



REVIEW

on the dissertation work for obtaining the educational and scientific degree "Doctor" in: field of higher education 3.Social, economic and legal sciences, professional strand 3.8 Economy, scientific specialty: Organization and management (agriculture and subsectors)

Author of the dissertation work: ROSITSA STOYANOVA NEROVA,
PhD student in the Department of Management and Marketing at the Agricultural University, Sofia Plovdiv

Theme of the dissertation work: "STRATEGIES FOR MANAGING THE PROFITABILITY OF WINERIES"

Reviewer: Prof. Dr.Sc.(Econ.) DR. VALENTINA LYUBENOVA NIKOLOVA-ALEXIEVA, University of Food Technologies - Plovdiv, higher education field: 3. Social, economic and legal sciences, professional direction: 3.8 Economy, scientific specialty: "Economics and Management", appointed as a member of the scientific jury by order No RD-16-131/24.02.2021 by Rector of Agricultural University-Plovdiv.

1. Short presentation of the candidate.

Rositsa Stoyanova Nienova is trained as a regular PhD student in doctoral program at the Department of Management and Marketing of the Agricultural University of Scientific Specialty: Organization and Management (Agriculture and Subsectors) in the period from 2018 - 2021. She has acquired a Bachelor's degree in Agricultural Economics and a Master's degree in Financial Management and Accounting at the Agricultural University in 2015 and 2017 respectively. , has acquired very good computer skills.

Therefore, the PhD student has an excellent basis for in-depth research work in the field of strategic management and good practices for increasing the profitability and financial situation of the business in the wine sector.

2. Topicality of the problem.

By content, the dissertation work deals with an extremely topical economic problem related to the study of strategic alternatives for managing the profitability of the wine business as one of the high-risk types of entrepreneurial activity due to the specificity of agricultural production. The implementation of adequate strategies for the management of the profitability of wineries creates opportunities for improving the positioning and image of Bulgarian wines and forming new target market segments, as well as additional opportunities for creating competitive advantages and sustainable development of wine production in Bulgaria. The investment of funds in the wine sector in Bulgaria bears

characteristics distinguishing it from other sectors in agriculture due to the specificities of the sector, the nature of the plantations, the concentration of significant costs per unit area, the long period of return on invested funds, the intertwining of biological with economic processes, the specifics of technological solutions, as well as the unique properties and qualities of the manufactured product and the added value it acquires in the process of reaching the end user.

The high saturation rate of the wine market with our imported wine, and in many ways (volume and structural) wine production exceeds demand; increasing and fierce competition with the entry of more and more foreign producers on the Bulgarian market; after the collapse of the Ideas of the Washington Consensus, the role of the state and communities in regulating the wine market is growing. These additional reasons reinforce the importance of the dissertation work. Insufficient research in the field of strategic development of the Bulgarian wine sector, stimulating innovation and entrepreneurship in order to improve its profitability and stop the observed negative trends in its development, creates the need for scientific work with a similar focus.

It is for the above reasons that I claim that the theme of the dissertation has been well chosen. It is extremely topical, very original and has great practical significance.

3. Purpose, tasks, hypotheses and methods of examination.

The introduction of the dissertation work set out the main objective and five logically bound tasks for achieving it. The subject matter and subject-matter of the study are correctly defined, as well as the author's main thesis that the application of the strategic approach in managing the profitability of wineries has an impact on the level of profitability. The tasks were carried out in the course of the study, and the formulated research thesis has been proven.

To prove the conceptual thesis of the dissertation work rise 9 hypotheses, and the approach used is systemic. A survey was used from the field methods. The research hypotheses are proven using the statistical methods – regression analysis, fi-square analysis and t-test.

The specialized SPSS and MS Excel statistical package is used in the processing of empirical information.

The methodological toolbox is appropriately selected, in accordance with the objectives and tasks assigned.

When interpreting the data, the PhD student is based on data from scientific publications and works of Bulgarian and foreign authors; newsletters of international organisations; reports and newsletters of the Ministry of Agriculture of Bulgaria, as well as a number of normative acts. Empirical information about the survey is also provided by surveys of 31 wineries, which manage a total of 16 644 decas, which is 2.5 % of the registered areas of vineyards in the Southern Wine Region.

Both the purpose and the tasks are explicitly deduced and correctly formulated, providing sufficient opportunities for conclusions and recommendations in the study and conclusion. I give a very high appreciation of the methodology used, as well as in terms of the elevated hypotheses and the performance of the tasks assigned to achieve the purpose of the dissertation.

4. Visuality and presentation of the results obtained.

The dissertation is in a volume of **164 pages**. Structurally, it includes an introduction, 3 chapters, a conclusion. The results are obtained through a modern toolkit and are illustrated with appropriately selected **53 figures** and **12 tables**, which is a proof of the qualities of the PhD student as a very good researcher.

After the body text and conclusion, 12 annexes were added:

Annex 1. Address registration of the wineries examined

Annex 2. Financial performance of the wineries examined In

Annex 3. Values of the financial performance of wineries as a result of what if analysis is carried out

Annex 4. Summary of what if analysis data

Annex 5. Data of wineries followed

Apps 6 through 12. Answers to questions from the survey

The introduction presents the selected research problem, the topicality of the topic is justified, the main goal, the tasks, the author's thesis are formulated correctly. The subject matter and subject of the study have been refined, a brief overview of the state of the problem has been carried out in international and national theoretical sources, the research toolkit and information sources are described.

Chapter One is developed in a volume of **63 pages** and focuses on specific features in the management of the profitability of wineries. It correctly outlines the specifics of the wine sector as a whole and made a brief historical reference to the economic development of the country. The concepts of "business model" and "profitability" are considered. On this basis, a methodology for analysis and evaluation of the strategies for managing the profitability of wineries is based.

A significant contribution of the PhD student in this chapter is the identification of determinants of profitability and its management, as well as the development of a methodological framework for analysis and evaluation of the profitability of the different business models of wineries in Bulgaria.

She makes a very good impression of her excellent familiarity with the theory of business modeling, the relationship between strategic management and profitability as a management process, and the handling of a wide concept apparatus.

Chapter two is entitled 'Assessment of the profitability of the different business models of wineries' developed in a volume of **31 pages**.

Structurally, it is made up of four logically bound paragraphs. It sets out the results of the survey, which covers information determining how the business model, business strategy followed and the organisational form used determines the level of profitability in this type of business activity. A characteristic of the wineries surveyed in Bulgaria has been made, as well as an analysis of the factors that affect the profitability of the wineries.

A significant contribution to this chapter is that, on the basis of the theoretical and methodological provisions examined, a business model for managing the profitability of

wineries in the country has been proposed. The chapter ends with 13 logically justified conclusions.

Chapter three is entitled "Types of strategies for managing the profitability of wineries", it has been developed in a volume of **17 pages** and is a logical continuation of the research thesis set out in the wording of the dissertation work.

This chapter provides guidance to increase the profitability of wineries. The PhD student predicts the level of profitability of the wineries studied in the future using the method "Analysis of the scenario", which is applied using statistical program MS Excel. An exemplary business model and strategy for managing the profitability of a winery has been developed. A cluster approach is recommended to manage the profitability of wineries.

A significant contribution of the PhD student in this chapter are the developed different scenarios for managing the profitability of wineries.

At the end of Chapter 3, the main arguments demonstrating the objective and the related tasks are systematised.

The conclusion of the dissertation work summarizes the conclusions and findings of the results of the survey conducted. They give rise to the fact that the main objective and the tasks have been achieved and the argument has been confirmed.

The structure of the dissertation study is logically built and corresponds to the purpose and tasks set. Labour contains concrete results and empirical evidence that objectively reflects the real achievements of the scientific research carried out.

5. Discussion of results and literature used.

□ In a theoretical part of the dissertation study:

The dissertation work was developed on the basis of an in-depth study of a large volume of theoretical and practical studies. **A total of 89 sources** are listed in the list of literary sources used, including **45 titles in Bulgarian**. These literary sources are up-to-date and directly related to the theme of the dissertation work.

The Doctorate has carried out a serious literary review and made a synthesis of theoretical foundations of business modeling and strategic profitability management. The systematics and summaries made show thoroughness and bona fide work with literary sources, skills for the application of analytical and deductive techniques for processing a significant amount of information with different research methodologies. Correctly, all citations and comments of the author are drawn, which facilitates the references on the cited sources. The participation of the author in the discussions on the issues studied is active and reflects the skills to express his own critical thinking and to formulate new conclusions and findings.

□ In the methodological part of the dissertation study:

The PhD student has chosen an appropriate methodology and research toolkit that corresponds to the complex, multidimensional nature of the study. The theoretical and experiential approach, building on studies already done, theoretical analysis and synthesis, comparative analysis, observational method, experimental and empirical method, as well as descriptive, inductive, deductive methods on aggregation and deduction methods on aggregation and deduction of the essential characteristics of the main concepts have been used to prove the elevated author's thesis. In order to achieve the main goal and the assigned tasks, a method of grouping is used (opinions of authors, methodological characteristics, influence factors, companies); method of analogy;

graphical methods; statistical and other methods.

With complete conviction, I can confirm that the PhD student has extensive theoretic and methodological training, self-research skills and the results of the dissertation study prove this assessment.

□ **In the application part of the dissertation study:**

The PhD student shall apply the methodology for conducting the empirical study proposed in Chapter 2. The results of the applied survey: field surveys of 31 wineries in Bulgaria are presented at a good level with sufficient volume, scope and content of evidence and analytical material.

Labour contains concrete results and empirical evidence that objectively reflects the real achievements of the scientific research carried out.

The thesis presented is a complete, completed study on an up-to-date and significant socio-economic problem. In the course of the study, the most significant theoretical and practical problems related to the strategic management of the profitability of wineries were raised and discussed.

Interested parties to the study can be educational and training organizations for the purposes of vocational training, business organizations with different industrial profile, organizations from the non-governmental sector, state and regional authorities.

I believe that the results of the dissertation study have a high degree of practical applicability, so I recommend the project-oriented approach for continuing development of the topic.

6. Contributions of the dissertation work.

Contributions can be divided into scientific and applied scientific and applied. I accept the contributions as real, credible and proven in the course of the dissertation research.

Scientific contributions

Enrichment of knowledge in the field of strategic profitability management and its application in the context of increased competition and pursuit of sustainable development through a methodological framework for analysis and evaluation of the profitability of the different business models of wineries in Bulgaria.

Scientific and applied contributions

- The analysis of the profitability of the different business models of wineries in Bulgaria;
- The proposed business model for managing the profitability of wineries in the country under different scenarios

The contribution of the achievements I consider to be the personal work of the PhD student. The conclusions and proposals in the dissertation work present Rositsa Nernova as an erudite researcher with good theoretical training, with opportunities for creative generalizations and formulating solutions for the practice.

7. Critical notes and questions.

- ☐ **Main opinion:** quality dissertation, excellently illustrated, clearly delineated contributions with development potential.
- ☐ **Critical notes:** I do not have any significant critical notes to the dissertation study.
- ☐ **Question 1:** What are the main inconsistencies and constraints that at this stage market factors /price, demand, supply, quality, legislative framework, etc./ create and limit our potential opportunities for expanding organic wine production in Bulgaria?
- ☐ **Question 2:** What are the main reasons why the current wine market is dynamic in different price segments? What is the main reason in recent years to see a shift in market shares in red and white wines towards diversification of branded wines and a move towards a higher price category?

8. Published articles and citations.

A total of 4 **publications** dedicated to the dissertation work are presented, in which Rositsa Nernova is the sole author. Three of them are in Bulgarian and one in English. All are printed in prestigious scientific publications. They have a total volume of 20 pages and have become available to the scientific community in and outside the Agricultural University. In volume and quality, they comply with the requirements for obtaining an ONS "Doctor".

I accept all publications as **directly relevant** to the dissertation work. They summarised and published significant problems and results of research in the dissertation work.

The presented authorate reflects objectively the structure and content of the dissertation work.

CONCLUSION:

On the basis of the studies learned and applied, by the PhD student, various methods of research, the correctly derived experiments, the summaries and conclusions made, I believe that the thesis presented meets the requirements of the ZRASB and the Rules of the Agricultural University for its application, which gives me reason to evaluate it **POSITIVELY**.

I allow myself to propose to the honorable Scientific Jury also to vote positively and to award ROSITSA STOYANOVA THE EDUCATIONAL AND SCIENTIFIC DEGREE "Doctor" in the scientific specialty: Organization and Management (Agriculture and Subsectors).

Дата: 08.04.21
Plovdiv

REVIEWER:
(Prof. Dr. V. Nikolova-Alexieva)