



Executive Summary For Christchurch | South Island

Great Wine Capitals Global
Network® Market Survey

“The Pillars Of Wine
Tourism Performance”



2013



This summary report highlights the wine tourism performance of Christchurch, a member of the GREAT WINE CAPITALS GLOBAL NETWORK® (GWCGN).

We collected data from the GWCGN capitals during the summer of 2013.

The number of survey responses for Christchurch was 27, which is a relatively small number to produce generalizable conclusions. Nevertheless, we present some of the key highlights below.

Please consider the wine regions of the South Island of New Zealand when referring to Christchurch in this report.



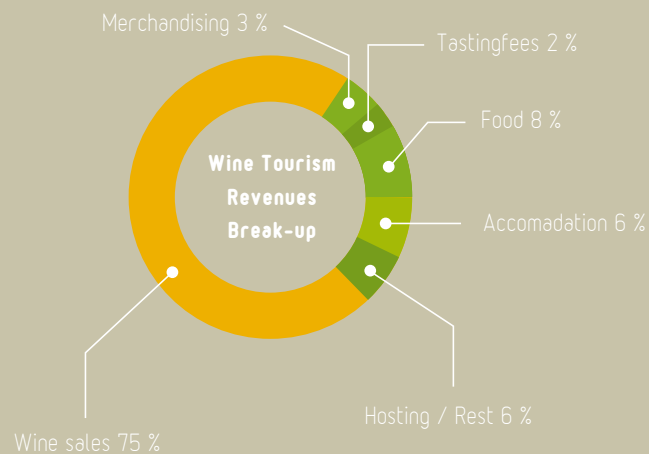
2013



Wine Tourism Revenues and Top Sources of Profits

Wine Tourism Revenues Break-up

Among all great wine capitals, Christchurch has the second largest percentage of revenues that come from Wine Sales. From the standpoint of Christchurch wineries, activities such as Food services and Hosting Events are the next two major sources of revenues behind Wine Sales.



Top Sources of Wine Tourism Profit

For the 2013 survey, we find that high-end and middle-end priced wines represent a top source of profits for Christchurch. The next important source of profits is Mixed Wine sets (top percentage among all the great capitals).

Top Sources of Profit





Wine Tourism Investments and Marketing

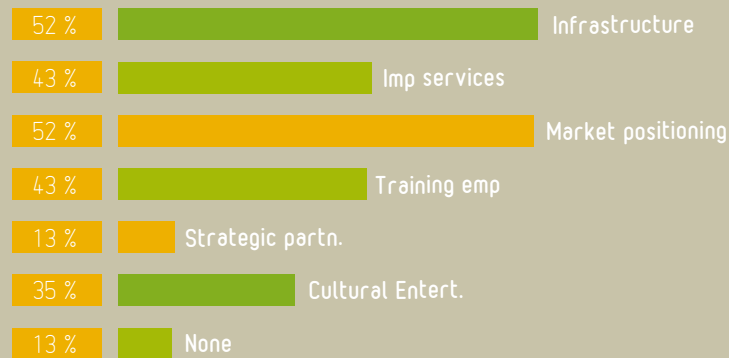
Investments in Wine Tourism

Infrastructure and Market Positioning are the top investment categories for the 2012-2013 period in Christchurch. The next top categories are Improving Services and Training Employees.

Top Marketing Tools Used

Just like in the 2012 survey, we again find that the top marketing tool used across the sample of all great wine capitals is a winery's Own Website, which is the second top category for Christchurch. For this specific sample of Christchurch wineries the overall top category is Social Networks.

Top Investments

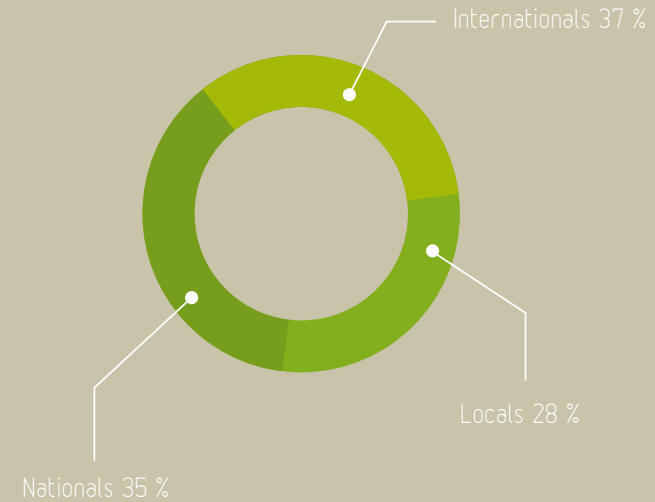




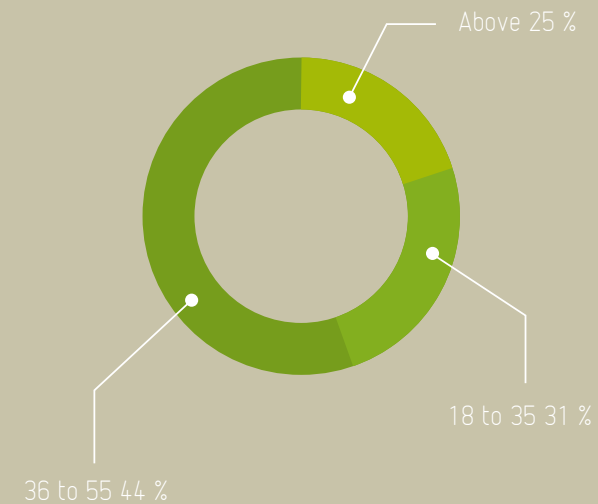
Tourists Characteristics

In terms of Numbers of Visitors per winery, Christchurch is in third to last place among all great capitals. But it is in the middle of the pack in terms of Spending per Visitor. The origin of tourists is divided almost evenly amongst internationals, nationals and locals. 31% of visitors are younger people (second highest percentage amongst great capitals) and about 51% are women (top percentage amongst all great capitals).

Tourists per Origin



Tourists per Age Categories



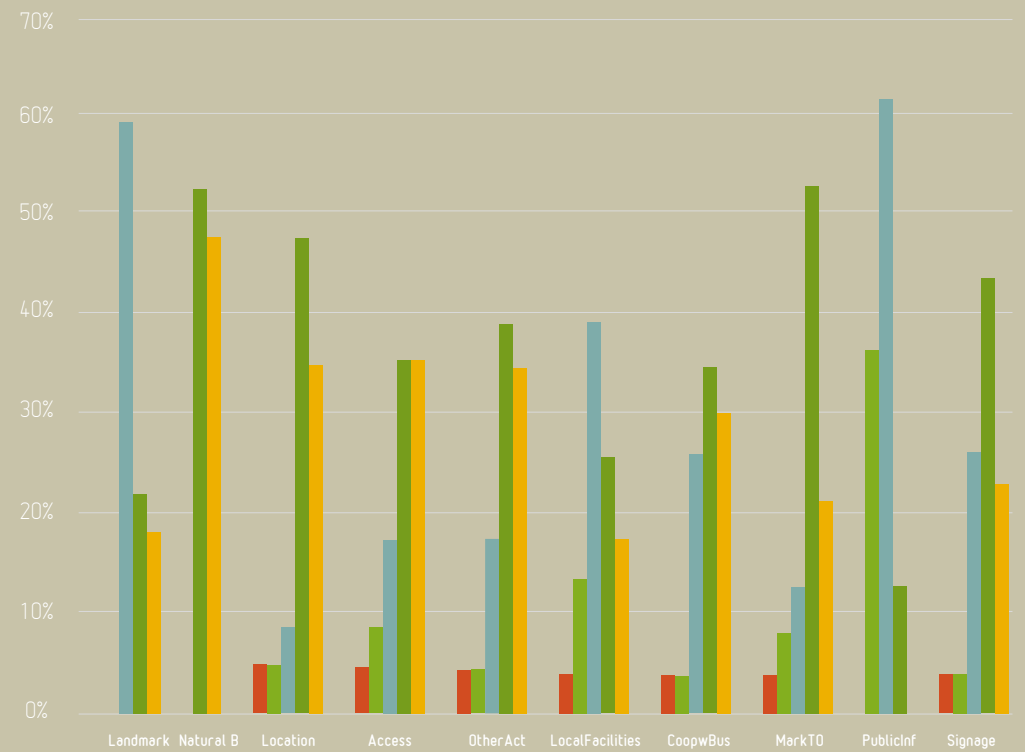


Positive and Negative Factors for Business

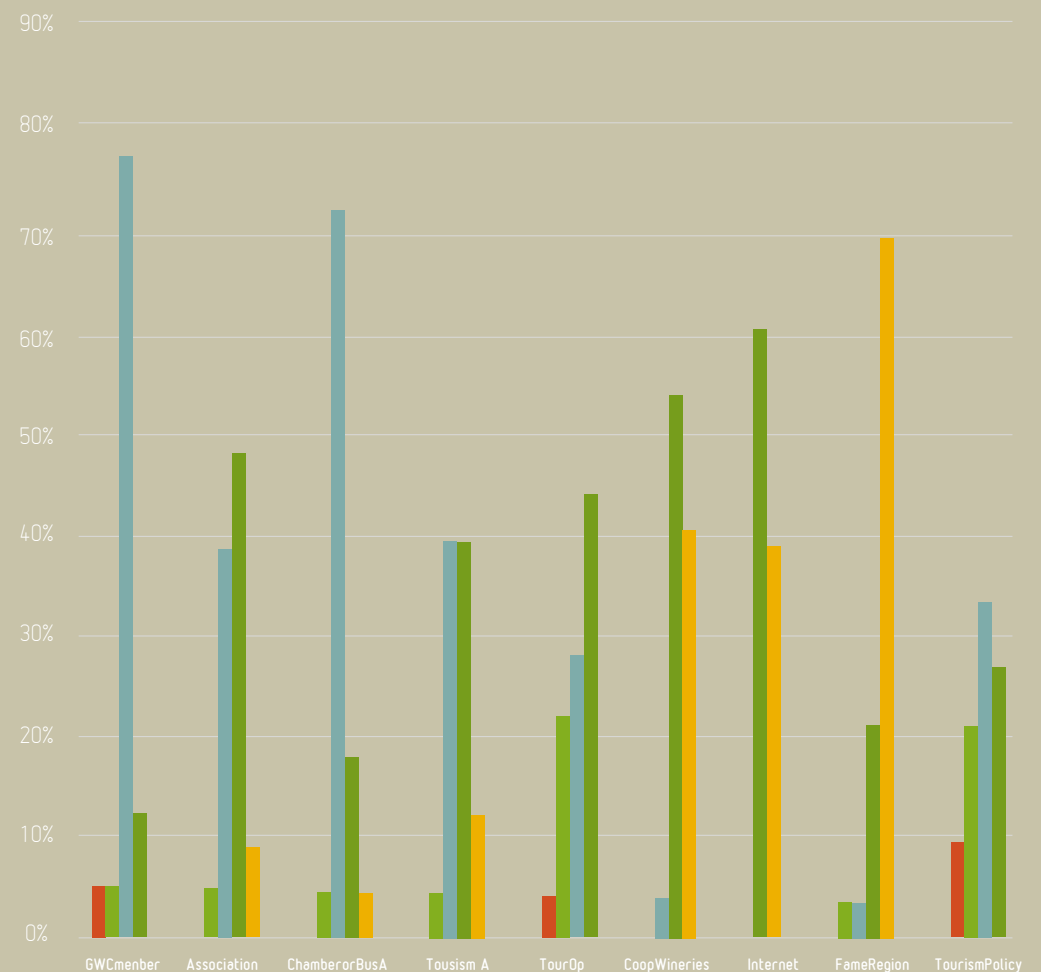
Regarding External Factors that wineries perceive as helping business or not, Christchurch wineries report that the Natural Beauty and Landmarks of the region as well as the use of the Internet are key positive factors for business. Consistent with the findings of the 2012 survey they report that Public Infrastructures and to a lesser extent Signage can be factors that impede business. Opinions are divided regarding the impact of Access, Local Facilities and Location. Somewhat unique amongst the findings in the overall set of great capitals is the fact that Christchurch wineries perceive Cooperation with Wineries as a strong positive factor.



External Factors - Part 1



External Factors - Part 2





Factors Correlated with Attracting More Tourists

First, we isolate the candidate factors that explain or at least correlate with more tourist visits. The Table below shows the most impactful factors for the overall sample. The variable we try to explain here is the Number of Tourists visiting a given winery. The factors highly correlated with increased number of tourists are shown in the left hand side column. The factors are ranked in descending order of impact. Because of the small sample size for Christchurch, only one category of factors comes out that is statistically significant: Activities Offered.

In the category Activities Offered, Gastronomy is the most positively impactful activity in terms of attracting more tourists. Almost as strong is Onsite Shops and lagging behind are the factors Entertainment and Spa Therapy. Interestingly, wineries that offer Conferences, Tasting Visits and Lodging seem to have fewer visitors. This finding is difficult to interpret.

Most Significant and Impactful Factors	Effect	Pseudo B ² and Observations	Factor Categories
Gastronomy	+ +	60 % 21	Activities Offered
Conferences	- -		
On Site Shops	+ +		
Tasting Visits	- -		
Entertainment	+		
Lodging	-		
Spa Therapy	+		

Table shows results from Quantile Regressions. Corrected for size effect



Factors Correlated with Higher Spending/Tourist

The factors correlated with higher spending per tourist are now analyzed. Again, because of the small sample size, only one category of factors comes out that is statistically significant: Activities Offered. Within the dimension of Activities Offered, the same group of activities Spa Therapy, Entertainment, Gastronomy and Onsite Shops are also correlated with higher spending. On the other hand, Lodging and Photos Exhibitions are negatively correlated with spending.

Most Significant and Impactful Factors	Effect	Pseudo B ² and Observations	Factor Categories
Lodging	--	23 % 20	Activities Offered
Photos Exhibitions	--		
Spa Therapy	+ +		
Entertainment	+ +		
Gastronomy	+ +		
On Site Shops	+		

Table shows results from Quantile Regressions. Corrected for size effect.



Managerial Implications and Conclusion

The 2013 edition of the GWC[®] survey has produced some interesting findings for the wineries of Christchurch. Christchurch attracts a large percentage of younger tourists and women by comparison with other great wine capitals.

Christchurch wineries demonstrate a commitment to invest in Infrastructure. The activities that marginally bring in more tourists and spending are complementary well-being activities such as Gastronomy and Spa Therapy but also pure tourism-based activities such as Onsite Shops. Surprisingly,

Lodging appears not to contribute in positive ways to the Christchurch wine business.

Overall, Christchurch wineries use a mix of promotional tools, with a greater emphasis on modern tools (Social Networks) vs. standard ones (Tour Operators). Christchurch wineries emphasize Natural Beauty and the presence of nearby Landmarks as tourists' attractors. Cooperation with Other Wineries is perceived as a strong positive factor.

One must exercise caution when trying to extend managerial implications from a small sample of wineries to the whole the region. Nevertheless, it appears that perhaps there is room for Christchurch wineries to offer more activities appealing to visitors attracted to wine tasting as part of a more eclectic experience: such as providing activities that pertain to discovering the local environment and its natural beauty.