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NATIA DAGHELISHVILI | PHD

PROFESSOR
GRUNI

MACROECONOMIC INDICATORS, CURRENT CHALLENGES AND OPPORTUNITIES

CHARAIA VAKHTANG

GRUNI

LASHKHI MARIAM

GRUNI

ABSTRACT

Georgia, a small Caucasus nation, has experienced a remarkable economic transformation in recent decades. Its strategic location at the crossroads of Europe and Asia, coupled with a rich cultural heritage and a skilled workforce, has positioned it as a promising economic player in the region. However, the country's economy, like many others, faces challenges and opportunities.

Georgia's economy is primarily driven by services, agriculture, and industry. The service sector, particularly tourism, trade, and transportation, accounts for a significant portion of its GDP. Agriculture, although facing challenges such as land fragmentation and climate change, remains a vital sector, contributing to food security and exports. The industrial sector, primarily focused on manufacturing and construction, has witnessed growth in recent years, driven by foreign direct investment and government initiatives.

One of the main challenges facing Georgia's economy has been its dependence on Russia. Historically, Russia has been a major trading partner and source of remittances. While this dependence has provided certain benefits, it has also made Georgia vulnerable to economic fluctuations in Russia. However, Georgia has made significant strides in diversifying its economy and reducing its reliance on Russia.

A major achievement for Georgia has been its successful implementation of economic reforms. The country has adopted market-oriented policies, improved its business environment, and reduced corruption. These reforms have attracted foreign investment, boosted economic growth, and improved living standards.

Georgia's wine industry has played a crucial role in its economic development. The country boasts a rich winemaking tradition dating

back thousands of years, and its unique qvevri method of winemaking has been recognized as a UNESCO Intangible Cultural Heritage.

The wine industry contributes to Georgia's economy in several ways. It generates employment, particularly in rural areas, and contributes to foreign exchange earnings through exports. The industry also attracts tourists, boosting the tourism sector and contributing to local economic development.

However, the wine industry faces challenges, such as competition from other wine-producing countries and the need to diversify its export markets. To address these challenges, the Georgian government has implemented measures to support the wine industry, including promoting exports, improving quality standards, and investing in wine tourism.

TRANSFORMING WINE INDUSTRY OPERATIONS: EMPLOYEE PERSPECTIVES ON BLOCKCHAIN TECHNOLOGY

NINO ADAMASHVILI

RESEARCH FELLOW
University of Palermo

MARIA ROSARIA MASCHIO

PH.D. STUDENT
University of Lecce

OTAR ZUMBURIDZE

FULL PROFESSOR
Georgian Technical University

MARIANTONIETTA FIORE

FULL PROFESSOR
University of Foggia

ABSTRACT

In the context of the wine industry, blockchain technology (BCT) can significantly improve supply chain transparency, ensuring the authenticity and quality of wine products from vineyard to consumer. This study examines companies' attitudes towards BCT adoption, offering significant insights into the current state of readiness and perceptions within the workforce. The

initial resistance toward BCT adoption in wineries often is driven by to the knowledge gap. Through the experiment conducted in the wine SME the study demonstrates that once a BCT system is implemented and employees receive adequate training, the technology proves to be user-friendly and effectively supports daily operations.

These results highlight the critical need for targeted educational initiatives and training programs to bridge the knowledge gap and alter the current perceptions. By addressing these barriers, wine businesses can better prepare their workforce for successful BCT adoption, ultimately leveraging its capabilities to drive innovation, efficiency, and trust in their products.

KEY MOTIVATIONS AND DRIVERS FOR SUCCESSFUL BLOCKCHAIN TECHNOLOGY ADOPTION IN THE WINE INDUSTRY: INSIGHTS FROM MULTIPLE CASE STUDIES

NINO ADAMASHVILI

RESEARCH FELLOW
University of Palermo

CLAUDIO MIRABELLA

PH.D. STUDENT
University of Palermo

ANTONINO GALATI

FULL PROFESSOR
University of Palermo

ABSTRACT

The adoption of Blockchain Technology (BCT) is increasingly vital in industries requiring enhanced transparency and traceability, such as the wine sector. This paper aims to explore the key motivations and drivers behind BCT adoption in wine companies, with a focus on how the readiness of employees and management affects both the decision to

adopt and the success of implementation. Utilizing a case study approach involving five wineries within the framework of the project W.E. B.E.S.T. (PRIN 2020 - Prot. 2020LMWF9Y), the research investigates the role of organizational readiness in facilitating effective BCT integration. Findings reveal that while motivations such as improved transparency, process efficiency, better

communication with consumers and adding value to the wine are significant, the level of readiness among management and their dynamic capabilities are crucial for successful adoption. The study provides practical insights for wine companies, underscoring the necessity of organizational preparedness to fully harness the benefits of cutting-edge BCT.

POSITIONING GEORGIA AS A LEADING WINE TOURISM DESTINATION: KEY STRATEGIES AND PRACTICES

ABSTRACT

Despite Georgia's long-standing tradition and history of winemaking, which is inseparable from its cultural identity and economic development, significant challenges and gaps exist in effectively marketing this sector to both international and local visitors. Georgian wine culture, rooted in an 8,000-year-old tradition, features unique practices such as the use of Qvevri (clay vessels) for fermentation, and the diverse array of indigenous grape varieties like Saperavi and Rkatsiteli, reflecting the country's rich viticultural heritage.

The research aims to identify and analyze marketing strategies that highlight these unique aspects to understand their effectiveness and explore potential improvements. This involves

compiling surveys for both local and international tourists, and conducting interviews with wine tourism companies to gather insights and identify existing gaps. Key strategies include raising awareness through targeted campaigns aimed at average local and international tourists, and diversifying wineries by classifying them according to different regions of Georgia, each with distinct historical, cultural, and traditional as well as size and type attributes. Additionally, the integration of wine and food pairing into the broader gastronomic experience is essential, promoting the harmonious combination of Georgian wines with local cuisine to enhance the overall tourist experience.

By addressing these strategies and gathering comprehensive

insights from stakeholders, the research seeks to present practical recommendations that will help elevate Georgia as a premier wine tourism destination. This includes enhancing accessibility, diversifying wine tourism packages, and providing comprehensive information and practical experiences related to wine and food pairing. The strategic positioning of wine companies in the growing Georgian wine industry is crucial for business growth and ensuring long-term success. Ultimately, these efforts aim to contribute to the sustainable development of Georgia's wine tourism sector, fostering greater appreciation and engagement among both local and international visitors.

Key words: wine tourism destination, Georgia, marketing strategies and practices, ethno-culture, history, gastronomy and food pairing.

THE ROLE OF DONOR ORGANIZATIONS IN THE DEVELOPMENT OF GEORGIAN WINE TOURISM

ABSTRACT

It is a priority for Georgia to explore the various ways in which donor organizations contribute to the development of wine tourism. In the article it is discussed the role of international donor organizations in tourism in Georgia. As tourism faces many challenges as well as opportunities, understanding the contributions and strategies of donor organizations is very important. The purpose of the research is to find different ways in which donor organizations contribute to the development of wine tourism.

The research includes the results of in-depth interviews with dozens of beneficiaries who live in different regions and have received a grant from a donor organization in the direction of tourism development in recent years.

It is important to form a competitive, high-quality higher education system in the country, which is related to the effective initiation and acquisition of scientific-educational transfers. In order to make the accumulated knowledge

of science, technology and innovation available to our country, it is necessary to bring the public and private sectors of research and technology closer together and to internationalize the achievements obtained as a result of cooperation.

Assistance from donor organizations, including financial support, capacity building, knowledge transfer, infrastructure development, and stakeholder cooperation, is important for different regions of Georgia.

WINE TOURISM AS A DEVELOPMENT OPPORTUNITY FOR SMALL AND MEDIUM WINE COMPANIES

MAIA MELADZE

ASSOCIATE PROFESSOR
Grigol Robakidze University
m.meladze@gruni.edu.ge

TSITSI TSATSKRIALASHVILI

PHD STUDENT
Caucasus International University
tsitsi_tsatskrialashvili@ciu.edu.ge

ABSTRACT

Wine is a part of Georgian culture. Culture based on natural conditions, knowledge and rituals that are passed on through generations reflects on forming part of the cultural identity and heritage. Wine tourism is one of the most important products

for developing tourism in Georgia. Sustainable wine tourism represents an important opportunity for the wine value chain. Tourism in the wine industry is a unique opportunity for wineries to build relationships with customers and increase direct sales.

The aim of the article is to study the role of wine tourism for companies which do not have a large turnover and high income. In the article are demonstrated the results of quantitative and qualitative research. Wine tourism have completely changed the style of operating for companies.

Key words: Wine tourism, Wine companies, Wine value chain

EXPORT POTENTIAL OF GEORGIAN WINE AND WAYS TO INCREASE IT

ABSTRACT

Georgian wine is one of the country's main export products. Based on an analysis of the export dynamics of the wine market and research, it was noted that in recent years the export potential of natural grape wines has increased on the international market in various directions, namely

in the European Union, Asia and the CIS countries. The current state in the field of viticulture, the potential of Georgia in terms of the development of viticulture has been identified. It has been established that the natural and climatic conditions of the country make it possible to produce

not only traditional high-quality wines, but also products that are in demand on the world wine market (for example, port wine, sherry, Malaga-type drinks). The possibilities of promoting Georgian wine on the world market and implementing potential marketing activities are also discussed.

Key words: export potential of Georgian wine, diversification of the wine market, value chain.

SOME ASPECTS OF THE RELATIONSHIP BETWEEN INSURANCE COMPANIES AND SMALL AND MEDIUM-SIZED WINE BUSINESSES IN GEORGIA

TEMUR TOYDZE

PH.D. STUDENT OF BUSINESS ADMINISTRATION
DOCTORAL PROGRAM
Georgian Technical University
temo.toidze@yahoo.com

NATALIA TCHANTURIA

FACULTY OF BUSINESS TECHNOLOGIES
ASSOCIATE PROFESSOR
Georgian Technical University
tchanturianatalia11@gtu.ge

ABSTRACT

To enhance the competitive positions of small and medium-sized wine businesses in Georgia, both locally and internationally, it is crucial to develop comprehensive risk management strategies. This involves identifying, assessing, and controlling potential risks, determining the minimum acceptable risk levels, and planning and implementing appropriate management actions.

For effective collaboration between wine businesses and insurance companies operating in Georgia, it is important to:

Ensure that insurance companies respond promptly to the needs of micro, small, and medium wine businesses, providing timely compensation for losses, as time is a critical factor in the wine industry.

Foster connections between the wine-producing sector and insurance companies in the Georgian market to raise awareness among business entities about available insurance products and services. This will form the foundation for making informed decisions related to risk management in their operations.

Key words: wine business insurance, winemaking risk management.

THE ROLE OF INTEGRATED MARKETING COMMUNICATIONS IN THE DEVELOPMENT OF THE WINE TOURISM SECTOR

NATELA MARTINENKO

ASSISTANT PROFESSOR
Tbilisi Humanitarian University
martinenkonatia@gmail.com

NATIA KUPARADZE

CURATOR AND EDITOR
LTD Restore Studios, Be3el clips
MASTER OF BUSINESS ADMINISTRATION
Georgian Technical University
natiakuparadze81@gmail.com

NANI MAMPORIA

ASSOCIATE PROFESSOR
Georgian Technical University
mamporianani11@gtu.ge

ABSTRACT

Development of wine culture and wine tourism sector is important for Georgia. In the last decade, new wineries were opened in the country, historical wineries were reconstructed. Investors have also become more active and are more often interested in wine tourism. For example, there is a relatively new approach for Georgia - chateau culture, which is becoming more and more popular among both foreign and local tourists. Here the guest can stop, taste the wine on the spot,

participate in the harvest. There is news on the Georgian market - a new Georgian game on the social network - "Megvinine".

The initiator of its placement is the Ministry of Agriculture of Georgia. The player will have the opportunity to invite his friends to the game and turn them into his business partners. In order to get a synergistic effect in the promotion of the tourist product, it is necessary to mobilize and integrate all existing methods and tools of

marketing communication. Integrated marketing communications is gaining more and more attention among tourism and business representatives. People participating in the wine tour are most fascinated by the local wine, its history and culture. International organizations are also interested in the development of wine tourism in Georgia. Among them, the USAID Economic Growth Initiative (EPI) program of the United States Agency for International Development.

Key words: winemaker, marketing communications, wine culture.

WINE – THE PRODUCT OF SUSTAINABLE DEVELOPMENT OF TOURISM IN GEORGIA

NINO CHKHARTISHVILI

PROFESSOR
Georgian Technical University
n_chkhartishvili@gtu.ge

TAMAR KOBLIANIDZE

ASSOCIATED PROFESSOR
Georgian Technical University
tamar.koblianidze@gtu.ge;

RUSUDAN KUTATELADZE

PROFESSOR
Georgian Technical University
r.kutateladze@gtu.ge

ABSTRACT

Globally, over 40 million tourists visit wineries annually, thereby establishing wine tourism as a significant revenue stream for wine businesses and local communities in these regions. This is regarded as a strategy for enhancing economic and social sustainability.

Georgia is a country with a great deal to offer the world in terms of both interest and attraction. Despite its status as an agrarian nation, the development of tourism has led to a notable increase in the country's economic standing. In the initial three-month period of 2023, the real gross domestic product (GDP) exhibited an annual growth

rate of 8.0%, representing a 23.8% increase in comparison to the corresponding period in 2019. The second quarter of 2023 demonstrated a 7.85% growth rate. Among the most prevalent tourist activities, wine tourism occupied the third position with a 38.5% share, exhibiting a year-on-year growth of approximately 4 percent.

This paper presents a study of the relationship between wine tourism and sustainable development in Georgia, conducted by examining the successful business practices of wineries in Kakheti, the leading wine producing region in Georgia.

The study focuses on successful wineries in eastern Georgia.

The data uses information from a variety of sources, including secondary data.

Analysis of the data revealed a number of aspects between the sustainable wine tourism practices studied and the pathways to innovation. Further research into common denominators and criteria for distinguishing sustainable business practices will be useful to researchers and practitioners, destination management organizations and regional development policy makers.

Key words: winemaking, wine tourism, innovation, sustainable wine enterprises, Kakheti.

WINE EXPORT (GLOBAL MARKET REVIEW)

ABSTRACT

The global wine market is driven by the consumption habits of wine, rapid urbanization, the changing lifestyles and high disposable incomes, and popularity of wine products during social celebrations and aging population preferring wine over hard drinks.

Another important growth driver of the market is the increasing wine production in developing countries and new

markets. The consumption of wine is increasing around the globe, and it is mainly due to the increasing consumption of wine by the younger generation. What about Georgian wine market, according to the National Wine Agency, in 2023, wine worth 259 million US dollars was exported from Georgia to 66 countries of the world, which is 3% higher than last year. The volume of exported

wine amounted to 89.5 million liters, which is 12% less than the previous year. As for 2024, in January 6.5 million liters of wine were exported to 34 countries of the world. Compared to the same period last year, the increase was 22%. As we see Georgia has perspectives to develop wine business and the importance of Georgian wine on the global market is growing year by year.

ABSTRACT

Agritourism is getting more and more important in countries, which has an opportunity to develop agriculture and at the same time have the potential to host guests and organize tourism destinations at the farms. Agritourism practices are different from country to country and in the USA, it has different characteristics

from state to state as well. Agritourism sustainability is a challenge for almost every developing country. Nowadays not very many farms and agritourism destinations follow the requirements of sustainable development because this is not a obligatory and it depends on the owners' choice to make their business

eco-friendly or not; however, it seems that, according to the EU regulations, in a few years these practices will be implemented more actively. Coming closer to the famous agritourism destinations, it becomes more obvious that sustainability is becoming integral part of agritourism destinations and activities on it.

AGRI-TOURISM AND MARKETING AT SHADY LANE CELLARS

ANDY FLES

VINEYARD MANAGER
Shady Lane Cellars

ABSTRACT

Discover Shady Lane Vineyards' journey towards gaining marketplace recognition for their sustainable farming practices. In 2020, they adopted the SIP (Sustainability in Practice)

certification, aligning with their holistic approach to sustainability. Learn how this ecological certification has boosted consumer awareness and interest, which Shady Lane Vineyards has

capitalized on through private tastings and tours to educate guests on their sustainable practices and prairie-like vineyard ecosystems.



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4, A. Politkovskaia st., 0186, Tbilisi, Georgia ☎: 5(99) 17 22 30; 5(99) 33 52 02
E-mail: gamomcemlobauniversal@gmail.com; universal505@ymail.com