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PECULIARITIES OF BUSINESS ACTIVITIES OF HERITAGE AND
CULTURE-BASED EXPERIENTIAL TOURISM ENTERPRISES
IN THE REPUBLIC OF ARMENIA

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The article presents the peculiarities of business activities of enterprises operating in the Republic of Armenia (RA) offering heritage- and cultural-based experiential tourism (HCBET) products and services. The article proposes the content of an integrated Business Canvas Model for enterprises engaged in similar activities. The integrated business canvas is based on the study of the cases of the enterprises selected within the framework of the research, according to the following key factors: Thematic areas, Activities/services, Marketing approach, Financing methods, Key success factors and challenges, and Potential for future development. Enterprises, operating in this field, are considered key cells of this kind of tourism development in the RA. Those enterprises are considered social organisms, which, if properly managed and provided with appropriate support, can become the basis for the long-term development of this kind of tourism in the RA. Therefore, it is necessary to systematically present the system of tourism services and products of enterprises included in the HCBET and the generalized model of business activity. It is important to emphasize that HCBET in the RA mainly includes hotel and restaurant businesses that mainly offer experiences based on Armenian intangible cultural heritage.

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Keywords: culture, tourism, experiences, experience economy, experiential tourism, sustainable tourism, Republic of Armenia.

Introduction. In recent decades, the experience economy has become an object of scientific research and a key factor in the development of the modern economy. As Pine and Gilmore rightly note: “Though experiences happen in the minds of people, the experience economy is about business activities” [1]. The latter is experiencing rapid development in the field of tourism, as the most practical field of application of this concept. The Republic of Armenia (RA) tourism sector was not left out of that process. Now Heritage- and Culture-based Experiential Tourism (HCBET) is considered a rapidly developing new approach to tourism in the RA, the success of which is based on both the rich cultural heritage of the RA and

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investments and existing experiential tourism enterprises [2, 3]. It can be said that the existing enterprises involved in HCBET are considered social organisms, which, if properly managed and provided with appropriate support, can become the basis for the long-term development of this kind of tourism in the RA. Therefore, it is necessary to systematically present the system of tourism services and products of enterprises included in the HCBET and the generalized model of business activity, which can be useful both in the RA and in other countries, for other individuals/enterprises initiating similar activities. In this regard, the following aim for this research has been set: to introduce the peculiarities of business activities of the enterprises included in the RA HCBET and to suggest a generalized model of doing business in this field.

Research Methodology and Database. The main methodological approaches used in the article are inductive (with a type of non-full induction), the use of primary and secondary data based on the case studies of particular enterprises (Tab. 1), which have been studied in the framework of the following topics: Thematic areas, Activities/services, Marketing approach, Financing methods, Key success factors and challenges and Potential for future development. Based on these approaches, research methods of analysis and synthesis, classification, sociological surveys, and modeling were used.

Table 1

The list of the studied and surveyed enterprises (as the best practices) involved in the RA HCBET in the framework of this research [4]

No	Name of Enterprise	Product related to HCBET	Location, RA
1.	Hotel Yeghevnut	Hand cream making with beeswax master class	Syunik Region, Goris Town
2.	Guest House Legend	Smbataberd Fortress hiking and gata baking master class.	Vayots dzor Region, Artabyunk village
3.	Guest House Iris	Tanapoor cooking master class	Lori Region, Alaverdi Town
4.	Guest House “Under the Walnut Tree”	Gatamking experience in tonir	Vayots Dzor Region, Eghegnadzor Town
5.	Guest House Chalet-Gyumri	Chanakh dish and sweet pokhindz making master class	Shirak Region, Gyumri Town
6.	Noosh Guest House and Restaurant	Klulik and Nooshello making experience	Aragatsotn Region, Ashnak village
7.	Restaurant Ar Areni	Viticulture, tolma, and fish cooking master class	Vayots Dzor Region, Areni village
8.	Restaurant LOBY	Tolmamaking with bean leaves experience	Syunik Region, Verishen village
9.	Restaurant Aghavnatun	Traditional loshmaking and barbecue in a special tonir experience	Tavush Region, Aghavnavank village
10.	Mosh workshop and shop	Creation of your own folk art doll experience	Vayots Dzor Region, Eghegnadzor Town
11.	Art Center Arhestanots	Pottery master class and making clay souvenirs	Vayots Dzor Region, Areni village
12.	Sisian Ceramics	Pottery class and batik scarf making	Syunik Region, Sisian Town
13.	Wool-to-Carpet	Making Armenian carpets	Syunik Region, Shinhayr village
14.	Mayilyan Woodcarving	Woodcarving master class	Tavush Region, Ijevan Town
15.	Buduart	Copper jewellery-making master class	Tavush Region, Dilijan Town

Research Results and Discussion.

Thematic Areas. The enterprises included in the HCBET in the RA mainly belong to the following types of tourism industry enterprises: a) overnight enterprises: hotels, guest houses; b) catering enterprises: restaurants. It should be noted that these enterprises were either created based on experiences (as the main product of these enterprises), or these existing enterprises added experiences based on intangible heritage values in their current main offers. At the same time, individuals (as individual entrepreneurs) are also engaged in entrepreneurial activities within the framework of HCBET. They present their cultural skills (painting, statuary, engraving, etc.) as an experience and offer them to tourists. Thematic festivals (wine, tolma, barbecue, gata, etc.) are also considered as special experiences.

The experiences presented by the types of above-mentioned business activities are based on Armenian cuisine, crafts, and art, which are presented to tourists mainly in the form of master classes, storytelling, and study tours.

Activities/Services. The services of the enterprises included in the HCBET in the RA can be classified into two groups: a) services that are specific to the enterprise and are not directly related to experiences, such as providing overnight stay, food serving/delivery; b) services based on cultural values and provided to tourists in the form of experiences, such as master classes, and hiking tours.

In other words, the services of the enterprises are not diverse, and the main service, for the vast majority of cases, is the master class, which expresses the cycle of creating the value of the given intangible cultural heritage. Therefore, it can be said that HCBET services are practical and life-specific educational services.

Marketing Approach. The enterprises included in the HCBET in the RA use both digital and non-digital marketing tools/methods. In particular, among the digital marketing tools for these enterprises are social sites/social media marketing (SMM, Instagram, Facebook), booking systems in the field of tourism (Booking.com, TripAdvisor), search engines (Google Maps), Google My Business, blogging. Some enterprises also have their own website. Non-digital marketing tools include participating in various events or organizing events themselves, publishing articles in the print media, word-of-mouth marketing, and collaborating with other tourism industry enterprises.

Financing Methods. The enterprises included in the HCBET in the RA ensure their financial stability mainly with the help of the following: Revenue from the sale of offered services, Resale, Business loans, International and National Grant programs, Personal investments, and Support from friends/relatives.

Key Success Factors and Challenges. The key success factors of the enterprises included in the HCBET in the RA are very diverse. Still, as a result of their systematization and classification, the following key factors can be distinguished (Tab. 2).

According to Tab. 2, the “hard” factors for the success of the enterprises are much more diverse and had a basic influence on the enterprises but at the same time “soft” factors, according to the owners, helped them to overcome the main challenges faced during the business activity. It should be noted that these businesses have faced certain challenges, the key ones of which are lack of previous experience, dissemination of information and awareness raising, unfair market competition, poor infrastructure, stereotypes on their experience-based services/products by locals, and concertation only on incoming tourists.

Table 2

Key success factors of enterprises involved in the RA HCBET

“Hard” factors	“Soft” factors
The chosen right idea	Teamwork
A clear formulation of dreams and goals	Collaboration and considering competitors as partners
Choosing a favorable geographical location	Personal qualities (optimism, positive attitude towards the future, initiative, diligence, ability to be creative and innovative, courage, devotion, compassion, ability to be open to new thoughts/ideas, ability to reject stereotypes, flexibility, ability to react quickly to changes, long-term thinking, willingness to share own values, striving to constantly learn and constantly improve, smile, hospitality)
Availability of professional skills and knowledge	–
Target market selection	–
The uniqueness of the services/products	–
Providing feedback to customers	–
Being a family-based business	–
Activities based on local resources (natural, cultural, human) and values	–
Ecological cleanliness of the activity(es)	–
Taking into account the risks and challenges before and during the activity	–

Potential for Future Development. The future development factors of the enterprises included in the HCBET in the RA are very diverse and can be classified into three main dimensions: Social-Economic, Marketing, and Geographical (Tab. 3).

Table 3

Future development dimensions of enterprises involved in the RA HCBET

Social-Economic	Marketing	Geographical
The use of Armenian intangible cultural heritage, which is not yet used but has great potential in terms of creating experiences	Strengthening cooperation in both local and international markets	Diversification of activities (new experiences, services) and spatial decentralization (spreading their activities in other communities of the RA in the form of opening guest houses, restaurants, etc.)
Carrying out charitable activities	Diversification of the target market (not only incoming but also creating offers for domestic tourists)	Development of organizational innovations in experience offers (“movable experiences”)
Acquisition of devices and equipment that contribute to the development of their experiences	Developing new marketing strategies	–
Development of educational skills and upbringing activities needed to create cultural experiences for local youth	Implementation of enterprise rebranding	–
The use of alternative energy sources	–	–

According to Tab. 3, the main development dimensions are mainly Socio-Economic and Marketing, which have been seen as the basic ones for the enterprises of business activities. At the same time, Geographical dimensions are seen as the strategic ones because they provide to enter new markets and newly enter the markets.

Based on the above-presented analysis, it is possible to compile the content of an integrated Business Canvas Model (Tab. 4) of enterprises currently engaged in HCBET of the RA, which can be a guide for both individuals and enterprises already wishing to engage in such activities in the future. It can be said that this Canvas Model is an integrated methodological guide expressing reality. Of course, the examples presented under each point should simply be taken into account, but when creating own one, they should be supplemented with new approaches, innovative solutions, and existing requirements under the spirit of times.

Table 4

The integrated Business Canvas Model of the enterprises included in the RA HCBET

Key partners	Key activities	Value propositions	Customer relationship	Customer segment
<ul style="list-style-type: none"> Local entrepreneurs Local individual Tour operators and agents International donor organizations 	<ul style="list-style-type: none"> Culture-based tourism experiences in the form of master classes/ organization of services Organization of hiking tours 	<ul style="list-style-type: none"> Unforgettable cultural memories A combination of nature and culture Opportunities for self-expression and self-manifestation Opportunities to try and develop own creative mind Ecologically clean food and ecologically clean services 	<ul style="list-style-type: none"> Accepting the customer as a guest Honesty with guest-customer Regular feedbacks Direct communication 	<ul style="list-style-type: none"> Incoming tourists Families Youngsters Culinary lovers Lovers of art and craft
	<p>Key resources</p> <ul style="list-style-type: none"> Family resources; <ul style="list-style-type: none"> ✓ skills and knowledge of family members ✓ family property Intangible cultural heritage values at the location of the business and locals Financial (business loans and grants) Friends 		<p>Channels</p> <ul style="list-style-type: none"> Own website Own pages on social networks (Facebook, Instagram) Registration in travel booking systems (Booking.com, TripAdvisor) Registration in Search Engine (Google Maps) Word-of-mouth marketing Cooperation with travel companies 	
<p>Cost structure</p> <ul style="list-style-type: none"> Salary Taxes Technical support Amortization Dissemination of information and marketing Acquisition of raw materials for creating experiences 		<p>Revenue streams</p> <ul style="list-style-type: none"> Sale of basic services and experiences Resale Sale of additional services 		

Conclusion. HCBET in the RA mainly includes hotel and restaurant businesses, which mainly offer experiences based on Armenian intangible cultural heritage. It can be concluded that the main peculiarities of the business activities of HCBET enterprises in the framework of experiential tourism are: not diverse services, narrow scale of financial resources, combination of classical and modern marketing approaches, person-based and logically planned key success factors, and

territorial diversification and sustainable-based and innovative future development directions.

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ՄՇԱԿՈՒԹԱՅԻՆ ԺԱՌԱՆԳՈՒԹՅԱՆ ՎՐԱ ՀԻՄՆՎԱԾ ՓՈՐՁԱՌԱԿԱՆ
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Ա մ փ ո փ ու մ

Հոդվածում ներկայացվում է մշակութային ժառանգության վրա հիմնված փորձառական զբոսաշրջության (ՄՄՀՓՁ) արտադրանքներ և ծառայություններ առաջարկող ՀՀ-ում գործող ձեռնարկությունների բիզնես գործունեության առանձնահատկությունները և առաջարկվում է նմանատիպ գործունեություն ծավալող ձեռնարկությունների համար ինտեգրված բիզնես գործունեության կառուցվածքի բովանդակություն: Վերջինս հիմնված է հետազոտության շրջանակներում ընտրված ձեռնարկությունների փորձի ուսումնասիրության վրա՝ ըստ նրանց բնութագրող հետևյալ առանցքային գործոնների՝ գործունեության բնագավառ, ծառայություններ, մարկետինգային մոտեցումներ, ֆինանսավորման միջոցներ, հաջողության առանցքային

գործոններ և մարտահրավերներ, ապագայի զարգացման ներուժ: ՄԺՀՓՁ ՀՀ-ում զարգացման առանցքային բջիջներ համարվում են այդ ոլորտում գործող ձեռնարկությունները: Վերջիններս այն սոցիալական օրգանիզմն են, որոնց ճիշտ կառավարման և համապատասխան աջակցության առկայության դեպքում, կարող են դառնալ այս զրոսաշրջության երկարաժամկետ զարգացման հիմք: Այդ իսկ պատճառով էլ՝ անհրաժեշտություն է առաջանում համակարգված կերպով ներկայացնել ՄԺՀՓՁ մեջ ներառված ձեռնարկությունների զրոսաշրջային ծառայությունների և առաջարկների համակարգը և ձեռնարկատիրական գործունեության իրականացման ընդհանրացված մոդելը: Անհրաժեշտ է ընդգծել, որ ՄԺՀՓՁ Հայաստանի Հանրապետությունում հիմնականում ներառում է հյուրանոցային և ռեստորանային բիզնեսներ, որոնք հիմնականում առաջարկում են հայկական ոչ նյութական մշակութային ժառանգության վրա հիմնված փորձառություններ:

Г. П. АЛЕКСАНИЯ, С. Р. СУВАРЯН

ОСОБЕННОСТИ БИЗНЕС-ДЕЯТЕЛЬНОСТИ ПРЕДПРИЯТИЙ ОПЫТНОГО ТУРИЗМА НА ОСНОВЕ КУЛЬТУРНОГО НАСЛЕДИЯ В РЕСПУБЛИКЕ АРМЕНИЯ

Резюме

В статье представлены особенности предпринимательской деятельности действующих в РА предприятий, предлагающих продукты и услуги опытного туризма на основе культурного наследия (ОТОКН), а также предложено содержание интегрированной бизнес-модели Канва для предприятий, занимающихся аналогичной деятельностью. Последнее основано на изучении кейсов предприятий, отобранных в рамках исследования по следующим ключевым факторам: сфера деятельности, услуги, маркетинговый подход, источники финансирования, ключевые факторы успеха и проблемы, потенциал для будущего развития. Предприятия, работающие в этой сфере, считаются ключевыми ячейками развития этого туризма в РА. Существующие предприятия, участвующие в сфере ОТОКН, считаются социальным организмом и при правильном управлении и обеспечении соответствующей поддержки могут стать основой долгосрочного развития этого туризма в РА. Поэтому необходимо системно представить систему туристических услуг и продукции предприятий и обобщенную модель их предпринимательской деятельности. Важно подчеркнуть, что ОТОКН в РА в основном включает в себя гостиничный и ресторанный бизнес, который предлагает опыт, основанный на нематериальном культурном наследии Армении.