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Demonstration Farm Gailtalbauer- A Case Study on a Rural Tourism Development Project

119 - Customer Experience (not only) in Tourism

Abstract

This paper is the shorter version of a BA thesis, which investigated the status quo, the success of community involvement and success factors as well as pitfalls in the project development of the experience farm Gailtalbauer in Kirchbach, Carinthia. The farm was built with the purpose of reviving a remote village with limited infrastructure.

First, a literature review was conducted which focused on rural tourism development and culinary tourism. Qualitative research in the form of expert interviews based on an interview guideline that had been derived from the conclusions of the literature review gave an insight into the situation of the business. The farm was visited in order to assess the atmosphere and operational side of the project.

The expert interviews show that while project management and thorough planning were important success factors, the lack of community involvement, coherent marketing as well as stakeholder relationship management strategy caused major difficulties.

An interesting conclusion regarding success factors that can be drawn from the research is the fact that marketing a business, which is attempting to be a food production site and a tourist attraction at the same time, can be rather challenging and should therefore be one of the main focus points of the company in order to increase revenue.

The conclusion of the research recognizes the potential growth of the experience farm due to its concept matching the the current DMO strategy and the increasing importance of culinary tourism, but also recommends to improve marketing in order to build a stronger brand.

Marketing research to properly evaluate customer satisfaction is highly recommended.

Keywords:

Tourism product development, experience, rural tourism, culinary tourism

1. Problem background

Due to the diminution of the agricultural sector in Austria during the last decade (Statistik Austria 2013), many villages in remote areas face the exodus of their inhabitants of working age (Stix/Peña 2012), resulting in the depletion of infrastructure and, as a last consequence, the possible extinction altogether.

To stimulate the economy, broaden the range of social activities and give rural societies the room to develop is therefore paramount for the survival of many small villages in the country (Dax 2012). As the declining agriculture is becoming unable to serve as said stimulant, other possibilities have to be pursued, tourism being one of several options.

As opposed to the construction of manufacturing sites (which is usually not a viable option for secluded regions anyway) and vast ski or spa resorts, the establishment of rural tourism, which relies mainly on small local businesses (e.g. bed and breakfasts, farms, nature parks) is relatively inexpensive (Wilson et al. 2001: 132), while the disadvantages associated with tourism, e.g. significant disruption of a community's everyday life or economic drain (profits go to international chains) are usually of lesser impact.

Searching for a project to serve as an example for a low impact rural tourism project looking to improve the social and economic situation of a remote village, this paper focuses on the Gailtalbauer, an experience farm in Kirchbach located in the Carinthian valley of Gailtal. The farm, open since the summer of 2014, combines the popular concept of experience economy (Pine/Gilmore 1999) with a current trend, which has already been proven to be successful, i.e. culinary tourism, by letting visitors experience the production and, of course, consumption of mainly two traditional local food staples, the Gailtaler Speck g.g.A. (a bacon produced with local pork) and Gailtaler Almkäse g.U. (cheese which can only be made with milk from the Gailtal valley) By analyzing the years leading up to the farm's opening and the first month of operation, the goal was to identify the success strategies that could be replicated and pitfalls that should be avoided by entrepreneurs who are planning similar projects.

2. Aim and Research Questions

The aim of the research is to describe the meaning and significance of various tourism niches such as rural or culinary tourism, their use of experience making and the impact on regional development and society. On the other hand, it intends to analyze the project Gailtalbauer in order to draw conclusions that can be applied to similar developments.

In order to achieve this goal, the following research questions will be answered:

- As the paper was written only eight months after the opening, the main focus is on decisions and activities during the planning phase and their positive or negative consequences: What is the status quo of the project Gailtalbauer five years after the planning phase started and what are its future goals?
- What are and were the success factors and pitfalls of this project and which of these factors can be applied generally?
- How is the entire community affected by a project like this and which measures were taken to involve the community?

3. Methodology

As a first step, a literature review was conducted which focused on three main areas: the development of rural tourism and culinary tourism, the role of experience creation in tourism. Thus, the existing scientific knowledge and potential knowledge gaps became evident, which served as a direction sign for this paper as well as a guideline for interview questions. The most relevant findings in the literature review pertaining to the paper's topic were already identified success factors for small rural tourism projects, such as Wilson et al's (2001: 137-154) ten crucial success factors, i.e. complete tourism package, good leadership, support and participation of local government, sufficient funds for tourism development, coordination and cooperation between business persons and local leadership, strategic planning, coordination and cooperation between rural tourism entrepreneurs, information and technical assistance for tourism development and promotion, good convention and visitors' bureaus and widespread community support for tourism, or Pröbstl-Haider et al's claim (2014:224) that there is a direct relation between community involvement and success.

The second step was visiting the farm in order to assess daily operation, hence the status quo, visitor enjoyment and the impact of using experience and storytelling as a tool. During this visit an observation sheet with specific questions about several aspects of experience design (e.g. coherence between internet presence and real product, atmosphere at the farm, structure of the tour etc.) was used and, as the operations manager acted as tour guide, a short informal interview was conducted.

As a third step, data was collected by analyzing existing material such as marketing concepts etc. from the development stage and conducting eight semi structured in-depth expert interviews. An interview guideline, which provided comparability of the interviews but gave opportunity to explore the specific expertise of interviewees at the same time, was used. In order to assess success factors and pitfalls, interviewees were asked about their perception of the development and opening phase. In addition, goals that had been formulated in the various concepts during the planning phase were compared to the status quo of the project. Based on the research questions, categories were established and the transcribed interview texts were coded according to these categories in order to analyze their content and to develop a conceptual framework (Universität Trier 2002).

Aiming to give generally valid recommendations and, thus contribute to the academic knowledge and its ability to be applied practically, all results were compared to the conclusions drawn from the literature review (Veal 2011: 348).

4. Findings

In the following chapter, the findings are listed according to the research questions. The main focus during the analysis of the data was on the aspects that could be applied generally.

4.1. Status Quo

The experience farm opened in July 2014. It offers guided tours leading visitors through a so-called "hay-cinema", where an image film is shown to visitors sitting on hay bales, continuing through the area where the cheese is produced and stored for ripening. The tour is finished in the cow barn and the pigpen. In addition to the bacon and cheese production, produce and herbs are grown in an organic vegetable garden and children can play with small animals in the petting zoo. A restaurant and a shop are part of the property where visitors can sample and buy the products. For returning customers, an online shop can be accessed via the website. The Gailtalbauer presents itself as the most modern experience farm in Austria, using a milking robot, a hay dryer, which dries the hay while keeping the nutrients in the grass intact, and a special kind of fertilizing bedding in the cow stable (Gailtaler Mundart). According to the interviews, the Gailtalbauer's success during its first year of existence has been lower than projected due to the higher than expected costs. Attempts to refinance were unsuccessful due to the ongoing legal proceedings with a citizen initiative against the farm, which was formed by various neighbors. Efforts to conceptualize the experience started with the Internet presence, i.e. website and Facebook site, where idyllic images of farm life were presented. The tour itself started with an image movie about the products, the farmers, farm life in general, the restaurant as well as the add-on offers (e.g. a picnic by the river) which all convey a rustic atmosphere. The two purposes of the project were found to be challenging. It serves as a food production site and a tourism attraction with diverse target groups. While the main target group consists of families either on vacation in Carinthia or from nearby urban areas, the farm also wants to attract school, company and association excursions. These factors make a coherent experience rather difficult which, according to visitor surveys, had an impact on the satisfaction of families, who were surprised by the rather sterile and modern atmosphere in farm buildings. At the time of research, social media was mainly used for the announcement of news and events, the opportunity to tell stories to enhance the experience, a rather inexpensive way to build a brand, was not used.

4.2. Success factors and pitfalls

Research shows that the main success factors are:

- the rather high owner's equity that provides the project with the necessary financial stability to grow steadily but slowly;
- the fact that the Gailtalbauer is in line with the current destination management's strategy, which focuses on the promotion of culinary tourism in the region (NLW, 2015) and is therefore able to use marketing synergies;
- the fact that the farm is meeting a current demand with the growing number of people who are interested in the source of their food;
- and the extensive fieldwork done in the planning stage of the project, which gave the project owners a deep insight into best practice examples of experience design in culinary tourism.

The main pitfalls were identified as:

- the problem of being a food production site with strict hygiene regulations to follow on the one hand and the need to create the experience of romantic farm life on the other hand;
- the lack of support by politics, banks and the DMO, presumably due to the size of the project and its potential to be a serious competitor to local food producers;
- and the lack of storytelling and experience online in order to motivate visitors to return to the farm or to the website, where an online shop is available.

4.3. The role of the community

Regarding the community, the Gailtalbauer faces strong resistance from a group of villagers, which has resulted in expensive legal dealings. It was concluded that the focus on external stakeholders during the planning stage is of utmost importance while no clear conclusion about a more successful strategy to involve the community could be drawn. Avoiding such problems by searching for a new location altogether was one suggestion, which seemed most feasible in this specific situation. It is recommended to analyze a potential location for such a project also according to potentially disruptive neighborhood behavior.

4.4. Conclusion

The aspects of market segmentation and storytelling on various platforms and in real life could have played a bigger role in the experience design of the Gailtalbauer. This could be an economic way to build a brand and should therefore be considered when developing tourism attractions.

As can be seen in the findings, claims of the literature review were confirmed. Many of the aforementioned ten critical success factors, such as good convention and visitors' bureaus, support of the government, strategic planning or a complete tourism package (i.e. corresponding to the overall strategy of the region) proved to be critical. The direct relation between community involvement and success was also confirmed by this case study, as its adjacent neighbors very negatively affected by the project. Considering that the case study's outcome is in line with the results of earlier studies, it can be concluded that the positive and negative issues in the development of the Gailtalbauer can be applied to other projects in similar situations.

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