



Executive Summary For Porto

Great Wine Capitals Global
Network® Market Survey

“The Pillars Of Wine Tourism Performance”



2013



This summary report highlights the wine tourism performance of Porto, 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 Porto was only 11, which severely limited the scope of the analysis and conclusions. Nevertheless, we highlight some key findings below.



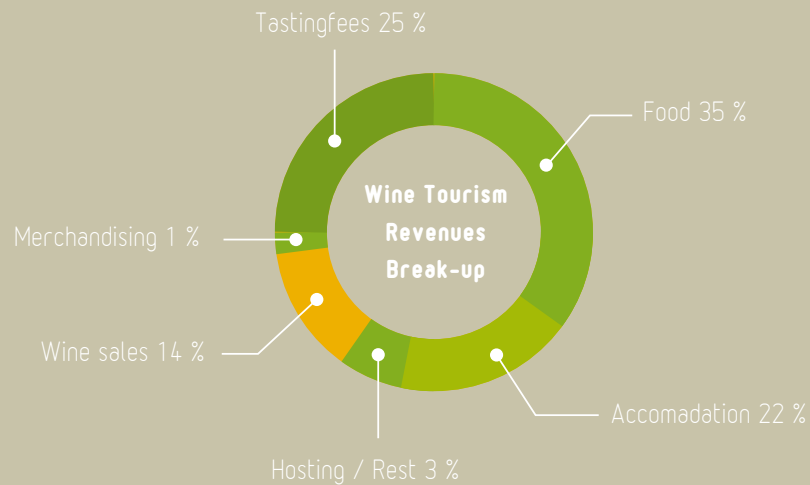
2013



Wine Tourism Revenues and Top Sources of Profits

Wine Tourism Revenues Break-up

Porto has the largest percentage of Food services revenues among all great capitals. Interestingly, from the standpoint of the Porto wineries, Wine Sales comes only in fourth position after Food services, Tasting Fees and Accommodations.



Top Sources of Wine Tourism Profit

Consistent with the findings about revenues, Porto wineries earn the most profits from Food Services, then from Tasting Fees and then from high-end wines (price greater than \$25/bottle).

Top Sources of Profit



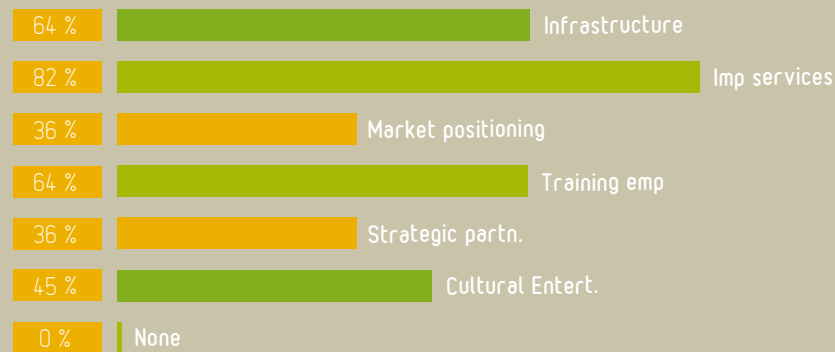


Wine Tourism Investments and Marketing

Investments in Wine Tourism

Improving Services is by far the top investment category for the 2012-2013 period in Porto, which is similar to the wineries of Mendoza. Training Employees and Infrastructure investments are the next two top categories.

Top Investments



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. However, for the specific sample of Porto wineries Own Website is not a top category. Social Networks, Tour Operators and Citations by guides are the top three categories, using one's Own Website only comes in fourth place.

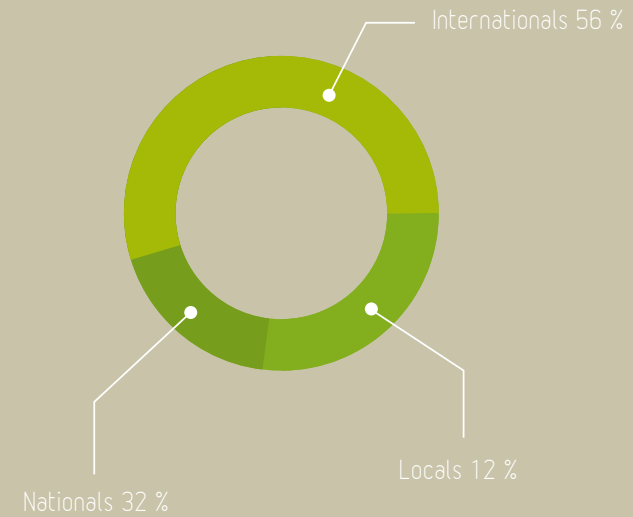




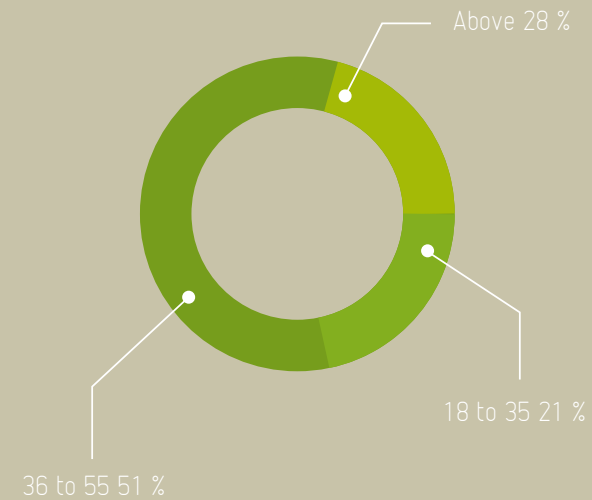
Tourists Characteristics

In terms of Numbers of Visitors per winery, Porto is in the middle of the pack among all great capitals. It is also in the middle of the pack in terms of Spending per Visitor. Porto has the second largest percentage of international visitors (56%) behind Florence. It has the third largest percentage of middle-aged visitors behind Florence and Mainz-Rheinhessen. The percentage of female visitors is 44%, which is one of the lowest among the great capitals.

Tourists per Origin



Tourists per Age Categories



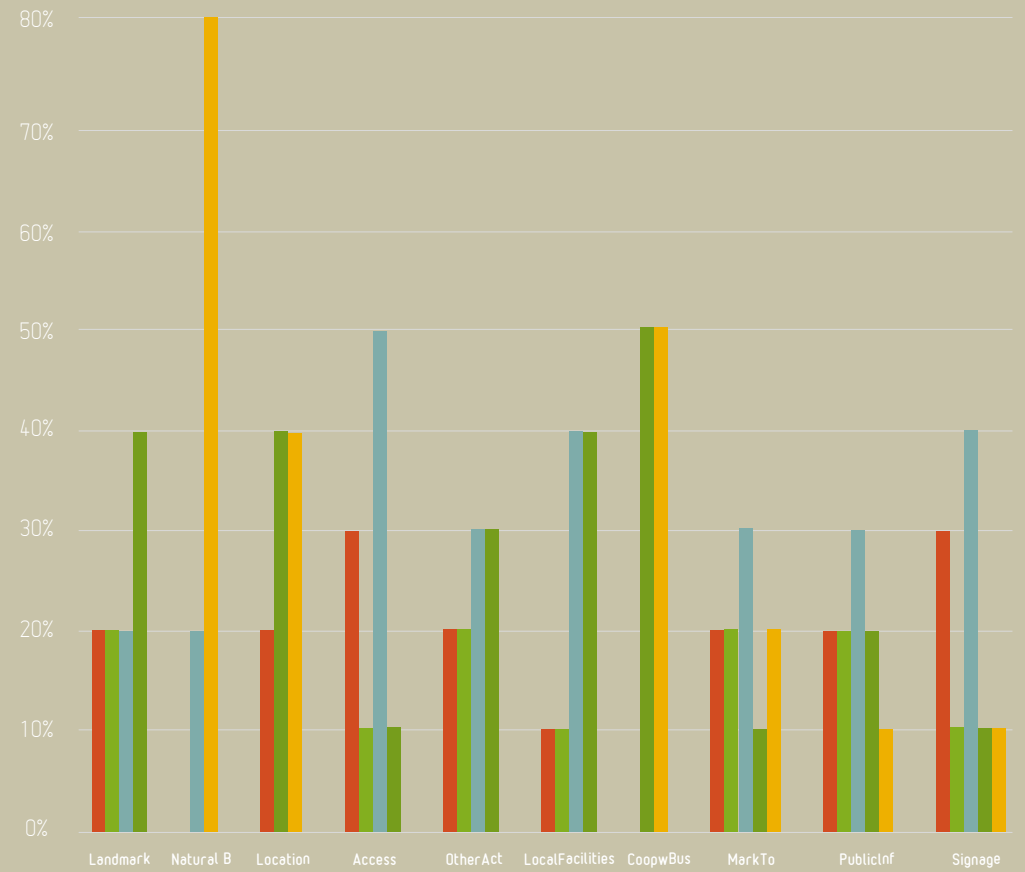


Positive and Negative Factors for Business

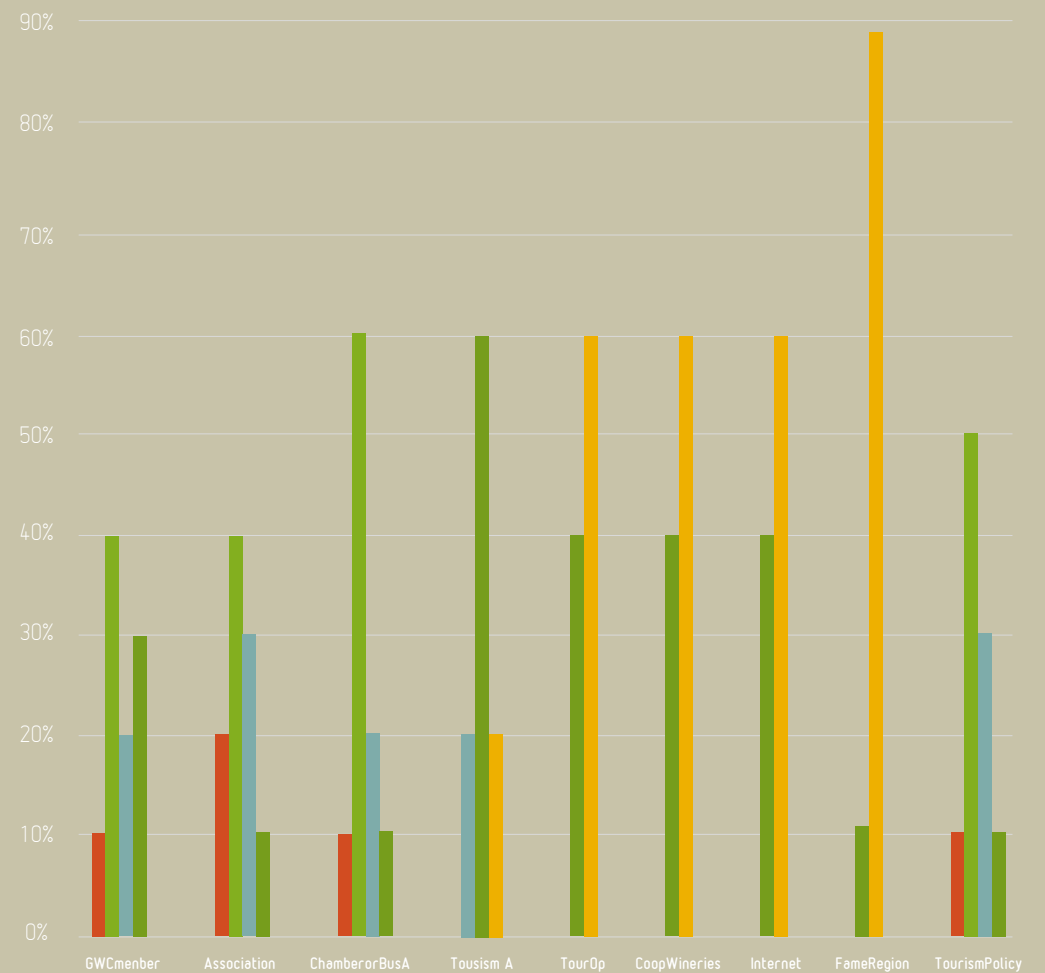
Regarding External Factors perceived by wineries to help business or not, Porto wineries testify that the Natural Beauty and the Fame of the region as well as the Cooperation with Other Businesses and Wineries, plus Internet use are all key positive factors. Consistent with the findings of the 2012 survey, wineries report that Signage, Public Infrastructures and lack of easy Access can be factors that impede business. Difficult to interpret is the finding that Marketing by Tourism Offices is largely perceived as having a non-positive impact.

- Totally negative
- Somewhat negative
- Neutral
- Somewhat positive
- Totally positive

External Factors - Part 1



External Factors - Part 2





Managerial Implications and Conclusion

The 2013 edition of the GWC[®] survey has produced some interesting findings for the wineries of Porto. Among the great wine capitals, Porto attracts one of the largest percentages of foreigners and middle aged visitors.

Porto wineries demonstrate a commitment to invest in Improving Services, Training Employees and Infrastructures, which appears to support the activities that bring in more revenues and profits, such as Food Services, Tasting Fees and low-end and middle-end priced wine sales.

Overall, Porto wineries use a mix of promotional tools, with a greater emphasis on modern

communication tools (Social Networks) vs. standard ones (Brochures). Cooperation with Other Businesses and wineries is perceived as having a great positive impact on business.

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 Porto wineries to expand their tourism strategy to attract more women clients. Given the emphasis placed on Social Networks it may seem advantageous to complement this approach with having a winery's Own Website.