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Combining Wine production and Tourism. The Aeolian Islands

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Abstract

Wine is a key element in the development and promotion of tourism. The purpose of this paper is to investigate, from the perspective of the growers, how a specific area - Aeolian Islands - is organized in order to develop wine tourism. The methodology employed for this study consisted of a combination of surveys, interviews and field observations with the suppliers. Results indicate that the implementation of wine tourism will be a significant challenge as the respondents report a lack of marketing and tourism management skill and knowledge. Most are small sized enterprises which means they have little man power available to devote to developing wine tourism; and there is a low level of reported cooperation amongst stakeholders.

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1. Introduction and literature review

Agriculture is one of the oldest and basic sector of the global economy while tourism is one of the newest and most rapidly spreading. In the face of current problems of rising food prices, global financial crisis, linkages between agriculture and tourism may provide the basis for new solutions in many countries. Usually, the concept of tourism in agriculture refers to rural tourism but it is multidimensional (Roberts & Hall, 2004). Rural tourism, which brings a great number of tourists out into countryside, attracted above all else by the distinctive character of the regional landscape and not alone. The tourist is interested in visiting the sites of production which are typical of a given area in order to learn about food products, production systems, material testimony (old machinery, buildings,

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etc.), local culture (popular art, crafts, etc.). Welcoming tourists on the farm is a solution, a secondary activity with roots in agricultural activities (Tew, Barbieri, 2012). Wine production can help rural areas redesign their economies for both wine production and the hospitality associated with fine dining. There is an abundance of literature linking wine and food to tourism. Many examples of developing wine regions exist (Getz & Brown, 2006; Wargenau & Che, 2006) and the development of wine routes or wine tourism (Hall & Macionis, 1998; Hall & Mitchell, 2000; López-Guzmán *et al.*, 2011; Koch, Martin, & Nash, 2013) generally plays a role in attracting visitors to rural areas which, in turn, benefit local economies and communities. According to recently released data at the International Wine Tourism Conference (2012), wine tourism in Italy generates €5 billion a year. In a study conducted by Censis (2013) it was reported that for every 10 euros spent in a vineyard, 50 euros were generated in earnings for the local economy. Wine and food have become the second most important reason why tourists come to Italy and they are considered the greatest satisfaction to visitors (Censis, 2013; Privitera, 2015). Actually, it's need to tell that wine can be a part of what draws someone to wine country, but it is generally not the driving factor. Tourists are looking to have a good time, regardless of the setting. Wineries and wine regions must compete with other tourist destinations (Wangbickler, 2012).

This paper investigates this dimension from the perspective of Aeolian Islands' small wine growers. In particular it has been analyzed the ability of the wine family farm to attract new economic flows generated by the number of tourists that has been characterizing for many years the Aeolian area, by offering products and services suitable for securing additional supplementary income for farmers.

The Aeolian Islands context. The Aeolian archipelago, located in the South of Italy, consists of seven main islands for a total area of 117 km²: Alicudi Filicudi, Stromboli, Panarea, Vulcano, Lipari and Salina. The key feature is that the territory of the Aeolian Islands is strongly characterized by an intense volcanic activity that has affected environmental components and evolution of morphological, social and economic life during the times (Fichera, Barreca & Modica, 2006).

The Aeolian archipelago is recognized as UNESCO in the year 2000. World Heritage Site Management Plan emphasizes the importance of a better use of natural resources, systems related to ecotourism (identified in the agritourism, wine tourism, fish tourism and rural tourism), together with the improvement of the quality and image of agricultural products made in the area, including the strengthening of quality assurance systems. It has been shown that many small island developing states face special disadvantages associated with small size, insularity, remoteness and proneness to natural disasters (Briguglio, 1995). The charming coast of black sand, the predominantly vine cultivated fields and forests, the unique natural features, the typical Mediterranean climate and human settlements, all these components create a mixture of natural and agricultural highly distinctive landscape. The geographical limits from the isolation are the basis of economic and social hard conditions that determine particularly detrimental situation for local businesses. The entrepreneurs have to operate in environments characterized by isolation of markets, low competitiveness, reduction of human capital, high/absolute dependence on imports and close ties to foreign investment or state aid. Within Europe family farming is the dominant, although not exclusive, land-labour institution (Ploeg, 2013). A set of features that together constitute family farming provide the (potential) qualities and they constitute the attractiveness of the family farm. They contribute decisively to its relevance for society. In the Aeolian Islands wine family farm (in which most of the resources required are controlled by the farming family) are dominant. According to data given by ISTAT Census of Agriculture 2010, Aeolian wine production is concentrated in the isle of Lipari, that with its 55 farms and its 1,027 hectares of planted area represents 38.2% of the total (144 reducing from a total of 1,144 of the Census 2000, with a net decrease of more than 85%). Actually this extension reflect a greater propensity to productions of excellence such as PDO or PGI (Protected Designation of Origin) wines which are concentrated in the territories of municipalities in the island of Salina: Leni, Malfa (table 1). The production system of Malvasia delle Lipari represents one of "Sicilian oenological microcosms" and it is characterized by a mix of exclusivity and typicality that can't be reproduced outside of the specific local context (Di Vita *et al.*, 2011). Some wine farms are included in the wine route "Malvasia delle Lipari" of the province of Messina (Italian Law dated July 27th 1999 n. 268). Wine route concept is the possibility of introducing the notions of exploration and discovery and involves a journey with new experiences (Coreras, 2007).

Table 1. Trend of numbers wine farms and area PDO- PGI

	2000		2010		2000		2010	
	n.	%	n.	%	ha	%	ha	%
Leni	8	10.0	12	35.3	6.51	18.1	10.18	17.7
Lipari	35	43.7	7	20.6	8.46	23.5	18.86	32.7
Malfa	30	37.5	14	41.2	19.28	53.7	25.17	43.6
S. Marina Salina	7	8.8	1	2.9	1.7	4.7	3.44	6.0
Total Aeolian Isles	80	100.0	34	100.0	35.95	100.0	57.65	100.0

Source: Istat, Agriculture Census 2000-2010

According to Unioncamere Sicilia, the association of Sicilian chambers of commerce, the amount of international tourists is quite balanced on the island, as 47.8% of visitors come from abroad and 52.2% are Italians, who are now more willing to discover the beauties of their own country. Data 2014 saw 11% increase of domestic arrivals. According to the national institute of statistics (ISTAT), Italians spend on average 2.94 days in Sicily and foreigners 3.57 days.

2. Methodology

Considering the great importance of wine production in the “typification” of the territory and the Aeolian and the great economic power resulting from a careful use of land resources of the islands in relation to the provision of eco-sustainable hospitality services, it is possible to identify some important keys (Nicolosi *et al.*, 2010; Nicolosi *et al.*, 2014) to restoring the local landscape system in the policies aimed at recovering the production of rural areas and abandoned land. The islands are subject to considerable seasonal problems related to the influx of tourism, with difficulties in the supply of basic resources and inability to distribute excess cash flows in other areas. Accessibility issues may lead to phenomena of dependence on national and international markets, especially respect to catchment areas and transport, often determining a prominent reduction in benefits on a local scale and a reduction in the added value in favor of foreign investors and intermediaries.

The research has provided as a first step the identification of socio-economic characteristics of the farm wineries in the area of the examination order to identify the main productive realities that characterize the area of the Aeolian Islands. Based on the information obtained was prepared a questionnaire to identify the general and socio-economic characteristics of the farm wineries and touristic activities.

The methodology of study was performed on the wine family farm as a function of keys features (Ploeg, 2015) that are closely interlinked (fig. 1). Historic-cultural dimension as the location of the Aeolian Islands that focuses on the routes between Sicily and Naples has provided a long history. The insularity and the volcanic nature has influenced the land and its inhabitants. The farming family is part of a flow that links past, present and future. This means that every farm has a history and is full of memories. Many farms are places of cultural heritage. Landscape dimension: the presence of the vineyards has affected the spatial and structural components of the islands, and also the rural architecture for the presence of typical structures for the dehydration of grapes (“cannucciati”) prior to the next stage of crushing. The family farm is part of a wider rural landscape. The sea is an important element of the landscape of the Aeolian Islands and represents an economic resource, based on fishing and related activities. The landscape consists of signs and of marine structures that have influenced the local cultural identity and strengthen the economic structure. Tourism and rural dimension: the most important economic sector which led to radical changes by projecting the Aeolian Islands in the international scene. Food and wine dimension: the Aeolian production (prevalent wine and capers) are known and appreciated throughout the world. Place for learning, knowledge, building: the wine family farm is not only a place of production but it is also the place people belong to. It is the place where experience is accumulated, where learning takes place and knowledge is passed on to the next generation. Finally, in order to identify the function of strategic planning for wine tourism development the analysis shortly examined the strengths/weaknesses and opportunities/threats with SWOT analysis. This type of qualitative analysis aims to identify the key internal and external factors seen as important to achieving an objective.

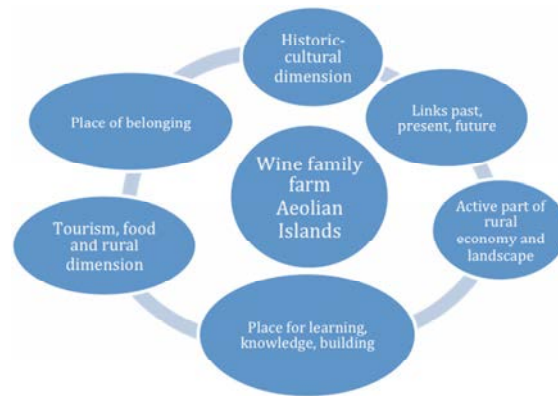


Fig.1: wine family farm as a function of keys features

3. Finding

Study was focused on wineries involved in production of PDO and PGI wine. The results were referred to a total of 16 enterprises (table 2). During the survey, on the basis of direct measurements in the field also with map, it was found a major increase in the area under PDO and PGI productions based on 2010 Census data. Actually we estimate about 70 hectares of production area. During the investigation it was intercepted around 85% (60 hectares). The farms conductors interviewed during the research work have an average age of 49 years, a good level of preparation (the 58.34% of them have a diploma of higher secondary school graduation and 33.33). They are predominantly male (75%) and work in farms with a total farm area ranging from a minimum of 3 ha up to a maximum of 14 ha. The Aeolian Islands continue to attract tourists that from simple visitors are now residents, have purchased homes or have initiated or taken over economic activities. This phenomenon has also occurred in agriculture and wine sector and 25% of respondents are not resident in the archipelago.

Table 2. General features of wineries interviewed – 2013

Area (ha)		N.	%	Location in area with restrictions		N.	%
1 – 3		4	25.0	0 – 50%		5	31.3
3,01 – 5		8	50.0	51 – 99%		4	25.0
> 5		4	25.0	100%		7	43.7
	TOTAL	16	100.0		TOTAL	16	100.0
Altitude		N.	%	Production		N.	%
Mountain		0	0	Wine PDO - PGI		5	31.3
Hill		5	31.2	Mix wine-capers		4	25.0
Plain		11	68.8	Mix wine-oil-capers		7	43.7
	TOTAL	16	100.0		TOTALE	16	100.0
Title of ownership of the vineyard area		N.	%	Revenue farm on family income		N.	%
Own		10	62.5	Marginal 10-30%		5	41.7
Rent		2	12.5	Intermediate 40-50%		2	16.7
Mix own-rent		2	12.5	Prevalent 60-80%		2	16.6
Free loan		2	12.5	High 100%		3	25.0
	TOTALE	16	100.0		TOTAL	16	100.0

Source: internal elaborations

Particularly interesting is the weight of family farm income on revenue that is marginally in 41.67% of companies, and represents almost all of the family income in 25% of the cases examined. The production of Malvasia PDO is present in 16 of interviewed farms, and in the range between 1,000 and 1,100 hl. It is bottled in 500-ml size and mini-bottles of 375 ml, with a sale price in the company ranging from a minimum of € 16 - € 18 per liter to a maximum of € 90 per liter, and an average between € 20-30 per liter. The production of white Salina wine (about 135 hl) and Salina Rosso PGI is even in most of the cases about 1,000-1,280 hl. The commercialization

methods are divided mainly into two types: direct sales in farms and intermediation. Most of the companies has its own website where you can buy their products without any intermediary, with a rather cheap price. Wine production are located in 40% of cases in the local market, 20% in the national and international markets, while the remaining 40% in local, national and international markets. The international market share (which varies from a minimum of 10% to a maximum of 50%) is primarily concerned with the Malvasia, with requests coming mainly from foreign market. In the examined area 66.6% of farms offer tourist accommodation in farm or through forms of hospitality in the company (3 cases). The tourism activity is conducted primarily through the rental of apartments and/or bedrooms. The availability of beds is between 11-20 (60% of cases) and 1-10 (40%). All the companies offer a family restaurant with an availability of 30 to over 60 places. Farms conductors have focused primarily tourism services related more food than wine, according to a farm idea to be inclined to commercial exploitation of products: the opening of a restaurant in the company with a store (80% of companies) where the farms own production. As for the booking service, they are prevalent the direct sales by telephone, assisted by booking through email or through web site. The websites are exploited mainly for farms promotion. Guests are of national origin (from 50% to 65%), regional (10% to 40%), foreign (from 20% to 30%); the share from foreign countries is growing. All companies are present in at least one touristic guide. Many of them include visiting vineyards; a few wine tasting only. Not common different options for wine tasting. Most 3 wineries visits a day, usually one or two. Not a lot of organized tours. On the basis of the survey, we used the Swot analysis in order to investigate about market opportunities linked to the new scenario of the wine tourism. Key points are summarized in the table 3.

Table 3. Swot Analysis of the wine tourism in Aeolian Islands

Strengths	Weaknesses
Good wine product, multiple resources	Not much wine tourist oriented product
Natural conservation of landscape and maintain ecosystem	Lack of touristic formation of the suppliers
Authentic entertainment and cultural, learning, involvement experience	Infrastructure
Active part of family farm	Lack of cooperation amongst stakeholders
	Promotion and communication of wine tourism
Opportunities	Threats
Availability of young and knowledgeable workforce	Increasing competition
Position of Aeolian Islands as World heritage site	Loss of authenticity
Government support specially in promotion, international interest, social network interest	Other European destination
History and culture of Italian Islands	Other types of tourism
Increasing inbound tourism demand on rural/food tourism	Bureaucratic obstacles
Support of tourism policies	Weak government support behind the farm

Source: Author's tabulation based on the results of the research

4. Discussion and Conclusion

Considering the rural state of agriculture production and the fragile ecosystem of the Aeolian territory, wine tourism, represent the right balance between the natural and productive environment, fluxes of tourism, while ensuring respect for the environment overwhelmed by pressure from tourism, and the recovery of the historical-production, consisting of the traditional manufacturing companies, which alternatively could be converted into facilities enslaved to the touristic system. The work shows an evolving situation. The area is characterized by a strong pulverization and by a strict land market for the over value that doesn't encourage the land consolidation. The remarkable costs of land improvement interventions are really important, linked with the insularity and the constraints placed on the whole territory recognized as a World Heritage Site. In some sites of the Aeolian territory, as those of Lipari, farming is losing an important economic value, while in other site, as Salina, the agricultural and tourism activity is present. Two important aspects on which the Aeolian family farming can operate: from a side the high quality wine production (Malvasia PDO and Salina PGI wine), in the other side the rural tourism.

These two aspects can join, whereas the spread of the wine-tourism. As for the farm wineries, most of them are well under way, known on the market for the quality of their products, but not for wine tourism though included in the wine road "Malvasia delle Lipari" of the province of Messina. The strategies could be divided into two distinct

categories: innovation- conservation, and marketing - promotion. The strategy developed on the basis of the results of the SWOT analysis is the ‘marketing and promotion’ aims to increase the tourist potential by including them in the itinerary that encourages visitors to stop and sample local Aeolian products. The ability of tourism regions to attract tourists depends to a great extent on the position of these destinations in the minds of key travel markets. The projection of an appropriate image has been described as a vital element in the positioning process (Williams, 2001). Over the past decade, the wine tourism experience has become more positioned around the core attraction of a quality wine, accompanied by a set of natural landscape, culinary, educational, event hosting and cultural dimensions. The research identifies the need for a greater emphasis to be placed by wine tourism destinations on protecting rural landscapes, encouraging authentic and unique forms of development, and focusing imagery projection on those elements of the wine country experience which are central to the interests of wine tourists. Diversification of productive activities through the exploitation of tourism in the Aeolian archipelago is a useful tool for the survival of manufacturing companies. The young age of entrepreneurs is also something that makes think positive about the possibility of adopting marketing strategies.

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