

Work package number	3						
Work package title	Diversification of economic activities at thekatuns: Strengthening sustainable agro-tourism						
Activity Type¹	SUPP						
WP leader	FTHM WP leader: Sanja Peković, PhD WP substitute: Olga Pelcer-Vujačić, PhD						
Participant number	1	2	3	7	8	9	
Participant short name	BTF	HIM	FTHM	UoB	HMD	TOH	
Start date or starting event:	M3			End date:	M24		
Objectives:							
<p>The objective of WP3 is dedicated to the identification of new opportunities related to tourism development through agriculture improvement and innovative approach to creation of rural tourism experience. It analyses complementarity effect between agriculture and tourism as a mean for katun's economic improvement. Furthermore, WP3 aims at identifying the most appropriate tourist products/experiences, able to be commercialised in short term with significant economic effects for local community. In addition, it focuses on implementation of necessary marketing activities, programs and actions to attract tourist demand and initiate rural tourism business.</p>							

Description of work and role of participants							
<p>This WP is dedicated to research activities in relevant katuns and rural areas to provide necessary data for further marketing decisions. According to the results achieved in the first phase of the WP3 (Task 3.1), it will be possible to identify and define precisely the future agro-tourism products attractive for visitors. This task also aims to solve a set of difficulties that appears in rural destination related to lack of management, disorganization, lack of capacities etc. These activities will be performed by the research institutions/partners (FTHM, UoB and HIM). The industrial partners (HMD and TOH) will follow the results of research and development in the project field, introduce the employees with the concepts, and techniques, and provide the technical support. The planned activities are divided in six major tasks:</p> <p>Task 3.1 Identification of main tourist attractions and definition of the main tourist routes-FTHM, HIM</p> <p>This task is dedicated to field research aiming to the identification of most attractive resources suitable for tourism commercialisation in short period. Due to their complementary character and low potential for individual valorisation,</p>							

¹ Please indicate one activity per work package:

SUPP = Support activities; MGT = Management; OTHER = Other specific activities, if applicable.

tourist routes that link katuns with existing and potential attractions and activities will be identified. Those routes will have an important role as channels for distribution of tourists throughout the area, providing more suitable conditions for new business and offers' creation. These routes will be identified by the capacities of FTHM, HIM, local community and other partners.

Task 3.2 Development of the themes for future tourism product/experiences-FTHM, HIM, HMD, TOH

In order to provide necessary distinctive character of future tourist offer in katuns, the main "product theme/s" will be defined. The main phases in this process will encompass: (1) **Theme definition:** Main theme should represent the area and it will help to obtain USP-unique selling position of the offer. Theme should be the cohesion factor of the area and should encourage the networking of the stakeholders. Field and desk analysis will be focused on different products (e.g. cheese), activities (life-style of shepherds), natural resources (forests, lakes) in order to identify uniqueness we need; (2) **Resource selection:** After theme definition, resources identified in the task 3.1 will be analysed and selected; (3) **Concentration and networking of attractions and activities:** Total product will encompass numerous elements, that should be concentrated in certain area forming a tourist destination. Products and services that cannot be obtained in area should be developed or provided from other destinations. (4) **Routing:** This activity will be focused on defining main point of interest, linked with a route "in theory". Practical implementation will be done in task 3.4, 3.5 and 3.6.

Task 3.3 Identification of potentials for agro-tourism product/experience development and diversification-FTHM, HIM

This task is completely focused to identify new opportunities for development and products diversification. Analysis via survey of 20-30 households in both areas will be provided by FTHM and UoB, and will focus on different forms of contemporary rural tourism offer (e.g. case studies and international experiences) to define products/experiences with the highest potential for market commercialisation. Main forms and types of rural tourism that will be analysed are: transit tourism/short breaks between 4-8 duration (e.g. Bed & Breakfast/Bed & Bike, excursions); active tourism (e.g. hiking, biking), eco agro-tourism (e.g. organic farms, flora & fauna watching), events (e.g. local music and folklore events, celebrations), MICE (e.g. team building), agro-tourism (e.g. cheese production, cooking, harvest, fishing), educational or scientific or volunteer agro-tourism (e.g. dry stone workshop), cultural (e.g. gastronomy, handcraft, souvenirs), and mixed forms (e.g. katun network). As a result of this stage, it is planned to publish several papers in the referent scientific journals

and at the international conferences. In order to practically valorise the findings, they will be presented to business partners, HMD and TOH, and to the local community.

Task 3.4 Management and organization of a destination-FTHM, HIM, UoB, HMD, TOH

This task aims at solving a set of difficulties that appears in practical implementation of defined products. Main activities will encompass: (1) **Selection of katuns and households interested in tourism initiatives** (the key criteria will be their human, financial, technical and know-how capacities); (2) **Networking of the katuns and networking with the relevant stakeholders (in tourism sector) via development of informal and formal cooperation:** Informal cooperation will be obtained through the existing family and business links between stakeholders while formal cooperation will be provided via foundation of the *Association for agro-tourism*. Business partners HMD and TOH will be linked with new Association in order to provide atmosphere for new forms of cooperation; (3) **Definition of acceptable guidelines and standards for sustainable tourism development:** The main areas for standards implementation will be: accommodation, food security, security on trails etc.; Implementation manual will be published in order to inform the future offer bidder about their obligations and potentials; (4) **Identification of sources for funding and provision of technical support:** This activity aims to identify all available sources of funding (e.g. bank credit, EU funds, grant schemes, government support, etc.). To solve several limitation factors, consulting services related to business development (e.g. marketing, finance, management) to interested farmers will be provided; (5) **Implementation of price and distribution structure strategy:** After realization of previous activities, price and distribution policy will be established, based on the quality and uniqueness of rural experience. Due to limited financial capacities, on line channels will be of main interest, together with traditional off-line channels (e.g. travel agencies, tour operators).

Task 3.5 Development and implementation of the communication and branding strategy- FTHM, HIM, HMD, TOH, UoB

The main activities should encompass following:

- Definition of strategic promotion goals (e.g. general promotion, positive image, number of visits, food promotion);
- Identification of potential target groups (e.g. desk research);
- Message/s creation (e.g. related to “theme” defined in task 3.2, and will define key tourist motive/motives for coming to katuns);

- Budget creation: Apart from financial support from project, additional sources will be identified, in order to provide stronger promotional effect. Analysis will show where and how to obtain additional sources and ways of promotion (e.g. free-promotion by travel agencies, local and national tourist organization, Ministry of sustainable development and tourism, Ministry of agriculture and rural development)
- Selection of on-line and off-line medias and tools (e.g. web-site, info-tables, leaflets, local events, craft promotion).
- Strategy implementation and control (implementation will be organized through collaboration with business partners HMD and TOH).

Task 3.6 Capacity building of local community-FTHM, HIM, HMD, TOH, UoB

This task will be accomplished by organisation of several trainings and publishing adequate manuals in following areas:

- “Conscious” program (1 day workshop for 15 farmers about product portfolio in rural tourism);
- Hospitality and customer care (1 day training for 15 farmers);
- Entrepreneurship and small business (1 manual about different aspects of entrepreneurial initiative – tourism, craft, souvenirs, food production);
- Marketing (1 day workshop about promotion, packaging, pricing and sale tactics for 15 farmers).