

DRAFT



Wine tourism strategy 2004—2008

Fresh opportunities for the home of Australian wine





There's no argument – the home of Australian wine is here.

FRESH OPPORTUNITIES FOR THE HOME OF AUSTRALIAN WINE

Barossa. Coonawarra. Clare Valley. McLaren Vale. Adelaide Hills. Riverland. South Australia is home to the nation's most highly prized wine regions. They're champions on the world wine stage and reinforce our standing as the Home of Australian Wine.



Banrock Station, Riverland

“South Australia’s tourism vision is to be an inspirational leader in innovative and sustainable tourism.”

South Australian Tourism Plan 2003-2008
Inspiring partnerships for sustainable tourism

Capitalising on this reputation, many of the State’s wine industry leaders are investing heavily in tourism. Renowned brands such as Banrock Station, Jacob’s Creek, Hollick Wines, Shaw and Smith, Chapel Hill and Wolf Blass now showcase their wines in world-class tasting rooms and interpretive galleries with restaurants and cafés that emphasize the landscape as much as the liquid.

There are now 15 wine regions and 250-plus cellar doors dotted across South Australia, blending sophisticated elegance with boutique heritage. And as a perfect accompaniment, an intensely passionate food industry is also emerging. The trailblazers within Food Barossa, Australia’s first regional food brand, have inspired a raft of active regional food groups across the State, all devoted to fostering and promoting their unique food culture. Increasingly, restaurants are specializing in local cuisine and produce, while farmers’ markets, food trails and farm tours are emerging across our regional areas – all serving to enrich the tourism experience and strengthen South Australia’s appeal.

South Australia’s dominance as a wine and food destination is undisputed in our domestic markets. But it’s time to bring more wine and food lovers from around the world to our table. To demonstrate that South Australia is not just the home of Australian wine, but one of the finest, most authentic culinary destinations in the world.

But there are challenges and challengers. And they’re not just across the border in Hunter Valley, Margaret River, or the Yarra. They’re in Marlborough, Champagne, Tuscany and Stellenbosch. South Australia’s wines regularly take on these global contenders ... and often win. Our chefs are asked to perform in kitchens across the globe, and our fresh produce is served from Tokyo to Toronto.

This paper outlines strategies to reinforce our domestic position, but also sets the scene for taking our offer to the next level: developing and promoting South Australia’s wine and food tourism strengths in a global style. Set within the framework of the wider *South Australian Tourism Plan 2003-2008 Inspiring partnerships for sustainable tourism* and based on comprehensive research and brand testing, it outlines the need for a fresh approach and greater collaboration between the tourism, wine and food sectors to ensure the State becomes a leader in international wine and food tourism.

Our world renowned personalities will lead the charge, just as innovators like Peter Lehmann, Wolf Blass, Cheong Liew, the Hill Smith family, Brian Croser and Maggie Beer have been instrumental in forging South Australia’s wine and food dominance. We must refresh the State’s appeal by building on our heritage and reputation and promoting the fresh, the bold and the innovative individuals and products that can translate South Australia’s pride into tangible visitor experiences.

High-quality tourism infrastructure is essential: accommodation, convention and meeting facilities, tours and packages, are needed to entice more visitors and ensure they stay longer in our regions.

The South Australian Tourism Commission will continue to foster greater collaboration between the wine, food and tourism sectors through its Wine Tourism Advisory Board, promoting the State’s strengths in key national and international target markets and supporting the development of sustainable tourism product.

Together we can ensure South Australia takes its rightful place as one of the world’s great wine and food destinations.

What is wine tourism?

“Wine tourism embraces and includes a wide range of experiences built around tourist visitation to wineries and wine regions – including wine tasting, wine and food, the enjoyment of the regional environs, day trip or longer term recreation, and the experience of a range of cultural and lifestyle activities available in wine regions.” National Wine Tourism Strategy



Ashton, Adelaide Hills

The facts

- Wine tourism in our six main wine regions is worth around \$500 million to South Australia, with visitors purchasing an estimated 3.9 million bottles of wine worth around \$64.6 million to cellar doors.
- South Australia's share of visitors that go to wineries in Australia is 20%, which is well above our share of population (8%) and our share of all visits (7%).
- For the state as a whole there were 955,000 visitors (daytrip and overnight) who included a cellar door visit as part of their trip in 2003.
- International visitors to SA wineries are more likely to be from the US, UK or Europe. 32% of all international visitors to South Australia in 2003, visit a winery during their stay.
- In most cases, wine is an important, but not the sole trip motivator to visit a wine region. Visitors are seeking an opportunity to relax and unwind, spend quality time with their partners and experience the countryside, local foods, and produce.
- South Australia is the home of Australian wine-producing 46% of Australia's wine grapes and 60% of the nation's wine exports.
- With more than 350 wineries and 250 cellar doors in 15 wine regions, most roads in South Australia lead to wine country.
- Wine tourists to our six main wine regions visit an average of 4.4 cellar doors per visitor per region or an average of 4.75 million cellar door visits.
- The Barossa attracts 51% of winery visitors followed by Fleurieu (24%), Limestone Coast (10%), Clare Valley (9%), Riverland (3%) and Adelaide Hills (2%).

1

Maintain South Australia’s position as Australia’s Wine and Food State.

“The key message will be that South Australian products are not only special – they come from a special place.” South Australian Tourism Plan 2003-2008



Coonawarra

South Australia’s wine and food tourism experiences must reflect the authentic passion and innovation of individual people, places and products. Our position as Australia’s Wine and Food State must be derived, and not contrived.

While reinforcing our position as the ‘Home of Australian wine’, we must strive to strengthen our reputation for food production and preparation.

Much of the responsibility falls to the wine and food sectors, as they continue to offer exceptional restaurants, quality fresh products and award-winning wines. But this excellence needs to be translated into positioning South Australia as the first choice for memorable wine and food experiences.

Challenge

South Australia continues to outperform all other States and Territories in terms of both the perception of offering a wine and food experience and the proportion of tourists who visit our wineries. But with national and global competitors fighting for market share, South Australia must constantly refresh its efforts to maintain ownership of wine and food tourism.

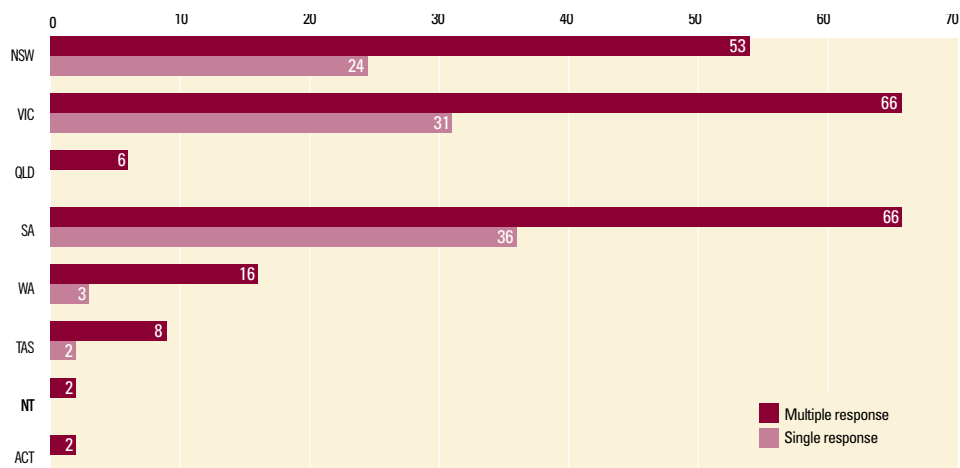
Strategies

- Build on the achievements and expertise of the SATC’s Wine Tourism Advisory Board to develop and guide the State’s wine and food tourism agenda.
- Capture the passion, pride and innovation of the wine and food industries (their people, places and products) into distinguishing elements of brand South Australia.
- Work with Tourism Australia under the Brand Australia campaign to promote the State as a world leader in gourmet travel.
- Leverage the international and national brand awareness of South Australia’s wine and food regions, leading wineries, food producers and personalities.
- Strengthen the State’s reputation as a leading destination for high quality food experiences.
- Incorporate wine and food experiences into wider efforts to raise the profile of SA’s other core themes: nature, outback, coast, festivals and events, and arts and culture.

Key Performance Indicator

- South Australia maintains primary position as nation’s Wine and Food State (as determined by the SA Brand Health Monitor).

State/Territory positioning for Wine and Food Experience Multiple and Single Response
 “Which state (single) or states (multiple) do you most associate with wine and food experiences.”



2

Ensure South Australia is the first choice for wine visitors, and that wine and food is an essential component of the South Australian holiday experience.

“South Australia’s tourism industry will brand and differentiate its food and wine industries to counteract increasing competition from other states that are also eager to entice this high-yielding market.”

South Australian Tourism Plan 2003-2008

Recent research shows that one quarter of all leisure visitors to South Australia call in at a winery cellar door. And almost sixty percent of interstate and overseas visitors say that cellar doors and wineries are a major influence on their decision to visit a specific region.

South Australia’s promotional efforts in the area of wine and food must be based on a thorough understanding of the attitudes and motivations of consumers.

To increase the State’s share of visitors, marketing and promotional campaigns must appeal to both gourmet visitors and the general holidaymaker.

Challenge

In the year to March 2004, interstate visitor nights passed the 11-million mark for the first time, and the number of interstate visitors attracted to South Australia also rose significantly. Wine and food must be linked to a wider range of holiday experiences to appeal to a range of holidaymakers and contribute to tourism growth.

Strategies

- Improve industry understanding of the motivation and behaviour of visitors
- Tailor promotional efforts to appeal to the range of wine tourists.
- Ensure South Australia is a major beneficiary of Tourism Australia’s wine and food marketing efforts.
- Promote wine and food as an essential part of the South Australian holiday experience.
- Feature wine and food as a key component of the domestic Secrets campaign.

- Review and refine wine and food collateral (eg wine and food trails, Glovebox Guide to Wine Country)
- Develop and promote Tasting Australia as Australia’s most significant wine and food event.
- Promote key wine and food experiences as an essential element of South Australia’s other core themes of nature, outback, coast, festivals and events and arts and culture.
- Increase wine and food tourism product for use in the tourism distribution system (tours, wholesale and inbound activities).
- Collaborate with wine and food industries to better monitor visitation and market the State.
- Leverage Adelaide’s restaurant diversity and distinction and close proximity to world-renowned wine regions.

Key Performance Indicators

- Winery visitation will equal or exceed in line with overall tourism growth to South Australia and the market share of winery visits in Australia is maintained.

Wine Visitors

| | Wine Focused (14%) | Indulgers (19%) | Browsers (22%) | Visiting Friends & Relatives (22%) | Discoverers (23%) |
|---|---|--|--|---|---|
| Motivation | Visitors with a strong interest in tasting, learning about and purchasing wine. It also includes small groups with an interest in celebration and socializing. Mid life age skew 31-50 yrs. | Predominately couples focused on rest and relaxation, eating and drinking and spending quality time together. Often escaping for a short break from a busy lifestyle. They may be interested in high standard of service in unique accommodation. Mid life age skew 41-50 yrs. | Interested in a range of experiences that will stimulate the senses – eating, drinking, art, leisure shopping, nature and wildlife. Also interested in history and heritage of the region. Older age skew 50+ yrs. | Driven by SA residents with an interest in entertaining visiting friends and relatives. | May not have visited the wine region before but they may have heard about it. Word of mouth is an important driver for this group. They are interested in finding out about and experiencing the attributes of a destination that make it special. 'Iconic' brands will be important. |
| Activity interests | Wine tasting at cellar doors, purchasing wine, meeting winemakers | Wine tasting at cellar doors, restaurants, regional cuisine, quality specialized accommodation (incl. Resorts), health retreats/spas. | Wine tasting at cellar doors, art galleries, museums, craft shops, farmers markets, food and wine trails, cycling, bushwalking. | Wine tasting at cellar doors, cafes and restaurants. | Wine tasting at cellar doors, iconic wine regions and brands. |
| Origin | 75% from SA (21% staying overnight in region) | 78% from SA (32% staying overnight in region) | 73% from SA (28% staying overnight in region) | 73% from SA (11% staying overnight in region) | 39% from SA (28% staying overnight in region) 35% interstate 26% overseas (Largest proportion of out-of-state overnight visitors) |
| Transport | Hire vehicle | Self-drive, usually in their own car | Self-drive, usually in their own car | Own car/hire bus | Book a tour, or hire vehicle |
| Accommodation | Guesthouse, bed and breakfast | Bed and breakfast, guesthouse | Caravan parks | Hotel/Motel | Hotel/motel or caravan parks |
| Average stay in wine region by overnight wine visitors | 3 nights (7 nights overall) | 2 nights (8 nights overall) | 4 nights (10 nights overall) | 2 nights (8 nights overall) | 2 nights (longest holiday overall at 19 nights) |

Source: SATC Cellar Door Survey 2003

3

Enrich the wine and food experience.

“By 2008, our mission is to fully develop the SA experience. This will position South Australia as the first choice for memorable wine and food; events; and nature-based, Outback, and coastal and marine experiences.”

South Australian Tourism Plan 2003-2008



Jacob's Creek Visitor Centre, Barossa

Cellar door surveys carried out across South Australia in 2000 and 2003 have provided a greater understanding of the characteristics, motivations and expectations of wine visitors.

Satisfaction with the wine tourism experience continues to rise, due largely to better food quality and availability. But the survey results suggest that more can be done in the key areas of food, signage and offering a wider variety of “other things to do” in wine regions.

South Australia must continue to undertake, disseminate and most importantly, respond to visitor feedback.

“The tour times are planned so that visitors who take a morning tour can easily be encouraged to linger for lunch or a tasting. Conversely, prelunch visitors can be encouraged to start with a tasting, follow with lunch and remain for an afternoon tour. A full range of services is offered, making it a one-stop wine tourism destination. Visitors can, and often do, spend up to three hours here” Tony Spencer, Yaldara Estate.

Wine tourism uncorked. Winemakers' Federation of Australia, 2004

Challenge

Whilst the appeal of a wine region is largely based on its reputation for quality wine, well travelled visitors expectations are increasing. South Australia will need to be at the leading edge of winery developments, restaurants and food experiences and be linked to complementary experiences to remain a major contributor to converting visitors for the State.

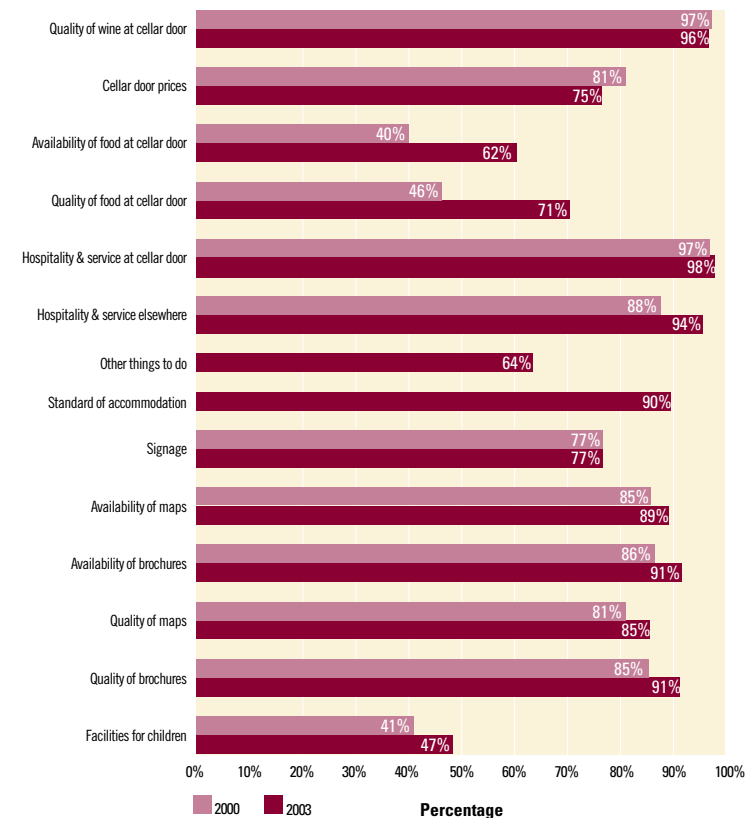
Strategies

- Set the trend in product development by staying attuned to visitor motivations and satisfactions.
- Improve the appeal of the wine and food experience by creating and cultivating visitor experiences aimed at both the gourmet tourist and the general traveller.
- Increase the range of South Australia's innovative wine and food experiences through unique dining, gourmet retreats, cooking schools, winery and vineyard tours, specialized and intimate tastings and festivals and events.
- Improve wine and food trails and tourism signage in wine regions.
- Develop joint initiatives with the Premier's Food Council to nurture food tourism opportunities and better market the State's food industry.

Key Performance Indicator

- Visitor surveys reveal greater visitor satisfaction with the wine and food tourism experience.

Satisfaction with the wine tourism experience



Source: Cellar Door Survey 2003, SATC

4

Empower wine and food businesses with tourism knowledge and skills and implement a supportive policy and planning framework.

“Tourism is a comparatively young and largely fragmented industry comprising mostly small businesses. To improve competitiveness and sustainable outcomes, communities and individual businesses have to access superior resources, capabilities and competencies.” South Australian Tourism Plan 2003-2008

“Delivering on the promise” is critical to securing South Australia’s future as the nation’s premier wine and food destination.

Marketing activities and product development must be backed by efforts to build industry knowledge and professionalism.

We must also strive to ensure that planning procedures and policies are in place to support future tourism development.

Challenge

Surveys show that tourism is becoming an increasingly important element of wine and food businesses. With many operators planning to further invest in tourism with gift shops, café/dining, factory and farm tours, conference and accommodation facilities. However, business owners say they need more information and skills and a more supportive policy and planning system to better leverage tourism opportunities.

Strategies

- Improve tourism knowledge among wine and food operators: how to plan, manage and promote a tourism business.
- Promote the opportunities of wine and food tourism within all areas of strategic tourism planning and policy development, infrastructure and investment frameworks.
- Pursue opportunities for South Australia’s wine and food tourism industry to capitalize fully from the Federal Government’s Tourism White Paper, in particular the Restaurant and Catering Agenda.
- Encourage greater collaboration, communication and information sharing in and among regions.
- Work with the Premier’s Food Council to maximize the potential of regional food groups and individual producers.
- Work with regional development boards to increase their capability to assist with tourism business development.

Key Performance Indicator

- Improved tourism knowledge and skills among the State’s wine and food producers.
- Improvements in the number of relevant Development Plans that facilitate wine tourism.



The South Australian Tourism Commission wishes to thank its Wine Tourism Advisory Board for its guidance and assistance in developing this strategy.

The South Australian Wine Tourism Advisory Board comprises:

Ms Linda Bowes, Chairman
Mrs Wendy Hollick, Deputy Chairman
Ms Pam Dunsford
Mr Jim Humphrys
Mr Graham Mill
Ms Kath Newland
Mrs Susan Berlin
Ms Lucy Willson
Ms Denise Von Wald
Mrs Fiona Cartwright (Executive Officer)

Sources

This strategy has been developed using comprehensive research and industry consultation, including:

Cellar Door Market Research, 2001, SATC
Cellar Door Market Research, 2003, SATC
Wine Tourism Planning Survey, SATC 2001
Food Industry Tourism Survey, SATC 2004
South Australian Tourism Plan 2003-2008
SA Brand Health Monitor 2004, SATC
BTR National Visitor Survey 2002/03
BTR International Visitor Survey 2003

Comments

Comments on this draft strategy are encouraged and should be forwarded by 1 October 2004 to:

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This document is also available at www.winetourism.com.au

