

**THE PROSPECTS FOR WINE TOURISM AS A TOOL
FOR RURAL DEVELOPMENT IN ARMENIA
– THE CASE OF VAYOTS DZOR MARZ¹**

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Abstract. The paper examines the prospective role which wine tourism could play in the rural and in the much needed overall economic development of Armenia. It begins with a brief description of the antique origin and the present economic situation of the wine sector in Armenia, followed by a description of recent trends in the tourist sector as a whole in Armenia. The particular features of wine tourism are examined in relation to Armenia and to other wine producing countries. Attention is then concentrated on a specific region of Armenia, Vayots Dzor, which is particularly important for wine production, and is also endowed with historical monuments with great potential for the development of tourism. The case of one particular village is illustrated in some detail in order to indicate how tourism in general, and specifically wine tourism could be developed for the benefit of the rural community. The paper concludes by outlining a strategy to be followed to achieve the growth of the sector.

Key words: Wine industry, tourism, cultural heritage, rural development, wine tourism

1. Introduction

Grape cultivation is believed to have originated in Armenia near the Caspian Sea, from where it seems to have spread westward to Europe and Eastward to Iran and Afghanistan (Economic and Social Commission for Asia and the Pacific 1999). A legend tells that Noah planted the first vineyard in the plateau of Ararat. This

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legend is upheld by local research that pinpoints Armenia as the ancient birthplace of viticulture and winemaking.

But at present Armenia does not have a competitive advantage in wine, as far as the cost of production is concerned, compared with other countries. The major reason for this is the difficult weather conditions prevailing in Armenia. Additional work in the vineyard is essential in order to protect vines from freezing temperatures, and irrigation is a necessity due to the low rainfall. Compared with other eastern countries (Moldova, Georgia and Bulgaria), the production cost of one kg of wine grapes in Armenia is 20-30% higher (Vertumne and Associates, 2001, a).

Because of the blockades imposed by Azerbaijan and Turkey, in addition to the difficult relations with Georgia and the absence of sea access, Armenia also has transport costs for exports of wine higher than most of its competitors.

The wine sector experienced a sharp decrease in size in less than 10 years: in 1980, wine represented 48% of the total Armenian production of alcohol; in 1990, in coincidence with the political changes in the former Soviet Union, it represented only 13.7%. During the same period, production of Brandy and Vodka increased their relative share, even if the volume produced of these two products also sharply decreased.

The domestic alcohol market (which includes both domestic consumption and storage) used to be very small in Armenia, representing, in 1988, 13% of wine production, 21.5% of the brandy production, and 74% of the sparkling wine production. In 2000, due to the collapse of exports – (wine exports decreased from 411,900hl in 1988 to 2,720hl in 2000; brandy exports decreased from 96,400hl in 1988 to 24,120hl in 2000; sparkling wine exports decreased from 13,000hl in 1988 to almost 0 in 2000) - the domestic market absorbed 90% of wine production, 15.7% of brandy production and 100% of production of sparkling wine. (Vertumne and Associates, 2001 b).

On the one hand, competition in international markets will be very hard for Armenian wine producers, and, on the other hand, the domestic market is small. It is our belief that development of wine tourism is one of the main ways of rehabilitation and development of the wine-making industry in Armenia.

The changing values of the present day consumer have created a demand for new products and provided a driving force for the development of new types of tourism. Traditional mass tourism, although still prevalent, is evolving into a “new tourism”, often called responsible, soft, alternative, green, or sustainable tourism. The new types of tourism that hold a great potential for the future are cultural tourism: health, fitness and thermal cures; nature-based; educational; wildlife,; gastronomic or food and wine etc. These new types of tourism require

customisation of tourist products, which has begun to play an important role in the individual tourist's requirements, and tourism is therefore being transformed from focus on the mass market to diversification and focus on individual tourist's needs.

Given the difficulties mentioned above for production and marketing of Armenian wine, in this paper we would like to point out how an appropriate development of wine tourism could contribute to the prosperity of the industry and to rural development, thus promoting overall economic development of the country.

2. Armenia and the tourist industry

2.1. The current situation and the problems in the tourist sector in Armenia

Currently Armenia does not stand out amongst the world's tourist destinations, despite its rich historical, cultural and natural tourist resources. Only a small proportion of the global population have heard of Armenia, know where it is located or have an image of what the country has to offer. Armenia needs to position itself carefully in the global market as a tourist destination

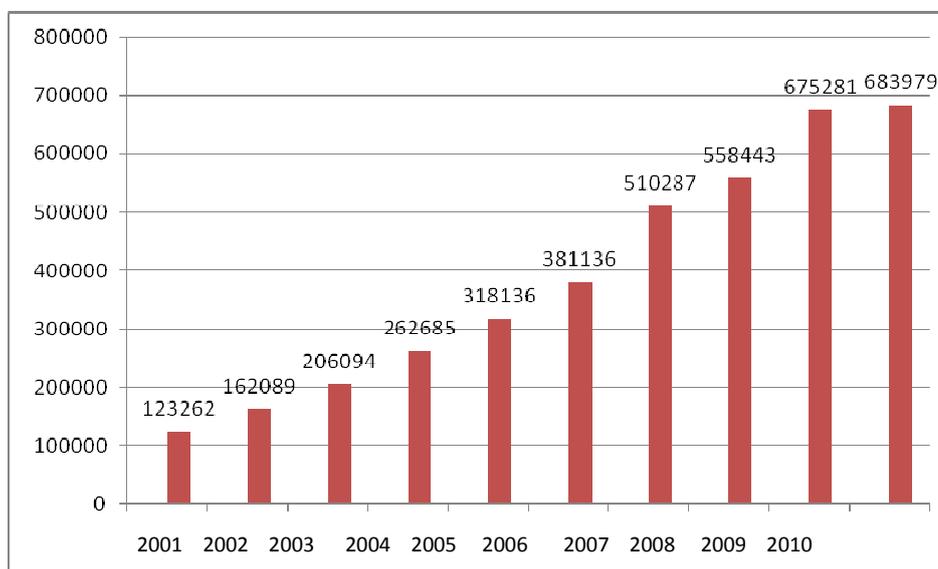
With its rich cultural resources and stunning landscapes, Armenia has the foundations for a sustainable tourist industry. These comparative advantages on their own, however, may be insufficient to attract tourists. Rather than simply visiting destinations just to see sights, tourists want experiences in the destination country, interaction with the locals, closer communication with local culture and traditions and use of quality services(US Aid-Caps, 2008 b).

During the Soviet Era, Armenia had a flourishing tourist industry with more than 600,000 visitors a year (Armenian Tourist development Agency), but the collapse of the Soviet Union, coupled with the devastating 1988 earthquake and blockade brought extremely severe economic problems to Armenia. Over the past decade the economy has begun slowly to revive, and the development of tourism has contributed to its recovery. In the year 2000 Armenia received 84,000 visitors - - in 2001 that figure increased spectacularly to 123,000, most likely due to the events associated with the celebrations for the 1700th anniversary of Christianity in Armenia (Armenian Tourist Development Agency).

Since 2001 high growth rates have been registered in the tourist sector of Armenia. (Chart 1) and in 2008 the number of visitors reached 558 thousand.. The trend continues: according to data provided by the statistical analysis of trips, carried out in cooperation between the Ministry of Economy, the National Statistical Service and USAID, 575 thousand tourists visited Armenia in 2009, which is slightly more again (3 %) than the number registered in the same period in

2008. The trend appears to have continued and in 2010, it is estimated that almost 684,000 foreign tourists visited Armenia. Whilst there is general agreement that the number of tourists arriving in Armenia, there is some dispute about the dimension of the increase (Tourism Review.com, 2011), and in fact, a government Decision regarding the “Approval of 2008-2012 tourism development programme” has set up a working group aiming for greater clarification of tourism statistics (Ministry of the Economy of the Republic of Armenia, 2009).

Chart 1. Growth in number of foreign tourists visiting Armenia, 2001-2010
(thousand persons)



Source: Ministry of the Economy of the Republic of Armenia, Yerevan, 2010

The potential importance of tourism for the economy of Armenia has become increasingly recognised in recent years. In 2008, the Tourism Development Concept paper was published (US Aid-Caps, 2008 b) in collaboration with the US Aid funded Competitive Armenian Private Sector (Caps) Project, *Armenia 2020*. This specifies as the overall goal of state policy in Armenia’s tourist industry “to increase its contribution to the national economy and ensure equal regional economic growth while at the same time alleviating poverty”. A detailed programme of objectives and strategies is set out, together with indicators for monitoring and evaluation. The primary issues identified include not only issues directly related to the development of an infrastructure of support for tourism, but

also those related to the overall development of the economy, such as improving and developing infrastructure, developing the workforce, ensuring public health and safety.

2.2. Natural and cultural resources for the development of tourism

Ancient geographers called the Armenian Highlands the "Island of Mountains" or the "Rooftop of Asia Minor." In fact, the average altitude of the country is over a mile high, at about 1800 meters above sea level.

The country's major intrinsic tourism assets are *religious, historic and cultural monuments*, as well as natural conditions favourable for the development of *eco-tourism*. In addition, the elements of adventure and agro-tourism are thought to offer important opportunities for further development.

The major Armenian tourist destinations are Yerevan, Tsaghkadzor, Sevan, Jermuk and Dilijan. However, only Yerevan, the capital, with a relatively well-developed infrastructure and service-oriented tourist cluster, has emerged as a hub for inbound tourism in the country.

The landscape is dominated by views of Mount Ararat, located southwest of Yerevan, in present day Turkey. Yerevan itself boasts opera, theatres and other cultural attractions. The casinos in Argavand are also popular with tourists.

Lake Sevan, the world's largest mountain lake, is a popular summer tourist spot. The Tsakhkadzor ski resort is open year round for skiing in the winter and hiking and picnicking the rest of the year.

The Christian faith has shaped Armenian culture so intimately that it permeates the very landscape at virtually every corner of the country. Armenia became the first nation to declare Christianity as its state religion in 301 AD. With the spread of Christianity, many churches and monasteries were erected, some on the foundations of pagan temples. Armenia's innovative architectural traditions can be seen in the church complexes as precursors to the Gothic form.

From a historical and cultural point of view, Armenia is often referred to as an open air museum: over 4,000 historical monuments can be found throughout Armenia, covering various periods of the country's history from prehistoric to Hellenistic times, and from the early to medieval Christian era. The Armenians created their masterpieces during rare periods of peace and relative prosperity over the centuries. Within Yerevan alone there are more than 40 fine arts museums and galleries.

3. Wine tourism

3.1. *Wine tourism as an emerging type of tourism*

A wide range of experiences can potentially be built around tourist visits to wine regions, including: wine tasting, wine and food, appreciation of regional environs, day trips or longer-term recreation, the experience of a range of complementary cultural, nature based and lifestyle activities available in wine regions.

Wine tourists differ in their requirements, and wine producers must know who they are and what they want. Wine tourists may be grouped broadly into three categories, each with slightly different requirements and different potential in terms of present and future wine consumption – they have been labelled *accidental*, *interested* and *dedicated* (Tourism New South Wales, 2004) Cellar door staff have the opportunity to influence tourists and to convert “accidental” wine tourists to “interested” or even “dedicated” wine tourists if the cellar door experience is fun, informative and memorable. Dedicated wine tourists are motivated to visit by their interest in wine – the cellars are the focus of the visit. Interested and accidental tourists, on the other hand, come to the region to have a weekend in the country with the added bonus of visiting a cellar.

Accidental or curious wine tourists need to feel comfortable at the cellar, not intimidated. They need to be educated about wine in an entertaining and informal way.

Interested wine tourists need to find wines and information that they would not get at their local liquor shop back home. They often want to discover something new to show their friends.

Dedicated wine tourists want even more information, and the opportunity to develop their palate further, be recognised as knowledgeable and try/buy the latest or rarest wines.

For accidental visitors or curious tourists, wine cellars are seen as a tourist attraction of the region visited. A visit to a wine cellar is an opportunity for a social occasion with friends or family, They may have below average knowledge of wines, but be moderately interested in wine, their interest and curiosity being aroused by drinking wine, advertisements by the roadside, brochures or general tourist promotion. Usually with moderate income and education level, they may purchase at the winery. They are, however, unlikely to join a mailing list.

For interested wine tourists a cellar visit is an enhancement to their trip, but not the prime motivation for visiting the region. Along with moderate to high interest in wine. they frequently have a moderate to high income, are educated to University level and are likely to have visited other wine regions.

Dedicated wine tourists, in contrast, are wine lovers who visit wine regions frequently as an integral part of a trip; they have an above-average knowledge of wine, are extremely interested in wine and wine making. Usually they are of mature age, with a high income and a high level of education. They are likely to purchase wine at the cellar and also to join the mailing list.

3.2. Wine tourism around the world

Wine tourism is not a "new thing", having been carried out in Europe and other countries for many years. It has traditionally focused on events centred on the theme of wine or dining and gastronomic activities, and sales of wine and wine-related products. It may be considered as a "niche" market in the same way as gastronomic tourism. A recent survey carried out in Hong Kong and Macao concerning gastronomic tourism points out that "the motivation for travel for gastronomy reasons is a valid construct for ...market segmentation". Moreover, "...gastronomy plays a major role in the way visitors experience a destination and indicate that some travellers would return to the same destination to savour its unique gastronomy"(Kivela, J.J. and Crofts, J.C., 2009)

Many wine regions around the world have found it financially beneficial to promote such tourism and, as a result, growers' associations and others in the hospitality industry in wine regions have spent significant amounts of money over the years for this purpose. This is true not only of "Old World" producers (such as Spain, Portugal, France or Italy), but also for the so-called "New World" wine regions.

"Old World" wine refers primarily to wine made in Europe but can also include other regions of the Mediterranean basin with long histories of winemaking such as North Africa and the Near East. New World wines are those wines produced outside the traditional wine-growing areas of Europe, in particular from Argentina, Australia, Canada, Chile, Mexico, New Zealand, South Africa and the United States.

Each of these countries have separate wine-growing heritages, some, by now, quite long, but there are several common themes. The Christian Church often initiated imports of wine and then promoted local viticulture to provide wine for ritual purposes.

Where immigrants came from wine-growing areas, they brought their vines and winemaking traditions with them. British colonists, on the other hand, lacking a wine making tradition at home, tried to replicate the varieties that they had been accustomed to import, and sold them under the familiar, semi-generic, names. So, for instance, both Australia and the USA made wines sold as 'port' or 'Burgundy'

that were often made from Syrah or other Rhone varieties, whilst 'Chablis' and 'hock' might be made from Welschriesling or Chenin Blanc. Since much of the wine imported into the colonies was fortified to preserve it during the sea voyage, the local markets expected their domestic wine to be similar in style, and with a few notable exceptions, many early wines in the New World were fortified (Wikipedia, 2011).

Nevertheless, experience has shown that, in order to achieve its full economic potential, wine tourism must overcome some hurdles. Even in an area with an old and prestigious tradition of wine making such as the Champagne region of France, a recent study (Charters, S., 2010) shows that the potential of wine tourism as a lever for rural development is diminished by the attitude of producers, particularly small producers: many of them feel it is not relevant to them, even though they sell wine directly; moreover, few of them have a clear idea of the expectations of wine tourists. The study confirms, however, that tourists display a propensity to pay more than local purchasers of wine.. These results should inform the strategy for wine tourism development in Armenia, where similar problems are likely to arise.

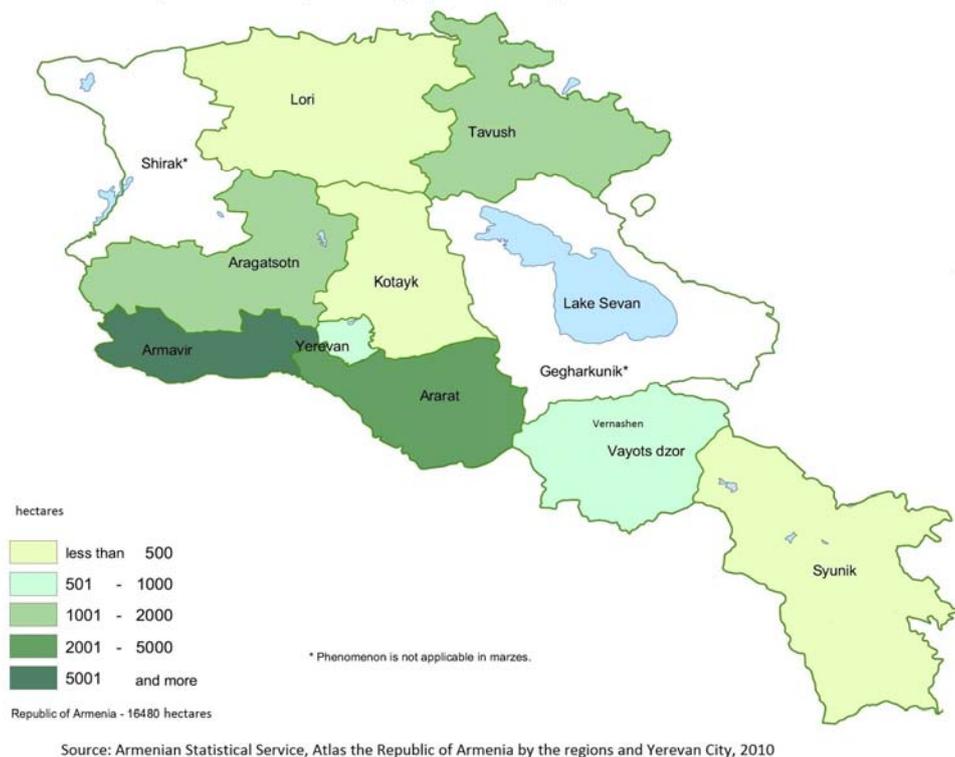
3.3. Wine tourism in Armenia

Today, wine tourism is growing in the international tourist industry, and Armenia has many qualifications to participate in it. For example, Armenia's active presence on new cross-border Wine Routes that are being planned, would highlight the country from a completely new aspect for international travellers and would provide other opportunities for development of tourism and related fields (Vayots Dzor Tourism Development).

The target consumers of wine tourism would be not only wine lovers, but also operators in the market for hospitality i.e. hotels and restaurants. The potential market is large. Nevertheless, in the detailed plan for tourist development previously mentioned (US Aid-Caps, 2008 b) it is surprising that no specific mention is made of wine tourism.

The wine, culture and tourist sectors are complementary to each other. As has recently been pointed out “ in many countries wine is simultaneously an expression of the culture of a territory and a reservoir of traditions rooted in antiquity” (Asero, V. and Patti, S., 2009 a). The tourist sector has long recognised the value of culture to the industry. Our aim is to explore how wine tourism can be developed in Armenia to the advantage of all three sectors involved. We will do this by reference to a particular wine-producing area, Vayots Dzor, citing in more detail the situation in a particular village in that region.

Figure 1- Armenia, areas of grape cultivation, 2009.



4. Wine tourism in Vayots Dzor

4.1. *The tourist resources of Vayots Dzor*

We can characterize Vayots Dzor Marz tourist resources in two main groups: natural-climatic and historical-cultural.

Vayots Dzor has been described as a “wild assemblage of small lakes, narrow gorges, lush vineyards, rough and jagged slopes, bucolic pastures, and noisy rivers. Against this natural mosaic, a visitor to this southern region of Armenia will enjoy unbelievably tasty fruits and vegetables. With the Yeghegis and Arpa rivers flowing through the region, Vayots Dzor is a perfect place for trout fishing, nature tours and hunting. For the more adventurous, a helicopter tour will provide a plethora of unforgettable impressions and fantastic memories” (Vayots Dzor Tourism Development Centre).

Jermuk, the third largest town in the region, is among Armenia's most famous spa resorts. Boasting many days of sun, and situated on high ground with

clean air and a favourable climate, Jermuk's most deserved claim to fame are the 40 underground fresh water and mineral water springs. The word "Jermuk" derives from Armenian "jerm" which means warm. Local Spas provide treatment for various ailments and diseases using the water, and it is an ideal spot for rest and relaxation. The quiet resort town is well-endowed with parks, forested areas, as well as a waterfall and a natural land bridge. A special pavilion is located downtown where guests can taste firsthand the renowned mineral waters, which flow at natural temperatures ranging from 57 to 64 degrees Celsius.

In general, the variety of natural resources in the Marz lends itself to ecotourism, scientific tours, nature tours, hiking, and studies of upland landscapes.

In addition, from a historical-cultural point of view, there are more than 1,300 historical and cultural monuments registered in 44 communities of Vayots Dzor Marz.

Ruins of graveyards from the Bronze and early Iron Age can be found in the region. Burial grounds, village territories, bridges, mills, oil-mills, monasteries, churches, fortresses, cross-stones abound in the territory of the Marz. From the days of Marco Polo, along the Silk Road (from China to Europe) Medieval Armenia was a major thoroughfare for merchants, traders, and explorers alike. Weary travellers would look forward to a stay at one of many inns, or caravansaries, along the way. The Selim Caravansary, constructed in 1332 and situated in the Selim (Sulema) mountain pass on the border of Gegharkunik, is one of the best preserved.

Such abundance of historical-architectural monuments clearly increases the value of the Marz as an attractive centre for tourism. As Wilton (Wilton, J., 2005) points out, however, "...until the infrastructure ...of these rural regions improves, tourism will probably remain a very small part of the rural economy and visitors may miss the historical and cultural attractions they offer"

At present, there is no reliable statistical data on the number of tourists visiting Vayots Dzor Marz. The main destinations are Noravank-Gnishik River ravine, the city of Jermuk, Gndevaz, Herher, Vernashen, and Artabyunk communities. The main purposes of the visits are to see relatives, take health cures, find recreation and tour historical-architectural monuments. It is estimated that 50% of visitors are foreigners, and the remaining 50% are locals and those who return to their families and relatives.

The only regular tourist route involving the Marz is Yerevan - Khor-Virap - Noravank-Yerevan. Thus, only a negligible part of the Marz tourist opportunities is used and this will remain so unless there is a widespread promotional campaign and provision of entertainment and other relevant infrastructure

Taking advantage of the geographical position of Vayots Dzor Marz and regarding it as a centre, it is possible to design routes covering Ararat, Gegharkunik and Syunik Marzes and to propose long-term tour packages to the foreign tourist market. A "Silk Road" tour proposed by World Tourism Organization (WTO) is a new and promising route. The number of the tour packages presenting this route is increasing every year. This provides great advantages to the countries through which it runs .

4.2 Resources for wine tourism in Vayots Dzor

Vayots Dzor has a very strong potential for tourism but its current situation is rather poor. The region has specific characteristics, amongst which are good agricultural growing conditions which permit high quality food products at relatively low cost.

The fundamental factor for developing wine tourism is, obviously, the presence of a wine producing industry. This region is famous for its Areni types of grape and wine. In reality, the Areni type of grape, which is considered the finest for wine, grows in Vayots Dzor precisely because of the rocky land and the sun. Vayots Dzor on the Arpa River valley has one of the highest number of sunny days throughout the entire territory of Armenia. The sun heats the rocks and helps maintain high temperatures. For this reason fruit growing also prospers in the region.

During recent years, wine-making has developed considerably in Vayots Dzor. On the banks of the Arpa alone there are a number of small and medium sized cellars: Getnatoun, Kimley, Areni, Ginetas, etc, which purchase almost the entire grape harvest. They produce mainly dry red wine.

Not all grape growers supply the wine cellars: it is more profitable to make homemade wine and sell it at the roadside. The sale of homemade wine along the length of Areni village has become a tradition.

Vayots Dzor is home to a national wine festival: the Areni Wine Festival. The festival is to promote tourism development in the region. It has been held three times: in 2004, 2007 and 2009, but now, in 2010, it has been decided to make the Areni Wine Festival an annual event.

Apart from being a showcase for good wine, the festival is a major event for traditional food making and tasting. The program includes traditional dancing, singing, food-making and tasting, wine-making and tasting, traditional games, contests and so on. Villagers sell home-made products- cream, honey, nuts and walnuts, vegetables, fruits, dried fruits, baked goods, lavash (bread), home-made jams and jellies, sweets, herbal teas and all the other products that a typical

Armenian household usually prepares for its members. In short, the region is well-endowed with what has been denominated as “territorially intensive products” (Asero, V. and Patti, S., 2009 b)

A second important factor for wine tourism is the culture present in wine producing regions. In this respect, there are several sites along the Arpa valley that attract tourists. The first is, of course, the monastery complex of Noravank, one of medieval Armenia’s spiritual and cultural centers. The complex, which is enclosed within boundary walls and consists of four churches and a bell tower, was constructed from the beginning of the 13th century to the 14th century. The Church of Saint Astvatsatsin, the work of the architect Momik, is the masterpiece of the Noravank complex.

But perhaps the most striking factor for developing wine tourism in this region is the ancient wine making culture. In this region are many caves. During the excavations of the cave of Birds of Areni, in Vayots Dzor Marz, 50-liter clay jars, pitchers, samples of crockery, vines were found, which led scholars to suppose that there had been an industrial area of wine production there. The objects found date back mostly to the Eneolith period, i.e. 3 500 years ago, thus the oldest winery found in the Areni grotto is the world’s most ancient centre of winemaking.

But to complement these features which could provide a sound basis for tourism, it is obviously important that there should be a sound infrastructure of hotels, catering institutions and other services. At present, in the Vayots Dzor Marz these are not strongly developed: in 2004 (later figures are not readily available) there were 15 small hotels of which seven with a capacity of 2500 beds concentrated in the city of Jermuk(5). In addition there were just over 30 institutions of various dimensions in the catering sector in Vayots Dzor Marz with a total capacity of about 1,000 places. They employed about 100 people. The majority of them work on a seasonal basis, with the exception of those located near the Yerevan-Meghri highway which operate all year round. The dishes offered in these institutions are made exclusively from locally produced products. They serve locally produced wine, mineral water, fruits, cheese, etc.

Considering the present relative lack of facilities for hospitality, there would be opportunities for wine cellars to open small guest houses, a type of agro-tourist establishment, in order to reach those potential tourists who wish to spend some time in the countryside. This would boost revenue and indirectly promote their product. Such agro-tourist establishments would also complement existing catering institutions

Recently, an important decision has been taken which should provide an important stimulus to the development of tourism in the Marz: the Tourist Development Center of Vayots Dzor region has been nominated as the official

representative for Armenia, in an international organization that is being founded with the purpose of developing a Wine Route within Black Sea countries. The decision was taken at an expert meeting of the European Council's Wine Culture Tourism Exchange (WCTE) pilot program held on October 5, 2009 in the Armenian resort city of Jermuk.

Marking the end of WCTE's three-year pilot phase, which focused on the development of regional, trans-border, wine and tourist routes, in support of the promotion of peace and economic prosperity in the region, the meeting refocused the work of the WCTE program activity, to make it more relevant to the larger policy developments in the Region and to agree on management structures and resources for future activities(18). Experts discussed the possibilities for creating an international organization that will take over the initiative to develop the Wine Route among Black Sea countries. France has been suggested as the official location of the organization, and Vayots Dzor Tourism Development Center was proposed as the official representative of the organization in Armenia.

The initiative has interesting prospects for the development of the Marz.

4.3. Wine tourism resources in Vernashen village

In order to make more concrete proposals, the prospects for one particular village, Vernashen, will be examined here, using it as a case study

Vernashen is well endowed with those natural, historical and cultural resources basic for tourism, as discussed earlier: it has ancient traditions, vineyards, homemade wine, specific foods, churches and monasteries, ruins of a medieval university, and a fortress.

As regards wine, it is possible to take a walk through beautiful vineyards, be witness to the wine making process and taste the wine, guided by local experts. This would also help in promoting wine which could be bought on the spot by tourists convinced by its merits..

In addition to the Areni variety of wine, Vayots Dzor produces another type of wine which takes on the name of the village: Vernashen. Vernashen wines are semisweet red wines. Adaptable to different circumstances: to have with a meal, with fruit and cheese, or just to pass the time, wines for meditation. In addition to homemade wine, tourists can taste Vernashen type of wine produced by the several winemaking companies of region.

From the food point of view, one of the gourmet attraction in Vernashen village is dolma. This, essentially, consists of stuffed vine leaves and comes in many varieties according to the filling and the sauces served with it. In addition,

there is a special type of bread, lavash. Over the centuries the baking technology has undergone almost no changes and is still widely used in rural areas of Armenia. Lavash is baked in an ancient wood-fired oven specially constructed, called tonir. Lavash baking usually takes about 2-3 minutes. Ceremonies of bread baking could be organised by villagers and tourists would be able to taste lavash and wine. Another local food is goat cheese, produced on many farms, and processed in a particular manner. Goat cheese is soaked in a brine solution, drained, grated, then mixed with herbs. The cheese is pressed into clay pots which are turned upside down into a layer of wood ashes.

There is, moreover, an opportunity of participating in one of the most important Armenian festivals, the Ceremony of Blessing the Grapes, which is held in August. Traditionally, in Armenia grapes must not be eaten before they are blessed. In August, the Armenian Apostolic Church celebrates the feast of the Assumption of the Virgin Mary. By the time of this festival the grapes are ripe and so, on the Feast day, the Ceremony of the Blessing of the Grapes is conducted. The entire harvest is blessed, and, as a sign of richness and abundance, a part of the wine blessed is set aside for the following year.

This ceremony takes place in the church of Saint Khach, which is situated seven kilometres to the east of Vernashen. The monastery of Saint Kach is a well known place for pilgrimage and there is evidence of its existence since the 8th century. The current church of the monastery was almost completely reconstructed in 1870-1871. It is claimed that a piece of the original Cross is buried to the south-east of the church and for this reason the church is known as «Surb Khach» - «Holy Cross».

As regards cultural heritage, the village is home to Gladzor University, well-known historically as an educational and scientific academy. Its name was mentioned in writings dating from 1291 and study at the University continued until 1390. The miniature of Gladzor is one of the schools of medieval art in Armenia which had close links with other examples of monumental art and culture (EU TACIS, 2004).

Another feature of the village is the large number of *khachkars* or cross stones. These are an important feature of medieval monumental art in Armenia., with an especially rich artistic content. Forerunners of *khachkars* were early medieval circular or octahedral columns or squares of pillared sections with crosses carved in them and bulky crosses placed above them. The surface of the pillars is decorated with winding vines and dangling clusters of grapes.

In 1984, in honour of the 700th anniversary of the Gladzor University, the Gladzor University Museum was opened due to the efforts of the congregation of the church of Vernashen. On the hill near the University are paths which were built

during the works for celebration of the anniversary of the Gladzor University, which could now be used for establishing a park. where the main exhibits could be cross stones together with vines and grapes.

Once they have tasted the wine and become familiar with it,, tourists may wish to visit the vineyards where it is made and experience the country lifestyle and culture of the wine regions. Not far from the Tanahat church near Gladzor University, the villagers of Vernashen have their vineyards. After a visit to Gladzor University tourists could harvest the grapes and taste the wine, walk in the vineyards, sit under shadow of apricot trees and from distance see the ruins of Gladzor University and Tanahat church.

On the other edge of the village are vineyards established by “Getnatoun” winery. From here tourists can see the Proshaberd fortress and listen to stories about region. A tour to the fortress and Spitakavor church.could be organised. Proshaberd is a fortress built in the 13th century. It is located approximately 6-7 kilometers north of the village of Vernashen. Almost one kilometer east from the fortress is the 14th century Spitakavor Church dedicated to Saint Astvatsatsin.

The historical sites of the village just mentioned are depicted on the labels of the wine produced and bottled there. For example “Getap Vernashen” wine produced from “Getap Wine Factory” LLC, or “Areni of Vernashen” produced by “Getnatoun” LLC portray pictures of Surb Ashtvatsatin church, which is situated in Vernashen village. This is another opportunity for wine tourism. In this way, wine-making promotes tourism and vice versa, tourism can promote wine-making, to the benefit of the areas involved.

5. A strategy for the development of wine tourism in Armenia

The previous sections have attempted to illustrate the latent potential for the development of wine tourism in Armenia, as a means of promoting overall rural and economic development of the country. It is clear, however, that progress in that direction requires the creation of a favourable social and institutional environment.

Continuing with the example of the Vayots Dzor region, at the moment, “tourist products” in general, and “wine tourism products” are almost non-existent. Until such “products” are developed it is not possible to initiate an effective campaign for their promotion. Clearly, the products should be developed with an eye towards potential target markets, and tailored accordingly. The target markets for tourism in general are well specified plans for tourism expounded in (US Aid-Caps, 2007). As regards wine tourism in particular, which is not mentioned in this detailed document, it is necessary however, to elaborate a specific strategy for development, within which short term action plans can be drawn up and carried

out. This type of plan should be limited to a specific wine producing area. At a later stage, coordination between the different areas could prove beneficial.

The local action plans should operate at three levels: in the first place, the basic traditions, as illustrated for Vayots Dzor and for Vernashen village, provide a favourable starting point and should be developed in a systematic manner

Secondly, much must be done to educate operators and personnel for the many different activities necessary for development of wine tourism.

Thirdly, tourist infrastructure, in the forms of accommodation, catering, and other basic services must be strengthened;

In a first phase, it is necessary to draw up an inventory of actions possible which build on existing festive traditions, and to select those to which priority should be given on the basis of the most favourable benefits: cost ratio. It is important to limit the number of initiatives in order to concentrate attention and resources – both financial and human, and to provide visible results in a short space of time.

This can be done most successfully if the time span of the action plan is short –possibly not longer than 12 to 18 months, offering the prospective for launching further plans once the first ones have reached a self-sustaining phase. It is essential to overcome the inevitable local rivalries for obtaining the limited development resources. Priorities for plans could be based partly on the brevity of the time span realistically necessary for their implementation.

The development of tourist infrastructure in general will require a longer term planning horizon as regards investment in construction of hotels and transport systems. It is important, however, to create a climate favourable to private enterprise, which can operate both on a large and on a small scale.

In particular, on a smaller rural scale, wine cellars as well as grape producers and farmers in general, could be encouraged to expand their activities into the hospitality sector, a form of agro-tourism, possibly by introducing fiscal advantages or credit facilities. In this way, rather than by the construction of large establishments, the character of rural areas will be maintained and there would be encouragement of the category of tourists interested in rural activities.

Qualified human resources for wine tourism sector are just as important as the physical infrastructure, and here much remains to be done. If the objective is to attract foreign tourists, it is essential that those employed in the sector should have a working knowledge of one or more foreign languages. Both foreign and domestic tourists, however, benefit from guides well prepared in all aspects of the tourist features of the country, with a knowledge of local history and culture, as well as an intimate knowledge of wine production and tasting in all its aspects.

Professional training for tourist guides is important. It has been recognised as such since the early years of the new millennium and in 2002 the Armenian Tourist Development together with the International Executive Services Corps provided a first training course on leadership for government officials and tourism industry managers. Professional training for tourist guides and other workers in the tourist industry is recognised as important (US Aid-Caps, 2007; US Aid-Caps, 2008 b). A recognised register of guides has already been initiated. It is essential, however, that some provision be made specifically for wine tourism –both by including it in training programmes already foreseen at a general level, and by running specific training at local level in the areas of wine tourism.

6. Conclusions

Armenia is a country with an important but little-known patrimony which lends itself to the development of tourism from the point of view of history and culture. In particular, archaeological evidence suggests that the country has been the cradle of wine production. These endowments could be utilised to promote the economic growth which the country strongly needs.

Wine tourism provides an opportunity for the development of tourism both in cities and in rural areas. It could be considered either as a central feature of tourism “products”, or as a complementary feature for tourism which revolves around other aspects of interest. In either case, it would promote the well-being of rural areas, reinforcing incomes for farmers and for wine manufacturers.

In order to encourage wine tourism, it is necessary to carry out a strategy for the development of tourism as a whole. More emphasis is needed, however, in developing the specific sector, building on local traditions, facilitating and encouraging small-scale private sector intervention for the development of services of hospitality on the part of wine producers through forms of agri-tourism, and for the provision of local structures of support for other associated services such as wine tasting and exhibitions. It is, moreover, essential to provide effective training both for those who work in the rural hospitality sector and in producing and promoting wines. These two categories provide the key for transmission to tourists of the local wine culture.

The international tourist market is extremely competitive, and monitoring of the position of Armenia (US Aid-Caps, 2009) has shown a deterioration of its relative ranking in recent years. Attention to the potential of the wine sector could possibly improve the situation and, also in Armenia, as in other countries, it may prove that “wine tourism represents the most innovative phenomenon of the more general tourism supply created around a territorially intensive product” (Asero, V., and Patti, S. 2009 a)

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