Multiplying Effect in Wine Tourism Development

„Cogita mundi agere localiter“

ENOMETRICS 2015
BRNO, CZECH REPUBLIC

World Wine Map

Vineyards Area
Varieties are (were) Brand

New Trends

- Consumers are placing more emphasis on the selection of wine on its origin from:
  - a particular area
  - a growing community/vineyard village/
  - an individual grower

- There is a new system for appellations wine “Vína Originální Certifikace – VOC”, which means wines of original certification

Research Aim

- to find potential for institutionalized wine cluster

- the research project follows the development of the regional associations of small and medium-sized wineries cooperating in the system for appellations (VOC)

Methodology

- Multiplication effect: Structural analysis of the development for the last 10 years

- Wine Cluster: Localization Quotient (LQ) (Porter, 1998) Concentration Quotient (CQ)
**Localization Quotient**

\[ \frac{x}{X} = \frac{y}{Y} \]

- LQ - location quotient of employment in the region
- \( x \) - employees working in the sector in the region
- \( X \) - total number of employees in the region
- \( y \) - employees working in the sector in the state
- \( Y \) - total number of employees in the state

Potential for regional clusters is where are groups of related industries with LQ greater than 1.

**Concentration Quotient**

\[ \frac{a}{A} = \frac{b}{B} \]

- CQ - concentration quotient of vineyards in the region or in a certain area for the establishment of an association of wine growers or cluster
- \( a \) - the number of vineyards in the region certified by the association rules (ha)
- \( A \) - total number of vineyards across the region (ha)
- \( b \) - the number of vineyards of the all associations (ha)
- \( B \) - the total area of vineyards in the country (ha)

**New Facts**

**Consumers & Producers**

- Viticulture and wine sector (industry) in the Czech Republic has undergone over the last twenty years extensive reform
- has experienced a significant shift from the quantitative orientation of production towards high quality

**TREND OF NEW VINEYARDS**

Source: own work, 2013 & agricz
Wine Producers - cooperation

Results

<table>
<thead>
<tr>
<th>Wine Region</th>
<th>λ</th>
<th>κ</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOC Znojmo</td>
<td>1.02</td>
<td>1.51</td>
</tr>
<tr>
<td>VOC Modře Hory</td>
<td>1.30</td>
<td>2.46</td>
</tr>
<tr>
<td>Southern Moravia (3 VOC`s)</td>
<td>2.26</td>
<td>2.81</td>
</tr>
</tbody>
</table>

Conclusion

- VOC Assoc. meet conditions for a cluster used by some elements of cooperation specific to cluster together in the form:
  - joint marketing
  - research
  - education

- could create an institutionalized cluster
Conclusion

- The application of the results of LQ & CQ was a plan for the establishment of various associations of VOC’s

The Certification of WT *2010

- Statistics Total:
  - Certified: 115 addresses - 185 devices
    - Wineries: 58
    - Wine cellar: 66
    - Wine Shop: 25
    - Wine Restaurant: 9
    - Accommodations: 27

Wine Tourism Development * 2008

Applied for Certification 2015

- Statistics Total:
  - Applied: 1151 devices /in 5 years + 1000 more!/
    - Wineries: 599
    - Wine cellar: 214
    - Wine Shop: 176
    - Wine Restaurant: 14
    - Accommodations: 41
Methodology to set up cluster

- strategic analysis
- defining the mission and alliance competence
- formation of an alliance strategy
- structuring alliances
- implementation of strategies adopted
- diagnostics, feedback

MULTIPLICATION EFFECT

- correlation was found between new investments in planting new vineyards and creating new jobs
- impact on other sectors connected to the winery is a subject for further research

THANK YOU FOR YOUR ATTENTION!

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