

Exploring wine tourism in Bulgaria

A pathway to sustainable rural and tourism development?



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Abstract

Wine tourism is a niche tourism product that is increasing in wine regions across the world. Wine tourism is also being hailed as a more sustainable approach to tourism due to its promotion of economic, environmental and social sustainability. Sustainable rural development is a high priority around the world due to declining rural economies. Tourism is increasingly being viewed as a component of rural development strategy to revive rural economies and encourage preservation of natural and cultural assets. This thesis explores wine tourism development in Bulgaria and its role in sustainable rural development. Key challenges were identified as (i) lack of regional competitiveness; (ii) lack of public awareness and recognition, (iii) lack of regional and local infrastructure (roads and signage); (iv) lack of service delivery skills, capacity and proactive attitude in wineries; (v) lack of tourism strategies (national, regional and local level), planning processes and governance structure; (vi) lack of service quality assurance mechanisms; and (vii) lack of available market research. Using Distributed Economies (DE) as a conceptual framework, wine tourism clusters are proposed as a way to encourage collaboration between the wine and tourism industry. Transition Management (TM) is used as a theoretical framework to better understand how stakeholders can approach planning, implementation and governance processes involved in developing wine tourism. This research contributes to minimizing the knowledge gap in wine tourism development and its implications on rural development in the context of Bulgaria.

Keywords: Rural Tourism, Wine tourism, Rural development, Tourism development, Wine tourism cluster, Bulgaria

Executive Summary

Background

Wine tourism is an emerging phenomenon in wine regions across the world. It is defined as “visitation to vineyards, wineries, wine festivals and wine shows, for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors” (Hall & Mitchell, 2012). Wine tourism is considered a niche tourism product. It can be a subset of gastronomy tourism but increasingly wine tourism in itself is being acknowledged as a special interest type of tourism that is closely associated with tourism in rural areas.

Rural development means a general socio-economic improvement in rural areas. Rural areas in Bulgaria face multiple economic, environmental and social challenges (MAF, 2012). Diversification of rural economies into tourism has been identified in rural development strategies as a tool with the power to provide income, employment and capital flows. At the same time, there is rising concern over the unsustainable nature of mass-tourism development in coastal areas and mountainous ski destinations. A need to diversify the national tourism product has been identified.

Rural wine tourism is a way to diversify the mass-tourism product and bring more prosperity to disadvantaged rural areas. It is a very recent concept in Bulgaria but it is foreseen to grow in the future. However, there is a lack of research-based publications on wine tourism in Bulgaria in general and its potential role in sustainable rural development. The aim of this research is to explore how wine tourism can be developed in Bulgaria and how it can bring change affecting rural systems.

Research Questions

This thesis was guided by the following research questions:

- What is wine tourism and how does it relate to the overall concept of sustainable tourism?
- How can the concept of Distributed Economies (DE) guide wine tourism development?
- What are the potential challenges and obstacles regarding wine tourism development in Bulgaria?
- How can wine tourism influence sustainable rural development?
- How can the wine industry and tourism industry act collaboratively?

Methods

A threefold approach was used to collect information for this thesis: (i) literature review; (ii) semi-structured interviews; and (iii) winery visits (observation). Eleven wineries were visited and fourteen interviews with stakeholders were conducted.

Conceptual framework

Distributed Economies (DE) is a “*vision by which different innovative development strategies can be pursued in different regions*” (Johansson, Kisch, & Mirata, 2005). DE was utilized as a conceptual framework to explore how Bulgaria should approach the challenge of developing wine tourism in rural areas. Transition management (TM) is an integrative, multi-level governance model to manage complex changes in development processes. (Gössling, Hall, Ekström,

Engeset, & Aall, 2012). TM was offered as a governance model for the transition toward rural tourism and wine tourism in rural areas.

Main findings

Relevant stakeholders to rural wine tourism development were identified as wineries, NGOs and associations, government and tourism businesses.

The main challenges facing the development of a wine tourism industry are:

- (i) Lack of regional competitiveness
- (ii) Lack of public awareness and recognition
- (iii) Lack of regional and local infrastructure (roads and signage)
- (iv) Lack of service delivery skills, capacity and proactive attitude in wineries
- (v) Lack of tourism strategies (national, regional and local level), planning processes and governance structure
- (vi) Lack of service quality assurance mechanisms
- (vii) Lack of available market research

There needs to be a collaborative regional tourism planning process and more cooperation at the destination level to emphasize and capitalize on regional attributes and to reap mutual benefits. It is proposed that stakeholders in rural areas cooperate to organize the rural tourism product and leverage valuable assets found in the region such as wineries, local cuisine, cultural heritage sites, natural resources and folklore traditions. Wine tourism clusters are proposed as a way to coordinate activities, achieve scale through collaboration, enhance quality, utilize local resources and add value to local communities.

Conclusion

There is a strong potential to develop rural wine tourism in Bulgaria. The presence of wineries, cultural heritage attractions, nature, food and accommodation options as well as the defined wine regions set the foundation. Wine tourism can act as a catalyst to reach goals in rural development and national tourism product strategies.

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Abbreviations

BAAT	Bulgarian Association for Alternative Tourism
DE	Distributed Economies
EAVW	Executive Agency of Vine and Wine
EU	European Union
GDP	Gross Domestic Product
ICT	Information and Communication Technologies
MAF	Ministry of Agriculture and Food
MEE	Ministry of Economy and Energy
MRDPW	Ministry of Regional Development and Public Works
NRDS	National Regional Development Strategy
NSI	National Statistical Institute
NVWC	National Vine and Wine Chamber
OPRD	Operational Programme 'Regional Development'
RDP	Regional Development Plans
RO	Research Objective
RQ	Research Question
RVWC	Regional Vine and Wine Chamber
SD	Sustainable Development
ST	Sustainable Tourism
TM	Transition Management
UNEP	United Nations Environment Programme
UNWTO	United Nations World Tourism Organization
WTTC	World Tourism & Travel Council

1 Introduction

1.1 Background

1.1.1 Travel & Tourism

Travel and tourism is one of the most important global economic sectors (WTTC, 2012). According to the United Nations World Tourism Organization (UNWTO), international tourism receipts increased by 4 % in 2012 to US\$1075 billion (UNWTO, 2013). Additionally, US\$219 billion was generated from international transport. Travel & tourism expenditures are considered a key global export item accounting for 30% of the global export of services and ranking fifth after fuels, chemicals, food and automotive products. In many countries, not least the world's emerging economies, it is the single most significant economic sector as well as a major employer and job creator. It is worthwhile to note that travel and tourism has various levels of economic impact (WTTC, 2012):

- **Direct value** impact covers accommodation, catering, recreation, transportation and entertainment;
- **Indirect value** impact covers all supply chain partners e.g. linkages to other industries such as hotel development, tourism promotion, financial services, equipment suppliers, utilities etc.
- **Induced value** impact covers the direct and indirect income as they are spent in the local economy

Thus, travel and tourism generates income and employment. It has linkages to many other economic sectors and has a great job creation potential. Furthermore, tourism may contribute to development and socioeconomic integration in rural or underdeveloped areas. The financial crisis has rendered many economic sectors uncertain yet the travel and tourism sector has proven to be resilient and has expanded despite the global economic circumstances. With expected population growth and an expanding middle class, the demand for travel and tourism is only predicted to increase in the future.

1.1.2 Sustainable tourism

Overview of sustainable tourism

The UNWTO broadly defines sustainable tourism (ST) as *"tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities"* (UNWTO, 2005). ST implies an underlying commitment to the three pillars of sustainable development: environmental, economic and socio-cultural. The definition and conceptual foundation of ST is based on the concept of sustainable development (SD) which was first introduced in the 1987 Brundtland Commission Report titled "Our Common Future". SD is defined as *"development which meets the needs of the present without compromising the ability of future generations to meet their own needs"* (The World Bank Group, 2001).

It is important to understand that the concept of sustainable tourism is not a polar opposite of mass-tourism. It is not a form of tourism but rather sustainable measures can be adopted

and applied to both mass-tourism as well as niche tourism products regardless of destination. Sustainable development is a concept that all tourism forms should strive to embrace.

According to the UNWTO, sustainable tourism should adhere to the following (2004):

- Use environmental resources optimally
- Protect the cultural and social authenticity of the host destination
- Ensure economic benefits are sustained and distributed equitably

The term eco-tourism is sometimes used interchangeably with sustainable tourism. However, this is misleading as eco-tourism is a specific type of tourism that involves travel to natural areas where emphasis is placed on environmental conservation and improving the livelihood of the local population (UNWTO, 2012). Sustainable tourism encompasses policies, practices and programs that embody responsibility and accountability toward the natural environment as well as the affected communities of the destination. Sustainable tourism involves taking action on energy efficiency; water and waste minimization; nature conservation; protection of cultural heritage; generation of income for the local communities and improvement of community livelihood. Sustainable tourism necessitates that organizations and enterprises operating in the tourism industry commit to long term sustainability guidelines in order to reduce negative impacts.

Alternative types of tourism

Alternative tourism is a term that encompasses forms of tourism that are alternative to the mass-tourism industry. Mass-tourism, which is tourism at a large scale, has often been depicted as an unsustainable form of tourism resulting in negative social impacts and environmental degradation. Mass-tourism contains elements that are largely incompatible with sustainable tourism while small-scale and alternative forms of tourism such as ecotourism, rural tourism, community-based tourism and cultural heritage tourism are more in line with the principles and objectives of sustainable tourism. Alternative types of tourism and ST terminology are explained further in Appendix 1.

There is an increasing acceptance that alternative tourism to the mass-tourism industry is a suitable way to achieve sustainable environmental and social development of local communities. There are numerous benefits of diversification from the mass-tourism product (Vagionis, 2010). Firstly, local resources are brought into use. There is a local ownership of the capital and it is spread within the community. Locally produced goods are prioritized and local employment is used. The more area specific the tourist product is, the better are the opportunities for branding and marketing of the product. Secondly, alternative tourism implies a precautionary approach to conserving and maintaining local cultural and natural resources as they are often the valuable resources of which the alternative tourism product is dependent upon. Mass-tourism has been accused of leading to exploitation of social and natural resources while alternative types of tourism will seek to preserve the cultural heritage of the local communities in which the tourism takes place. Alternative tourism is more likely to utilize local resources such as knowledge, skills, traditions, arts and products. There is a more harmonic co-operation and mutual dependence between alternative tourism and its surroundings. The characteristics of alternative tourism include responsible activities such as sightseeing or sports that take place in an environmentally and socially sound way (Vagionis, 2010). The physical and cultural dimensions of the destination are emphasized and the social and natural resources are protected and integrated into the alternative tourism product.

Small-scale tourism is often accredited as being a more sustainable way of approaching tourism due to several advantages such as (i) better focus on developing an identity for the area; (ii) better control of local resources; (iii) opportunity to increase social equity; (iv) opportunity to educate both the hosts and the tourists; (v) better control of social/cultural impact and; (vi) better control of destination & local impacts (Clarke, 1997).

Wine tourism

Wine tourism is often regarded as a subset of food and wine tourism, also called culinary or gastronomy tourism. Food and wine tourism is a niche tourism product, also called special interest tourism type. In the 1970s, food and wine tourism started to develop in a more organized manner. This development was attributed to several factors such as greater mobility among consumers; increased consumer taste; and food & wine producers diversifying into new products as a response to agricultural reformation that drastically cut profits of existing production. Thus, more value was perceived in direct selling to the customer and selling at a premium. Several benefits of food and wine tourism were identified for producers of food and/or wine (Hall & Mitchell, 2012) such as (i) opportunity to build relationships with customers; (ii) opportunity to increase profit margins through direct sales; (iii) increased exposure to customers; (iv) opportunity to build brand awareness and loyalty; (v) additional sales opportunity (vi) opportunity to collect market research; (vii) opportunity to educate consumers and visitors about the product. Wine tourism has become increasingly popular in both old world and new world wine regions. New world wine producing countries such as Australia have taken proactive steps to market wine tourism at a both a national and regional level. The Winemakers' Federation of Australia has developed a wine tourism strategy for the country with the help of various stakeholders such as Wine Australia, Tourism Australia and Restaurant & Catering and with the support of the Department of Resources, Energy and Tourism (Winemakers' Federation of Australia - Wine Tourism Development, 2011).

Wine tourism was first defined by Hall (1996) as “*visitation to vineyards, wineries, wine festivals and wine shows, for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors*”. Wine tourism is a complex phenomenon as it calls for the integration of two very different industries namely the wine industry and the tourism industry. The wine industry, mainly a primary industry, involves the cultivation of grapes and other fruits as raw material for wines and liquors, the making of the wine or liquor and the actual selling of the beverage products. On the other hand, the tourism industry is a tertiary industry oriented toward providing services related to travel for recreation, leisure or business. These services could be accommodation, transportation, food & beverage, entertainment and other travel-related services. Thus, wine tourism is more complex than travelling to a destination based on the desire or purpose to visit wineries/vineyards, wine events or to taste wine. Wine tourism requires the involvement of wine producers (the wine industry), tourism agencies (the destination) and consumers. Wine tourism is both a concept and a strategy that can develop the tourism appeal of a destination. It has the potential to be a strategy that allows for better marketing opportunities for wineries, for wine regions and, ultimately, for the country. It allows the wineries and other actors involved to reap financial benefits through leveraging tourism opportunities.

1.1.3 Integrated tourism and rural development

Rural development denotes a socio-economic improvement of local communities in rural areas. It means a general improvement in economic activities such as agriculture and forestry,

diversification of the local economy and an overall enhancement of the environment and quality of life in non-urban villages and neighborhoods located in remote areas. Strengthening the infrastructure and competitiveness of rural areas is the building block to a broader aspiration of achieving a sustainable and balanced development in regions (MRDPW, 2007). Rural development feeds into regional development strategies. Both rural and regional developments are significant goals for European Union (EU) member states that are required to create a National Regional Development Strategy (NRDS) and Regional Development Plans (RDP). Sustainable rural and regional development is a universal issue dealt with in both the developed and developing world. Many rural areas suffer from debilitating trends including population decline, economic decline and overdependence on agricultural income.

Diversification into rural tourism has been hailed as a potential solution to the problems that rural areas are facing. Rural tourism is a broad concept and is difficult to define. It is common to consider the following activities as rural tourism: walking, hiking, wilderness holidays, rafting, hunting, cycling, horse riding, rural heritage, village touring, rural festivals, river and canal angling, camping, crafts holidays, culinary tourism, cultural festivals etc. (OECD, 1994). Thus, culinary tourism (food and wine) besides being a form of tourism in its own right overlaps with rural tourism. One way to comprehend and interpret this overlap is that culinary tourism is linked to rural tourism when it takes place in a rural setting. How can rural tourism contribute to rural development? Many agree that tourism can act as a catalyst of socio-economic development in rural areas and produce the following benefits (Sharpley, 2002; OECD, 1994; Saxena & Ilbery, 2008):

- Alleviation of poverty and unemployment
- Local employment: job retention, job creation & job diversity
- Agricultural support
- Growth in income
- Increase in local participation
- More control of local resources
- Nature conservation
- Preservation of local traditions, art, culture and heritage
- Women empowerment
- Improvement in environment

Tourism is identified under Priority Axis 3 of the EU rural development policy 'Quality of life in rural areas and diversification of the rural economy' as a tool to diversify the rural economy. Tourism is a means to the end. There is also rationale to be found for tourism as a tool to strengthen rural and regional development in Priority Axis 3 of the OPRD 'Regional Development' 2007-2013 'Sustainable Tourism Management' (MRDPW, 2007; OECD, 1994). Consequently, objectives pertaining to tourism are commonly found in EU, national, regional and local policy in recent years. Wine tourism, integrated with rural tourism and cultural heritage tourism, is a viable and attractive strategy toward the Bulgarian and EU goal of developing and diversifying its rural areas.

1.1.4 The case of Bulgaria

Bulgaria has a long history in winemaking. The Bulgarian wine sector has undergone a significant transformation since the political changes in the country in 1989 and is now starting to look toward higher quality wines, new export markets, modern wine technology and wine tourism. Global wine tourism is on the rise and increasingly becoming an attractive option for wineries due to numerous benefits.

At the same time, Bulgaria faces the challenge of diversifying their tourism product and developing other forms of tourism that are more sustainable. Fortunately, Bulgaria has a wealth of cultural, social and natural resources to support the development of different forms of tourism. Bulgaria is also keen to revitalize their rural areas that are experiencing an overall decline in livelihood. Wine tourism is proposed both as a rural development pathway and an option that diversifies the existing tourism product. There is a lack of knowledge of wine tourism development. This thesis contributes to minimizing the knowledge gap and to making a connection between wine tourism and its implications on rural development in the context of Bulgaria.

By embracing wine tourism, geographical wine regions can evolve into tourism destinations and impact rural tourism in a broader sense. This thesis provides insight into how the relationship between the wine and tourism industries can impact both industries and rural area development.

A regionally distributed approach that starts on a small-scale and involves local and national stakeholders is proposed as a strategy for the development of Bulgarian wine tourism. This approach is based on the Distributed Economies (DE) concept which is presented in more detail in chapter three.

1.2 Objective and Research Questions

As mentioned above, wine tourism in Bulgaria is at its infancy. There is limited past experience with the concept and consequently, a lack of domestically available knowledge. Due to foreseen potential for this niche type of tourism to grow in the future, there is a considerable need for information and research into the subject. Yet, there is a lack of research-based publications on wine tourism in Bulgaria. The objective of this research was to explore how wine tourism can be developed in Bulgaria and how it may contribute to sustainable rural development. The thesis will be guided by the following research questions:

- What is wine tourism and how does it relate to the overall concept of sustainable tourism?
- What are the potential challenges and obstacles regarding wine tourism development in Bulgaria?
- How can wine tourism influence sustainable rural development?
- How can the concept of Distributed Economies (DE) guide wine tourism development?
- How can the wine industry and tourism industry act collaboratively?

1.3 Targeted Audience

The intended audiences that stand to benefit from this thesis are the following:

- Wine and tourism students in undergraduate and graduate programs
- Wine tourism destination management organizations
- Wine tourism planners and policymakers
- Wine tourism research agencies and consultants
- Wineries
- Wine and tourism marketing agencies
- Wine festival and event organizers
- Rural development planners

The information provided in this thesis will make a significant and practical contribution. It will be useful for wine tourism practitioners as well as provide input for further research into the topic.

1.4 Scope & Limitations

The geographical scope of this thesis is Bulgaria. Some findings are specific to Bulgaria while others could also be of value outside of the primary geographical scope. A conscious decision was made to not focus on environmental sustainability aspects of the vine growing or the wine making process. Wine tourism is complex. It involves many actors. It traverses tourism and tourist types. It varies in nature. The definition is not limited to visiting wineries for the purpose of tasting wine. In broad terms, it implicates all sorts of activities regardless of location as long as the motivating factor of the tourist behavior is related to wine e.g. attending a wine event in the city would constitute wine tourism. This thesis does not account for wine festivals or wine shows that take place in an urban setting. The focus is exclusively on visiting vineyards, wineries and attending wine events in order to experience wine tasting and/or other attributes of the wine region, vineyard or winery when they are indeed located in a rural setting.

The eleven wineries visited were all located in the southern regions of Bulgaria and varied from small in size to medium-sized establishments. As initial interviews indicated a correlation between willingness to participate in wine tourism and size of winery in terms of production, wineries of a large size that were mainly orientated toward wine export were not sought out.

During the course of the data collection through interviews with various actors, it was not possible to retrieve comments and input from government actors. The interviews were mainly with private sector actors such as tour operators and wineries as well as the National Vine and Wine Chamber and one of its regional offices.

1.5 Methodology

1.5.1 Data collection

This thesis follows a qualitative research approach. A threefold approach was used to collect information.

Literature review

A comprehensive literature review was completed in June/July. Peer-reviewed, published articles on wine tourism, rural tourism, sustainable tourism, cluster networks in tourism and integrated rural development were retrieved from online databases. Books by leading experts in the field of tourism planning & policy; wine & food tourism and sustainable tourism were sourced. Government online portals were used such as the Ministry of Agriculture and Food (MAF) and the Ministry of Energy and Economy (MEE). Online sources relating to the Bulgarian wine sector were used such as the Executive Agency on Vine and Wine, the Regional Vine and Wine Chamber "Trakia" and the National Vine and Wine Chamber.

Semi-structured interviews

Semi-structured interviews were conducted with fourteen interviewees of whom three represented tour operators, eight represented wineries and three represented NGOs or private trade organizations. Please see Appendix 2 for a list of interviewees. Interviews with winery representatives were conducted onsite at the winery in connection with a visit. Interviews with tour operators took place at their respective offices in Sofia and Plovdiv. Interviews with NGOs and private trade organizations took place either in their respective offices or in an informal setting in a café. The length of an interview was between 1-2 hours while visits to the wineries would take longer. It was not possible to interview tourism officials from the state agency of tourism or other government officials related to regional or municipal tourism planning. This was mainly due to the fact that Bulgaria is currently in political turmoil and it was not possible to arrange interviews at the time. It was decided not to interview other tourism actors such as hotels or restaurants as the focus was primarily on wine tourism development as one aspect of rural tourism. Therefore, it was deemed more important to concentrate on wineries, tour operators and trade associations. A recommendation for future research would be a case study of local tourism actors on a small-scale and taking a multi-stakeholder perspective sustainable rural tourism development. The language used during interviews was English. In three interviews, a translator was required and the interview was conducted with the assistance of a translator.

Winery visits (observation)

Visits were made to eleven wineries in the southern and southeastern wine regions of Bulgaria (please see Appendix 2 for list of wineries visited). The size of a winery can be classified according to wine production, winery capacity or size of vineyards. Taking all three aspects into consideration, the wineries visited were classified into three categories: (1) small wineries; (2) medium-sized wineries; and (3) large wineries. A typical visit would involve a guided tour of the wine making facilities and a wine tasting session during which the semi-structured interview would take place. Out of the eleven wineries visited, interviews were conducted with eight of them. The visits were an opportunity to understand the winery visitor's experience.

Small wineries	Villa Yustina Villa Melnik Starata Izba Parvenetz Trifonoff Todoroff Villa Vinifera Starosel winery
Medium-sized wineries	Bessa Valley Castra Rubra
Large wineries	Katarzyna Terra Tangra

Table 1-1. Size classification of wineries visited

1.5.2 Conceptual and theoretical framework

The concept of Distributed Economies (DE) was utilized as a conceptual framework to explore how Bulgaria should approach the challenge of developing wine tourism in rural areas. DE is recommended to the targeted audiences of this thesis as a concept that can guide rural and regional development as well as rural and regional tourism forms such as wine tourism. The DE concept and its features were used to inspire the use of small-scale, distributed wine tourism clusters and advocate for a regional approach to wine tourism development as opposed to a national-scale approach. DE is discussed further in chapter three and five.

Transition Management (TM) is offered as a governance model for the transition toward rural tourism and wine tourism in rural areas. TM is a theoretical framework used as to better understand how stakeholders can approach planning, implementation and governance processes involved in developing wine tourism. TM is not used directly in this thesis to organize findings or conclusions. Instead, it is recommended to the targeted audiences as a practical framework that can be utilized by stakeholders in regional tourism planning processes. Each phase of the TM framework cycle corresponds to a phase of the regional planning process discussed in chapter five.

1.6 Ethical Considerations

A participant information sheet introducing the research topic and explaining the purpose of the research was made available to interviewees (please see Appendix 3 for the participant information sheet). Confidentiality or anonymity was explicitly not guaranteed. The reception of the information sheet is considered informed consent of the interviewee to participate in the research. An opt-out option is explicitly offered. Data protection is a non-issue due to the reserved right of the author to disclose data and the identities of the interviewees. All interviewees were conveniently selected due to their professional affiliations with relevant wineries, NGOs, trade associations and tour operators.

1.7 Outline

The thesis is presented in six chapters:

- **Chapter 1** provides the background to the tourism industry and introduces the concepts of sustainable tourism and rural regional development. Research objectives and questions that guide the thesis are laid out. The research methodology used is presented and ethical considerations are addressed.
- **Chapter 2** introduces wine tourism in the Bulgarian context. A brief overview of the Bulgarian wine sector is presented and the connection between rural development and wine tourism is made.
- **Chapter 3** describes the conceptual and theoretical frameworks used in the thesis in greater detail.
- **Chapter 4** lays out the major findings. Key challenges and issues in wine tourism are discussed.
- **Chapter 5** explores the roles of wine tourism stakeholders and institutions. Wine tourism clusters are discussed as strategic frameworks.
- **Chapter 6** concludes the thesis and provides recommendations for future research.

2 Wine tourism: Bulgarian context

2.1 Tourism development in Bulgaria

The Republic of Bulgaria, nestled in the Eastern Balkan Peninsula, borders Turkey to the south-east, Greece to the south, Romania to the north, the Black Sea to the east and Macedonia and Serbia to the west as shown on the map of Bulgaria.

Figure 2-1. Map of Bulgaria featuring cultural and historical sites



Source: Bulgaria Maps Collection (Bulgaria Maps, n.d.)

The total area is 111,001.9 km² (Mileva, 2008). The climate is temperate continental mostly in the north and subtropical climate resembling a Mediterranean climate in the south. Roughly 33% of the country is covered in forest. There is a rich flora and fauna mostly due to the uninhabited and preserved natural landscapes that make for an advantageous habitat for animal and plant species. Bulgaria has long been a popular tourist destination due to its range of visitor attractions such as the Black Sea coast and its mountainous winter ski resorts. Tourism is a significant economic sector in Bulgaria.

According to the World Travel and Tourism Council (WTTTC), travel and tourism contributed directly to GDP (Gross Domestic Product) by 1,519,321.86 EUR¹ (3.8% of total

¹ 1.00 BGN=0.510762 EUR (as of 11 October 2013)

Source: www.xe.com

GDP) in 2012 (WTTC, 2013). The forecast for 2013 is an increase of 3.8% and an annual average increase of 1.9% between 2013 and 2023 in GDP contribution. The tourism industry directly employed 103,000 jobs (3.5% of total employment) in 2012 and the number of jobs is expected to rise in 2013 by 3.3% and to decrease gradually by an average of 1.9% per year until 2023. Indirectly, travel and tourism supports 366,500 jobs (12.5% of total employment) in other sectors. This number is also expected to increase by 1.2% in 2013 and gradually fall by 2.1% per year until 2023. Tourism receipts generated 3,275,800.93 EUR in exports equivalent to 12.2% of total exports in 2012. The 2013 forecast is an increase of 5.6% and annual growth of 1.9% from 2013 to 2023.

Inbound and domestic tourism in Bulgaria is dominated by leisure travel as opposed to business travel with 72.3% of all spending generated by leisure travel and 27.7% by business travel in 2012 (WTTC, 2013). The National Statistical Institute (NSI) affirms that 8,866,552 million incoming tourists visited Bulgaria in 2012 (National Statistical Institute, 2013). According to the MEE, most incoming tourists arrive from countries such as Romania (932,308), Greece (928,552), Germany (650,236), and Russia (597,504) (2013). EU countries are the largest markets for Bulgarian tourism with a 63.2% share in 2012. A universally used definition of a tourist is a visitor that includes at least one overnight stay during his/her trip but stays less than one year.

Tourist arrivals peak between June-September, which is considered peak season in Bulgaria coinciding with the hottest months of the year. The Bulgarian seaside along the Black Sea attracts tourists seeking a vacation experience characterized by sun, sand, sea and warm weather. Tourist arrivals peak again around the month of December but in nowhere near the same volume as during summer. Thus, tourism is concentrated mainly on the Black Sea coast where a rapid tourism development has resulted in numerous recreational resorts usually offering inexpensive products and services dominating the coastline and in a few winter resorts frequented heavily during the winter season but practically empty during the remainder of the year.

Alternative tourism in Bulgaria

Forms of tourism that are considered to be alternative to the mass-tourism industry are so-called alternative forms of tourism (Vagionis, 2010). Diversification of the tourist product can be achieved through alternative tourism development.

There is no doubt that mass-tourism has long been a cornerstone in the Bulgarian economy. Fueled by growing concern about the unsustainable nature of conventional tourism and a global trend toward sustainable tourism, there has been an interest by the State Agency for Tourism (under the MEE) to develop more sustainable tourism types. There is a growing recognition of the need and potential to diversify into alternative types of tourism.

There is a rising concern about the unsustainable nature of disruptive seasonality with very high demand during high season and very low demand during low season ultimately resulting in irregular conditions for local employment and local businesses supporting the tourism industry as well as high pressure on the natural local resources for limited periods of time. The carrying capacity of these popular coastal and mountainous areas is burdened during these tourist peaks. Social issues in these areas have also been a heavily debated topic. The conventional tourism sector is criticized as contributing to degradation of social norms as well as affecting the environment negatively. Overdeveloped coastal and mountainous

tourism areas face challenges in attracting higher yielding tourists, achieving higher revenues, extending seasons and reaching higher occupancy rates in the accommodation sector.

In 2010, the MEE commissioned a study into foreign visitors in Bulgaria and special types of tourism (MEE, 2010). A survey was administered to 9,020 visitors leaving the country to assess Bulgaria's image as a destination for specialized tourism. Many of the visitors had engaged in cultural tourism, spa tourism, ecotourism and rural tourism and it was not unlikely that visitors had participated in a combination of two or more types of specialized tourism. The key findings of the study were that Bulgaria is an attractive destination for cultural, spa, eco and rural tourism. Visitors would recommend Bulgaria as a destination for specialized tourism. Drawbacks of the destination's appeal were inadequate roads and traffic related issues as well as lack of available information about alternative tourism in Bulgaria. In addition to the abovementioned tourism types, activity or adventure related tourism such as hiking, bird watching, horseback riding, river rafting, kayaking and speleology are garnering much attention due to the vast potential in Bulgaria to capitalize on these types of tourism activities (MEE, 2011).

Bulgaria is a diverse tourist destination. It is home to nine UNESCO protected sites. Wild natural landscapes, fauna & flora, history and culture are abundant rendering the destination more than suitable for cultural heritage and rural tourism (MRDPW, 2007). There has been an increasing focus on promotion of activities such as hunting, hiking, bird watching, horseback riding and natural spa/health related activities. Cultural and historical attractions have long been primary factors generating tourism. Bulgaria possesses an abundance of cultural heritage attractions that can easily be compatible with additional types of tourism such as rural tourism or gastronomic tourism.

Furthermore, the entrance into the European Union (EU) in 2007 opened the doors for access to EU funds. The Operational Programme for Regional Development (OPRD) 2007-2013 recognizes *Sustainable Tourism Development* as one of the five priority axis to be invested in (MRDPW, 2007). Bulgaria's national rural development programme provides opportunities for co-financing for rural tourism projects that support diversification into non-agricultural activities. Projects are co-financed by the European Agricultural Fund for Rural Development (EAFRD) overseen by the European Commission (European Network for Rural Development, 2013). These financing options are of interest to wineries or farms looking to expand into tourism by adding a guesthouse or visitor facility.

Despite efforts to diversify away from the overdeveloped Black Sea coastal areas and ski resorts in the form of the Bulgarian eco-tourism development strategy and increased investments in alternative tourism, niche tourism products have been slow to take off (Cooper, 2007; Hawkins, 2004).

The lagging ability to leverage the alternative tourism potential and become financially viable may be attributed to inadequate and outdated local tourism infrastructure; immature inland and rural tourist destinations lacking a regional image; and lack of integrated promotion of regions (Vagionis, 2010).

Diversification of the traditional summer-sand-sun-skiing destination into alternative tourism is not only a way to achieve rural development objectives but can also serve to achieve national and regional tourism policy objectives such as achieving all year round tourism by smoothing out seasonality, diversifying the conventional tourist product, attracting diverse

market segments, supporting small-scale tourism providers and satisfying the demand for more sustainable tourism. Investing resources into alternative tourism in Bulgaria serves multiple societal goals.

Questions remain as to how to implement and achieve sustainable tourism at a rural and regional level. It is proposed that regions or sub-regions have to take an integrative, inclusive, community-based approach and operate in network clusters. Regions have to organize their tourism product and leverage the valuable assets found in the regions such as winemaking, local foods, cultural and heritage sites and folklore traditions.

2.2 Wine tourism in Bulgaria

2.2.1 Overview of the Bulgarian wine sector

Bulgaria has a long history of winemaking. Viticulture - the art of making wine- has existed in the country since the historical Thracian era. Winemaking in Bulgaria dates back at least 3000 years and traditions can be traced back to the legend of the ancient Greek god of wine, Dionysus, who was an important figure during Thracian times (Bulgarian wines, 2004). The wine making tradition in Bulgaria is very strong and proud. Winemaking has been passed on from generation to generation. Great pride is taken in the indigenous grape varieties that have won global approval and admiration: (i) Mavrud; (ii) Gamza; (iii) Pamid; (iv) Dimyat; (v) Misket; (vi) Rubin; and (vii) broad leaved Melnik vine. Bulgaria has proven to be a successful wine producing country that produces high quality wines. The good quality is often attributed to the optimal terroir conditions in Bulgaria meaning that the topography, climate and soil characteristics are favorable to growing good quality grape varieties.

According to the Executive Agency of Vine and Wine (EAVW), there are 196 registered wine producers in Bulgaria of which 26 are sole proprietors or cooperatives (2013). This does not include grape growers. According to the MAF, 59 968 hectares were covered by vineyards in 2010 (2011). Vineyard covered land has steadily declined from 146 995 hectares in 2001. From 2009 to 2010, the vine plantation coverage decreased by 23%. The southern regions, made up of the southeast, southwest and south central regions, boast the highest amount of vine covered area with 70% of all vine plantations while the remaining 30% is located in the northern regions. Red wine varieties dominate with a 63% share. The southeast region produced the largest quantity of wine in 2010 accounting for 43,236,000 liters or 44% of the total quantity produced. The south central region followed with 23,783,200 hectoliters or 24%. The smallest amount of wine production occurred in the northeast region with 5.6%.

The MAF states that 102,561,572 liters of wine were sold on the domestic market and 59,395,962 liters were exported in 2012. A news press release confirmed that exports increased by 2% in 2012 (Dnevnik, 2013). The quantity produced was 130,579,777 liters which is a 25.6 million liter increase from 2011. The main export markets are Russia, Poland, Romania, Czech Republic and Germany.

Prior to political changes in 1990, the wine industry was state controlled following a central planning approach. Grapes were grown on co-operative farms (Zaharieva, Gorton, & Lingard, 2004). A state agency had sole control over export and foreign trade. Following the fall of the socialist regime in 1989, the industry was restructured and has now been 100% privatized with most of the cropland returning to original owners. This change caused a

decrease in annual production amounts and negatively affected export with traditional markets such as Russia and Poland (Noev, 2006). The years preceding the political changes and subsequently leading into the transition to a market economy were tumultuous. In an attempt to capture Western European markets, the state agency in charge of export and foreign trade, Vinimpex, marketed Bulgarian wine as low-cost competing largely on price. Bulgarian wine became more familiar in markets such as US and Germany. Bulgarian wine export did well in the late 1980s and early 1990s. However, exports to the EU drastically decreased thereafter and the reputation of Bulgarian wine quality suffered. New world wines from Australia, New Zealand and South Africa piqued the interest of European consumers leading to fierce competition. Wine production decreased as did wine export. The wine industry is now mobilizing resources to increase the export market shares in relatively new foreign markets such as China, UK, Italy, Singapore and USA.

Throughout Bulgaria, there is a willingness to improve quality in wines, to employ modern wine making technology, to develop wine tourism, to establish more boutique wineries and to revitalize a positive global reputation of Bulgarian wines.

2.2.2 Wine regions

There are five wine producing regions in Bulgaria (See figure 2-1):

- *The Northern Region*, also called the Danube Plain region
- *The Eastern Region*, also called the Black Sea region
- *The Sub Balkan Region*, also called the Rose Valley region
- *The Southern Region*, also called the Thracian Lowlands region
- *The South-Western Region*, also called the Strouma Valley Region

Figure 2-2. The five wine producing regions of Bulgaria



Source: *Visit to Bulgaria* (n.d.)

The five regions are characterized and defined according to varying characteristics in soil, climate and grape varieties. The natural landscape of Bulgaria is very diverse with high mountain peaks, flat plains, low valleys, several rivers, forested areas and a long sea coast. Soil types vary from acidic soils, grey forest soils, rich zonal humus, carbonate soils, fertile black-earth soils, alluvial and mountain meadow soils (R. Hamnett, 2006). The climate is moderate with warm summers and cold winters. These are optimal conditions for grape growing. The largest producing regions are the southern and south-western regions with more than two-thirds of total production. These regions are renowned for red wines while northern and eastern regions are popular for their white wines. Bulgaria is considered an old world wine producer. Old world wine regions refer to nations with longstanding winemaking traditions. France, Italy, and Spain are old world wine regions as they also have a long history in winemaking and a long presence on the international wine market. Old world wine production is rooted in tradition and regulation. In contrast, new world wine regions such as Argentina, Australia, Chile, New Zealand, South Africa, Uruguay and the United States are known for their emphasis on technology, innovation and consumer research (Anokhina & Nel, 2007).

2.2.3 Wine industry bodies

There are a number of important organizations associated with the Bulgarian wine industry:

The National Vine and Wine Chamber (NVWC) has existed since 2000. It is a non-governmental association that brings together winemakers and grape growers. The chamber aims to promote the interests of their members as well as guarantee the authenticity, quality and origin of Bulgarian wines. The NVWC has six Regional Vine and Wine Chambers (RVWC) located across the country: Trakia, Misia, Black Sea, Pirin, South Coast, and Southeast Thrace. Among other tasks, each regional chapter issues certificates of origin, sets

up tasting committees and assists the NVWC in implementing legislation and policies. Furthermore, some of the regional chambers haven taken it upon themselves to get more involved in marketing Bulgarian wines abroad to incite more interest and promote sales as well as taken a more proactive stance on developing wine tourism strategies in their respective regions.

The Executive Agency on Vine and Wine (EAVW) is a subordinate branch of the MAF. While the NVWC implements legislation, the EAVW oversees control and regulation of legislative acts such as the *Wine and Spirits Act* of 1999. The body is mandated to ensure conformity with EU requirements in the wine sector. The main tasks of the EAVW are registering winemakers and grape growers; issuing planting or replanting rights; issuing control numbers for quality wines; conducting biological and chemical lab analysis on wines; and conducting on-the-spot checks on regulatory compliance.

2.2.4 Current initiatives: Wine routes, Boutique wineries and Global Marketing

Bulgarian wine tourism is an unexploited resource. There is consensus among winemakers, wine tourism researchers and related associations such as the NVWC on this point. However, there are favorable conditions for wine tourism in Bulgaria. Wine tourism is in line with the priorities of the State Agency for Tourism to diversify into alternative types of specialized tourism. Thus, efforts have been made by several actors in recent years to develop wine tourism albeit in a non-coordinated or cooperative way. The most promising and ambitious initiatives have been headed by the NVWC and the RVWCs.

One of these initiatives is the nine wine routes project which is being developed by the NVWC, RVWCs and other national agencies (tmbulgaria, 2010). Nine wine routes that cover all five wine regions of the country have been conceptualized as touristic routes along which tourists are able to visit big and small wineries. The routes are meant to combine historic, cultural and natural landmarks with wineries. While focused on wine tourism, each route will act as a cluster for tourism activities bringing together various stakeholders from hotels, restaurants, wineries, sports, spa sector, folklore festivals, ecology and agronomy. Three of the nine designated Bulgarian roads of wine are being developed by the RVWC Trakia which is the most proactive actor in this project. The three wine roads are so far the most developed of the total nine. Each of the three wine routes have a designated name and logo to enforce a thematic and brand focus. The three wine routes are named 1) the ancient way of the Thracians, 2) the road of Orpheus and 3) the road of Dionysus.

The clusters will act to organize, promote and develop the resources along these largely rural routes in support of national objectives to tackle unemployment and out-migration of the youth as well as to stimulate economic activity and address the dwindling competitiveness of the agricultural sector. The clusters will act to coordinate marketing and promotional efforts and work to establish partnerships with the travel industry to promote packages to domestic and foreign markets. The initiative has not yet been implemented.

Another initiative by the NVWC is the “1333 small wineries” project. This project complements the wine routes project. The idea was partially inspired by the longstanding winemaking traditions in the country with families engaged in making wine in small quantities for private use or to sell within the region. It is still very common in rural areas that families produce their own table wine for personal consumption or for limited sales. The

Bulgarian wine industry has gone through drastic changes with a focus on large volume wine production in state-owned “*vinproms*” where quantity ruled over quality to smaller, private-owned production which has led to a shift toward quality over quantity. There has been a surge in small, family-owned boutique wineries, partially facilitated by the support of EU funds, subsequent to the fall of the state cooperative farms (Radevtrade, 2013). This project seeks to help grape growers to expand into winemaking in addition to grape growing as a resilience tactic against the ailing economic conditions in which grape growers are finding it increasingly difficult to make a living.

The NVWC as well as a few of the RVWCs in collaboration with selective wineries are currently gearing up to start aggressive marketing campaigns to promote Bulgarian wines in selected foreign markets by participating in international exhibitions and competitions. One of the campaigns headed by the NVWC focuses on China and Switzerland. Other campaigns headed by the RVWC ‘Trakia’ are oriented toward i) Russia & China, ii) UK, Germany & Italy and iii) Singapore, Thailand & Vietnam (USDA Foreign Agricultural Service, 2013). Additionally, the NVWC is hosting a number of familiarization trips for wine enthusiasts by introducing them to Bulgarian wineries and Bulgarian wines in an attempt to stimulate word-of-mouth marketing for Bulgarian wines under the notion that demand for Bulgarian wines in the respective foreign countries will stimulate export sales (M. Hristova, personal communication, July 26, 2013).

2.3 Rural development & wine tourism

Integrated rural development in disadvantaged rural regions is a high priority for Bulgaria. In the past, rural communities played a significant role in the economic development of Bulgaria. Agriculture was a significant economic sector. Yet, in the last 20 years, there has been a shift to a service-based economy. In 2010, the gross value added to the national economy was distributed by 31.4% for the industrial sector, 5.4 % for the agrarian sector (agriculture, forestry, hunting and fisheries) and 63.2% for the services sector (MAF, 2011). Rural areas have suffered with declining population mainly due to urbanization and younger generations seeking better opportunities abroad. Nevertheless, 39% of the Bulgarian population resides in rural areas while 61% reside in non-rural areas (MAF, 2012). In 2011, rural municipalities recorded a decrease of 4.65% in population – a significantly higher decrease than in towns and over the national average population decline of 2.67% (MAF, 2011). The population decrease in rural areas is attributed to a negative age structure, negative natural growth, urbanization and younger generations seeking better opportunities abroad. The migration of the population, abandonment of the agricultural cooperative system and lack of investment has resulted in many abandoned and dilapidated farm and residential buildings as well as an outdated and insufficient rural infrastructure. The level of completed education is considerably lower in rural areas again due to the nature of the age structure and dependency on agriculture. Populations in rural areas are less likely to have completed a tertiary education than people from urban areas. Most have completed a secondary education as the highest educational degree (MAF, 2011). c

Tourism can be a factor of development in rural areas and has the ability to reinvigorate the local economies whilst maintaining the pristine, natural environment that is the vital foundation block of rural tourism. Developing wine tourism will have a stimulating effect on the local tourism sector and the businesses supporting tourism such as tourist accommodation, restaurants, tourism information services, folklore and cultural attractions, retail, events, conventions and meetings, vacation homes, rural activities and souvenirs.

Investment in infrastructure and local businesses are conducive to sustainable growth of tourism and triggers job creation, local entrepreneurship and the need for qualified people ready and able to work in the tourism sector. The age and educational structure of rural areas will be improved significantly. The improved rural infrastructures will be of benefit to both the local population and tourists.

3 Conceptual and theoretical framework

3.1 Distributed Economies

Distributed Economies (DE) is an alternative concept to existing industrial production systems. The DE approach rejects the current paradigm of economic growth that favors large scale production and encourages “(re)distribution of a selected share of the production to the regions in the form of small scale, flexible, networked production units that prioritise quality, concentrate on adding value to local resources, and gain currency by satisfying consumer needs in novel ways” (Mirata, 2010).

Figure 3-3. Centralized, Decentralized and Distributed systems



Source: Mirata (2010)

DE is an approach that a region may take to pursue a more sustainable course of development. At the essence of the concept, regions act as a unified entity where innovation can easily be explored, quality can be valued higher than quantity and synergy can be achieved through symbiotic relationships between the regional actors. Whilst the concept was designed with industrial production in mind, the concept can be expanded and adapted to become relevant for the purpose of conceptualizing a strategy for the sustainable development of rural tourism in rural and regional areas. DE can be used to contextualize a transition of largely rural regions into locally contained economies that are independent, self-sufficient and able to sustain themselves. DE advocates that communities pool resources and cooperate in networks to leverage strengths. If executed appropriately, the synergy of the networks created in these regions can maximize regional benefits such as job creation, wealth creation, poverty reduction, minimized external leakage, increased innovation and higher product/service quality. Rural regions are fragile in their natural, economic, social and human environments. More sustainable and socially responsible forms of tourism such as rural, community-based tourism, which promotes local culture & heritage, local food & beverages and local traditions, can be a driver and important factor in revitalizing rural regions and stimulating development whilst conserving nature, culture and traditions. There are many shared characteristics and principles between sustainable tourism and the concept of DE such as minimizing negative economic, environmental and social impacts; larger wealth creation for the local people; enhancing the host communities; involving local people; and contributing to conservation of local natural and cultural heritage resources. Thus, DE is highly compatible with sustainable tourism development as elements can be applied and incorporated into rural and regional development and into rural and regional tourism. Distributed economies focuses on regions as opposed to a national-scale approach. This is an

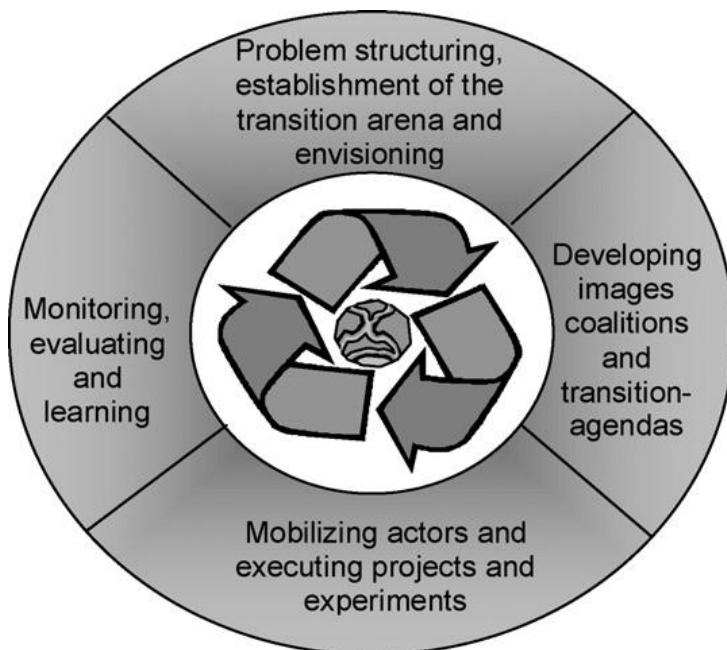
attractive route for regions interested in developing wine tourism in Bulgaria to explore. DE can be used to steer these rural disadvantaged areas into a more prosperous direction.

3.2 Transition Management

Transition management (TM) emerged in the early 2000's as a new governance approach to understand and manage complex structural societal change processes (Loorbach, 2010). A transition symbolizes a change, movement or transformation from one status-quo to another. TM seeks to manage complex multilevel, multiphase and multi stakeholder processes of changes in a societal or sub societal system. Its basis is in systems thinking and complexity theory. Since its emergence, TM has gained acknowledgement as a new governance approach to complex structural changes and has been hailed as a model suitable in the transition toward and the pursuit of the ultimate societal goal: sustainable development. It has been used mainly in developing scenarios for more sustainable energy paths. Fundamental principles of TM are (Loorbach & Rotmans, 2010):

- To deal with uncertainties by developing various optional scenarios
- To take into account the multitude of actors, levels and stages of change processes
- To have a long term view that guides short term goals
- To stimulate flexibility, adaptivity, learning, innovation and experimentation

Figure 3-2. Transition Management Cycle



Source: Loorbach & Rotmans (2010)

The transition management cycle (see figure 3-2) was developed to facilitate implementation of governance strategies and tools. There are four types of governance activities that each

correspond to one of the components of the cyclical process of adaptive change. The types of governance activities are: (i) strategic; (ii) tactical; (iii) operational; and (iv) reflexive.

The four components of the cycle are: (i) structure the problem in question and establish and organize the transition arena; (ii) develop a transition agenda, images of sustainability and derive the necessary transition paths; (iii) establish and carry out transition experiments and mobilize the resulting transition networks; (iv) monitor, evaluate and learn lessons from the transition experiments and, based on these, make adjustments in the vision, agenda and coalitions (Derk Loorbach, 2010).

Strategic governance emphasizes the overall system and culture. Strategic activities relate to the first component of the TM cycle which calls for the development of a long term vision and long term goals. The overall problem is formulated and the transition arena, where actors come together to collectively formulate strategies, is organized.

Tactical governance emphasizes structure and sub-systems. Tactical activities relate to the second component of the TM cycle and include developing agendas and identifying steering activities. Actors work on the structure of the sub-system in question by addressing the rules, regulations, routines, institutional infrastructure and networks that make up the system. Transition paths are identified and an image of the desired sustainability scenario is created.

Operational activities are more specific in nature and pertain to the third component of the cycle requiring experimentation and mobilization of the transition networks. Operational activities are more short term in nature and involve innovation by business, industry and individuals.

Reflexive activities involve monitoring, evaluating and learning from past experiences and adjusting the visions, agenda and structure.

TM can effectively be applied to problems pertaining to sustainability at multiple levels ranging from macro-level to micro-level such as international levels, national levels, regional levels, municipal levels and even sector-specific levels. According to Gössling et al., TM can be used as an effective governance model for the goal of achieving a more sustainable tourism system as there is a need for changes to occur in structure, culture and practices (2012).

4 Findings

4.1 Introduction

This section presents the findings based on information gathered through interviews, observations and literature review. The findings paint a holistic picture of the current situation of wine tourism in Bulgaria, what the future might look like and how to get there. Key challenges to wine tourism development will be discussed. The interviewed stakeholders were: i) tour operators; ii) wineries; and iii) NGOs and trade associations.

Tour operators are important actors in the wine tourism industry. Tour operators are in direct contact with their clients: existing and potential market segments for wine tourism. They actively promote and sell their destinations giving them an advantage when it comes to understanding the demands of tourists and how to position the destination image. As the middleman between the wine tourism traveler and the wineries, their cooperation with the wineries is crucial and their active involvement in promoting and selling wine tourism through their offers is pivotal. Tour operators can play a role in promoting not only wine tourism in specific wineries but the wine region and its attributes (Williams, 2001).

Wineries are integral to wine tourism in rural areas. They provide the physical setting in which the wine tasting and wine tour takes place. They reap the benefits of wine visitors and onsite wine events. The service experience mainly takes place at the winery. The design of the experience at the winery including the quality of the services offered, the appearance of the winery and the appeal of the visitor facilities are all important for the quality of the wine tourism experience and wine tourism in general. While visitation to wineries is not the only aspect of wine tourism, it is a very big part of it and is what is focused on here.

NGOs and trade associations offer a candid external perspective on the potential for wine tourism development. NGOs have the pulse on government policy or lack thereof. Market trends are usually observed by these organizations and a wealth of knowledge and information is available through them. Trade associations have the power to mobilize members within the industry.

4.2 The emergence of wine tourism

In the face of low to medium demand and the lack of a holistic strategy, members of the Bulgarian tourism industry and representatives from the wine industry remain optimistic about the untapped potentials of wine tourism and seem confident that there is a promising future for wineries to get involved in tourism. Several factors discovered during the course of the research pointed to a rising conscientiousness and mobilization of wine tourism actors as well as favorable market trends.

4.2.1 Wine tourism: the demand side

Who is a wine tourist?

Winery visitors, be they foreign or domestic, can be segmented into different categories. If asked *who visits Bulgarian wineries for tourism purposes*, the answer is: i) tour-operator organized groups; ii) local residents and their friends/families; iii) nearby hotel & restaurant guests; iv) wine lovers and connoisseurs; v) wine merchants, buyers or distributors; vi) industry colleagues and vii) individual walk-ins (N. Zikatanov, personal communication, July 31, 2013). Additionally, it is not uncommon that wineries host events on a request basis ranging from industry events, corporate events, art events, harvest related ceremonies and staff parties. An interest was expressed in the potential of the corporate segment that not only utilizes wineries as a venue to entertain clients or for internal events but is also keen to purchase large quantities of wine during holidays to give away as presents to employees and clients (D. Stoev, personal communication, July 20, 2013).

Demand for wine tourism: reality or myth?

According to interviewed tour operators, there is low to medium demand for visitation to wineries, wine tastings and wine tours. An increase in interest in tourism rooted in culture, heritage and food has been noticed in recent years both in Bulgaria but also globally (Blagovest Lefterov, personal communication, June 18, 2013). Bulgaria faces the challenge that it is still an unknown destination even for cultural heritage tourism and most certainly for special interest tourism such as wine tourism (A. Dimitrova, personal communication, June 19, 2013). While several tour operators include winery visitation in certain tailored tourist packages, it is often not the result of demands made by clients but at the discretion of the tour operator. Tour operators have the ability to stimulate demand for certain types of tourism by including them in their tailor-made roundtrip packages available to organized travel groups (L. Popiordanov, personal communication, July 18, 2013). It was noted that tourists expressed satisfaction in Bulgarian food and wine as well as winery visits even if not specifically asked for (M. Kostadinova, personal communication, June 12, 2013).

The wineries interviewed reported various collaborative steps taken to seek wine tourism business such as entering into formal agreements with tour operators to bring groups in and informally working with local hotels and restaurants to promote wine tours to existing guests (S. Trifonoff, personal communication, July 21, 2013). While some wineries had received some regular business through their collaboration with tour operators, others expressed that very few booking requests were coming from tour operators. Wineries often attributed the lack of interest from tour operators to the remote location of the winery under the assumption that there is no interest to visit a remote winery especially if the region has nothing additional to offer such as cultural heritage sites, tourist attractions, activities, restaurants and hotels.

A lot of emphasis was placed on the location of the winery. The conclusion drawn by many wineries was that the success of wine tourism depended on the proximity of the winery to major tourist attractions and/or a city inferring that the more remote and the more isolated the winery is, the less attractive it is to visit. The appeal of the region was considered a major factor in the success of wine tourism and other forms of rural activities as well as the variety of choices available in the region drawn from the logic that the more there is to offer a tourist, the more likely they are to come and spend time visiting the region's attractions (M. Tsvetkov, personal communication, July 7, 2013). The lack of sustained demand and the absence of cooperation with other wineries as well as local actors in the tourism industry

have led to a lack of momentum among the wineries that are optimistic that things will change in the future - but are passively waiting for things to change.

Another factor impacting demand was the need for a proactive approach to marketing the region and the wineries. Promotion of the wineries is important for the building of the wine tourism appeal and reputation. It was widely agreed upon that there is a lack of effective promotion of Bulgarian wine and wine tourism as well as cultural heritage and nature (L. Popiordanov, personal communication, July 18, 2013; M.A. Chesner, personal communication, June 27, 2013).

4.2.2 Wine tourism: the supply side

Winery services

The wineries and their vineyards are the focal points of wine tourism in rural areas. The wineries are the setting for the experiences. They are the physical location in which the facilities, services and atmosphere creates an experience. Typical services offered by a winery during a visit are winery and vineyard tours, wine tastings, and learning about wine. There are numerous ancillary services that can be offered such as private events, accommodation, food & beverage, master classes in food and wine etc. Surveys of winery visitors consistently confirm that the quality of the services provided as well as the friendliness and professionalism of the staff are high-ranking factors that constitute a pleasant winery experience (Getz & Brown, 2006).



Tasting room at Starata Izba Parvenets. Source: author

Wine tourism participation: unwillingness vs. unpreparedness

While most interviewed wineries were willing and to a certain extent are ready to fully embrace wine tourism, some wineries choose to focus on their core competency which is wine making. Unwillingness to engage in wine tourism was attributed to management decisions to focus on producing quality wines and gaining global recognition (S. Dzhurov, personal communication, July 19, 2013). Genuine desire to succeed in wine tourism was more evident among newer, boutique wineries typically opened post year 2007. Not only were boutique wineries more committed to wine tourism development, tourism was considered an integral part of their business plan even prior to construction of the winery resulting in wineries that were built in a more visitor-friendly manner (M. Tsvetkov, personal communication, July 7, 2013).

In terms of being ready to welcome tourists into the winery and to provide other services, it is clear that some wineries are more ready than others. Due to the immaturity of wine tourism and low numbers of tourists, the need to get organized and to be ready to welcome tourists has been low on the agenda. It is a classic example of what should come first. Should wineries, in a pre-emptive approach, be prepared for wine tourists in larger numbers or will it take a significant increase in demand to motivate wineries to prepare for wine tourists?

Getting ready for tourism: soft and hard prerequisites

A fundamental prerequisite is space to accommodate tourists especially for wine tastings that often require a dedicated wine tasting room. Other prerequisites are clean and well-maintained equipment, fixtures and furniture in areas presented to the public and available trained personnel to take the lead on tours and wine tastings. While some wineries have a way to go before getting fundamental prerequisites in place, others are ready to welcome guests. It is important to acknowledge that wineries have historically been focused mainly on the production and selling of wine – not on entertaining visitors. The wine industry is currently heavily focused on producing high quality wines, regaining consumer trust, venturing into new export markets and building the reputation of Bulgarian wines. Wineries have not historically entertained paying customers visiting for leisure purposes. Wine tourism entails a change in the existing paradigm of the wine industry. It means that wineries need to be better equipped in entertaining customers. There is a need for education, training and capacity building in hospitality and customer service. There is a need for rethinking the infrastructure and organization of the building, facilities and employees. There is a need for understanding the expectations, needs and demands of visiting tourists and there is a need for a marketing plan. In other words, wineries have to be organized, committed and take wine tourism just as seriously as they take winemaking (M.A. Chesner, personal communication, June 27, 2013).

Two of the wineries visited have taken a serious interest in tourism and invested in additional facilities to facilitate more tourism. These wineries have added a hotel, spa and restaurant to their facilities essentially creating a complex like product with accommodation, dining facilities, swimming pool, wine retail, and additional activities (e.g. horseback riding) as well as offering regular wine tours. The variety of choice not only encourages a visitor to stay longer, consume several services and increase average spend, the wineries also appeal to other market segments such as city people seeking a weekend getaway. Acting on the anticipation of future demands and current requests for group accommodation, other wineries are currently planning to or have already started to add additional facilities to their



Event room at Katarzyna Estate. Source: author

wineries such as hotels and restaurants (H. Vasilev, personal communication, 20.08.13; M.D. Marova, personal communication, 21.08.13). Several wineries expressed the intent to host visitors in a serious manner but only after all visitor facilities were completed while others ascertained that given ample lead time for instance for incoming groups, it was not a problem to shape up the winery and acquire required services such as tour guides, refreshments, music or folklore entertainment through local partnerships (M.D. Marova, personal communication, August, 21, 2013; S. Trifonoff, personal communication, July 21, 2013). Additionally, some wineries expressed an interest and demonstrated the capacity to accommodate onsite events.

4.3 Key wine tourism challenges

Wine tourism in Bulgaria faces issues that need to be addressed. There are challenges that are both demand-side and supply-side related as well as internal and external to the winery.

Regional competitiveness

The appeal of the wine region is a critical factor. Wine regions such as Burgundy, Bordeaux, Tuscany and Napa Valley are names that elicit widespread recognition and have evolved into regional brands. A wine region will typically feature wineries, vineyards and rural villages. The region leverages its natural and cultural resources to portray an image of a rural haven that offers experiences pertaining to wine, cuisine, outdoor activities, agriculture and rural lifestyles (Poitras & Donald, 2006). Creating a regional profile takes careful cooperation between various regional actors in the tourism sector, wine sector and others invested in the growth of the region such as municipalities and regional development agencies. Bulgaria has not yet mastered the task of effectively organizing and promoting their wine regions. It was frequently mentioned that the wineries within the region need to be better at cooperating instead of competing against each other over visitors and attention (M. Tsvetkov, personal communication, July 7, 2013). The benefit to all wineries would be greater if larger numbers of tourists were to visit the region, and in order to achieve greater numbers of tourists, the region has to offer more attractive options including several visit worthy wineries. Wine tourism plays into wider regional tourism and vice versa. There are many synergies to be found among the cultural heritage attractions, nature attractions, wineries, restaurants, accommodation providers and other tourism-related businesses. Wineries have the potential to become the focal points where local cuisine, wine culture and heritage come together (M. Tsvetkov, personal communication, July 7, 2013; L. Popiordanov, personal communication July 18, 2013). It requires coordination, cooperation and networking between actors within the region to establish an infrastructure that is able to accommodate visitors as well as promote a region in a unified manner.

Recognition and awareness

Bulgaria is not recognized globally or nationally as a wine tourism destination. Bulgaria is also not particularly well known for its strengths in cultural heritage and rural tourism (L. Popiordanov, personal communication July 18, 2013). The lack of global and national awareness that Bulgaria in fact does have a budding wine tourism industry as well as interesting wineries and wine regions contributes to sluggish demand. A critical point can be made that Bulgaria is not extensively recognized for their wines and this also contributes to low demand. A common sentiment among wineries was that Bulgaria has to fully master production of high quality wines first and ensure that the quality is acknowledged globally. The media has a role to play in building the image of high quality Bulgarian wine as well as the quality of the wine tourism experience both domestically and abroad (M. Tsvetkov,



Inauguration ceremony of Villa Melnik. Source: author

personal communication, July 7, 2013). While there was a wide agreement that good quality wine is a prerequisite for a thriving wine tourism industry, a contradicting point was raised that some wineries are better at making quality wines while others are better in tourism (L. Popiordanov, personal communication, July 18, 2013). There is a lack of strategic marketing of the country as a destination for wine, culture and nature as well as integrated regional cooperation and marketing

Regional and local infrastructure: roads and signage

A frequent complaint made by interviewees is the lackluster state of Bulgarian roads. Highly trafficked, strategic roads are poorly maintained to the point where they pose a risk to drivers and deter potential visitors. After failed attempts to persuade municipalities to move faster in fixing roads in proximity to wineries, some winery owners have taken matters in their own hands and started to fix the public roads themselves (H. Vasilev, personal communication, August 20; S. Trifonoff, personal communication, July 21, 2013). Directional road signs are also either not present at all or poorly placed. The same applies to signs indicating tourist attractions. Another issue is lack of English signage making it difficult to get around as a tourist (M. Kostadinova, personal communication, June 12, 2013.) Winery signs were also not always strategically placed.

Service skills, capacity and education

The service received from winery employees during a visit is one of the most significant aspects of a winery experience (Poitras & Donald, 2006). Due to the lack of experience with wine tourism, there is currently a lack of service culture in wineries. Employees lack training in customer service and hospitality. Wine tours are often delegated to the oenologist on duty who is required to take time away from daily duties to give wine tours. Despite an oenologist's valuable expertise in winemaking, there is a risk that the wine experience becomes too technical and less of an enjoyable recreational experience in the eyes of the tourist (M. Hristova, personal communication, July 26, 2013). There is a lack of qualified staff to handle all aspects of a winery visit e.g. the tour of the facility, the explanation of the winemaking process and the wine tasting session. Language poses an issue as tourist groups are not always fully satisfied with listening to the winery employee speaking in Bulgarian to then have to listen to the entire lecture translated by the group's tour guide into a second language (A. Dimitrova, personal communication, June 19, 2013). There is an expectation from visitors and the tour operators that work with wineries that quality service is delivered. There is a need for winery staff to be trained in service and hospitality so that the expectations of visitors can be met. If diversification from agricultural activities to tourism activities is expected to take place, the capacity of the people engaged in rural tourism has to be strengthened and this includes developing their service skills and competencies.

Governance, strategies, planning

A common concern was the lack of national and regional strategies on not only the development of wine tourism but also other rural tourism forms and how they can fit in with broader regional goals. There has not been much support from any tiers of government apart from municipalities occasionally using wineries for entertainment purposes (D. Stoev, personal communication, July 20, 2013). The state has not been proactive in supporting the development of wine tourism. National tourism policy does not reflect a commitment to rural tourism or gastronomic tourism. There is hardly any cooperation between the MAF, MEE (State Agency for Tourism) and MRDPW that all have an interest in both alternative tourism development and rural development. Nor have the wine trade associations and tourism associations been proactive in wine tourism strategies or destination planning. There

is no single entity that has taken ownership of uniting stakeholders and starting the tourism planning process leaving stakeholders in need of someone to take the lead. Wineries expressed interest in talking with other wineries and tourism businesses in the region but were simply waiting for someone to take the lead. Despite having funding available for tourism projects at both a municipal and national level, there has been no attempt to unite tourism stakeholders in regions to start discussing issues related to a vision for the future. The successful implementation of tourism and rural development depends on the effective cooperation between different stakeholders and decision makers.

Service quality assurance

In order to effectively sell the tourism product, quality assurance and consistency is critical. It is important for tourists and tour operators but also for wineries. Quality assurance adds credibility to the tourism product and helps convince local stakeholders and other wineries of the viability of the wine tourism product (M.A. Chesner, personal communication, June 27, 2013). One aspect is that Bulgaria has a reputation for varying quality not only in their wines but also in their tourism sector partially due to very low prices and sometimes wildly fluctuating prices in tourism (L. Popiordanov, personal communication, July 18, 2013). Another aspect is that wine tourism is so new to the country that there is still a need for the concept to mature and the quality of the tourism product to be realized. Tour operators will only promote destinations if there is some guarantee of quality so that their customers are satisfied (N. Zikatanov, personal communication, July 31, 2013). There are no quality assurance mechanisms for wine tourism as there are in the hotel industry as an example. Quality certifications of any kind are usually not widely accepted by businesses due to the perceived little value received for money spent on the certification. A regional or destination based certification scheme would be more appropriate and beneficial (L. Popiordanov, personal communication, July 18, 2013).

Market research and marketing efforts

Alternative types of tourism are growing. More boutique wineries are expected to appear. More rural guesthouses are being opened. Local tourism entrepreneurship will occur as an effect of the increased focus on rural development and diversification of the local economy. However, there is a tendency for these entrepreneurs and potential business owners to act without understanding the characteristics of the market. Short-term focus impedes thinking about long-term sustainability of businesses (L. Popiordanov, personal communication, July 18, 2013). Understanding the needs of market segments so that marketing efforts can be better tailored and the product be better designed is essential (M. Hristova, personal communication, July 26, 2013). Tourist expectations are not understood by people who have limited experience in the tourism industry such as wineries. There is little prioritization of research into visitor preferences and expectations. This inadequate knowledge affects managerial decision making and innovation processes.

In the wineries, there are no efforts to keep records of winery visitors or requests for winery visits in order to quantify the number of visitors and gauge an idea of actual demand. There are no attempts to establish relationships with visitors. Wine tourism is an excellent opportunity to build brand awareness and loyalty by establishing relationships that can be taken advantage of. Visitors can be added to a customer database that can be used to target and inform customers.

There have been no serious attempts to market wine tourism nationally or internationally. The focus has primarily been on wine promotion and advertising while wine tourism

marketing has been ad hoc at best. There is not one entity that has taken on the responsibility to market wine tourism in one or more regions. Not the State Agency for Tourism nor the National Vine and Wine Chamber. The regional vine and wine chamber Trakia is starting to invest in wine tourism marketing in their respective geographical area which is the southern region. There is a lack of integrated marketing initiatives and an absence of marketing activities in general. Overall marketing strategies have to be developed into detailed action plans and programs so that marketing activities can take place. Due to the lack of marketing efforts, it is rare to see promotional leaflets and brochures, wine region maps, advertising through different channels or websites dedicated to wine regions.

5 Toward distributed wine tourism and rural transition

5.1 Introduction

Many similarities exist between the principles and objectives of the DE concept and wine tourism in rural areas. Originally a strategy for change in existing industrial systems, the concept can be applied as an appropriate conceptual strategy to guide the development of rural wine tourism in a way that will have a positive effect on sustainable rural development.

Table 5-1. Common features shared by sustainable wine tourism and DE

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- Focus on regional scale systems
 - Prioritization of qualitative growth
 - Local wealth creation and retention
 - Flexibility due to small-scale focus
 - Encouraging innovation
 - Symbiotic relationships: collaboration and partnerships with others
 - Focus on increasing local quality of life
 - Focus on consumer relationships
 - Use of natural and social assets as an advantage
 - Entrepreneurial and collective spirit
 - Focus on inter-regional networking and inter-regional balance in materials, energy, knowledge, human, cultural and financial resources
-

For wine tourism and other forms of rural and community-based tourism to be successful in Bulgaria, regions have to embrace the challenge of planning the tourism product offer. Sustainable wine tourism in Bulgaria's regions stands to benefit from a distributed economy approach. DE provides a framework that allows a region to create a brand concept.

TM advocates stakeholder empowerment and the need for multi-actor thinking at different levels to plan, implement and govern development processes. Building on this notion, multi-stakeholder approaches are required in developing wine tourist destinations as well as rural tourism. Each stakeholder group involved in the wine and tourism sector has a part to play in the effective development and implementation of wine tourism, rural development and regional identity. The roles of stakeholders and institutions are discussed below.

5.1.1 The role of government

Government is ultimately responsible for national tourism policy and strategy. The legislative framework that encompasses the planning and implementation of tourism strategy also falls under central government responsibility as does controlling state funds for tourism development and promoting Bulgarian tourism internationally. Central government is also involved in supporting tourism development at regional and local levels, maintaining tourism infrastructures and attracting tourism investment. Despite legislative frameworks such as i) the National Strategy for Sustainable Development of Tourism in Bulgaria, ii) the Bulgarian Tourism Act and iii) Bulgaria's ecotourism strategy, the central government has more to do when it comes to rural tourism development and the combination of wine, folklore, cultural heritage, cuisine and rural activities. Actors in the wine industry, tourism sector, associations and agencies maintain that the State Agency for Tourism can do more to bring attention to rural forms of tourism through participating in regional, national and international tourism fairs as well as hosting more travel journalists and distributing information through the right channels. More support can be given to the local businesses as well as municipalities in the form of capacity building, training in service skills and sharing of information. Regional and local tourist information centers that fall under state responsibility also need to be more proactive in joint representation of the tourism options available in rural areas which can mitigate the criticism that there is a lack of available and accessible information on rural tourism options for tourists.

Municipal government can play a much larger role when it comes to supporting tourism in rural areas. If not directly through funding capacity building and promotional campaigns than indirectly by improving the hard infrastructure of the area e.g. roads, sewage systems, waste management facilities, or encouraging partnerships between local business actors e.g. hotels, restaurants and wineries (D. Stoev, personal communication, July 20, 2013). Municipalities would also be key stakeholders to get involved in the proposed wine tourism clusters initiative.

The role of government needs to be more proactive but a top-down solution is not the answer to successful development of wine tourism. Neither is an exclusive bottom-up approach. The private businesses in the rural tourism sector acknowledge that they are ultimately responsible for the success of their own business. The idea that government at any level should take a leading role in planning and implementing wine tourism strategies was largely dismissed by actors in the tourism sector and private trade associations. Most wineries agreed that government, in any form, was neither suitable nor able to take a leading role but did agree that local government could be more active when it comes to local rural tourism development. Tourism strategies for wine regions should be set at a regional level and integrated into a larger plan for rural tourism in the region. Local and regional actors should be responsible for the planning and implementation in a synergistic and integrative way. Which actor should instigate the process of bringing stakeholders in the region together and be responsible for the implementation of activities and action plans was not so clear indicating a need for a coordinating body and one actor to take the lead. All that was asked from government was to support businesses and municipalities; promote Bulgaria as an alternative tourism destination; develop infrastructure and public services and assist in developing regional identities.

5.1.2 The role of the wineries

Wineries have to take ownership of their on-site product and approach tourism as a strategic profit-making business expansion. Like any other new product, resources need to be invested to reap the benefits. While tourism may still be an insignificant part of the winery's daily operations, the winery has many opportunities to increase number of visitors and average spend.

Appeal of the winery has to be improved by ensuring that the facilities and services are fit for welcoming tourists. This means reimagining the winery as more than a beverage production facility and taking interior and exterior aesthetics into consideration. In many ways, wineries can learn from the accommodation sector where first impressions and the welcoming factor are critical to guest satisfaction. Likewise, wineries have to understand that their reputation depends on pleasing their visitors. The winery experience has to be authentic and in line with the expectations of the visitors. An authentic experience is more than simply walking through the wine making facility and tasting some wine. Often a visitor wants to hear stories about the owners, the area, the people and the wine. They want stories that have elements of history, culture, heritage and traditions. They want to be entertained and enchanted by employees that are part of the story and who know how to deliver the experience. Wineries are also at liberty to explore diversified offerings to visitors to enrich the winery experience. There are many synergies to be found between wine and local traditions, culture, folklore and food.

Marketing practices need to evolve in the wine sector. Collaborative regional marketing is important but individual wineries also have to be proactive about their own image and individual brand. There are opportunities for wineries to make better use of information and communication technologies (ICT) and marketing collateral to communicate and engage the public and customers. Formal procedures have to be in place to facilitate booking requests and engage with local, national and international stakeholders. There are many pathways to explore when it comes to distribution and a need for wineries to seek out partnerships with providers of tourism related services i.e. tour operators and travel agents. Better understanding of market segments and marketing techniques will enable better developed tour and travel packages.

Cellar door sales are often considered the biggest direct benefit that wineries gain from tourism and essentially makes the winery a point of retail. Selling directly to customers bypasses distribution costs making it more profitable for the winery. Additionally, cellar door sales is an excellent solution especially for smaller wineries or new wineries who have not yet reached a level where they have strong relationships with distributors and are selling/producing large quantities. The lack of export opportunities leads to large supplies of wine inventory that are essentially not being moved as fast as would be optimal. Direct selling can help wineries clear excess wine inventory. In their new role as wine retailers, wineries must learn to be more business savvy about how to encourage visitors to purchase during a visit. This could include creating a retail shop onsite or distributing wine lists to visitors.

5.1.3 The role of associations

The NVWC and its RVWCs, despite some efforts to develop wine routes and stimulate communication between local tourism actors, were criticized for not involving stakeholders early on in the process of developing these initiatives. Unawareness about current initiatives such as the wine routes prevails in the wine industry. Wineries who had heard of the wine cluster initiative questioned the conceptualization of the idea and the benefits of participating in the wine route cluster considering the requirement of a membership fee to secure participation. Small, boutique wineries that were most likely to be interested in tourism programs are in need of attracting funding and investing – not making investments with uncertain returns (M. Tsvetkov, personal communication, July 7, 2013). However, the general idea of regional tourism clusters involving various local and regional tourism stakeholders was met with enthusiasm. Most wineries thought that clusters were a good idea and that getting stakeholders to the table to discuss the future of a common regional identity would benefit all.

In Australia, the Winemakers' Federation of Australia, a national trade body, has developed a National Wine Tourism Strategy ("Winemakers' Federation of Australia - Wine Tourism Development," n.d.). State tourism bodies have invested resources into developing food and wine tourism and integrating it into the bigger regional tourism picture. These regional or state tourism agencies are responsible for strategies. Tourism packages and promotions focusing on the culinary aspect of the regional tourism brand image are commonly occurring activities. The development of regional brand identities is ongoing and so far successful.

In the absence of an overall strategic wine tourism framework from the NVWC, the State Agency for Tourism or from industry associations, the existing wine routes initiative is more or less the only wine tourism initiative being discussed – and it is a promising initiative. The next steps would be to involve stakeholders, to gain stakeholder buy-in and demonstrate that the idea works. Currently, the RVWC Trakia is working on a pilot project in which an area is selected and used to essentially design and implement a tourism business plan at a small-scale to demonstrate the viability of the business idea. The area was scouted in order to assess the tourism potentials and stakeholders are consulted to collect information on restaurants, accommodation, wineries, attractions and activities. The quality of the offer was assessed and a tourism information package including prices was created. The information gathered about the area can be used in communication campaigns and the hope is that it will eventually result in more tourists visiting the area and availing of its products and services. Should it work and prove the viability of the tourism cluster approach, it will bring credibility to the general idea that wine tourism cluster routes should be rolled out across the country. It will encourage replication and attract investment (M. A. Chesner, personal communication, June 27, 2013). Wineries will be more inclined to participate in the wine route idea if they actually see that it is worthwhile. Also, tour operators will be presented with more information about the options in certain regions and a more organized and holistic product that they can incorporate into their packages.

Trade associations such as the NVWC and especially the RVWCs may be able to take the role as leading the dialogue between regional and rural stakeholders but it is unclear whether they have the resources or the mandate for maintaining a central administrative structure for the clusters. There is a need for central hubs or coordinating bodies for each wine route cluster for administrative, consultative and organizational purposes. The NVWC and the RVWCs have to be more proactive and supportive of wine tourism.

There are also opportunities for more coordination between wine industry associations (NVWC and RVWCs) and alternative tourism associations such as the Bulgarian Association for Alternative Tourism (BAAT). Members of BAAT are typically agencies, organizations and companies involved in the development of alternative forms of tourism but wineries are not represented.

5.1.4 The role of education

The infancy of wine tourism and other forms of rural tourism denotes a lack of experience in tourism among the wine sector. Furthermore, tourism is unfamiliar to wineries whose primary concern is to produce wine. There is a need for personnel trained in service delivery. There is also a need for personnel that can communicate in more languages than Bulgarian in the interest of foreign visitors. Fully acknowledging the difficulty in having employees that are able to speak multiple languages, English should be spoken as a minimum requirement among personnel responsible for wine tourism. The more languages they can use, the better. Collaboration with vocational education programs in tourism could be part of the solution. There needs to be a convergence of wine professionals and tourism professionals. Wine tourism can be integrated into viticulture and enology educational programs. Work experience placements and internships at wineries could incorporate elements of wine tourism. The cooperative body of the cluster would be in a position to facilitate capacity building such as service training and make options for employee training available to members of the cluster. A positive effect is that younger generations will be less inclined to move away from these areas should there be better job prospects reversing the trend of population out-migration to urban areas.

5.1.5 The role of standards and certification

Compulsory and voluntary standards are well known in others areas of tourism such as in the accommodation sector. Standards may cover many different issues be they environmental, social or quality issues. The implementation of standards as a tool to achieve consistency is epitomized in the use of standard operating procedures – documentation that provides detailed instructions on the required performance of a task, activity or function. Wine production is governed by standards defined by regulation (compulsory) and adopted standard schemes like ISO (voluntary). Wine tourism, on the other hand, is so new that there are no national standards. There are no formal guidelines or regulatory frameworks that can provide guidance to businesses. There are a few wineries successful in wine tourism that can be used as best practice examples but it might be premature to do so. Rather, more thought needs to be put in creating guidelines for wine tourism that can assist wineries and other stakeholders who are starting their journeys into wine tourism.

Eco-labels and sustainability certification schemes in the global tourism industry has gained widespread acceptance in recent years. The use of certification in the tourism industry has numerous benefits. It can be used a tool to curb negative environmental impacts, encourage the adoption of environmental management techniques and be used as marketing communication tool to gain a competitive advantage. Bulgaria has not yet made much progress in sustainable tourism certification. A voluntary certification program by BAAT called ‘eco-lodge’ is growing in recognition and acceptance but the scope of the certification is limited to guesthouses and small hotels (BAAT, 2013). The criteria of the ‘eco-lodge’ program include environmental, social and economic considerations.

Wineries could benefit greatly from the adoption of standards and certification – also when it comes to wine tourism. Out of the eleven wineries visited, three of them were producing wine from organic grapes. One of the wineries was officially certified while the remaining two were still in the three-year transition period prior to certification. An estimated five to six wineries producing certified organic wine are to be found in Bulgaria while many are in the process of being certified (Dimitrova, 2013). Organic wine will only become more common in the future with an expected fourfold increase in organic wine in the next few years. Reasons given for the increased interest in organic wine was the global trend in organic wines, the current demand for organic wine from export markets, the anticipation of future demand and simply because abstaining from using artificial fertilizers and pesticides coincides with longstanding traditions in Bulgarian wine production. Many wineries see the benefits in protecting the environment and the soil quality.

The next natural step is for wineries to consider sustainable winemaking practices during all phases of the product lifecycle and on both the vineyards and in the winemaking facilities. Tourists are increasingly making decisions based on the sustainability profile and environmental impact of the tourism enterprise. Not only will increased sustainability efforts in wineries result in better environmental performance and less negative impacts on the environment, it is an asset when it comes to brand positioning and image. Seeing that there is growing interest in organic grape growing but still a lack of awareness surrounding sustainable winemaking, there is a need for wineries to receive information and guidance on sustainability in winemaking from a higher entity such as the NVWC or other private winemaker trade associations. Especially for wineries interested in participating in tourism, a certification in sustainability may contribute to attracting tourists and encouraging positive attitudes among visitors.

5.2 Wine tourism clusters

The role of clusters or networks is highlighted in DE as a way to organize activities, achieve scale through collaboration, enhance quality, utilize local resources and add value to local communities (Johansson et al., 2005). Tourism is generally a fragmented industry and one way to bring more cohesion to the industry is through development of clusters. The unique feature of wine tourism clusters is the convergence of two industries that normally do not interact. The establishment of distributed wine tourism clusters in regions or sub-regions in Bulgaria is important to the success and expansion of wine tourism as well as the transition of rural economies. The fact that Bulgaria is already geographically divided into five wine regions with unique characteristics is an excellent precondition to the formation of regional wine tourism clusters where various stakeholders are involved and industries overlap.

A cluster may exist without being formal or official in any way and there are some micro-scale examples where a few wineries in close proximity to each other have started unofficial discussions on mutual beneficial cooperation (M. Tsvetkov, personal communication, July 7, 2013). However, it is proposed that an official cluster will be more effective in reaching the goals and objectives that are of mutual benefit to all participating. A formally established cluster lends credibility and acts as a platform for tourism planning and governance processes. The theory of TM is highly relevant when it comes to regional planning of wine tourism. Each phase of the regional tourism planning process is aligned with a component of the TM process. The continuous process of TM starts with strategic activities and is followed by tactical activities, operational activities and reflexive activities.

Table 5-2. Steps of the regional wine tourism planning process

<p>1. Vision and goal setting</p> <ul style="list-style-type: none"> - Draft vision statement - Develop objectives: tourism, economic, social and environmental <p>2. Analysis and assessment</p> <ul style="list-style-type: none"> - Economic, social and environmental assessment - Market and stakeholder analysis - Development of alternative scenarios - Infrastructure and resources mapping - Preparation and review of plans, strategies <p>3. Implementation</p> <ul style="list-style-type: none"> - Implementation mechanisms - Monitoring, evaluation, benchmarking <p>4. Review</p> <ul style="list-style-type: none"> - Review of results against objectives - Review of implementation procedures 	<p>Strategic governance</p> <p>Tactical governance</p> <p>Operational governance</p> <p>Reflexive governance</p>
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Source: Adapted from "Tourism Planning: Policies, Processes and Relationships" by G. M. Hall, 2008.

Benefits, advantages, concerns

There are many benefits of wine tourism clusters such as knowledge transfer, inter-industry synergy and resource sharing. It is likely that the success of one wine tourism cluster will attract investment, lead to increased credibility and inspire replication of more wine tourism clusters. Creating regional identities and marketing the destination has been mentioned as a vital component of successful wine tourism. Individual wineries can do more to market themselves but there are substantial mutual benefits to reap from using the network cluster to market the destination and place more emphasis on the uniqueness of the destination. Wine tourism clusters facilitate the processes and actions needed to create a regional brand. In the building of regional brands, it may be worthwhile to consider the differential advantages of regions. One differential advantage could be exploring the prospects for sustainability certification. This could mean the accreditation of participating wineries but could also mean considering regional or destination-based tourism certification schemes. In the case of Bulgaria, the foundation for wine tourism clusters has been laid with the nine routes concept. The next steps to be taken involve endorsement and buy-in from stakeholders as well as a participatory approach to the design and execution of the cluster.

Wineries can work in synergy with local and regional tourism providers such as restaurants and hotels through partnerships. Informal partnerships exist today but clusters can provide a more formal and effective platform where parties can enter into formal and more organized partnerships for instance by cooperating in promotion and marketing activities.

The existing three wine routes project that the RVWC Trakia is currently developing is a good platform to continue building on but it needs to be done in a more collaborative manner with quality market research to back up decisions made. Key concerns regarding wine tourism clusters that were brought up frequently are:

- (I) Loss of identity for individual wineries if wine is sold under regional label
- (II) Lack of transparency in financing of cluster and lack of financing opportunities for small wineries
- (III) Skepticism surrounding the demands and involvement of the EU and the state
- (IV) Lack of apparent reasons to join the cluster

It is clear that in order for a wine route to work, actors need to be consulted early on in the planning process to avoid too much misunderstanding and skepticism later on. The execution of the cluster structure and its activities such as joint marketing needs to be well-planned. As mentioned earlier, the need to set an example of success is crucial in obtaining commitment from actors. A demonstration that a small-scale cluster approach is successful may be a factor in the acceptance of wine tourism clusters by businesses and other local actors.

Priorities for action: next steps

Development of wine tourism clusters has a promising future in Bulgaria but still has many hurdles to overcome. There is still skepticism from wineries in terms of the value from participating in clusters. Questions such as what do I have to do and what can I get out of it have to be clearly transparent from the beginning. The expectations of the role of each stakeholder have to be made clear too. There is also uncertainty surrounding the actual structure and activities of the cluster. To move forward toward wine tourism and the establishment of regional wine tourism clusters, a number of simultaneous steps have to be taken by each stakeholder group. Priorities for action are summarized in the below table.

Table 5-3. Prioritized actions needed to realize wine tourism (by stakeholder group)

<p>NGOs, Associations</p> <ul style="list-style-type: none"> • Seek out partnerships between wine industry associations and alternative/rural tourism organizations • Take the lead on establishing clusters • Support industry with capacity building programs (service delivery skills) • Establish standards and guidelines for wine tourism • Establish accreditation schemes for quality wine tourism experiences • Participate in regional tourism planning • Conduct research into wine tourism, wine tourism clusters, market trends and disseminate information 	<p>Wineries</p> <ul style="list-style-type: none"> • Prepare to accommodate tourists: service skills, packages, facilities, attitude • Take ownership of marketing, promotion and brand appeal • Consider ICT as communication tool • Consider the quality assurance factor (standards, certification) • Reach out to organized travel providers (tour operators, travel agencies) • Offer diversified wine tourism experiences and use storytelling to enrich the tourism experience • Offer more options to reach a broader range of visitor segments: link with culture, heritage, music, folklore, food • Participate in regional tourism planning
<p>Tourism Businesses (incl. tour operators)</p> <ul style="list-style-type: none"> • Consider quality assurance (standards, certification) • Establish mutually beneficial relationships (restaurants, spas, tour operators, tourist attractions) • Develop diversity in tourism experiences to target various tourist segments • Focus on building regional identities: Create a story • Cooperation – not competition • Participate in regional tourism planning 	<p>Government</p> <ul style="list-style-type: none"> • Invest in regional support infrastructure • Invest more resources into international and national promotion of regions • Support public awareness activities on wine, natural heritage, culture, wildlife • Assist in accessing funding opportunities • Monitor regulatory compliance for tourism businesses (to avoid grey sector activity) • Invest more resources in sustainable tourism strategies • Support SMEs in rural locations • Engage with local tourism industry • Participate in regional tourism planning

6 Conclusion

It is clear that wine tourism alone cannot ensure socio-economic development and revive rural areas. However, in cooperation with other stakeholders, wine tourism can act as a catalyst to reach goals in rural development aspirations and national tourism product aspirations. To conclude this thesis, the guiding research questions are answered and summarized.

6.1 Revisiting the research questions

What is wine tourism and how does it relate to the overall concept of sustainable tourism?

Wine tourism is a growing phenomenon in wine producing countries. It is a tourism niche that integrates the wine sector and tourism sector. Wine tourism encompasses visitation to wineries, vineyards, wine tasting events, festivals and shows. The underlying motivation is to (1) experience wine tasting and/or (2) experience attributes of the wine region. Wine tourism is usually associated with culinary tourism but is also a component of rural tourism as wine regions and wineries are usually located in rural areas.

While sustainable tourism is a difficult concept to fully comprehend and agree upon, it is widely accepted that the fundamental principles of ST calls for striking a balance between use of environmental resources, respecting socio-cultural aspects of the host community and ensuring long-term economic viability. ST rejects short-term rapid development of tourism and is therefore associated more with alternative forms of tourism to mass-tourism.

Rural tourism which includes wine tourism is another niche tourism type that is largely well-matched with ST principles. In the specific case of Bulgaria, an uncontrolled development of tourism in coastal and mountainous areas falls short of living up to ST principles and there is an increasing realization that more sustainable forms of tourism have to be explored for social, economic and environmental reasons. There is ample opportunity for Bulgaria to develop rural tourism and concentrating efforts in the development of wine tourism is one way to do so.

How can the concept of DE guide wine tourism development?

The general concept of DE advocates a regional approach to sustainable development and emphasizes flexibility of appropriately sized systems; prioritization of quality; open innovation; better ability to address diversity on consumer needs; synergistic relationships; focus on social and ecological assets; retention of value in regions; increased intra and interregional exchange of resources; collaboration; and collectively improving quality of life.

Likewise, wine tourism stands to benefit from a DE approach to its development. Wine tourism should grow by focusing on a regional scale. Stakeholders with a vested interest should engage in collaboration and sharing. By doing so, the region can work on innovation, diversity and synergy through relationships. Tourism businesses within the regional network can retain value which will spread out within the region to the benefit of all. The success of one business will spill-over to others in the region essentially distributing the benefits.

How can wine tourism influence sustainable rural development?

Wine tourism is closely interlinked with tourism businesses and supporting businesses in the host community. Successful wine tourism development will contribute to the broader success of regional and rural tourism. Rural areas face the challenge of organizing and managing tourism as a way to diversify local economies. Wine tourism and rural tourism can positively influence sustainable rural development by being a tool to social and economic development in impoverished rural areas. Wine tourism can bring economic opportunities and create jobs. It can encourage people to settle down in rural areas instead of moving away. It can contribute to the competitiveness of the rural tourism sector. It can shed light on inefficient physical infrastructure and encourage action. It can encourage diversified skills in the population. It can contribute to protection of natural and cultural resources. In many ways, wine tourism can successfully be used as a rural development tool in any location or destination providing that there is a wine industry present. As long as the location has the pre-requisites necessary to develop wine tourism, it is in theory possible for wine tourism to be developed and for wine tourism to support rural development. Pre-requisites would be the presence of wineries in rural areas, ancillary tourist attractions, willingness of stakeholders to cooperate and infrastructure to accommodate.

What are the potential challenges and obstacles regarding wine tourism development in Bulgaria?

First and foremost, wine tourism is in a very early stage in Bulgaria and needs time to mature to reach the level of wine tourism found in other parts of the world such as Australia where tourism in wine tourism is growing and thriving. The immediate challenges that Bulgaria faces in term of wine tourism are the (i) lack of regional competitiveness; (ii) lack of public awareness and recognition, (iii) lack of regional and local infrastructure (roads and signage); (iv) lack of service delivery skills, capacity and proactive attitude in wineries; (v) lack of tourism strategies (national, regional and local level), planning processes and governance structure; (vi) lack of service quality assurance mechanisms; and (vii) lack of available market research and marketing efforts.

How can the wine industry and tourism industry act collaboratively?

It is proposed that regional wine tourism clusters can facilitate formal collaboration between actors in the wine industry and tourism industry. The small-scale and distributed approach of clusters can provide momentum needed to achieve goals and places the responsibility of success on the involved actors – as opposed to waiting for a top-down solution. A formalized cluster structure with clear strategies and plans can initiate collaborative actions and activities and organize information about the wine region including its tourist facilities, accommodation options, food, tourist attractions and wineries. It can encourage a collaborative spirit and proactive attitude about the organization and promotion of the regional tourism product.

6.2 Future research

There are many angles that a research into a given topic may take and the choice of the angle is often at the discretion of the author. In the case of the Bulgarian wine industry and wine tourism sector, the following angles are put forth as interesting future research angles that can contribute to closing the knowledge gap and providing practical information.

Trends in winemaking: organic, bio-dynamic and sustainability

Specific to Bulgaria, it is recommended that future research looks into environmental impacts of the Bulgarian wine industry and addresses solutions for a more sustainable approach to winemaking. There is no doubt that many environmental risks are encountered during the phases of wine production. The conventional grape growing process entails the use of fertilizers and pesticides. Biodiversity is negatively affected. Large amounts of water are used for irrigation of crops and cleaning of equipment. The making of the wine requires large amounts of energy mainly for cooling needs. The process generates solid waste and wastewater. Packaging materials are extensively used for the bottling and transportation of the wine. This thesis did not address any information related to sustainable winemaking and wine growing in Bulgaria. It did not address environmental management aspects of the winemaking sector such as the management of energy, solid waste, wastewater, packaging and transportation. It did not extensively address the use of sustainability certifications. Taking a closer look at these aspects and addressing the potential for environmental certification and eco-labels is recommended.

Demand for wine tourism

It is also recommended that more research should be done on the demand dimension of wine tourism in Bulgaria to better understand who a wine tourist is, what their expectations are, how to reach them and what the wine tourism potential actually is. A more in-depth, quantitative look at the benefits that may arise from wine tourism is also called for. Skepticism toward tourism still persists in the wine industry yet all signals point to an underestimation of the wine tourism potential. Wine tourism is explored in this paper and wine tourism clusters suggested as a distributed regional approach to wine tourism but there is still a significant gap in knowledge when it comes to barriers and opportunities of wine tourism in the Bulgarian context.

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Appendix

Appendix 1: Definitions of tourism types

Eco-tourism	<p>“Responsible travel to natural areas that conserves the environment and improves the well-being of local people” (Hawkins, 2004)</p>
Responsible tourism	<p>“</p> <ul style="list-style-type: none"> • minimizes negative economic, environmental, and social impacts; • generates greater economic benefits for local people and enhances the well-being of host communities, improves working conditions and access to the industry; • involves local people in decisions that affect their lives and life chances; • makes positive contributions to the conservation of natural and cultural heritage, to the maintenance of the world's diversity; • provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues; • provides access for physically challenged people; and • is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence “ <p>(The cape town declaration, 2002)</p>
Sustainable tourism	<p>"(...) tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities"</p> <p>(UNWTO, 2005).</p>
Cultural heritage tourism	<p>“Cultural heritage tourism is defined as interplay between tourism, the use of cultural heritage assets, the consumption of experiences and products, and the</p>

	tourist” (Bob McKercher and Hilary du Cros, 2002)
Rural tourism	“(…) rural tourism should be: -- Located in rural areas; -- Functionally rural, built upon the rural world’s special features: small scale enterprise, open space, contact with nature and the natural world, heritage, "traditional" societies and "traditional" practices; -- Rural in scale -- both in terms of buildings and settlements -- and, therefore, usually small scale; -- Traditional in character, growing slowly and organically, and connected with local families. It will often be very largely controlled locally and developed for the long term good of the area; -- Sustainable -- in the sense that its development should help sustain the special rural character of an area, and in the sense that its development should be sustainable in its use of resources (OECD, 1994)
Health care tourism	“We define health-care tourism as the attempt on the part of a tourist facility (e.g. hotel) or destination (e.g. Baden, Switzerland) to attract tourists by deliberately promoting its health-care services and facilities, in addition to its regular tourist amenities” (Goodrich, J.N. and Goodrich, G.E., 1987)
Gastronomic tourism	“(…) visitation to primary and secondary food producers, food festivals, restaurants and specific locations for which food tasting and/or experiencing the attributes of specialist food production region are the primary motivating factor for travel” (Hall & Mitchell, 2012)
Community-based tourism	“(…) alternative form of development is led by the community using community resources without the involvement of external private or public capital. It focuses more on fair distribution and withholding benefits within a local area compared to traditional forms of tourism development which is based on profit maximization” (Razzaq, Mustafa, & Suradin, 2012)

Appendix 2: List of interviewees

The qualitative data collection method used was semi-structured interviews. A list of topical questions was prepared to focus the interviews. The questions varied depending on the actor interviewed. Interviews were flexible in nature allowing the interviewee to rear off topic. The flexibility permitted was useful in exploring attitudes, opinions and perceptions and providing deeper insight into the topic. Interviews lasted up to an hour.

Wineries

Name	Position & Company	Date interviewed
Milko Tsvetkov	Founder (Villa Yustina)	07.07.13
Nikola Zikatanov	Executive Manager (Villa Melnik)	31.07.13
Dimitar Stoev	Manager (Starata Izba Parvanetz)	20.07.13
Svetlozar Dzhurov	Chief Oenologist (Bessa Valley Estate)	19.07.13
Slavi Trifonoff	Manager/Owner (Trifonoff winery)	21.07.13
Hristo Vasilev	Manager – Castra Rubra	20.08.13
Dimitar Grozev	Manager – Terra Tangra	21.08.13
Maria Dimitrova Marova	Office manager – Katarzyna	21.08.13

Inbound Tour Operator

Name	Position (Company)	Date interviewed
Mariya Kostadinova	Administrator (Penguin Travel)	12.06.13
Alexandra Dimitrova	Owner (Altours)	01.07.13
Blagovest Lefterov	Founder and Managing Director (Sunshine Tours)	18.06.13

NGOs, Trade Organizations

Name	Company	Date interviewed
Marc-Anthony Chesner	Project Manager (Plovdiv Regional Vine and Wine Chamber “TRAKIA”)	27.06.13
Lubomir Popiordanov	CEO/Chairman (Bulgarian Association for Alternative Tourism)	18.07.13
Margita Hristova	Editor of BG wine magazine (National Wine and Vine Chamber)	26.06.13

List of wineries visited

Name	Established in...	Size of vineyards	Annual production	Visitor services
Villa Yustina	2006	25 ha	150,000 bottles (300 tons of grape)	<ul style="list-style-type: none"> • Winery visit • Vineyard visit • Wine tastings • Onsite shop • Events • Accommodation
Villa Melnik	2013	30 ha	N/A (first new vintage 2014)	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Onsite shop • Events
Starata Izba Parvanetz	1881	12 ha	Ca. 20,000 liters	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Events • Onsite shop
Bessa Valley	2001	140 ha	500,000 bottles (600 tons of grape) Ca. 400,000 liters	<ul style="list-style-type: none"> • Winery visit • Vineyard visit • Wine tasting (strictly upon request and only if winery is able to accommodate)

Trifonoff Winery	2008	Ca. 5-7 ha	150,000 bottles	<ul style="list-style-type: none"> • Winery visit • Events • Wine tasting
Castra Rubra	2007	Ca. 250 ha	Ca. 2,000,000 bottles	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Onsite shop • Events • Hotel & restaurant under construction
Starosel winery	2005	Ca. 100 ha	Ca. 750 tons of grape	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Onsite shop • Events • Hotel & restaurant • Swimming pool • Recreational activities • Folklore programs • Spa
Todoroff	2001	Ca. 70 ha	350 000 bottles	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Onsite shop • Events • Hotel & restaurant • Swimming pool • Recreational activities • Folklore programs • Spa
Katarzyna	2007	Ca. 600 ha	N/A	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Events
Terra Tangra	2005	350 ha	Ca. 400,000 bottles	<ul style="list-style-type: none"> • Not ready for visitation at a large-scale • Visits can be granted upon request
Villa Vinifera	1936	100 ha	Ca. 1,000,000 liters	<ul style="list-style-type: none"> • Winery visit • Wine tastings • Events

Appendix 3: Participant Information Sheet

Participant Information Sheet

Please allow me to introduce myself.

I am a Masters Candidate (MSc) in Environmental Management & Policy at the International Institute for Industrial Environmental Economics located in Lund, Sweden.

As a Masters student, a thesis project is an obligatory requirement. Thesis projects take place between June – September 2013. Projects are individual research tasks focusing on a self-chosen aspect of preventive sustainability strategies or approaches. Students are encouraged to select thesis subjects linked to industries, authorities or organizations active in a given country or region.

For my thesis project, I am conducting a research preliminary titled: **“The role of wine tourism in sustainable rural development: the case of Bulgaria”**

Bulgaria has traditionally been a sun-sand-sea-sports (skiing) destination which has led to a major economic contribution to the country. In my opinion, Bulgaria holds potential for diversification into cultural/heritage tourism, rural tourism and, specifically, wine tourism which would typically take place in rural areas. With my research, I am interested in investigating **how wine tourism development may support sustainable development in rural areas in Bulgaria.**

You have been selected as a relevant actor in the field of alternative, niche tourism products such as wine tourism. Your experience and expertise is valuable input for me to understand the current situation in Bulgaria in terms of alternative tourism.

Any information obtained in connection with this study and that can be identified with you may be disclosed at the author’s discretion. Anonymity is *not* guaranteed.

Your decision whether or not to participate will not prejudice your future relations with The International Institute for Industrial Environmental Economics. If you decide to participate, you are free to withdraw your consent and to discontinue participation at any time without prejudice.

Inquiries about the research can be directed to zina.sorensen.235@student.lu.se or +359 (0) 884455405.

Yours sincerely,
Zina Sorensen

