FOOD TOURISM: 
CREATING AND POSITIONING A SUPPLY CHAIN

Introduction

Development of an efficient supply chain can promote tourism through the positioning and distribution of signature food products from a destination area. This conceptual paper discusses the development of supply chains to effectively and efficiently distribute food products associated with a tourism region or destination. The concept is known as food or culinary tourism and the premise of this discussion is that an efficiently managed supply chain can help promote and position a destination’s or region’s tourism products.

Food/Culinary Tourism

Culinary or food tourism is a concept whose time has come and is a potentially lucrative niche that holds strong potential for economic growth (Wolf, 2002). Quality and uniqueness in food and food experiences enhance the success of any destination that serves visitors. Food service establishments do not have to be five-star, but they do need to provide a good meal and create demand for unique food products associated with the cultural tourism of a destination or region. Tourism planning models typically include food and cuisine, noting that a focus on regionalized foods is popular with visitors. A destination or region needs to first assess its tourism resources if it is considering a food tourism marketing strategy. Tourism-planning models typically include cuisine and food as cultural tourism resources supported by regional hospitality and management skills, a trained labor force, and well formulated infrastructure, including transportation (Stynes and Deale, 1987). This paper offers a conceptual approach to the development and distribution of food tourism products.

Culinary tourism is a newly defined niche that intersects and impacts both the travel and food and beverage industries. A new niche, culinary tourism is slowly but surely sweeping the world’s travel industry. Culinary tourism has been taken for granted for a long time, and understandably so – eating and drinking are part of our daily lives.

Food service establishments play an important role in tourism and in the overall economy. There is a high correlation between tourists interested in wines and cuisine and interested in visiting museums; attending theater, music, and film events; and participating in shopping and outdoor recreation (TAMS, 2001). Restaurants continue to play an important role in contemporary lifestyles and food service establishments are an important part of the service economy, for example in the United States, one out of four retail outlets is an eating or drinking establishment and the sector employs nearly nine million people (NRA, 2003). Considerations for the success of a food service operation that is part of the tourism system include:
• Type and variety of cuisine offered;
• Quality level of food, drink, and service;
• Pricing levels of food and drink;
• Levels of hygiene maintained;
• Physical attractiveness and comfort level of the establishment; and
• Locations of the establishments relative to visitor accommodation locations and travel itineraries” (Inskeep, 1991).

If you have ever enjoyed eating lobster in Maine, smoked meat in Montreal, chicken wings in Buffalo, barbeque in Memphis, or sourdough in San Francisco, or any other regional foods, you have enjoyed unique dining and food experiences. Food and drink are a natural intersection of interests (Wolf, 2002). A unique or particularly good dining experience may not necessarily be why a visitor visits a particular destination, but it can help make the visit a memorable experience. For example, Denver, Colorado is not known for a distinguishing or trademark food that attracts tourists and according to a Longwoods study, Denver in the early 1990s, was not seen as attractive as many other cities (Longwoods Survey, 1994), yet according to the study, travelers experienced unique dining experiences in Denver. Several signature restaurants, such as the Buckhorn Exchange, distinguished themselves by providing game foods such as buffalo, alligator, and rattlesnake. Additionally, Denver has developed a reputation as a leading brew pub and micro brew destination. Both these themes have helped to create an image of food uniqueness for Denver (O’Halloran, 1996). In another example of promoting food products from a specific tourism destination, special guests at Timberline Lodge in Oregon receive a satchel of Chukar Cherries, a bag of Mt. Hood Trail Mix, a mélange of dried Oregon cranberries, and a package of Oregon Hazelnuts when they arrive in their room (Macdonald, 2003). Obviously, tourism related businesses benefit from promoting local foods and cuisine.

Increasing numbers of travelers are stating that food is a key aspect of the travel experience and that they believe experiencing a country’s food is essential to understand its culture (Conde Nast Publications, 2001). An opportunity exists for destinations to develop food products and specialized cuisine and use those products to promote the destination. Food products can be shipped to customers to give them a taste of a destination without ever leaving their homes. In fact, food tourism can almost be a virtual tourism experience. People can, for example, bring a bit of Memphis barbecue into their lives without ever getting in their cars or on a plane. Additionally, once they have tasted the food, they may wish to visit the destination and therefore, the food is a marketing tool for the destination. The issue is to enable producers to develop distribution channels for their products that will also serve to promote a tourism region. If tourism planners and managers decide that food tourism is a viable strategy for a destination then the development process for an effective supply chain can and should begin.

**Food Tourism and Supply Chain Management**

From Memphis to Los Angeles, from coast to coast, and around the globe, the business of tourism represents an environment of converging products and services, which helps develop a relationship between a host community and its visitors. This dynamic relationship impacts the host region culturally, including its cuisine, as well as sociologically, economically, psychologically, and physically. Community residents and visitors interact at special events, attend spectator sports, enjoy local foods and drink, and utilize many of the same resources. Effectively using food as a tourism promotional product requires the development and distribution of those products. Local residents who enjoy where they live and are proud of their city or town communicate formally or informally that a location is a great place to be and a great place eat. Food can be integral to the development of tourism infrastructure. Distribution of these
products, in the region and outside of the region, needs to be enhanced, and these efforts need to be coordinated between the food producers and the tourism region.

The increased popularity of a food product can lead to purchasing online and shipping local products across the country and the globe. Memphis, Tennessee, for example, is well known for barbeque (BBQ) and ribs and ships these products across the country using Federal Express and other freight carriers. Memphis, home to the corporate headquarters of Federal Express, is the air cargo capital of the world, thus the producers of the city’s and region’s signature food products utilize another signature product, FedEx services, to facilitate the distribution of their products. The city’s two biggest examples of signature food distribution are Corky’s BBQ and the Rendezvous Restaurant. Each restaurant has well known products and the ability to distribute its products internationally. The Rendezvous’ toll free number is 1-888HOGSFLY (Rendezvous, 2004) and Corky’s orders can be placed online at their web site. The Corky’s web page, for example, includes a Shop Online link with photos, descriptions, pricing, packages and many other options (Corky’s, 2004).

Many regions and destinations have signature food products that are integral to the tourism system of that region. A sample list of those products is included in Appendix A. Tourism food products vary in public awareness and may be associated with a specific city, destination, or region. To become a tourism product distribution item, it is necessary to build a supply chain to promote and distribute products that add awareness of the tourism destination. However, a review of all 50 (US) state tourism web pages revealed little mention of food and food products associated with a state. Some web sites offered recipes and restaurant listings but little else. An additional sample of 25 city or regional convention and visitor bureau web sites revealed that nine of these destinations included food product information that the destination is known for producing. The opportunity to use food to create tourism awareness for a region and its products is tremendous.

Identifying the Food Tourism Products

Any community with unique food can compliment other attractions and attract visitors. Many regions, as previously discussed, are known for a type of food that has a special distinction and uniqueness that cannot be found in other places. International movement is towards the use of indigenous, locally cultivated products and the development of regional cuisine. (Deneault, 2002). Within regions, the phenomenon is the same. For example, research conducted about South Carolina (by Burger and Gochfield 2002) detailed the species of fish and meat consumed by the population overall and found that there was a high consumption of game products reflecting seasonal patterns; consumption of wild fish and game meals was highest in the fall, from September to December. If game foods were designated an important South Carolina tourism product and hunting an important tourism or recreation activity, it makes sense for tourism decision makers to help create an efficient supply chain that includes promotion and distribution of these products.

In a different example, the Niagara region of Canada set as a goal the promotion and improved positioning of Niagara region wines. As titled in a newspaper article, “So how does marketing Niagara as an upscale destination to a select group of tourists help raise market share and sell more bottles of Chardonnay, Cabernet and Pinot Noir?”(Korchok, 2002). Local experts believe that destination marketing rather than product marketing is the way to go. It is easier to sell the region and then introduce the product (Korchok, 2002). In this scenario, planners identify
products and strategically try to link those products to the region by promoting the region as a tourist destination.

Additionally, some tourism destinations and specific restaurant locations are famous for their food and could assist a region’s positioning for tourism. For example, Frankenmuth, Michigan, an hour north of Flint, Michigan in a rural farming community, has two of the top grossing restaurants in the country (The Bavarian Inn and Zehnders, 2004). Their feature dish is fried chicken and all the fixings, served family style. Chicken is not a unique product, but these restaurants have packaged the product well for family style meals and also sell condiments and complimentary products from the restaurants online.

Community tourism development and promotion and subsequent distribution of unique food products can enhance the tourism reputation of a destination. Product types like the traditional Canadian favorites of Atlantic seafood, such as Digby scallops or Nova Scotia salmon, are being joined by foods such as Saskatoon berries, Quebec cheeses, and wild Arctic musk ox (Deneault, 2002). Tour operators are also beginning to package cuisine in unique and exciting ways such as the Cuisines of Quebec (Deneault, 2002).

For regions working to develop their tourism further, food also has potential to promote more tourism. For example, Northern New York, or the North Country as it is referred to, a large region north of Albany (differentiated from what people may call upstate), has its locally famous “Michigan”, a hot dog with a special meat sauce similar to that of a chili dog or Coney Island. This is a product that might be better positioned to help tourism in the area. Data from the National Hot Dog and Sausage Association indicates that Americans eat more than 20 billion hot dogs a year, most in the summer and that National Hot Dog Month is July (National Hot Dog and Sausage Association, 2004)). This month long celebration could be the perfect introduction to “Michigans” as food tourism in the North Country. On the “All About Michigans” web site (2004), information exists on the history of the “Michigan”, “Michigan” buns, and recipes; this kind of information could be shared with visitors at special events. In addition to “Michigans”, the North Country could develop and feature other prominent products such as apples, game meats, maple syrup products, and Quebecois heritage foods like tortiere, sugar pie, and pea soup. These and other foods, combined with cultural and historical tourism activities such as festivals and special events, help to position food tourism and could be tied to statewide promotional efforts like the “I Love NY” campaign and the apple logo.

In a Colorado example, game meats and more specifically buffalo or bison are good examples of the challenges and opportunities of food tourism. A strong distribution system is a key to buffalo product development and awareness. Buffalo is a niche tourism food and needs a strategy for creating value. Specialty meats such as musk ox, ostrich, and alligator, can all be tourism food products, and in niche market development, professionals must educate consumers about products as well as market them to consumers.

Increasingly, successful companies do not just add value. They reinvent it, where all levels of the product chain co-produce value (Normann and Ramirez 1993). It is this theory that exemplifies food as a key marketing component of tourism for a destination. To effectively do this, a company needs to have its most attractive offerings involve customers, suppliers, and business partners, or in the case of food tourism, tourists, producers, restaurateurs, tourism marketers, and business partners. Linneman and Stanton (1991) indicated that the key to successful niche marketing is to develop a niche marketing network or supply chain. The supply chain would require a company or product to classify its market position, identify resource
linkages, look for additional niche markets, set priorities, build a hierarchy of networks, and finally, make it work.

**Supply Chain Development**

Traditional food distribution centers and channels encompass a variety of topics. Appendix B, Food Distribution Trends, outlines topics utilized in a food trends class at the University of Memphis, where food distribution was one focus (Deale, 2003). The focus on trends in food distribution points to the need for the development of effective and efficient supply chains for food products. A supply chain encompasses all activities associated with the flow and transformation of goods from the raw materials stage (extraction) through to the end user, as well as the associated information flow. Material and information flow both up and down the supply chain (Handfield and Nichols, 1999). Supply chain management is the integration of these activities though improved supply chain relationships to achieve a sustainable competitive advantage. Three major developments in global markets and technologies have brought supply chain management to the forefront of management’s attention. These developments include:

- An information revolution;
- Customer demands in the product, costs, services, delivery, technology, and cycle time brought about by increased competition; and
- The emergence of new forms of interorganizational relationships or special partnerships--Examples of these include Customers, Retailers, Distribution Centers, Assembly processes, 1st tier suppliers, and 2nd tier suppliers (Handfield and Nichols, 1999).

Additional buzzwords in supply chain management include: through put time reduction, delivery speed, fast cycle capability, quick response, re-supply time, lead time reduction, and time compression. These buzz words illustrate the need for an efficient and effective product distribution system or supply chain. The mutually beneficial facets of a successful supply chain can enhance a tourism system for a destination or a region. The performance of a supply chain involves many factors including: products and services offered, sales, market share, cost quality, delivery, cycle times, assets utilized, responsiveness, and customer service (Morgan and Lucas 1997). Time and collaboration are essential in the distribution of all products, but particularly so when dealing with food and its potential perishability.

A significant question in food tourism is, how would a potential or current visitor know about a certain regional food product? Creating this customer awareness requires promotion and marketing of the product and getting that promotion to a destination, requiring collaboration and cooperation between partners in the supply chain. Interorganizational supply chains infer the need for strategic partnership agreement; thus a partnership between producer, processor, distributor, and promoter need to be established. These partners could include farmers and ranchers, restaurateurs and caterers, on site delivery retail operators, freight specialists, and information specialists such as those at a regional tourism organization who promote a destination. As noted above, this interorganizational relationship will benefit tourism and the product producers and sellers. The benefits of interorganizational supply chain management can include: increasing valuable contacts across the supply chain, gaining insights into current organizational practices, and identifying opportunities for joint projects between supply chain members.

For tourism planners and managers who are promoting area products, it should be noted that the best way to achieve a competitive advantage is to develop unique merchandise or customer service offerings. Consumers today have more options than ever before to get exactly
the merchandise they seek with the amount of effort they are willing to expend at a price they are willing to pay. Continued retail survival and success may be achieved through strategic retail positioning. This positioning emphasizes a carefully monitored and updated balance between the needs and wants of a select group of target customers and the retail firm’s unique strengths and competencies.

As is often the case for food products, service oriented retailers tend to find their target markets in higher income consumer groups who find special services desirable and worth the cost. Successful service-oriented positioning relies on the ability to maintain this selective image in the consumer’s mind. It means tailoring unique offerings to avoid declining service while retaining efficient processes. For service orientated retailers, developing this unique offering is an especially difficult task. Customers are required to pay premium prices and therefore, demand more in return from service oriented merchants, thus, an efficient supply chain is imperative. To sell online, especially when dealing with perishable products, the guests, current visitors, or potential repeat visitors need to see value in the product and the associated costs for ordering and shipping that food product. Value balance refers to the optimal compromise between the customer’s costs (“What I Pay”) and benefits (“What I get”). This balance helps consumers decide whether their personal investment in the buying process was worth their gain and represents the “get what you pay for” philosophy (Handfield and Nichols, 1999).

Key for supply chain management and food tourism is an emphasis on time compression or reduced cycle times in the marketing process. Therefore, a defined development process is necessary for a supply chain. Nichols et al (1996 and 1999) offered basic steps and an order fulfillment process worksheet to assist in the development of efficient supply chains, shown in Appendices C and D, Planning Steps and Order Fulfillment Worksheet.

Creation of the supply chain takes into account two conflicting aspects of location decisions for companies and tourism regions: 1) an attempt to reduce the associated capital and operations cost, and 2) a desire to improve customer service quality by making the product or service available to the customer at the right place at the right time (Handfield and Nichols, 2002). Independent producers or restaurateurs often do not have the capacity or capability to maintain inventory or produce at significant levels without assistance from other partners in a supply chain, therefore a carefully developed supply chain can be critical to success. Given the dependence of firms on supplier performance, some organizations are adopting strategies that can help foster improvement, including greater information sharing between parties and the development of co-destiny relationships (Amini and Retzlaff-Roberts, 2000). A tourism organization and food tourism producers will benefit from well formed partnerships and an efficient supply chain.

Conclusions and Recommendations

A regional food tourism strategy needs to identify tourism organizations that can assist and partner in this process. These organizations will come from the public and the private sector and include federal, state, regional and local tourism organizations; tourism businesses such as lodging and food service operations; as well as tour and travel companies, and retail and information distribution organizations like the automobile clubs (Stynes and Deale, 1987).

Tourism products and attractions must partner with tourism marketing and policy agencies and organizations to further benefit each other. Developing a strategy for food tourism requires research, product development, marketing, and training on many fronts. Additionally,
infrastructure needs to be in place that can coordinate the products or at a minimum coordinate the information flow to benefit the customer and enhance service. Infrastructure in a community, including operations such as incubator kitchens, test kitchens, and product warehouses can be vital parts of a food tourism supply chain. In the development and refinement of the supply chain process, the following considerations will produce a more effective operation:

- Clear communications and messages about products and ordering processes,
- Fostering the packaging of existing market ready and near market ready products,
- Initiating pilot projects to develop new tourism food products,
- Inspiring through best practices and recognizing those partners that are getting the job done,
- Identifying branding opportunities for food tourism products--These would focus on culinary items that are not necessarily associated with a specific company or restaurant.-- Developing the market for tourism products should be a joint venture between the tourism organization and the producers and processors, and
- Producing web links that will assist industry led organizations--These links can include local, regional and state tourism web sites, and company web sites all linked to travel information sites about the destination or region in question. (Handfield and Nichols, 1999).

To visualize and plan a food tourism supply chain, a flow chart is offered in Appendix E: Food Tourism Supply Chain. In addition to the product flow and visitor interaction of the supply chain, it is important to include analysis and monitoring of the information flow from a product-order-delivery aspect. This scenario considers what information a customer needs to make a decision and how he will or she will access this information.

Cuisine and tourism are natural partners. Visitors are interested in local and regional foods and their ties to history and culture. Regional foods could be a great addition to the tourism product mix and promoting food tourism will require coordination from all aspects of the tourism and business community. Local members of restaurant associations, tourism agencies, and chambers of commerce, plus product marketing organizations such as the producers’ associations of the various product groups all have a stake in developing food as a tourism attraction that could benefit a region, and supply chain considerations can make this food tourism become a reality in many places.
## Appendix A: Signature Foods

<table>
<thead>
<tr>
<th>Location</th>
<th>Signature Food</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska:</td>
<td>King Crab, halibut, salmon</td>
</tr>
<tr>
<td>Arizona</td>
<td>Tamales</td>
</tr>
<tr>
<td>Baltimore, Maryland</td>
<td>Crab cakes</td>
</tr>
<tr>
<td>Boston, Massachusetts</td>
<td>Clam chowder, baked beans</td>
</tr>
<tr>
<td>Buffalo, NY</td>
<td>Beef on Wick, Buffalo wings</td>
</tr>
<tr>
<td>Cincinnati, Ohio</td>
<td>Chili</td>
</tr>
<tr>
<td>Denver, Co.</td>
<td>Game foods; buffalo, and elk</td>
</tr>
<tr>
<td>Florida Keys</td>
<td>Conch/ conch chowder</td>
</tr>
<tr>
<td>Georgia</td>
<td>Peaches</td>
</tr>
<tr>
<td>Louisiana</td>
<td>Cajun food, crawfish</td>
</tr>
<tr>
<td>Maine</td>
<td>Lobster</td>
</tr>
<tr>
<td>Memphis, Tennessee</td>
<td>Bar-B-Que (wet or dry)</td>
</tr>
<tr>
<td>Mississippi Delta/ Mid-south</td>
<td>Catfish</td>
</tr>
<tr>
<td>Montreal, Quebec</td>
<td>Smoked meat, bagels</td>
</tr>
<tr>
<td>Nebraska</td>
<td>Runzas</td>
</tr>
<tr>
<td>New York City, NY</td>
<td>Delis, bagels</td>
</tr>
<tr>
<td>Northwest US:</td>
<td>Marion berries, loganberries, salmon</td>
</tr>
<tr>
<td>Oregon</td>
<td>Hazelnuts</td>
</tr>
<tr>
<td>Panhandle of Florida</td>
<td>Apalachicola, Oysters</td>
</tr>
<tr>
<td>Rhode Island/Cape Cod, Massachusetts</td>
<td>Quahogs, chowder, lobster</td>
</tr>
<tr>
<td>Rocky Mountains</td>
<td>Rocky Mountain oysters</td>
</tr>
<tr>
<td>San Diego</td>
<td>Fish tacos</td>
</tr>
<tr>
<td>Southern U.S.:</td>
<td>Grits with cheese, shrimp</td>
</tr>
<tr>
<td>Texas:</td>
<td>Texmex, beef</td>
</tr>
<tr>
<td>Upper Peninsula of Michigan</td>
<td>Cornish Pasties</td>
</tr>
<tr>
<td>Vermont</td>
<td>Maple syrup, dairy products</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>Cheese</td>
</tr>
</tbody>
</table>
Appendix B: Food Distribution Trends and Challenges

• Cutting distribution costs and lower prices
• Storing less inventory in warehouses
• Building larger super-stores
  Super-stores have over 150,000 sq. Feet of space and over $1,000,000 sales per week
• Creating more membership club stores
• Creating more private labels for stores

Effects of these trends
• See losses to traditional super markets, especially smaller independent stores
• See mergers and acquisitions in super market segment

Food service trends
• Food service is challenging the retail sector
  – Take-out
  – Curbside delivery
  – Restaurants are going on the Internet

Supply chain management
• See improvements in production, distribution, and marketing
• Striving for the Right product, right place, right time
• Consumer demands
  Healthier choices
  Freshness
  Convenience
  – E.g. fresh cut lettuce, salads, carrots
  – McDonald’s inside Wal-Marts., etc.
  Consumer concerns
  Inaccurate pricing

Food safety and sanitation issues
  Food borne illnesses
  Pesticides

Business Responses
• HACCP system to work on food safety
• Companies rethinking strategies based on consumer concerns
  – E.g. new packaging, new product lines
  – Customer loyalty marketing

Looking ahead
• Need more storage for raw form foods
• Need to focus on demands of just-in-time delivery
• Businesses need to anticipate new competition

Adapted from: Key Developments in the Food Distribution System,
Appendix C: Supply Chain Steps

Step 1) Define Order fulfillment processes.

The logistics for distribution of products needs to examine direct shipment, increased inventory, use of EDI, Electronic data interchange, integrated information systems, more frequent shipments, reduction in product line, alter working hours, and use of optimal distribution points. The chain management needs to prioritize points of leverage, define and analyze the order fulfillment process. The process typically includes: suppliers, average customer fulfillment cycle time, maximum customer order, minimum, variance, order processing, planning, and fabrication.

Step 2) Identify what information is provided to the customer:

- When it is provided? and
- How it is provided?

Step 3) Define the types of products

- Types
- Amounts
- Dollar values

Development of a Customer Order Fulfillment Process worksheet will assist planner in the creation of a supply chain, examining the process from customer order to receipt of finished goods. A sample worksheet is included below.
Appendix D: Order Fulfillment Worksheet

Supplier: ________________________________

Product Supplied: _______________________

Average Customer Fulfillment Cycle Time: ________________________________

Minimum Customer Order Fulfillment Cycle Time: _______________________

Maximum Customer Order Fulfillment Cycle Time: _______________________

Customer Order Fulfillment Cycle Time Variance: ________________________

1. What are the specific customer order fulfillment process components (e.g., order processing, planning, fabrication, etc.) and associated cycle times?

2. What are the causes of customer order fulfillment cycle time variability?

3. What information is received from the customer? When is it provided? How is it provided?

4. What information is provided to the customer? When is it provided? How is it provided?

5. Describe the type (e.g., raw materials, WIP, finished goods) and amounts (e.g., dollar value, quantities, and days of supply) of inventory held within your organization's portion of the supply chain.

6. For the inventory held within your organization's portion of the supply chain, indicate why this inventory is held.

7. How is the product transported from your organization to the customer? Which organization (e.g., your organization, the customer, third party, etc.) manages this in-transit portion of the supply chain?

8. What are the performance measures that your organization currently utilizes to assess customer order fulfillment performance?

9. What impact does the current customer order fulfillment cycle time performance have on your organization?

10. What are potential actions that could be taken to reduce the customer order fulfillment cycle time?

(Handfield. and Nichols. 1999)

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References:


