Cross-country analysis of differentiation strategies of Italian and German farm tourism: a hedonic pricing approach

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1. Cross-country analysis of differentiation strategies of Italian and German farm tourism: a hedonic pricing approach

1.1 Introduction

This paper is dedicated to farm tourism, which is a subset of rural tourism (Nickerson, Black & McCool, 2001). Whereas the latter encompasses all activities which are undertaken in rural areas such as eco-tourism, adventure tourism, etc., (McGehee & Kim, 2004), the former generally refers to "the commercial tourism on working farms" (Ollenburg & Buckley, 2007).

Against the background of decreasing subsidies in agriculture, the importance of farm tourism has increased all over Europe in the last years (ibid.). If, on the one hand, farm tourism has been recognized as a viable business which enables farm operators to have a complementary income, on the other hand, many studies indicate that farmers have "very limited entrepreneurship capabilities related to innovations in management, product development and planning for future growth" (Veeck, Che & Veeck, 2006: 246).

This paper examines the level of professionalism reached by farm operators thus aiming at better orienting practitioners towards customer needs. To this end, we have conducted a cross-country analysis of farm tourism in Germany and Italy, which explores commonalities and differences in this sector between the two countries. In doing so, the multidimensional nature of this tourism form is taken into account, as the success of farm tourism greatly varies among countries.

In Italy, for instance, with around 2 million guests annually, farm tourism has been flourishing for years (ARM, 2003). Nevertheless, despite these figures, it remains a niche segment. On the other side, German farm tourism has been gradually declining since peaking in late 1996 when it reached a volume of 3.9 million guests annually (BMELV, 2006) and image deficits are still a main issue according to several practitioners (BAG, 2008; Wagner, Burger, & Magnus, 1997).

The main idea is that a comparison approach between the two countries could help both German and Italian farm operators to develop common strategies to improve their businesses as well as to generate important insights into the sector.

The following pages will discuss the main similarities and differences between the two countries regarding this form of tourism. Furthermore, we will present a comparative case study based on a hedonic price analysis.

1.2 Comparison of main differences and similarities

At first glance, Italian farm tourism is distinguished by a higher overall quality of supply and a positive image derived from the high degree of appreciation among national and international guests (ARM, 2003). This has been encouraged above all by a proactive Government: in fact, Italy is the only European country which has a law dedicated to this form of tourism (INNOREF, 2006), since the majority of countries do not distinguish between rural tourism and farm tourism (ibid.). Moreover, in many Italian regions several interest groups - to which many farmers belong - work together (e.g. Slow Food Movement, Committees for Protected Food, etc.) by networking activities (i.e. cross-promotion), sharing common Websites, participating to local festival committees (Italian *sagre*), etc. Thus, Italian farmers know that individuals value the stunning environment created by the agriculture and a rich variety of seasonal programs which include the subjects of healthy cuisine, history, nature and agriculture, such as the production of organic olive oil and the sampling of wine and food. The reverse of the coin is, however, the "concern that "boutique" farms may replace authentic agriculture to receive funds" (Adams, 2008). Another problem is that state subsidies should be accompanied by management courses in order to really help farmers to start their businesses. Adams (ibid: 188), for instance, asserts that "some funds have been offered to farmers for on-farm hospitality, but when the farming families know nothing about the hospitality business, a disaster is waiting to happen".

On the other hand, German farm tourism shows more professionalism in the designing of quality labels that have gained national visibility. This is of paramount importance in unlocking the "hidden potential" consistently identified in the annual national report of the German government (BMELV, 2006). In order to reduce the dependency from families, farm tourism associations have tailored farm tourism activities to the need of new market segments (seniors, handicapped, etc.). Furthermore, in some regions they collaborate with national health insurance institutes and other external contractors (Neu, 2007). Finally, in order to professionalize the marketing knowledge of farm operators, they organize management seminars with business education institutes (ibid.). Table 1 gives an overview of the main differences between German and Italian farm tourism.

Table 1 about here

If the differences between German and Italian farm tourism are notably, so are the similarities. In both countries, farm tourism operators have been pursuing high differentiation within the tourism industry in order to attract new customer segments. Thus, as stressed by

many researchers, these days successful tourist products are designed following the main principles of the "experience economy" described by Pine and Gilmore (1999).

Following their approach, not only should a tourist product be characterized by excellent products and services, but, even more importantly, it must have the ability to create a memorable impression on the customer "experience set".

Roosen (2008) explains the implementation of the experience approach in the case of farm tourism. The sole provision of farm lodging for guests, which is typical of the first phase of the evolution of farm tourism, constitutes the core of the farm tourist product (see Figure 1).

Figure 1 about here

Examples of the first level can still be found in Italy, especially in farm operations located near seaside resorts and/or cultural cities (such as Florence and Venice). This form is also still predominant in some German states (above all, eastern Germany) which, according to Nilsson (2002:10), can be explained by the strong relationship between farm tourism as a form of social tourism and the Marxist concept of socialization as one of the state's main duties.

At the second level, the offering to the tourist is enriched by additional products or services with the purpose of compensating for the main deficits of tourist products. These, according to the current literature on tourism (cf. Hill & Busby, 2002; Kotler, Bowen & Makens, 2003; Matthes, 2008; Shostack, 1977), are the following:

- Immateriality: in contrast with a physical product, the quality of a holiday cannot be tested in advance.
- Inseparability: the production and the consumption of a tourism product are simultaneous.
- Integrity: the host is part of the holiday process/experience.
- Quality fluctuations: unlike physical products, the intrinsic features of holidays are of an intangible nature and therefore unstable. Thus, a zero defects policy should be pursued.

Thus, both in Italy and in Germany, farm operators have tried to add transparency to their leisure supply. In Germany, for instance, quality certification labels attempt to correct the information asymmetry caused by the fact that farm tourism is not yet very well known among the German population. In a similar way, the Italian law dedicated to farm tourism

helps farmers gain visibility in the market by distinguishing themselves from other tourism providers.

Next, on the third level, tourist products are designed with the purpose of shaping customers' memories, which in themselves become tourism products (cf. Pine & Gilmore, 1999; Schulze, 1992). Thus, at this level, the farm holiday is highly personalized to the needs of customers who are pursuing not merely a farm holiday but a farm holiday *experience*. In fact, both German and Italian farm operators have been working on several ways of adding value to their offer, focusing on the experience of farm tourism consumption. An example of this is the "adventure farm" quality label (Erlebnis Bauernhof) recently developed by the German association of farm tourism (BAG), in which farm operations cluster a range of varied activities designed to generate not only satisfaction but also enthusiasm among their guests. For instance, some farm operators encourage farm guests to plant their own seedlings during their holiday (such as trees) and regularly return to reap their own harvests.

In the following section, the "experiential" dimension of Italian and German farm tourism products will be further analyzed within the conceptual framework of Quan and Wang (2004). To this end, the differentiation patterns of farmers discussed above will serve as a point of departure for our study.

1.3 Conceptual framework of the comparative study

According to Quan and Wang (2004), there are multiple ways of interpreting the tourist experience. As depicted in Figure 2, this can be considered either an experience that is in sharp contrast to the tourist's everyday life or one that is an extension of it (ibid.: 297).

Figure 2 about here

For the former, the authors use the label "peak touristic experience" and provide exotic tourism as an example. Here, experiencing the attraction constitutes the major motivation for tourism. A "supporting consumer experience" is, in contrast, an extension of the tourist's daily life. Here, Quan and Wang (ibid.) refer to the "experiences of gratifying basic consumer needs, such as eating, sleeping and transport". The authors state that neither peak nor supporting consumer experiences can be regarded as separate dimensions because they are mutually dependent. So, for instance, if the basic needs of tourists are not fulfilled, the greatest attraction may still cause disappointment for customers and vice versa.

Another important issue is the interchangeability of the two dimensions of "peak touristic experiences" and "supporting consumer experiences". Thus, a basic need, such as food, can

turn a holiday into a peak experience. Similarly, a love affair can turn a mass-market sun-and-beach holiday package into a memorable consumer experience (ibid.).

A literature review clearly shows that the experiences provided by farm operations in the two countries differ greatly. For instance, in Italy food consumption, a supporting consumer experience, has turned into one of the main attractions of farm tourism and nowadays represents a peak experience (ARM, 2003). As discussed above, the creation of agrarian routes, such as the Chianti route, has provided an opportunity for farmers and food producers to add value to their agricultural products (Brunori, 2003). Furthermore, as each Italian region is rich in vernacular foods, which are at least to some extent protected by the PDO and PGI European labels, food-related events (Italian *sagre*) contribute to the promotion of farm tourism as well as food tourism (ibid.). Other peak experiences such as children-related activities or sport activities are, in contrast, not as much widespread as food related activities (above all catering and sampling). On the other hand, the diffusion of swimming pools and wellness related infrastructure such as saunas seem to indicate that guests highly value these services which can be considered supporting consumer experiences.

In contrast, in Germany food marketers have only recently begun to catch up with the process of rediscovering food-related traditions as confirmed by the low number of registered PDO and PGI German food labels (Spiller, Voss & Deimel, 2007). This situation is also reflected in the supply structure of German farm tourism, where self-catering (except for breakfast) is the norm (Nilsson, 2002).

On the other side, the large amount of quality labels that German farm operations have designed in order to segment the market clearly show that farmers are moving towards a demand orientated approach (Clarke, 1996). Furthermore, if we examine the quality labels in which farm operators invest a large amount of money as a proxy for the willingness of farm guests to pay, we can distinguish among labels with an emphasis for “peak touristic experiences” such as child-related activities, horseback riding, etc. as well as labels with a focus on “supporting consumer experience” such as the star provision system of the German tourist association (DTV) which assesses the quality of the farm facility.

All told, we have theoretically shown that the experiences provided by farm operations to their guests in the two countries differ greatly. In the following we will try to empirically test these assumptions and we will use an econometric model in order to analyze which type of farm activities is valued at most in the willingness to pay for farm tourism. We therefore assume that in Italy:

- “peak touristic experience” attributes have a stronger positive influence on the rental price than the influence of “supporting consumer experience” attributes (hypothesis 1)

On the other hand, we assume that in Germany:

- “supporting consumer experience” attributes have a stronger positive influence on the rental price than the influence of “peak touristic experience” attributes (hypothesis 2)

1.4 Procedures

1.4.1 Research design and data collection

In the following, two hedonic price models will be presented for Italian and German farm tourism to detect to which extent the type of activities offered by farm operators influence prices of tourist accommodations. Thus, we examine whether the type of amenity or farm activity in an area is valued in the willingness to pay for farm tourism (Van Huylenbroeck et al., 2006). Moreover, the comparison of the findings of the models should give insight whether the willingness to pay for farm tourism differs in the two countries.

Both for the Italian and the German models the digitalized catalogues of the German publisher Landselection are used. This company specializes in publishing catalogues for Germans interested in farm holidays either in Germany or abroad. The catalogue with the addresses of German farmers includes only those farm operations that satisfy very strict quality criteria (n=1,445). Hence, the German sample can be slightly biased, thus displaying above-average quality for German farm operators. In addition, on the Website of the company the addresses of a broader number of farm tourism operations are available (N=12,609). Because of the lacking of official statistics on farm tourism, the latter will be used as the statistical population in chapter 1.5.1. Data for the Italian catalogue are the result of the networking activities between Landselection and some of the major associations of farm tourism in Italy.

Although the data come from the same company, the two catalogues slightly differ in some variables. For instance, in the Italian dataset, geographical data are also included, whereas, due to cultural divergences related to accommodation typologies, the German catalogue also distinguishes among holiday houses (Ferienhaus), apartments (Appartment) and holiday flats (Ferienwohnung). Whereas apartments are usually considered one-room apartments (there is not a clear separation between the cooking and the sleeping area), holiday flats generally have more than one room. In Italy, on the contrary, such a distinction is less common, as it is usually distinguished only between rooms and apartments.

Overall, the Italian data set consists of 365 records of farm operations, whereas the German data set includes 1,445 units. The analysis was carried out in 2008 (May-October) with the financial support of the DAAD-Vigoni Program.

1.4.2 Methods

The application of the hedonic price method to tourism studies is common since it has the advantage of being applied to a real market than a hypothetical (Khalil, 2004). A classic example is the fact that two otherwise identical houses will be priced differently depending on the characteristics of their locations (Van Huylenbroeck et al., 2006: 15). The relationship can be found by regressing the price of the marketable good on a number of independent variables (ibid.).

In the following, the log-linear model is used:

$$\log P = b_1 + b_i X_i$$

The dependent variable in the Italian model is the price per person per guestroom (€/night/person) whereas in the German model the information related to the capacity was not available. In this case the price per accommodation (€/night/accommodation) was used. Furthermore, in both models, the prices are regressed on characteristics linked to accommodations[1] as well as to attractions (products or activities) offered by farm operators to their guests such as attributes related to wellness, food tourism, etc. The results of such analyses estimate the influence of the characteristics included in the models on the price. This influence is measured as the percentage change in the logarithmic price scale when the independent variable changes by one unit (Van Huylenbroeck et al., 2006: 15).

1.5 Results

1.5.1 Description of the Italian sample

The majority of accommodations (48%) are located in central Italy (with a high concentration in the Tuscany region), followed by 29% located in northern Italy, 13% in southern Italy and 10% on the islands of Sicily and Sardinia. All in all, the sample has a high similarity with the national distribution according to ISTAT (2004) (see Table 2). With regard to the type of accommodation offered, the majority of farmers still offer rooms for their guests (n=356);

[1] In the German model the explanatory variables relate both to type of accommodation (double room, apartment, holiday houses etc.) and to the activities offered by the farm. In the Italian model, since the dependent variable is the guestroom price the only explanatory variable directly related to the accommodation is the presence of apartments on the same farm.

however, the high number of apartments (n=208) confirms the recent tendency of farm operators to combine the two types of accommodation. Furthermore, apartments are a sound investment both for farmers, because this type of accommodation is less time consuming, and for tourists, as the average price per person of apartments is lower than that of rooms (€28.64 and €35.60 per night, respectively).

Table 2 about here

1.5.2 Description of the German sample

The majority of farm operators are located in the western states of Germany. Among these, Bavaria is the state with the highest concentration (27%), followed by Schleswig-Holstein and Baden-Württemberg (both 15%). In the eastern German federal states, around half the operators are established in Mecklenburg-Western Pomerania (3%). Table 3 provides an overview of the geographical distribution of German farm operators and indicates that the farm operations of Bavaria and Northrhine-Westphalia are overrepresented.

Table 3 about here

Table 4 compares the degree of differentiation attained by German farm tourism operators with that achieved by Italian ones. Italian farm operators display a higher degree of specialization in the following differentiation patterns: direct selling of farm produce (83% of Italian operators versus 37% of Germans), swimming pool (58% versus 21%), catering (53% versus 46%), handicapped services (42% versus 12%), organic farming (41% versus 12%), winemaking farm (48% versus 5%) and bicycle service (62% versus 55%).

Table 4 about here

In contrast, German farm operators are more differentiated than Italian ones in senior-orientated facilities (25% versus 1%), provision of apartments (91% versus 55%), one-night stays (87% versus 47%), pet accommodations (70% versus 53%), opportunity to work on the farm (69% versus 34%), horseback riding (62% versus 22%), farm tourism with winter sport activities (26% versus 4%) and particular child-related offers, such as children's playgrounds (91% versus 44%), services for unchaperoned children, (6% versus 1%), tennis (10% versus 1%) and provision of a sauna (22% versus 4%).

In the farm tourism literature, practitioners point out the growing importance of so-called micro-niche differentiation patterns (Hassan, 2000; Stone, 2005), such as business or fishing farm tourism. The analysis also provides some results concerning these micro-niches. German

farm operators perform better in the following specialization patterns: fishing farm tourism (17% versus 3%), hunting (9% versus 5%), business (18% versus 5%), camping (19% versus 10%).

All in all, it appears that Italian and German farm operators have often chosen divergent differentiation paths: the former investing more in catering and selling farm produce and the latter in child- and senior-orientated facilities as well as some sport and fitness services.

1.5.3 Results of the hedonic price models

In the following hedonic price models, all the pertinent explanatory variables, influencing rental prices are tested. Regardless of which variables are considered, the identification of the appropriate functional form constitutes the decisive step in estimating the hedonic model. Several functional forms were tested and compared (linear, semi-log, log-log). On the basis of the statistical significance of the coefficients and the suitability of their indicators, as well as the power of the parameters R and F, the best econometric results are obtained using the semi-logarithmic form. Using the coefficients of the estimated model, the implicit marginal price of each attribute is generated. The estimated coefficients and the implicit marginal price of each attribute are presented in the following.

Findings of the Italian model: Table 5 provides an overview of the findings of the regression analysis. As expected, catering has the strongest influence on the rental price. This is plausible, as food-and-wine consumption is an important feature of Italian farm tourism. On the other side, the presence of apartments on the farm has a significant but negative effect on the rental price of farm accommodations. The explanation for this may be derived from the different level of investment related to the type of accommodation. Thus, for operators who offer both rooms and apartments the former may be considered only a side-income in relation to the latter. As a consequence, operators are more likely to invest in apartments than in guestrooms.

Table 5 about here

Not surprisingly, the presence of an Internet Website positively affects the rental price, showing that these days the presence on the Web is essential. Furthermore a location characteristic has a significant but negative influence on price: the higher the score related to the altitude of the farm, the lower the room price. Thus, farm accommodations located on the mountains seem to set lower prices than other operations. Furthermore, both the presence of a swimming pool and of horseback riding activities has a positive and significant influence on

price. Overall, the over mentioned variables explain 18% of the variance of the rental price (R^2).

Findings of the German model: as depicted in Table 6, the greatest influence on rental price is depicted by the type of accommodation. Guestrooms (single, double or multiple rooms) seem to affect negatively the rental price, whereas holiday houses have a significant and positive impact on the rental price. These findings show that "guests want the farm experience without missing home luxuries" (Pearce, 1990).

Table 6 about here

Furthermore, attributes related to the farm's positioning as a winemaking farm or as fishing farms, as well as the presence of child-related attributes (i.e. children playground, children caring etc.) have a strong and significant impact on the price as well.

Next, both the provision of single-night stays and the characterization of farm with winter sports activities display negative influence on the rental price. The negative impact of the former on price is probably due to the low number of guests who take into consideration this offer and consequently the low level of revenue provided to the farm operation.

With regard to the latter, this variable can be considered an indicator of the location of the farm. Thus, it is supposed that farms located near mountain resorts set generally lower prices than other operations. Similar findings are also included in the Italian model.

We assume that farm operators located on the mountains can set lower prices than other farmers because of the higher occupancy rate that they display the all year around. In Austria, for instance, farm operators host sky vacationers during the winter season and other vacationers such as seniors or families with children in summer.

1.6 Discussion

Based on the hedonic price method, the study presented in this chapter shows which characteristics significantly affect the rental price for both Italian and German farm operations. The findings show that the magnitude of the differentiation strategies adopted by farm operators varies within the two countries.

It appears, for instance, that strategies that recall farming traditions are particularly effective for setting higher prices for Italian farm accommodation. Gastronomy, for instance, enables farmers to have higher returns, and, at the same time, permits farm guests to reappropriate their gastronomic history (Bessière, 2001). In paraphrasing the theoretical framework of Quan and Wang (2004), food consumption has become a "peak touristic experience attraction" for

Italian farm guests. This attribute together with horseback riding allows Italian farmers to achieve higher returns on the rental price. On the other hand, “supporting consumer experiences” attributes, such as the presence of a swimming pool, play a positive but minor role. Thus, we can accept hypothesis 1.

Overall, Italian farm operators seeks to add value to their offer. This is confirmed by previous scholars who stressed that “in Italy, farmers tend to offer complete packages containing differentiated services aimed at encouraging customers to return and at increasing the number of guests” (INNOREF, 2006).

On the same line, German farm operators seem to heavily invest in the variety of their supply. In contrast to Italian farmers, they do not seem to focus on one type of attribute only (cf. food tourism), but to put the emphasis both on “supporting consumer experiences” and on “peak touristic experiences” attributes.

With regard to the former, the high importance given by guests to the type of accommodation show that Germans pursue the comfort of home during their holidays. This is confirmed by Quan and Wang (2004), who state that, “although tourists seek various and novel experiences, they often ‘bring’ their habits and preferences formed at home with them” (ibid.: 301). Thus, even if many Germans choose alternative tourist forms, such as “farm tourism”, it is possible that most tourists prefer sleeping in familiar accommodation, i.e. holiday houses, for most of their holiday. Moreover, the strong influence of the farm positioning as a winemaking farm and as a children-related farm on the rental price demonstrates the importance of “peak experience” attributes as well. Accordingly, we can only partially accept hypothesis 2.

Overall, it appears that German farmers have begun to position their farms in manifold ways. As far as the positioning as a winemaking farm is concerned, this seems to be a very successful strategy.

Especially in the Federal State of Rhineland Palatinat, where about 63% of all viticulture acreage is produced (Barten, 2007) as well as in Bavaria and Baden-Württemberg, notably known for the good quality of wine, winemakers could combine their farming activities with wine tourism. In addition, the resemblance of the landscape of these states (above all Rhineland Palatinat) with the stunning environment of the Italian region of Tuscany could work in favor of the further development of farm tourism.

Farms with children-related services are, in contrary, equally widespread throughout the country. Our model shows that this farm specialization is a sound strategy as well. Mention should be made to the successful examples of the federal state of Northrhine-Westphalia

where farmers have taken advantage of the funds of the European financial program labeled ELER in order to invest their resources and to position their farms towards this market segment (Hunke-Klein, 2008).

1.7 Conclusions and limitations of the study

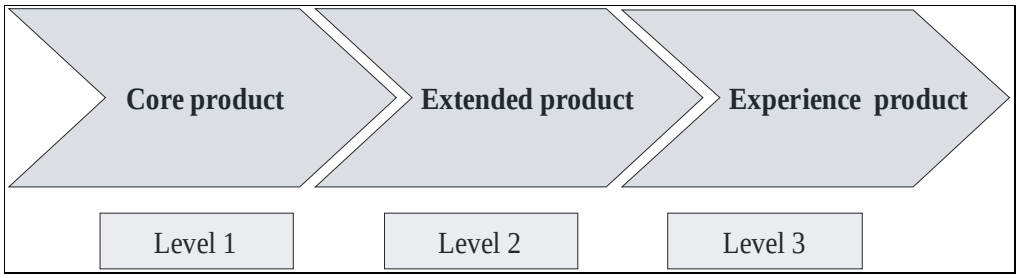
The study described in this chapter has empirically examined the differentiation patterns of Italian and German farm operators by means of two hedonic price models.

The results have shown that in both countries farmers have begun to sharpen their management skills in order to position their farms. Thus, as stated by Shakur and Holland (2000) the marketing component is being recognized as particularly important in the rural location due to the relatively unorganized nature of this industry.

Before concluding, we should point out the study's limitations. Since the two catalogues present some differences, the question of cross-country generalizability is germane. Closely related with the above is the small size of the Italian dataset. Finally, farmers of both samples belong to farm associations, which can be a bias, since, generally, these farmers are more committed than other farm operators who do not belong to any farm tourism association.

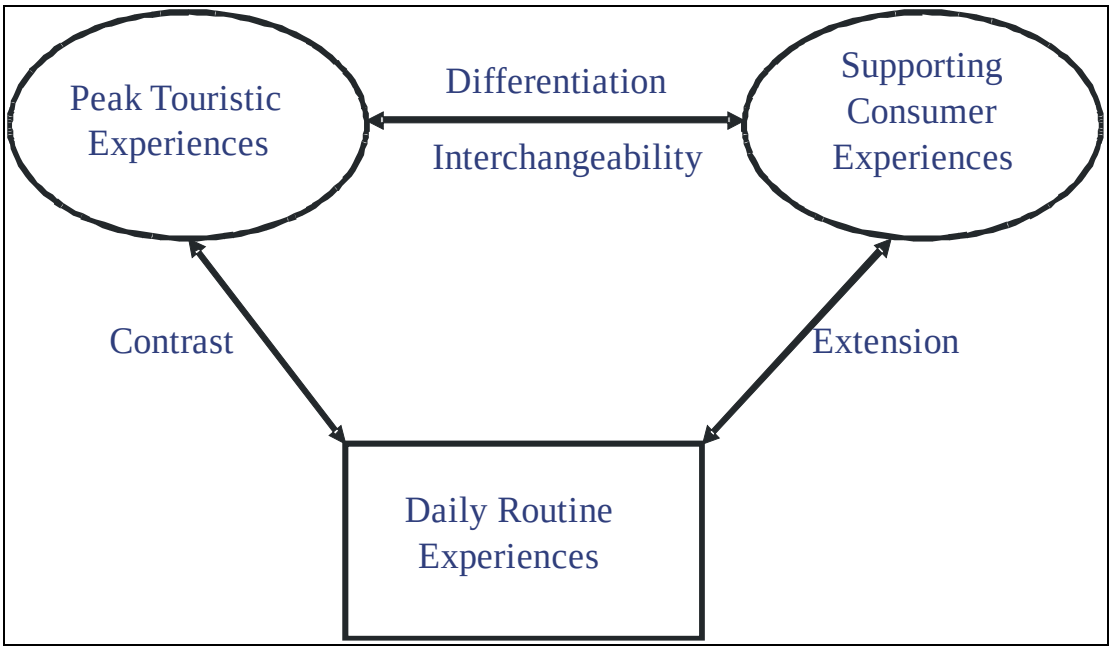
As a consequence, further research and the replication of findings with other samples are called in order to further increase the market knowledge of farm tourism in both countries.

Figure 1 Levels of provision of farm tourism products



Source: own representation based on Roosen (2008)

Figure 2 The tourist experience model applied to farm tourism



Source: own elaboration adapted from Quan and Wang (2004)

Table 1 Comparison of the main differences between German and Italian farm tourism

Characteristics	German farm tourism	Italian farm tourism
Legal framing	Legal vacuum	Ad hoc law
Market segment	Dependency on large sized families	Varied target
Average age of operators (years)	48	50
Share agritourism farms : total no. farms	5%[1]	1%[2]
Average occupancy rate (nights)	Between 125-135	Over 200
Image	Not well defined, little known	Defined, positive, "tuscanized"
Quality certification	National level	Regional level
Share of international tourists	Low	High
Distribution channel	Low level of development	High level of development
Integration within the territory (cross promotion, tourist routes, etc.)	Low	High
Source: own representation based on [1]DBV (2009), [2]Garruti et al., 2003		

Table 2 Geographical distribution of Italian farm operators

Geographical location	n	%	ISTAT*
Northern	104	29%	40%
Central	175	48%	39%
Southern	48	13%	15%
Sicily and Sardinia	38	10%	6%
Italy	365	100%	100% (N=11,575)

Source: own calculations , *ISTAT (2004)

Table 3 Geographical distribution of German farm operators

German state	n	%	N	%
Berlin/Brandenburg	23	2	586	5
Mecklenburg-West. Pomerania	44	3	1,333	11
Saxony	34	2	720	6
Saxony-Anhalt	11	1	218	2
Thuringia	29	2	317	3
Baden-Württemberg	221	15	1,381	11
Bavaria	384	27	3,401	19
Hesse	66	5	399	3
Northern Saxony	199	14	1,865	15
Northrhine-Westphalia	115	8	676	5
Rhineland Palatinate/Saarland	104	7	1,136	9
Schleswig-Holstein	215	15	1,578	13
Germany	1,445	100	12,609	100

Source: own calculations based on Landselection's catalogues

Table 4 Comparison among German and Italian farm operators

Characteristic	Italy	Germany
unchaperoned children	1%	6%
hunting	5%	9%
organic farming	41%	12%
vineyard	48%	5%
handicap services	42%	12%
tennis	1%	10%
fishing	3%	17%
business	5%	18%
sauna	4%	22%
camping	10%	19%
swimming pool	58%	21%
seniors	1%	25%
winter sport	4%	26%
selling own produce	83%	37%
catering	53%	46%
horseback riding	22%	62%
work possibilities	34%	69%
bicycle service	62%	55%
table tennis	0	70%
pets	53%	70%
children playground	44%	91%
one night	47%	87%
apartment on the farm	55%	91%
Source: own calculation		

Table 5 Influence of variables on the rental price (Italian model)

Results of the regression analysis			
Number of observations	365		
Average price (€/night/person)	37.25		
Adj. R^2	0.18		
F value	14.369 (p<0.001)		
Independent variables	St. beta value	t-value	p
Intercept	3.253	37.136	.000
Catering	.244	4.916	.000
Presence of apartments on the farm	-.194	-3.874	.000
Swimming pool	.141	2.787	.006
Internet Website	.126	2.593	.010
Horseback riding farm	.139	2.798	.005
Altitude	-.126	-2.584	.010
Dependent variable: log price guestroom/night/person			
Source: own calculation			

Table 6 Influence of variables on the rental price (German model)

Results of the regression analysis			
Number of observations	1,445		
Average price (€/night/person)	34.36		
Adj. R^2	18.179		
F value	26.149 ($p<0.001$)		
Independent variables	St. beta value	t-value	p
Intercept	1.536	62.51	.000
Holiday house	.100	3.813	.000
Double room	-.274	-10.261	.000
Multiple room	-.164	-6.276	.000
Single room	-.117	-4.464	.000
Vineyard	.111	4.238	.000
Children playground	.112	4.283	.000
Fishing	.088	3.390	.001
One-night stay	-.080	-3.077	.002
Winter sport	-.069	-2.674	.008
Web	.054	2.105	.036
Children alone	.070	2.727	.006
Dependent variable: log price/night/person			
Source: own calculation			

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