

SPATIAL PECULIARITIES OF LOCAL TOURISM SUPPLY CHAINS IN HIGH-MOUNTAINOUS GEORGIA: CHALLENGES AND PERSPECTIVES

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Abstract

The primary aim of this article is to study the spatial peculiarities of the integration process of the community-driven economic activities within a local tourism supply chain. To achieve this, mainstream approaches were synthesized with the traditional methods of collecting and analyzing data. More precisely, a qualitative study was carried out in various communities of Mestia Municipality in Georgia. The research methods for data collection combined in-depth interviews with local households and focused interviews with representatives of the tourism industry. The empirical data was analyzed on the basis of a seven-step thematic analysis method processed through qualitative data analysis software (MAXQDA). A Qualitative GIS concept was also applied to reveal primary trends and challenges, finally illustrating the spatial peculiarities of the analyzed tourism supply chain. Ultimately, the presented article identifies the main actors in the local tourism supply chain and examines its functioning in the spatial context of Mestia Municipality. The study disclosed the geographical divisions of various settlements and their supply interlinkages.

Key words: *Local Tourism Supply Chain, Regional Development, Qualitative Research, Community-based Participatory Approach, Mountain Tourism Development*

1. INTRODUCTION

In high-mountainous regions, tourism development is in particular focus, as it incorporates and opens up a spectrum of additional economic options to mountain households in limited-opportunity environments (Casellas, 2002; Quintano et al. 2003). Outstandingly high expectations refer to tourism's positive multiplier effect, explained in details later on and diverse interlinkages with a wide range of economic fields, which dramatically distinguishes tourism's tremendous opportunities from the rest of the sectors (Hajilo et al. 2017). Traditionally, researchers had mostly seen the benefits of tourism through its direct impacts (the hospitality industry: hotels, cafés/restaurants; travel agencies; transport) until the 1960s, when the multiplier effect theory

emerged in tourism studies, and has since led to the investigation of economic activities beyond direct engagement in tourism. Obviously, tourism development generates extra/indirect demand in allied economic sectors, primarily in those sectors that supply it through purchases of goods and services from the non-tourist sectors of the economy (Lejarraja and Walkenhorst, 2007). Hence, tourism's economic impact is much greater on the whole range of farming and industrial production, including the production of capital goods, public works, and services, compared with other economic sectors (Vellas, 2011). Parallel to tourism development, a growing body of literature on the international level is being developed regarding the backward linkages of tourism that have been observed (Belisle, 1985; Telfer and Wall, 1996; Stynes, 1997; Torres and Momsen, 2011).

According to the World Tourism Organization (2017), in recent years, Georgia has achieved unprecedented rates of tourism growth on global level. According to the Georgian National Tourism Administration (2018), in 2016, for the first time, the revenue from tourism reached US\$2.2 billion, and the number of international tourists exceeded six million. Importantly, the rapid upward trends remained steady, hitting a new record in 2018, with Georgia being the destination for 8.7 million international travelers. The case is similar for the foreign exchange income, which, according to the data from 2018 (I-III Quarter), gradually increased to US\$2.6 billion in revenue. Together, these figures show that tourism constitutes one of the most progressive economic fields, and plays a crucial role in improving Georgia's socio-economic conditions.

Despite such positive trends, the initial signs of the existence of two parallel realities triggered by tourism development were disclosed in the mountainous areas of Georgia. Researchers who were investigating the socio-economic peculiarities of rapid tourism development found that its positive influences were unilateral and primarily related to the economic growth provoked by the development of accommodation units, catering establishments, etc. However, they also found that the indirectly adjoined broad spectrum of economic fields, such as agriculture and manufacturing, which should be growing in tandem to chart an inclusive development course together, have not enjoyed the same expected growth. This significantly hinders the expected improved economic welfare of local dwellers, and as time goes on, it reduces the possibilities of creating a sustainable socio-economic environment. As the study results were limited to investigating the linkages between tourism and other economic sectors, researchers have stressed the imminent need for a thorough study of local tourism's supply side (Javakhishvili, 2016; Kochlamazashvili and Kakulia, 2016; Gugushvili et al., 2017; Heiny et al., 2017).

With all these factors in mind, the primary aim of this article is to study the functioning of the local tourism supply chain (LTSC) in its spatial context, meaning the geographical aspects of its functioning. Importantly, the presented article gives significant attention to the territorial aspects of the LTSC, which have been neglected in LTSC studies (Ioannides and Debbage, 2000). Such an approach investigates the geographical aspects of the LTSC, thereby presenting a complex spatial image of tourism development.

The article is structured as follows. The next section is the literature review, which, in compliance with the research's purpose and objectives, will cover several emerging issues, including the indirect effects of tourism, an investigation of tourism actors' needs, and the significance of local tourism's supply side for local as well regional development. The theoretical framework section will present the integration and significance of the multiplier effect theory for achieving the research aim. The results and discussion sections will provide the actual outcomes of the research and generate facts and findings. In the concluding section, methodological

limitations will be discussed, further research dimensions will be recommended, and several clear conclusions will be made based on the study's results.

2. LITERATURE REVIEW

2.1. Theoretical Framework

The multiplier effect theory (Keynes, 1936) was put forward by the famous American modern economist John Maynard Keynes in the 1930s. This theory refers to an economic principle stating that if there is an increase in investment in an industry, the industry will raise its expenditure on purchasing means of production and livelihood from other industries whose income will then be increased, which will further expand consumption and promote the development of consumer goods (Rusu, 2011). In 1939, Paul A. Samuelson enunciated this theory within the context of tourism, claiming that the money spent by tourists not only supports this industry in flourishing (e.g., by increasing hotel employment), but also indirectly accelerates other allied industries that supply tourism with goods and services (Zhong, 2010). Since then, the multiplier effect theory emerged in tourism studies as a means to investigate economic activities beyond direct engagement in tourism (Raina and Agarwal, 2004). Its basic rationale for tourism is that tourists' spending can have successive and magnified effects on the host country's economy in three ways. First, tourist spending creates direct revenues, called the direct-multiplier effect. Second, the recipients of direct expenditures spend that money to purchase necessary goods, creating an indirect-multiplier effect. Third, the beneficiaries of the direct and indirect spending, in turn, spend that revenue on unrelated goods and services, thus creating an induced-multiplier effect (Khan et al., 1995; Ryan, 2018). The presented article integrates the multiplier effect theory as a theoretical baseline to identify the interconnections between tourism and other adjoined economic branches.

2.2. Studies on the Tourism Supply Chain

The analysis of the literature in the field of tourism supply chains, published in the Web of Science, shows that in recent years, there has been growing interest in tourism supply chain studies. It should be emphasized that topics such as sustainable development, tourism management, travel agencies, integration, and coordination deserve closer attention than other topics (Szpilko, 2017). As tourism needs the collaboration of various actors to develop tourism experience, the interrelation between the stakeholders was studied through a different perspective. In the literature, there are several examples of investigations of tourism supply chains employing a limited perspective in the sense that the authors only included representatives of tourism (e.g., accommodation, tour operatories, and cafés) (Guo and He, 2012; Huang et al., 2012). The results of those studies indicated that representatives suffered from a lack of information exchanges to build strong bonds among the main members of the tourism supply chain (Roy et al., 2015). Several authors studying tourism supply chains integrated not only accommodation, transport, bars, and restaurants, but also handicrafts, food production, waste disposal, and the infrastructure that supports tourism in their destinations (Tapper & Font, 2004). Mgonja's (2015) article draws our attention to the major challenges local food suppliers encounter in accessing tourism markets: the unstable prices of local food, lack of food handling skills, the low quality of local food, and seasonality. Other authors also investigated linkages between the tourism industry and local food suppliers; based on these studies, some additional findings have emerged: the violation of

agreements between suppliers and hotels, local suppliers' reluctance to issue formal receipts, and mistrust between the two parties (Anderson and Juma, 2014; Hampton et al., 2018). It is notable that local agriculture has better linkages with the tourism industry than non-food items, such as furniture, fittings, and equipment. In the same study (Hampton et al., 2018), it was found that the scale of the accommodation was relevant, as small, locally-owned businesses (typically a key component of inclusive growth) had lower leakages than larger tourism operations, which were typically owned by outsiders and national Vietnamese companies, often conglomerates.

The common aspect of all the above-mentioned literature is that all of the authors supported the idea that integration of local suppliers will improve local people's income and reduce financial leakage. Furthermore, investments in local sourcing may provide their clients with an "authentic experience" (Frauenrath, 2013; Rahmani et al., 2016).

Up to the present time, various scholars have stressed the importance of researching the geographical distribution of tourism's supply side. As Holden (2013) maintained, the geographical impact of the indirect (secondary) effect of tourism, in contrast to the direct impact of tourism, is not concentrated merely within the destination itself, but has a spatial reach over a larger area. Hence, such peculiarities of the supply side of tourism need a spatial analysis in order to observe the distribution of its benefits over a large geographical area. The author also claimed that, owing to the diversity of the industries involved in the supply chain, the indirect effects also benefit a larger number of households compared to the direct effects, albeit with smaller earnings per household (Holden, 2013). More recent evidence (Roy, 2013; Hajilo et al., 2017) suggests that thorough study of the spatial context of tourism's supply system is needed for a proper understanding of how to maximize the expected benefits through tourism development. Furthermore, another study surrounding this topic has suggested that the common challenge to accessing tourism markets is the geographical dispersion of producers (Slocum and Everett, 2010).

2.3. The Local Tourism Supply Chains in the Georgian Context

In terms of regional development, tourism's role in the economy for the hospitality industry (cafés, hotels, and restaurants) and travel agencies and carriers, which generate the leading service sector income in most countries, is often perceived as being limited compared to the anticipated benefits from the simultaneous development of its adjoined economic sectors. Similar to other countries' experiences, in Georgia, most of the empirical studies carried out in the field of tourism have tended to be oriented toward an investigation of the economic branches within the boundaries of tourism's direct effects. Although such an approach is undoubtedly necessary, it does not allow for considering the tremendous potential of the mentioned industry; namely, an incremental yield potential to reach economic welfare and an increased quality of life for the people, which can be reached through intensified productivity ties between tourism and other economic activities.

Throughout the latest few complex studies implemented in the mountainous regions of Georgia, researchers witnessed the urgent need for in-depth studies of the indirect impacts of tourism. One of the recent studies regarding the value chain of agricultural products identified tourism as an important product market actor (Javakhishvili, 2016; Kochlamazashvili and Kakulia, 2016); however, the study was limited to investigating the characteristics and challenges of the procedures needed to reach the tourism market. Furthermore, based on the latest international scientific project results, few researchers have stressed the importance of studying the LTSC in the mountainous regions of Georgia after minimal coexistence and cooperation with agriculture turned out (Hüller et al., 2017). More precisely, a significant decline was seen in mountain residents' traditional

economic activities. Hence, this reveals signs of fragmented development, which is expressed in weak linkages between tourism and its associated economic activities (Gugushvili et al., 2017).

3. METHODOLOGY

3.1. Research Design

The methodological framework of the research stands on a synthesis of solutions from mainstream approaches with traditional methods of collecting and analyzing data.

The successful fulfilment of the research goals is highly dependent on the collection of essential empirical information in compliance with international standards. For this reason, the presented research design encompasses the triangulation method for empirical data collection. Owing to the purpose of the study, territorial information was collected along with qualitative data in order for both to enrich each other by illustrating their analytical linkages.

The analysis of the collected information was carried out through integrating a Qualitative Geographical Information Systems (QGIS) concept (Verd and Porcel, 2012; Pavlovskaya, 2017) into a well-known thematic text analysis using features of data analysis computer programs, such as MAXQDA and Qualitative GIS. Last, but of equal importance, through the synthesis of the distinctive scientific and methodological approaches discussed above, unique schemes were developed to illustrate the spatial reality of the LTSC within the patterns of geographic and sectoral aspects.

3.2. Target Groups and Sample Method

The target groups for the research were determined from the defined research objectives, and consist of the following: 1. Local households carrying out economic activities in the high-mountainous regions of Georgia, namely in Mestia Municipality; and 2. Representatives of different sectors of the tourism industry who operate within the administrative boundaries of Mestia Municipality.

Respondents were selected using purposive sampling, taking into consideration a few pre-defined traits inextricably linked to the research aim and objectives. Recruitment of the local households carrying out economic activities in the research area was arranged with consideration for the following characteristics: i) geographic location; ii) forms of economic activities (e.g., cooperatives or micro/small businesses); and iii) fields of economic activities (agriculture, construction, wholesale and retail trade, etc.) (EUROSTAT, 2008). During the process of recruiting the representatives of different fields of tourism who operate in Mestia, the following characteristics were considered: i) geographic location; and ii) tourism field (e.g., hotels, cafés/restaurants, and other suppliers of tourism services).

3.3. Data Collection

The qualitative study was held in several villages across 15 communities in the selected municipality, Mestia (Samegrelo-Zemo Svaneti region) (43° 2' 44" N, 42° 43' 47" E), which is among the most visited tourist destinations in high-mountainous Georgia. Importantly, the targeted communities included the surrounding as well as the most remote villages of the municipality.

Such an approach ensured the high geographical coverage of the study area in order to capture the spatial image of the tourism supply chain's functioning.

3.3.1. Textual data collection

Qualitative information was obtained via triangulation integrating two different methods: in-depth and focused (semi-structured) interviews. Accordingly, two types of research instruments were used for empirical data collection: in-depth interview guidelines and semi-structured questionnaires for focused interviews. To prevent bias in the research process, the interviews were audio-recorded.

The qualitative research methods for data collection combined 19 in-depth interviews with local households carrying out economic activities and 40 focused interviews with representatives of the tourism industry. Using an in-depth interviewing research technique ensured the ability to elicit a vivid picture of the informant's perspectives on the research topics in order to achieve coverage of the research questions. Furthermore, during the interview, the respondents were able to analyze the issues from different perspectives, which is one of the appropriate scenarios for the research method used. As for the second target group (authorities from different fields of tourism), a focused interview method was used to obtain detailed, structured information about the research objectives with the help of open-ended questions.

3.3.2. Geographical data collection

Alongside the interviews with respondents, during the fieldwork, geographic data was obtained through innovative mobile applications, such as OSMTracker. Through this tool, we were able to capture the spatial image of the actors involved in the LTSC in Mestia. Particularly, during the fieldwork, the geographic locations and communities of the interviewed local suppliers and representatives of the tourism industry were marked. This would ensure that the later analysis of the qualitative information would be considered in a geographical context (Qualitative GIS).

3.4. Data Analysis

3.4.1. Qualitative data analysis

For the empirical information obtained through the research, a total of 59 interviews were analyzed on the basis of a seven-step thematic analysis method and processed through the MAXQDA qualitative data analysis software. In the initial stage, the basic work (highlighting important passages in the text, creating memos, etc.) with the transcribed interviews was implemented. Subsequently, in strong compliance with the thematic analysis process, coding was utilized as a primary process, within which topical categories linked to the research objectives were developed (e.g., suppliers, recipients, local products, and integration challenges). The first coding process was followed by the process of determining sub-categories under the relatively general primary categories (e.g., sub-categories for the category of integration challenges: unstable supply, seasonality, the available amount of the product, and the offered price). Next, the second coding process was implemented, which integrated the simultaneous reading and coding of all the necessary data section by section and line by line. Ultimately, through the seven-step thematic analysis of the 59 interviews, 1195 coded segments in the narratives were grouped into various relevant thematic categories.

3.4.2. Geographical data analysis

It is notable, that the coded qualitative data were quantified through MAXQDA's unique tools and subsequently combined with the geographic locations of the targeted households. This constitutes one of the methodological novelties of this research project. After completing all phases of the thematic analysis, based on the narratives of the respondents, three types of dependence on the products and services purchased were identified; this was transformed into the categorical variable. In order to reveal the primary spatial trends of the LTSC, quantitized data were exported as a .csv file from MAXQDA and imported into the QGIS software. Using QGIS, we have joined two data files collected by different means, which allowed us to observe the geographical distribution of the above-mentioned categories (See Map 1). The same sequence was applied during the process of mapping data on the choropleth maps and analyzing the LTSC, particularly linkages between the suppliers and the recipient, Mestia townlet (See Map 2).

One of the novelties of the study is that it investigated the geographical aspects of the LTSC, thereby presenting a complex spatial image of tourism development, which constitutes one of the most important challenges in the field of LTSC studies. A Sankey diagram was selected to illustrate the LTSC; more precisely the types of products and services that flow from local and alternative suppliers to recipients. The essential MAXQDA analysis tool, "code configurations," was employed to prepare qualitative data in the form of a spreadsheet. Exported data were visualized using the networkD3 R software's package - Sankey Diagram (Gandrud, 2017) (See diagrams 1, 2, and 3). As predicted, it proved to be the best tool to trace the flow of the products/services in a way that shows the strength of the linkages between the supplier communities and recipient settlements. As a result, based on the above-described procedure, the spatial image of the LTSC's geographical distribution peculiarities was illustrated.

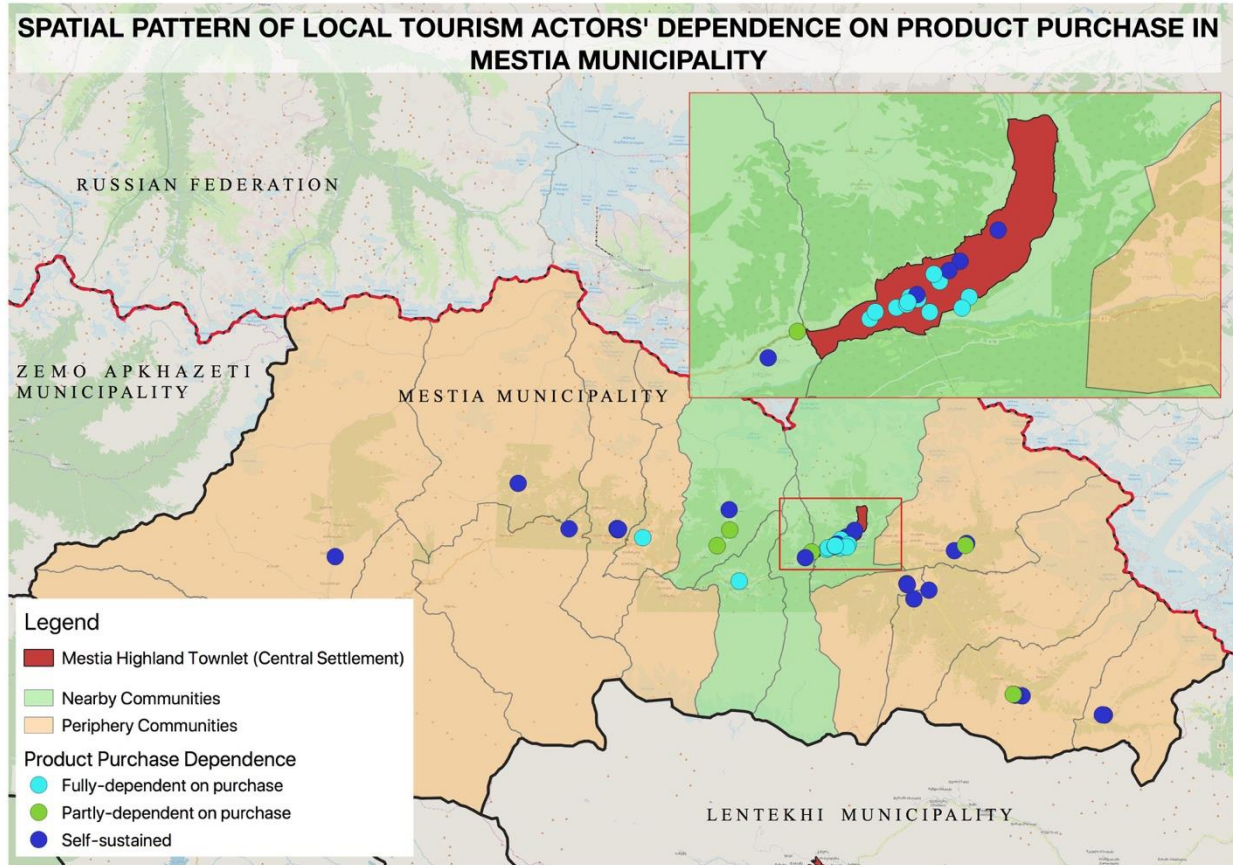
4. RESULTS

The presented article identifies the main actors of the LTSC and examines its functioning in the spatial context of Mestia Municipality (See Map 1).

For a better understanding of the territorial patterns of tourism actors' involvement in the LTSC, we divided the Mestia Municipality into three territorial groups/areas (central settlement, nearby, and peripheral communities) according to their geographic location. The presented map illustrates the variations in the product purchase dependency of the interviewed respondents (working in hotels, guesthouses, and catering establishments) in all three areas through the following established categories: i) fully dependent on purchase; ii) partly dependent on purchase; and iii) self-sustained (See Map 1).

According to the spatial analysis of the collected data, it seems likely that almost every fully dependent respondent is located in the central settlement townlet of Mestia. In this vein, the local owners of tourism facilities, representing the majority of the interviewed respondents, highlighted that before their involvement in the tourism industry, they were carrying out agricultural activities on a daily basis. Furthermore, besides subsistence farmers, some of the respondents were also economically dependent on the commercialization of their agricultural/food production. Interestingly, based on the narratives, after becoming engaged in tourism, some of the respondents did not continue their agricultural work, even those farmers who were engaged in agricultural production trades to some degree. Although their involvement in the tourism industry significantly varied (between 1 and 10 years), they outlined that it is impossible to operate in both tourism and

agricultural fields simultaneously. Therefore, after fully replacing their agricultural activities with tourist services, they became externally resource-oriented in terms of food supply.



Map 1. Spatial Pattern of Local Tourism Actors' Dependence on Products Purchased in Mestia Municipality

Meanwhile, representatives of the fully dependent (on food purchases) category comprised the minority of households in nearby and peripheral areas. Furthermore, some respondents belonging to this category were not permanent residents of the villages before (i.e., they returned to their villages relatively recently, after the 'tourist boom'), and they were not operating agricultural fields/plots like other indigenous households.

The category of partly dependent (on external food resources) respondents were not represented in the townlet of Mestia, but were located in the nearby and peripheral areas. Notably, this category contained the fewest respondents (and was therefore the least typical of the three). Based on the narratives, we concluded that the representatives of this category of respondents are continuously trying to move their human, financial, and labor resources to tourism at the expense of their agricultural activities. They only maintain the particular forms of agricultural production (e.g., milk products, cheese, potatoes, and beef) that are vital for both their daily lives and tourism. Consequently, they supply their guesthouses with their own farming products as well as with external purchases. The study found that most of the respondents were participating in trading before their transition to tourism, and some of them were still selling a few products periodically at the time of the study. However, they did not attach special economic significance to this fact.

„Teo: Only for the household. At present we do not have a lot to sell. Only for the family.“ (mestia_tourism\mestia_m_t_21: 98 - 99)

“Dali: Now we do not work on the land, I cannot handle it. We do not produce even potato, because now there is another source of income... (mestia_tourism\mestia_t_t_02: 103 - 103).”

“Anabeli: I sell potato... but it is so imperceptible.” (mestia_tourism\mestia_t_t_04: 218 - 219)

Remarkably, self-sustained rural households are dispersed in all three geographical layers/areas, but they are mostly found in peripheral communities. The findings reveal that all of the self-sustained families were carrying out agricultural operations before entering the tourism industry, and some of them had also been commercializing their products. Importantly, after they added the new economic field of tourism to their traditional economic activities, some of the respondents still managed to sell some agricultural products, whereas the rest of them stopped trading. The existence of the latter group, who were not able to continue to sell products, outlines the fact that the shortage of time and human resources is their main motivation to supply their families and guesthouses, and that they do not spend much money on purchasing food products. Each respondent indicated that they were nourishing their tourists with natural, home-made products. Notably, most of the respondents in the peripheral areas highlighted that even under active tourism development, they would try to maintain traditional agricultural activities, and even aspired to expand those activities. One reasonable explanation for these reflections could be that, on the one hand, tourism has not fully (in terms of scale and seasonality) entered the peripheral villages; in other words, tourists appear only episodically, and their flow is not permanent yet. On the other hand, in these peripheral villages, the respondents mentioned that the greatest limitation for them is the seasonality of tourism's benefits. Considering all these factors, agriculture remains the primary economic field of income for local dwellers in peripheral areas, whereas tourism constitutes merely additional economic activities, and is not yet capable of replacing agriculture. Notably, in peripheral areas, most subsistence farmers also participate in selling their products elsewhere, primarily in the townlet of Mestia; through this process, they participate in the local supply chain. All respondents residing in the townlet of Mestia and its nearby and peripheral areas highlighted that, from their perspective, it is not possible to successfully develop tourism and agriculture separately from each other.

„Anna: it is not possible without agriculture... because it [tourism] is not permanent. There may be days when nobody will enter neither the guesthouse nor the cafe.” (mestia_tourism\mestia_t_t_17: 37 - 39)

“Irma: They [agriculture and tourism] should be merged. Not separately... I cannot imagine them separately yet.” (mestia_local\mestia_m_l_13: 159 – 163)

„Juansher: We do not sell the products anymore, ... We have everything not only for self-consumption but also sufficient for the visitors, guests.” (mestia_tourism\mestia_m_t_16: 28 - 29)

„Sanata: nothing [I do not need anything to purchase] because we have livestock, we have also vegetables, potato. That is, we offer everything organic to our tourists.” (mestia_tourism\mestia_m_t_18: 20 – 21)

Qualitative data was collected from 40 respondents representing the tourism industry, including employees and owners of hotels, guesthouses, cafés, and souvenir shops. In addition, 19 households provided information on their economic activities and their linkages with the LTSC.

Based on the collected narratives, it is apparent that local agricultural products are more intensively integrated into the LTSC than other products or services. Notably, local cheese, meat,

milk, potatoes, and honey are the most commonly supplied agricultural products. The key recipient of the products is Mestia townlet, which is supplied by several communities, primarily Etseri, Fari, Tsvirmi, and other nearby villages with a broad range of products. In addition to Mestia, other major recipients are Ushguli, Lenjeri, and Ifari. The tourism actors residing in these communities are mostly supplied by their community households. Therefore, the agri-products produced in these areas are primarily internally consumed.

Sankey diagram #1 below illustrates that there are weak interlinkages between services and tourism. A small number of respondents indicated that they had the experience of using services such as horse rentals, car services, and laundry in order to serve their own visitors in hotels or guesthouses.

Based on the narratives, it was observed that locally produced products, such as wooden furniture, souvenirs, and stone items, are available; however, their integration into the supply chain is very weak. Despite the fact that natural resources used to create these products are available in Mestia, and households involved in their production have experience in the specific profession, they still face challenges in scaling up their economic activities.

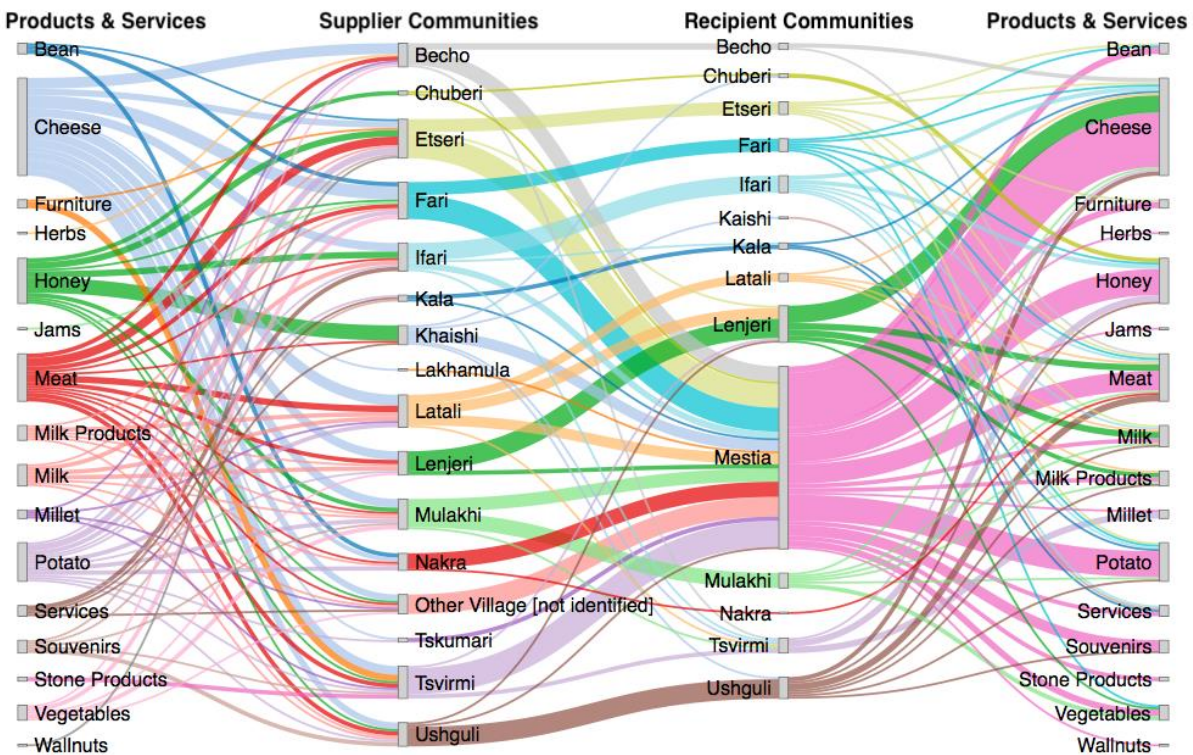


Diagram 1. Local Tourism Supply Chain in Mestia Municipality

Based on the narratives, many communities were found to utilize alternative markets for making their agri-products profitable. Such practices last for many years, having started before the development/revival of the tourism industry in the region in the 2010s. Along with several alternative options, the local residents have traditionally used Zugdidi Market, which has geographical proximity to Mestia, and is quite diversified. According to the respondents, since tourism has flourished, local households that do not operate accommodation units or catering services have the additional possibility of supplying goods at Mestia's market. However, for most people, Zugdidi Market is more attractive, and has many advantages compared to Mestia's market.

Equally important is highlighting the role of the ‘mobile shop’ phenomenon in this process. Such moving stores transport all types of products to every village of Mestia Municipality from Zugdidi City, and they make it possible for locals to barter their produced food in exchange for other necessary products. Interestingly, the most bartered agri-products from Mestia’s households are cheese and potatoes. Other alternative recipients are periodically available for Mestia’s households, including Kutaisi Market, Tbilisi, and Batumi households.

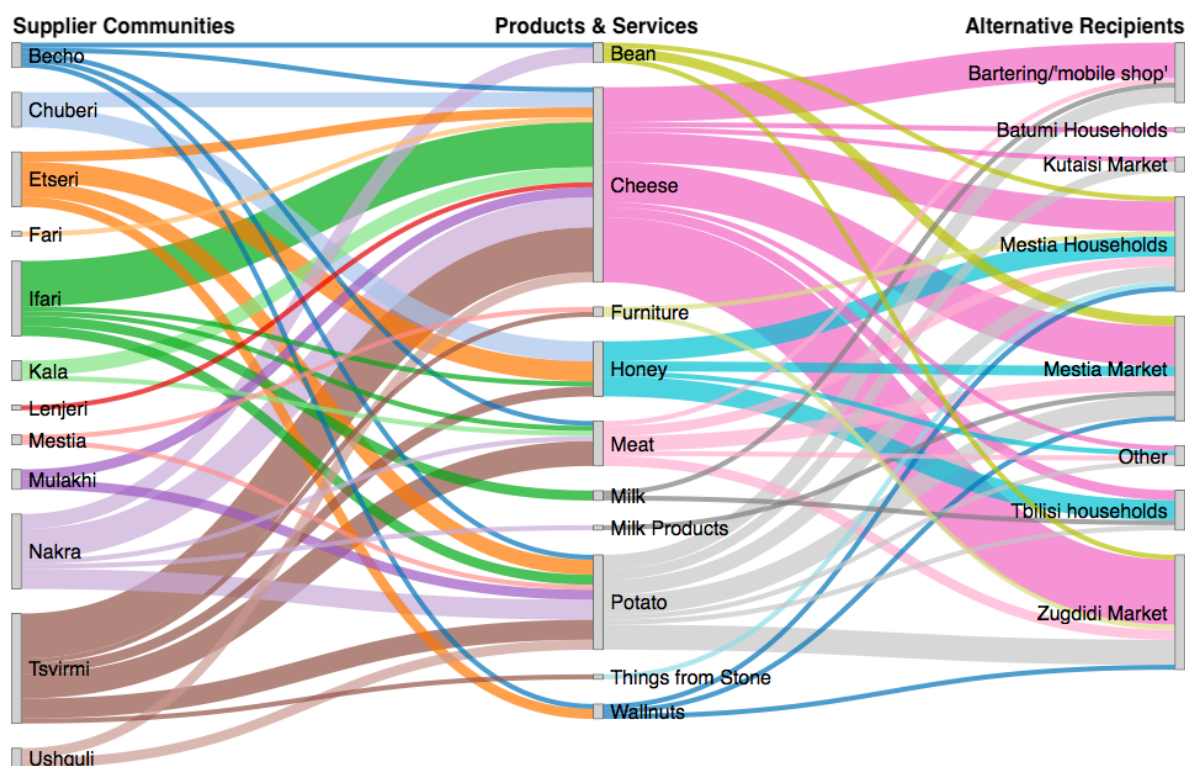


Diagram 2. Local Suppliers and Alternative Recipients in Mestia Municipality

Zugdidi’s existence as an alternative market option for tourism actors in Mestia significantly hinders the smooth integration of Mestia’s households and market products and services in the LTSC. Zugdidi Market offers several ‘attractive’ factors to maintain loyal recipients or suppliers from the study region, such as low prices, a natural exchange (barter) of products, permanent supply, geographical proximity, a diverse range of products, and product distribution options to all communities.

It is remarkable that a high number of tourism actors highlight the formal side of the supply process as a weak point of the local suppliers that ultimately prevents their cooperation. More precisely, most of the local suppliers do not have certified agricultural production and laboratory examination results regarding the safety of their food. Furthermore, they mostly avoid making official agreements with tourism recipients so as not to take on too much responsibility. Notably, a minority of local suppliers have managed to get official licenses for their produced agri-food, which opened doors to the larger recipients.

“Markozi: For two weeks I was trying to make an official contract with him [meat supplier], but perhaps he had so many orders that he lied to me a lot during that time. For instance, he told me that he did not have the meat, but I

had the exact information that he had, so I experienced that he could not satisfy the demand that we had.” (mestia_tourism\mestia_m_t_14: 42 - 43)

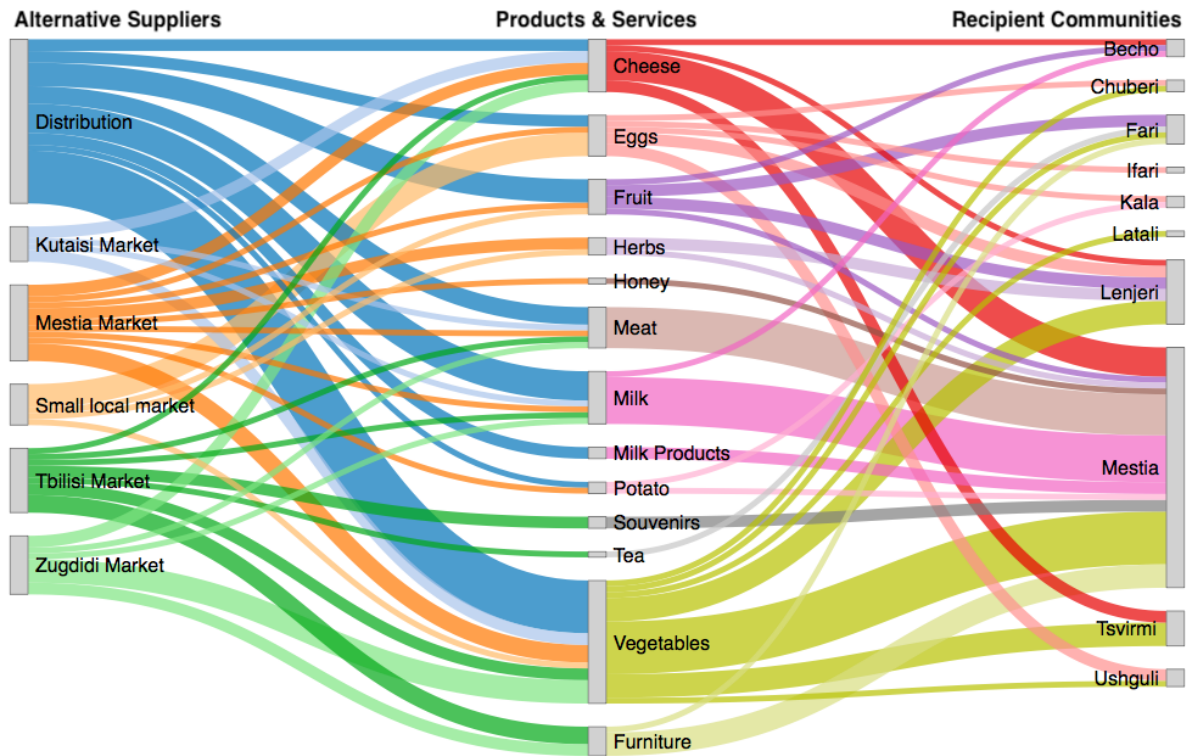


Diagram 3. Local Recipients and Alternative Suppliers in Mestia Municipality

Some of the local suppliers in different remote communities do not have the ability to provide product delivery services of their goods to the suppliers. This fact is observed as a significant barrier for them to cooperate with recipients over long distances. In itself, this situation creates weak product accessibility for the potential recipients, because most of them prefer not to transport their products by themselves over long distances.

Several additional barriers regarding integration in the LTSC were identified through the study, including the problem of unstable supply from the local suppliers. As the tourism actors pointed out, most of the suppliers cannot ensure that their product's supply will be permanent and relevant to their preliminary agreement. Moreover, several agri-products are characterized by their seasonality and volatile amount, which itself depends on the climate and natural conditions. Altogether, this creates a sense of instability for the long-term collaboration between local suppliers and recipients; hence, it is rarely achieved. Despite this, a few exceptional cases were observed to have overcome these challenges. Particularly, some farmers managed to set up greenhouses and successfully expanded the seasonality of their products.

“Tea: Mostly [most suppliers prefer to sell products in Zugdidi market] because the Zugdidi market has the capacity to more realization [than Mestia market]. The Zugdidi market is already like [so big], they will accept the number of products you deliver ... here no, locally [you cannot do full realization in Mestia market]...No... For example, with great pleasure, I would permanently supply [Mestia market] with the products which are left after my

consumption, but ... I do not always have cheese, because when I have a lot of guests, I need it and they [Mestia market] want such supplier, who will supply them consistently.” (mestia_tourism\mestia_m_t_19: 68 - 80)

Last but not least, based on the analyzed data, it was observed that most of the local suppliers lack the marketing skills to promote their products and establish ties to potential recipients. More precisely, it is rare for them to initiate direct contact with the potential recipients, give information about their products, and offer to supply them. This weakness is partly triggered by the fact that they have the impression that everyone who is willing to supply something has information regarding the supplied products, services, and suppliers. Therefore, if the suppliers do not contact them to purchase the products, they consider the product to be unnecessary, or they have another supplier. In fact, the recipients may likewise be looking for a supplier and the particular product. Few of the study's respondents, as small-scale farmers, managed to introduce their agri-products to local hotels and guesthouses through their own initiative. Ultimately, since then, they have begun to supply their products to these establishments.

“Jarji: Here everyone knows each other, it's little [area] and if there is anyone [supplier], we know everything here.” (mestia_tourism\mestia_m_t_08: 85 - 85)

Remarkably, the tourism actors were asked to list the prospective economic activities and potential products that they were interested in using in their businesses, but these desired activities and products were not available in the municipality at the time of the study. According to their narratives, they would definitely purchase several local agri-products that they are currently forced to source from distant places. Particularly, among the most desired agricultural activities, they named the establishment of greenhouses and poultry and livestock farming. The major in-demand products included meat (chicken and pork), vegetables, eggs, trout, and herbs. These agricultural fields and products may be seen as an immense opportunity to become integrated into the LTSC.

5. DISCUSSION

The present study was designed to examine the interconnections not only within the tourism sector, but its linkages with other economic activities. The outcome of this research concurs with previous studies (Tapper & Font, 2004; Anderson and Juma, 2014; Mgonja, 2015; Hampton et al., 2018) that a broader understanding of the tourism supply chain provides a much clearer picture of the situation than a limited perspective (Guo and He, 2012; Huang et al., 2012; Roy et al., 2015).

The results of this study show that agricultural products are more integrated into the LTSC than services or other kinds of products. This finding broadly supports the work of other studies in this area, particularly the finding that local suppliers from the agricultural sector have better access to the tourism industry in comparison with others (Hampton et al., 2018). Furthermore, the article has focused on the barriers, households face in fully benefiting from the development of tourism in their municipality, and has shown that they have stronger links with the LTSC. Such findings include the seasonality of local foods and the local suppliers' reluctance to issue formal receipts. These results seem to be consistent with other research (Anderson and Juma, 2014; Mgonja, 2015; Hampton et al., 2018). It should be pointed out that our findings do not support previous research regarding the low quality of local foods (Anderson and Juma, 2014) as a barrier to integrating local suppliers within the LTSC.

The presented article is distinguished by having taken the spatial perspective on the study of the LTSC. Accordingly, a new understanding has been added in this field, which may provoke further discussion.

6. CONCLUSION

The presented study clearly showed that the tourism sector brought new perspectives and challenges to local economic activities in Mestia Municipality. On the one hand, we have seen a substantial shift from agriculture toward tourist services, especially in the central and nearby settlements. On the other hand, we observed the weak, but still emerging, formation of local supply chains with the involvement of peripheral communities.

More precisely, based on the narratives of the participants, three primary types of food purchase dependency were identified for tourism actors with different spatial peculiarities. It is particularly apparent that Mestia townlet is primarily dependent on product purchases, whereas most of its nearby and peripheral communities are self-sustained. Through this fact, we can conclude that so far, under the rapid tourism development, rural households outside the central settlement manage to maintain their traditional activities in agriculture. Furthermore, they denote the vital importance of their involvement in the LTSC through the provision of their own home-made, natural agri-products.

One of the main conclusions drawn is that the field of agriculture is much more united with the LTSC than other products or services. The core recipient of agri-production is Mestia townlet, which represents one of the municipality's key suppliers of food from other rural communities. Notably, several central recipients were also identified among the communities; however, they are mostly supplied by their own or nearby settlement households. Communities with such characteristics are basically located in the peripheral areas.

It is worthwhile to mention that, in addition to being the key actors in the LTSC, local supplier communities also have various connections with 'outside' alternative recipients, such as Zugdidi Market, bartering, 'mobile shops,' and Tbilisi households.

Another main conclusion was disclosing crucial barriers to integrating locally produced products into the LTSC. Primarily, this is the existence of the alternative supplier market options on the regional level, such as Zugdidi Market and direct distribution or 'mobile shops.' They create 'attractive' opportunities for the local recipients in Mestia through different favorable alternatives. More precisely, Zugdidi Market is highly advanced compared to other identified alternative options, because it is a long-time player as a large-scale market on the regional level, has geographical proximity to Mestia, offers low prices compared to the other small suppliers in Mestia, is a permanent supplier as well as providing the opportunity to barter (e.g., a natural exchange of cheese to vegetables), provides a diverse range of products, and has the capacity to distribute products to all of Mestia's communities. Importantly, based on the narratives, it was found that the low prices at Zugdidi Market are indicative of its low quality, but it still seems to serve its purpose for the tourism representatives.

The study was also an exploration of further integration obstacles that significantly hinder the sound synthesis of local economic activities in the tourism supply chain. The barriers highlighted by the tourism actors include the difficulty of establishing formal relations (certified products, setting up agreements, etc.), the ability to transport products (especially from long distances), unstable supply (seasonality and volatile numbers of products), poor marketing skills, and a lack of interest in initiating direct offers of their products to potential recipients.

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