



REVIEW

on dissertation for obtaining the DOCTORATE DEGREE in Higher Education 3.
Social, business and legal sciences, Professional Field 3.8 Economics, Scientific
Specialty: Organization and management of production

Author of the dissertation: ROSITSA STOYANOVA NENOVA

full-time doctoral student at the Department of Management and Marketing at the
Agricultural University, Plovdiv.

Thesis topic:

STRATEGIES FOR MANAGING THE PROFITABILITY OF WINE CELLARS

Reviewer: Prof. Dr. Nelly Andreeva Bencheva,

Agricultural University, Plovdiv; 3. Social, Business and Legal sciences, Professional
field 3.7 Administration and management, Scientific specialty: Organization and
management appointed as a member of the scientific jury by order No. РД-16-
131/24.02.2021 from the Rector of the AU.

1. Brief introduction of the candidate.

Rositsa Stoyanova Nenova graduated from the Agricultural University - Plovdiv, with
a bachelor's degree in "Agricultural Economics". In 2017 completed a master's
course in "Financial Management and Accounting" at the Faculty of Economics at the
Agricultural University of Plovdiv. He is fluent in English and at a good level of Italian.

After successfully passing the competition she was accepted as a full-time doctoral
student at the Department of Management and Marketing, in 2019.

2. Relevance of the problem.

In recent years, Bulgaria has established its competitive advantages as a unique
wine producer. The wine increasingly meets the requirements for an individualized,
ecologically clean and healthy natural product. The high requirements, as well as the
achievement of a sustainable presence in market niches for quality wines can be
achieved by wine cellars, whose strategic management and financial and economic
business model corresponds to the real competitive environment.

In this sense, the relevance of the topic of the dissertation is determined by a number
of factors, the most important of which are: 1) the role of strategic management to
achieve competitive advantage; 2) effective sales management strategies in order to
improve economic indicators, incl. profitability as a synthetic indicator of activity; 3)
insufficient research on the impact of strategic management of economic indicators,
incl. and profitability on the competitiveness of wine cellars.

3. Purpose, tasks, hypotheses and research methods.

The purpose, tasks and methods of the research are presented logically and consistently. To achieve this goal, five research tasks have been solved, which include mainly revealing: the economic nature of the categories "profitability" and "business model" and the peculiarities of the strategic approaches for their management; the methodological approaches and methodological issues for research and evaluation of the profitability of the business models of wine cellars in the respective region; analysis of the state and development trends of the main factors influencing the profitability of the business models of wine cellars in a certain region; comparative analysis and assessment of the profitability of the business models of wine cellars in a certain region; developing strategies to increase the profitability of wine cellars in a particular area.

A clear research thesis is formulated, which is proven in the research process. The subject of the research is precisely and clearly substantiated, namely the study of the main factors influencing the level of profitability of the business models applied by the wine cellars. The object of study includes 31 pcs. wine cellars in the Southern wine-growing region.

The approaches used in the dissertation research refer to the theory of systems and a systematic approach for a comprehensive assessment of the economic system of the selected objects. In view of the overall characteristics of the obtained results and their correct interpretation, the following main methods are applied: systematic analysis; situational analysis; comparative analysis; statistical methods for processing the empirical data obtained through the survey method. The specialized software product SPSS and statistical package of MS Excel were used in the processing of the empirical information.

The information base of the dissertation research includes: scientific publications and works of Bulgarian and foreign authors; newsletters of international organizations; reports and bulletins of the Ministry of Agriculture and Food; data from the National Statistical Institute, the National Vine and Wine Chamber, the Executive Agency for Vineyards and Wine, the Agricultural Market Information System, as well as a number of regulations.

4. Visualization and presentation of the obtained results.

The dissertation is developed in a volume of 164 pages. The structure of the dissertation is built according to the goals and objectives of the study. Regarding the structure and content of the dissertation, we should point out that a good and logical presentation of the material has been achieved. The paper is structured as follows: introduction, three chapters, conclusion, list of references and appendices. 89 literary titles were used (41 in Bulgarian and 48 in English). The results of the empirical research are illustrated in 12 tables, 55 figures, 12 appendices.

5. Discussion of the results and used literature.

In the presented dissertation important theoretical summaries, decisions and conclusions about the role and importance of the strategic management of the profitability of wineries in Bulgaria are made. The dissertation proves that the strategies for managing the profitability of wineries in Bulgaria are important tools for achieving good financial and economic results. They are a prerequisite for accumulating reserves and stimulating new economic and non-profit initiatives. Such non-profit initiatives are the corporate social responsibility, which is part of the corporate culture of the modern business organization.

The developed methodology for analysis and evaluation of the strategies for managing the profitability of the wine cellars has allowed to reveal and evaluate a number of strategic decisions and approaches influencing the level of profitability of the business models applied in the wine cellars. A methodological approach has been developed for the development of types of strategies for managing the profitability of wine cellars for the transition to long-term planning, in particular the development of strategic perspectives for the management of the profitability of wine cellars.

The developed methods are the basis for the development of the construction of a business model for three types of business models of wine cellars in Bulgaria. - First type - with main activity sale of wine; - Second type - with main activity wine tourism; - Third type - a combination of wine sales and wine tourism.

The proposed types of business models are also useful for diversifying the risk of the activities of wine companies. The DuPont model is used to analyze profitability. The model is useful due to the fact that it provides an opportunity to analyze both the balance sheet and the income statement, actually presents the financial result as a product of the potential of the enterprise. In this sense, from a financial point of view, the disclosure of reserves in the use of the identified potential is supported. In this sense, from a financial point of view, the disclosure of reserves in the use of the identified potential is supported. This helps to build the strategic goals set by the management of the respective wine cellar.

An important contribution of the dissertation is the assessment of the profitability of the various business models of wine cellars. An analysis of the factors determining the profitability of wine cellars has been made, and clear and precise conclusions have been formulated.

The analysis and evaluation of the business model of the studied wine cellars proves that the vineyards and the processing of grapes is a key component that generates value and is one of the main prerequisites for development. The assessment of the business model of the wine cellars shows that the main key resources are their own vineyards.

In the process of analysis it is established that the business activities related to the creation and establishment of a product brand are important and fundamental in the

formation of value for the customer. Emphasis is placed on the need for management to focus on the use of production technology to ensure the quality of the established brand.

Particular attention is paid to the study of the process of adding value within the business model, as well as the diversification of revenue sources as key tools for business model development. It has been found that about half of the surveyed wine cellars are engaged in tourism, and 2/3 of those considering strategies to offer such a service as an approach to adding value and diversifying the income from the activity. In this aspect, through a critical analysis, the opinion is argued that the goals of the imposed business strategies in the sector are related to the idea of the product to be recognizable and to define a unique competitive advantage. It is established that the most often formulated strategic goals of the studied wine cellars are: the recognizability of the product; taking a good market share; profit maximization; cost minimization; entering foreign markets.

A regression analysis was performed, which proves that the profitability of sales is determined mostly by the chosen business model. As the most successful and having a positive impact on the profitability of sales is the business model that manages to combine the production and trade of wine with tourism (wine tourism). Factors such as return on assets and equity, organizational form, the size of production in choosing a business model and in managing profitability are thoroughly analyzed. In the framework of the performed regression analysis it is proved that business strategy is of the greatest importance in the formation of the return on assets, and in terms of return on sales and equity the impact is weaker. Following a business strategy, which is inherently closer to the diversification of activities is a major factor that allows to increase or stabilize the return on assets in the sector.

Based on the assessment of the profitability of the various business models of wine cellars, types of strategies for managing the profitability of wine cellars have been developed. Using the Scenario Analysis approach, the level of profitability of wine cellars is predicted.

As a result of the resource approach and elements of the value chain, an exemplary business model and strategy for managing the profitability of a wine cellar has been developed. As a way to effectively manage profitability, the cluster approach is proposed to create an innovative model of cluster association, leading to an increase in the profitability of the activities of the wine company.

We can summarize that the dissertation contains specific results and empirical evidence that objectively reflects the real achievements of the research. The obtained results are correctly interpreted. After each chapter of the dissertation, precise, clear and generalized conclusions are made, which result from the research.

The achieved results unequivocally show that the doctoral student has the necessary training and ability to conduct independent research.

.6. Contributions to the dissertation.

The content of the dissertation and the results of the research give grounds to highlight the following scientific and scientific contributions:

Scientific contributions

1. On the basis of comparative and critical analysis of modern theoretical statements and practices are revealed the features of wine cellars as an object of strategic management at the level of their profitability. In this regard, the essence of the economic category "profitability" in the wine business has been clarified.
2. A methodological and methodological approach has been developed for research and evaluation of the profitability of wine cellars in Bulgaria.
3. A comparative and statistical analysis and assessment of the factors influencing the level of profitability of the various business models of wine cellars in Bulgaria.
4. An exemplary business model for managing the profitability of wine cellars in the country has been developed.
5. Different scenarios have been developed for managing the profitability of wine cellars.

7. Critical remarks and questions.

In the dissertation some weaknesses and inaccuracies and technical errors are made, which do not diminish its merits.

8. Published articles and citations.

Rositsa Stoyanova Nenova has five independently published articles on the topic of her dissertation. Through the scientific publications presented in this way, the doctoral student meets the minimum scientometric indicators for acquiring ONS "Doctor", specified in Art. 2A of ZRASRB.

The presented abstract objectively reflects the structure and content of the dissertation.

CONCLUSION:

Based on the different research methods learned and applied by the doctoral student, the summaries and conclusions made, I believe that the presented dissertation meets the requirements of ZRASRB and the Regulations of the Agricultural University for its application, which gives me reason to evaluate it POSITIVE.

I allow myself to propose to the esteemed Scientific Jury also to vote positively and to award ROSITSA STOYANOVA NENOVA the educational and scientific degree "Doctor" in the scientific specialty "Organization and Management of Production".

Date: 22.03. 2021

Plovdiv

REVIEWER:



(Prof. Dr. Nelly Bencheva)