguese wine tourism sector. They are still a strong and growing wine touristic product, much visited by national and international wine tourists. The relevance of the Porto wine cellars as a product and tourist destination derives from its historical and cultural heritage and its proximity to the city of Porto, now a major Portuguese tourist destination with around 1.6 million tourists (IPDT, 2018). These are key elements and characteristics that continue to make a significant contribution to ensuring that Porto’s wine cellars are a trendy destination. Santos, Ramos and Almeida (2017) conclude that involvement, destination emotions and place attachment are positively related to the behavioural intentions of the wine tourist. Furthermore, they argue that there is a synergetic effect between these constructs that allows for a more holistic view of tourist wine behaviour, reflecting on the specific dynamics of the wine tourist. Hence, it allows us to extrapolate some perspectives relating to the global wine tourism sector in the country that also have more general implications worldwide.

Strategic analysis of the worldwide wine tourism system

Wine tourism is a modern phenomenon that has relatively recently emerged. In a world context, the European continent was aware of wine tourism and its practice much earlier than other continents. Soon after, the new world appeared and now wine tourism options facilitated by prior investment in wine tourism development. Getz (2000) states that the success of wine tourism depends on the good operation of the components of the wine tourism system. This implies a harmonious integration of consumers’ needs and expectations and the resources of the key organizations at wine tourism destinations. Wine tourism has undoubtedly been a trend consolidated by the quality and diversity of the offer. It has, therefore, attracted a growing number of wine tourism operators who visit and explore wine tourism destinations serviced by new products and services and wine tourism destinations that are becoming more competitive and attractive. The future perspective is that wine tourism (wine, gastronomy and accommodation) will have a more prominent presence in the tourism sector. Cellars, wineries, wine estates and winemakers have all invested in an integrated and sustained way in the continuous improvement of their services and associated infrastructures to provide wine tourists with an excellent tourist experience.

Getz (2000) emphasizes the importance of wine tourism through the “value chain of wine tourism”: (Stage 1) basic resources, (Stage 2) viticulture, (Stage 3) production of wine (wineries) and (Stage 4) simultaneously comprising wine exports and wine tourism. Moreover, it is possible to make the wine available in the tourist’s country, as this is one of the main limitations of selling wine to tourists. Afonso *et al.* (2018) recently presented relevant results with both marketing and managerial implications with reference to understanding the wine tourists’ involvement and motivation to return to a wine region. They suggest that wine tourism managers should promote activities that encourage involvement in wine tourism and participations in wine-related events, such as wine

festivals. Given this finding, it can be argued that wine tourism should not be solely based on its attractiveness as an offer, but also on the enhancement of tourist demand through its wine activities. The experience and practice of wine tourism can be provided in a number of ways, from events and festivals, cultural and natural heritage, gastronomy, hospitality, wine tasting, visits to wineries and vineyard tours.

Getz and Brown (2006, p. 156) argue that core wine products (visitor friendly wineries, knowledgeable winery staff, wine festivals, family wineries), the core destinations appeal (attractive scenery) and the cultural product (unique accommodation with regional character, fine dining and gourmet restaurants, traditional wine villages) are three critical features of the wine tourism experience from a consumer perspective.

Perspectives on wine tourism – a new definition

Given the array of developments to date, wine tourism is still a broad field of research. For example, a consensus has yet to be agreed regarding its boundaries and the perception and expectations that many tourists have. In Table I, we can find the most cited definitions of wine tourism. Some would put the emphasis on the demand like Getz (2000), Getz et al. (2007) and Hall, et al. (2000), while others define it in terms of the supply of wine related resources and activities offered to the tourists (ECWT, 2006; Brown and Getz, 2005). By far the most holistic definition is by Getz and Brown (2006) and this encompasses both the supply and demand while also defining the main opportunity as of a marketing nature (to promote, educate and sell).

Six mostly cited wine tourism definitions in dominant literature review

Definitions	Authors
“Wine tourism is special-interest travel based on the desire to visit wine producing regions, or in which travellers are induced to visit wine-producing regions, and wineries in particular, while travelling for other reasons”	Getz et al. (2007, p. 246)
“All activities and tourist resources, leisure and leisure related to the material and immaterial cultures, wine and local gastronomy of their territories”	European Charter for Wine Tourism (2006, p. 1)
“Wine tourism is simultaneously a form of consumer behaviour, a strategy by which destinations develop and market wine-related attractions and imagery, and a marketing opportunity for wineries to educate and to sell their products directly to consumers”;	Getz and Brown (2006, p. 147)
“The development and marketing of wineries as places to visit, and of destinations based on the appeal of wine”	Brown and Getz (2005, p. 3)
“Visit to vineyards, wineries, festivals and wine shows where wine tasting and/or experiencing the attributes of a wine region are the main motivation factors”	Getz (2000, p. 3)
“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. 3)

Table I.
Most cited wine
tourism definitions

So what really is wine tourism? There seems to be a need to develop the concept of wine tourism from the tourist's perspective and from the main motivations that they seek in terms of involvement and emotions. It is still important to consider how some constraints can affect certain types of tourism, such as wine tourism (Cho *et al.*, 2017). This provides a perspective on the experience that was proposed by Hall *et al.* (2000). But there are still some behavioural aspects that need to be enhanced. Hence, it is proposed that wine tourism consists of an activity directly related to wine which provides a dynamic and versatile experience that integrates wine culture and heritage, to create emotions, sensations, attachment and sensory impressions through the visit, allowing the wine tourist to become an advocate of that particular cellar, brand or wine region.

Wine tourism main trends and opportunities

After defining the boundaries and purpose of wine tourism, the next step for managers is to answer to "How can the wine tourism experience be enhanced?" In relation to this, another question also needs to be addressed: "How has the paradigm of the old wine tourism consumer vs new wine tourism consumer changed?" and "What kind of wine tourist do we wish to attract?" In a wine tourism context, attracting the right type of wine tourist seems to be more important than just attracting large numbers. These global questions and their answers are related to perspectives on and the future of wine tourism that are addressed in this paper.

The main trends and opportunities that characterize the Portuguese wine tourism sector are presented and listed below, taking into account the supply perspective, governmental support, marketing, promotion and production:

Supply:

- Wine tourism in Portugal has reached a higher level of quality and it's now more aligned with a modern wine tourism image than before.
- Wine tourism is a developing product and wine tourism destinations are in high demand – performing much better than expected in recent years.
- Growth and development of supply and demand is occurring in relation to wine tourism activities and widely known experiences.
- There is now continuous promotion of wine tourism in some areas of Portugal; for example, wine tourism is now a very significant component of tourism in areas like Douro.

Governmental support:

- Wine tourism is now considered one of the priority areas for governmental action and public policies: as reflected by the allocation of measures, support and financing mechanisms.
- There has been new EU economic support for wine tourism-related investment.

Marketing and promotion:

- Coordinated actions in digital promotion and in marketing actions reflect the importance of wines in the promotion of wine tourism destinations.
- Now, most wine producers consider the critical role of wine tourism in their overall promotional effort.
- Portugal's wine reputation has grown significantly – as reflected by an increasing number of prizes in the most reputed wine competitions and high scores by the main

wine reviewers worldwide. This has led to increased demand from the more knowledgeable tourists.

Production:

- Wine production is one of the few activities that continues to assert itself competitively and is capable of generating wealth in the economy, especially in areas where there is limited economic activity.

The trends' highlights listed above are based on prior research and on a report on Wine Tourism in Portugal that characterizes supply and demand (2014). A further source is the Book of Good Practices in Wine Tourism ([Douro Wine Tourism, 2013](#)) that includes key indicators and principles for good practices in the implementation of wine tourism.

Practical suggestions, recommendations and contributions for managers, stakeholders, players and marketers

The wine tourism industry opinion makers and leaders should analyse and deal with all the main challenges, trends and opportunities that characterize the wine tourism market, focusing their contribution more specifically on the growth and progress of the wine tourism at a global level, by exploring the full range of opportunities that have recently emerged. Regarding the challenges, it might be important to develop a national strategic plan with practical strategic guidelines for the promotion of wine tourism as part of an added value chain. It is important to invest in the facets of wine tourism service and specifically the guides' performance. On-going development is needed in relation to technical knowledge of winemaking, culture and heritage, as well as languages and the diversity and personalization of the guided tours, taking into account the different profiles of the wine tourists. One of the challenges for wine tourism relates to traditional local wine, which is not as well promoted as international products, and so, travellers may still prefer other products, even during their wine tourism visits ([Okumus and Cetin, 2018](#)).

Given this wine tourism industry analysis and the resulting challenges, trends and opportunities, a set of practical and operational suggestions, recommendations and contributions, based on an APIC model, are now provided:

Analysis and control:

- Evaluate the perceptions of wine tourists according to socio-demographic variables: age, education level, country of origin and job (among others) to develop wine tourist segmentation.
- Analyse the socio-economic impact of the visits in terms of expenditure, number of visits, duration and nationalities.
- Explore and analyse the differences and/or similarities of wine tourists from different segmentation perspectives: wine lovers and those who are interested and curious wine tourists ([Hall et al., 2000](#)) wine lovers, interested wine connoisseurs, wine novices and hangers-on ([Charters and Ali-Knight, 2002](#)).
- Continuously analyse wine tourism trends, consumption patterns and wine-related travel options to respond quickly.
- Aim to address information gaps relating to what drives the wine tourist when visiting wine tourism products and destinations (in particular, travel behaviour and predicting the behavioural intentions).

- Improve the infrastructure and conditions of wine tourism units: wineries, cellars, farms, wine service, availability of information, multilingual reception, wine shops [...].
- Strengthen tourist information on digital channels and platforms on the provision of wine tourism services (Web channels, social networks and Apps, technological tourism equipment and mobile devices).

Planning and implementation:

- The key point should be to develop a national strategic plan for the promotion of wine tourism in an added value chain, with practical strategic guidelines (this is further explained below).
- Create, develop and retain the wine brands' loyalty, in order to forge enduring wine consumer relationships; make best use of the attributes and critical success factors of wine tourism products and destinations for the future by emphasizing authenticity, wine cultural and heritage value, cellar doors, wine cellars and vineyard tours, wine tastings, wine activities and events, among others.
- Wine tour guides should take full advantage of their close contact with wine tourists and visitors to monitor responses so that wine guided tours can be improved for better future engagement.
- From a marketing point of view, the best fit promotion and positioning strategies for the wine tourism market are needed (strategic, tactical and operational levels).
- Aim to attain best practices in benchmarking as well as yield management and to maximize gains in sales via wine offers and distinctive services, given that the wine market is increasingly competitive.
- Promote unique, exclusive and memorable wine experiences (activities in the vineyard, vintage, wine tours, wine tastings, wine events, wine courses, lunches and wine dinners [...]).
- Explore the potential for cross selling with other offers in the same territory (historical, cultural and landscape heritage, leisure, well-being, nature [...]).
- Plan for diversified promotional action in priority markets (visits of wine journalists, wine critics, sommeliers, tour operators, social networks, wine and tourism competitions and fairs [...]).
- Prepare and apply a good practices manual for wine tourism, supported by a wine tourism technical guide.

Closing remarks and a strategic agenda for future action

Regarding the role and impact of worldwide wine tourism it is evident that distinctive characteristics, attributes and critical success factors, such as authenticity, cultural and heritage value are highly appreciated by wine tourists. In view of this, it is possible to propose an outline agenda for future actions.

We believe that there is potential for managers, stakeholders, players, opinion makers/leaders and marketers to enhance the value of wine tourism by focusing on six key action points:

- (1) Position indigenous wine tourism as a key strategic sector in the economic policy of emerging countries.

- (2) Create synergistic cooperation amongst public and private decision-makers at each destination.
- (3) Invest in continuous training of staff to enhance the quality of service, thereby improving the attractiveness of and participation in the wine tourism experience.
- (4) Involve the local community to foster collaboration and participation in the offer of services and products that support wine tourism activity.
- (5) Align the tourism destinations' offer to the changing needs, expectations, motivations and travel behaviour of wine tourists and visitors.
- (6) Ensure sustainability and rationality of wine tourism supply.

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