

Volume II - Destination Development Plans - Plan No. 5

Tourism Development Plan for Malesevo and surroundings

One of ten Tourism Development Plans for FYR Macedonia



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1. Introduction

This tourism destination development plan has been created in consultation with and with inputs from stakeholders from the municipalities Berovo and Pehchevo. The destination development plan is designed to inform implementation of critical activities that will increase competitiveness and improve the visitor experience.

1. 1. Description of the destination

Figure 1: Map of Malesevo



The ‘destination’ is not defined by administrative boundaries, but rather by key elements that make up a destination from a visitor perspective. This destination therefore includes the natural, cultural and man-made attractions, facilities, services and resources that make up this particular hub of tourist activity, centered around Berovo and Pehchevo. This destination therefore includes tourism assets in these municipalities but also in smaller villages within a one hour driving distance. The attractions in these nearby areas are often visited during the same trip.

Definition: Destination

"A tourism destination is a physical space in which a visitor spends **at least one overnight**. It includes **tourism products** such as support services and attractions, and tourism resources within **one day's return travel time**. It has boundaries defining its management, and images and perceptions defining its market competitiveness."

- UNWTO

2. Vision and Goals for the Destination

2.1 Vision

The following shows a graphical representation of word frequency of terms that were used by stakeholders to describe tourism in the destination in 2030¹.



These words are aspirational and reflect the ambition of stakeholders to develop and build on their core strengths, particularly around ideas of tradition, authenticity, nature and outdoor recreation – with a good quality offer.

The following vision for the destination has therefore been developed:

In 2030, Maleshevo will be recognized as Macedonia's 'air spa', a center for well-being, nature and healthy local food, where authenticity and tradition are celebrated. Our high-quality offer will attract year-round travelers from Macedonia, the Balkans and beyond.

¹ The data used in this section was collected during a destination management workshop on January 11, 2018 in Pehcevo

2.2 Strategic goals for 2030

The primary goals for this destination, as identified by stakeholders, are for tourism to:

1. To create more and better job opportunities
2. Increase the number of SME opportunities
3. Increased linkages with agriculture

The targets, together with measurable indicators to accompany these goals will be defined collectively through a destination management process.

3. Destination Overview and Supply Characteristics

3.1 Destination supply and tourism assets

The municipalities located in the Malesevo Mountains (1,000-meter elevation) are Berovo and Pehcevo. The municipality of Berovo has a population of about 7,000 people, and the municipality of Pehcevo has an official population of just over 3,000. Nearby Suvi Laki has become a popular area for second homes. Berovo is known as the cleanest municipality of Macedonia and has the opportunity to capitalize on its reputation. The area is also much cooler during the summer months than most other areas in the country and this is an attraction.

Though both municipalities are close to the Bulgarian border, there is no border crossing nearby. Its location makes it possible to create linkages, extended offerings and complimentary attractions with the nearby destinations Strumica, Stip, Dojran as well as the wine region around Tikves.

The following main attractions in the area are highlighted² to outline the main profile of the destination supply, especially in the context of priority segments discussed below:

- Lake Berovo
- Fresh mountain air
- Cool summers
- Monastery of the Holy Archangel Michael
- Local fresh organic food
- Sheep farm Klepalo
- Pehcevo waterfalls

² This list is indicative and is not intended to be exhaustive. Extensive supply documentation on attractions in FYR Macedonia has been reviewed as part of Volume I of this plan, and the intention is not to repeat it here. A list of strategies and other literature reviewed can be found in the Annex to Volume I.

The following are the main accommodation facilities for tourists in the area:

- **Hotel Aurora** in Berovo- The hotel opened in 2001 and has 30 rooms. It caters largely to independent domestic and international travelers and strives to deliver their guests a resort experience and offers full spa, mountain bikes, a playground and horseback riding.
- **Hotel Manastir** in Berovo – The hotel opened in 2007 and has 30 rooms. The hotel caters mostly to tour groups and the domestic MICE market and has a small spa in the hotel. The hotel offers excursion packages to attractions in the region: visiting sheep farm, jeep safari, wine tasting at Delfina wineries, Pehcevo waterfalls and visit of the monasteries St. Archangel Michael and St. Bogorodica. The excursion to sheep farm “Klepalo” is the most popular excursion. The hotel offers packages combining an overnight stay in the hotel with lunch at the sheep farm.
- **Bela Voda** – Opened in 2015 and offers accommodation in freestanding vacation homes as well as studios with a current accommodation capacity of 60 beds. The complex offers a restaurant, pool, playground and horseback riding. A small ski/sledding slope is under development. The complex is mostly targeting the domestic leisure market.
- **Hotel Gogov** in Pehcevo – This new hotel opened June 2016 and offers 30 rooms and a restaurant and is located in the center of Pehcevo
- **Private homes** near Berovo, Pehcevo and Suvi Laki – The last ten years the offering of upscale private home rentals in the area has increased considerably.

3.2 Current supply development pipeline and opportunities

The portfolio of existing attractions and undeveloped assets, as well as existing services in the destination offer a strong supply mix that matches the demand specifics of the priority segments discussed later in this plan. In addition, there are some recent developments and destination specifics that represent particular opportunities for improving the offerings for priority segments.

- There is an **increased interest in healthy lifestyle by Macedonians**, especially those living in the cities such as Skopje and Tetovo and have concerns regarding the air quality
- The trend of **increased interest in domestic sightseeing** has caused people to take more trips into the countryside to enjoy nature and explore sights such as lakes and waterfalls. Compared to the more well-traveled western part of the country, the Malesh region is new to a relatively large group of domestic travelers.
- The eastern region is known as the agricultural center of Macedonia **has a good reputation for its local and organic food**. Restaurants in the area serve unique local specialties made with fresh ingredients. Sites such as Klepalo sheep farm near Berovo have been able to attract visitors across all five of the priority segments proving the appeal of this type of product.
- The area is home to some **well-preserved and authentic villages** where visitors can get a feel for the traditional way of living.
- There is a **good range of existing accommodation**. The two anchor hotels have been able to put Berovo on the map as a hub in the eastern region. Recently two more properties have opened in the region. Tourism complex Bela Voda with an accommodation capacity of 60

beds divided over holiday homes and studios as well as well as the 30-room hotel Gogov, the first medium-sized hotel in Pehcevo.

- Both Berovo as well as Pehcevo both have **well-preserved and attractive town centers** with shops, cafes and restaurants.
- **The new highway between** Skopje and Shtip will reduce the travel time from Skopje to Berovo from 2.5 hours to 2 hours. The road between Shtip and Kocani is currently undergoing construction, and upon completion will also shorten the travel time between Skopje and Malesh.

4. Arrival and demand trends

Berovo has been one of Macedonia's fastest growing tourism destinations over the last five years. The increase in overnight stays in the larger hotels as well as the smaller hotels and private rental homes have triggered this growth. More specific details on the source markets are discussed as part of the section on high potential market segments.

Table 1: Number of Overnight Stays and Tourist Arrivals in Berovo, 2010 and 2015

	Number of Overnight Stays			Number of Tourist Arrivals			Average length of stay
	2010	2015	% change	2010	2015	% change	2015
<i>Foreign</i>	1,125	4,898	335.4	522	2,511	381.0	2.0
Bulgaria	100	1,397	1,297.0	63	738	1071.4	1.9
Netherlands	299	571	91.0	171	344	101.2	1.7
USA	236	397	68.2	32	103	221.9	3.9
Serbia	37	383	935.1	33	199	503.0	1.9
Switzerland	92	252	173.9	27	124	359.3	2.0
Germany	53	243	358.5	35	144	311.4	1.7
<i>Domestic</i>	2,418	13,328	451.2	1,369	7,216	427.1	1.8

Source: State Statistical Office

There are no accommodation statistics available for Pehcevo.

5. High Potential Market Segments

The destination, as with most other destinations in the east, is still considered in an ‘emerging’ or development stage. For destinations who have not reached maturity yet, focusing on multiple markets allows for a strategy that creates additional demand. The five priority market segments for the destination are: regional short break tourists, domestic short break tourists, organized large group explorers and organized as well as independent active tourists.

These markets are realistic growth markets given their current presence in the region and their demand specifics. Each of these individual market segments separately are too small to create sufficient demand. However, all the priority markets selected are attracted to similar tourism products. The volume created by multiple markets will provide increased opportunities and economies of scale for SME’s and accommodation providers to successfully develop new products and services.

The sections below introduce the five segments with more details on how they use and relate to Berovo. Their description is followed by a discussion of the rationale behind their appropriateness as targets for Berovo and the opportunities for desired tourism development they can generate.



Domestic short break tourists are travelers who live in fYR Macedonia and who visit different resorts or holiday places for weekends, for short breaks during the week or around official holidays. This group includes Macedonians but also expatriates residing in the country. They stay in a variety of different accommodation types ranging from vacation homes to higher-end hotels, and travel by car. They are motivated by change of scenery from their regular place of living, need for relaxation and spending time with friends and family. Frequently they travel with family, and very often with groups of friends.

Domestic travelers represent the majority of the market in Berovo and they have increased five-fold between 2010 and 2015. The average length of stay for domestic tourists was 1.8 in 2010 with no change in 2015. Domestic tourists stay in one of the two anchor hotels (Hotel Aurora and Hotel Manastir) but also in the smaller hotels and rental homes and apartments in the area. The newly opened ethno tourism complex Bela Voda specifically targets Macedonians looking for a get-a-way in nature. The domestic tourists come for leisure tourism but also for events and training (MICE). Leisure travelers come to enjoy the fresh air; the cooler temperatures in the summer or to participate in some light activities such as walking or to enjoy spa facilities, restaurants and the activities at the

hotels. The availability of locally produced foods (honey, jam and cheese) is an important part of the attractiveness of the area. Many domestic leisure travelers do not combine their trip Berovo with an overnight stay elsewhere in the country.

Key segment insights and prioritization rationale: The increased desire for fresh and clean air will continue to drive demand from this market and the reduced travel time due to new regional roads will increase Berovo's competitiveness for short breaks. Domestic leisure tourists are interested in staying in hotels offering services related to relaxation as well as in self-catering houses. This segment often travels as a family or in small groups. They are interested in local and authentic offerings, have interest in buying from local providers and eating at local restaurants. With more destination awareness and more market-relevant product offerings, this segment can generate significant economic benefits.



Regional short break tourists are travelers from Bulgaria and Serbia who visit FYR Macedonia for leisure purposes staying for one or more nights. Arrivals from this market are concentrated close to the border with Bulgaria and Serbia. Many of the travelers from Bulgaria come in an organized way in groups up to 50 people. They book a package for one or two nights and usually stay in one single destination. These groups are very interested in culture and local foods. There is also a significant market of regional travelers who travel independently and book their hotel or rental home directly from the provider or through an OTA. The latter group seeks relaxation and enjoy good food in the company of friends and family.

Bulgarians have become a very fast growing market for Berovo and arrivals increased from 63 in 2010 to 738 in 2015. The average length of stay for this market was 1.8 nights in 2015. The new roads connecting Bulgaria and Macedonia have contributed to this as well as the opening of the two anchor hotels. Hotel Aurora has become a well-known resort for the Bulgarian traveler looking for a luxury experience. Hotel Manastir is catering to the organized package tours from Bulgaria. The trip is advertised by the Bulgarian tour operators as “*Oxygen weekend in Berovo*” The groups visit Pehcevo (“*the smallest town in Macedonia*”), have dinner and overnight at Hotel Manastir and next day option to hike and have lunch at sheep farm Klepalo. The package states that “*Berovo is the place with the highest amount of oxygen in the air in all of the Balkan*”. Berovo is also included in multi-day, multi-city packages marketed to the Bulgarian market.

Key segment insights and prioritization rationale: The accommodation sector In Berovo is predicting Bulgarians to surpass the Dutch market as they expected over 20 large Bulgarian tour groups in 2016. Accommodation providers in Berovo are currently actively promoting packages including overnight stay and lunch at sheep farm Klepalo to the Bulgarian market. The new hotel in Pehcevo will be a good addition for this market. Among the opportunities for improving

existing supply to drive growth from this segment are improvements to existing attractions as well as adding similar product offerings.



Organized large group explorers are travelers who are part of a tour group (size ranging from 15-30 people) traveling around FYR Macedonia by coach bus. Many of the tour groups are from the Netherlands but Poland, UK and some other European countries are emerging source markets as well. Length of the tour varies between 7-12 days; shorter tours focus on the western region and longer tours also cover parts of Eastern Macedonia. The focus of the tours is Macedonian culture and nature.

Most these groups consist of travelers who are older than 50 years of age.

The Netherlands is the most important market within this segment in Berovo and arrivals almost doubled between 2010 and 2015. In 2016, the hotels in Berovo expected 20 groups with an average size of 22 people per group; in 2015 they received 15 groups. All the tour groups are currently booked at Hotel Manastir though other hotels are interested in entering this market. The majority of the tour groups stay for just one night; arriving in the afternoon from Strumica and traveling on to Skopje the next day.

Key segment insights and prioritization rationale: While there are limited opportunities for growth in arrivals from the Dutch market, a more compelling tourism product could entice the tour operators to stay longer. Other promising geographic potential growth markets are Poland and the Scandinavian countries. Among the opportunities for improving existing supply to drive growth from this segment are improvements to existing attractions as well as adding authentic cultural or culinary experiences.



Organized active tourists are part of an organized tour group (size ranging from 5-25 people) traveling with a specialty operator around FYR Macedonia. Some of the tours combine Macedonia with neighboring countries such as Greece and Bulgaria. These tours usually involve traveling by mini bus or bus, and may combine road transportation with hiking and/ or biking. Length of the tour varies between 7-14 days, shorter tours focus on the western region and longer tours also cover parts of Eastern Macedonia. The focus of the tours is Macedonian culture and nature through authentic experiences in off-the-beaten-track locations. Some of the tours are standard and others are tailor-made for specific interest. Most these groups consist of travelers who are older than 50 years of age.

Dutch tour operator SNP is currently bringing four tour groups per season to the Berovo destination. These groups with an average size of 22 people stay for two nights. The first day

they go on a four-hour hike in the area accompanied by a local guide where the walk through small villages such as Dvoriste. The second day they go on another four-hour hike and tour and eat lunch at sheep farm Klepalo. There are currently very few small other organized tours staying overnight in Berovo. Most organized active tour groups come to Berovo via Strumica and travel on the Skopje afterward.

Key segment insights and prioritization rationale: In March 2016, a Macedonian ground operator organized a FAM trip for travel agents and press from Israel and included Berovo in the itinerary. In 2015, Berovo received 62 tourists from Israel who stayed a total of 96 nights. While still small, the Israeli market is expected to make an important impact in the region due to new charter flights between Tel Aviv and Ohrid starting summer 2016. Further growth of small active group tours organized from countries such as UK and France by local ground operators is expected to increase over the next few years but is dependent on the success of the rest of the country and the region to deliver a sufficient compelling tourism product for this market.



Independent active tourists (including domestic) are travelers from a variety of source markets (Europe, US/ Canada, region and domestic from FYR Macedonia itself) who travel to and within the country engaging in active outdoor exploration (hiking, biking) combined with cultural and culinary experiences. The age bracket for this group of travelers is quite wide (could be between mid-20s and 30s to mid-50s). They tend to be independent in the planning of their stay (using online channels such as booking.com) in Macedonia and are usually in small groups (up to 4-5 people).

While still in small numbers, there are independent travelers who travel around the destination. Hotels have reported individual bikers and hikers staying overnight. While most of the travelers within this segment originate from Western Europe they are also coming from North America. They are adventurous and attracted to new and less-conventional experiences. They are a leading market for many rural offerings.

Key segment insights and prioritization rationale: The segment is prioritized for the destination because of its spending power and its interest in local and authentic offerings. This market requires better infrastructure, more market-relevant product offerings and improved service quality. There is growth potential for this market but the destination will be dependent on the rest of the country to further expand this market as active foreign tourists will initially be attracted to explore destinations in the western region and then later add destinations such Malesevo to their itinerary.

6. Challenges and Gaps

6.1. Destination Development Challenges

While arrivals have increased significantly over the recent years, there is room for growth in volume especially since the opening of several new tourism accommodations. The current length of stay is relatively low as the majority of the organized tour groups stay for just one night and the average length of stay for the domestic market is 1.8 nights. There are currently limited opportunities to increase expenditures outside accommodation. The economic impact from tourism can be increased by improving the accommodation options, increasing the attractiveness of current tourism products and by designing tourism product offerings that specifically cater to the needs of the priority markets. Besides increasing the volume of visitors, there should also be strong emphasis on increasing the spend per stay through offering more opportunities for expenditures outside accommodation and meals as well as a focus on extending the length of stay. Addressing these challenges will contribute to the destination's goals of increasing tourism sector job and SME opportunities as well as increasing the linkages between tourism and the agricultural sector.

6.2 Gaps in the experience of the priority market segments

The rural lifestyle in combination with natural and cultural assets makes Malesevo an attractive destination for the five priority market segments. While existing tourism assets could hold strong potential for appeal to the priority segments, the experience value chain analysis revealed gaps in current supply and delivery, as well as underutilized opportunities.

The following section summarizes the gaps and opportunities for improvements in the traveler experience that the destination currently offers across the five priority segments.

6.2.1. Accommodation and Hospitality

Gap 1: There is a gap between the type of offered accommodation and the expectation of priority markets

Detail and explanation

- There is opportunity for small-scale accommodation providers offering international standard rooms in an authentic setting. There are limited opportunities for visitors to do homestay or stay in a small guest house.

This problem can arise because;

- Service providers lack understanding of the needs and requirements of targeted tourists, and are not accustomed to directly addressing or modifying the product according the traveler expectations or feedback

Filling the gap

1a. Ensure the quality and style of accommodation facilities meets the expectations of target market segments

There is need to expand the existing accommodations with tourism accommodation that are match the expectations of the organized and active traveler segments. This includes improving availability of specific elements that are very important for the traveler experience of all the priority segments: quality bed and mattress, well-functioning bathroom with a simple but well working shower, consistent and well working heating/ cooling systems, water and electricity, etc. Several the priority target markets require quality hotels with at least 20 rooms to cater to tour groups. There is also a need to improve the esthetics of some of the accommodation facilities such as interior design and ambiance reflecting the authentic rural environment of the area. This is particularly important for the smaller active groups tours as well as the independent active tourists.

Indicative activities to fill this gap

- a. The development of additional installations that are needed to meet the needs of active tourist markets. These may include: bike parking or storage areas, laundry rooms, kitchen improvement to enable additional or extended service, etc.
- b. Support for market access for new and existing small properties, which are in operation but are not registered or listed anywhere and have limited access to the market. This can include assistance with development of online marketing channels (website, social media presence) and distribution channels (presence on Booking.com and others).
- c. Setting up a feedback mechanism for accommodation providers to analyze and respond to customer feedback received through channels such as TripAdvisor and Boobooking.com. The feedback should be analyzed on a regular basis and actions should be undertaken to address negative feedback.

1b. Activity and experience providers need capacity building that secures alignment with the expectations and needs of targeted segments.

This is discussed in more detail in the cross-destination gaps chapter, but there are opportunities for implementation and some innovation to address this gap at the local level.

6.2.2. Activities and Experiences

Gap 2: There are not sufficient tourism offerings that are specifically geared towards the priority segments

Detail and explanation

- The outdoor activities such as hiking, biking, mountaineering and others are underdeveloped

- There are very limited activities geared towards domestic and regional family travel
- There is very limited availability of experiences based on local culture and history, local celebrations, culinary traditions, etc. There is currently no central place for visitors to purchase local produce and food.
- There are currently limited activities and attractions that take advantage of the unique culture around rural environment, food and agriculture. Existing offers need to be improved and new ones added. These activities need to be authentic and build upon existing resources (e.g. cooking classes or traditional handicrafts).
- There are limited opportunities for visitors to purchase locally grown or prepared foods as well as handicrafts.

These problems arise because;

- Many local tourism business operators have limited understanding of the needs and wants of priority segments, and expectations of international tour operators.
- There is limited access to market knowledge that can guide tourism businesses in their decisions to invest in new experiences and offerings.
- There is limited public investment in infrastructure that gears towards the targeted segments due to the lack of priority on outdoor forms of tourism.

Filling the gap

2a. Ensure visitors have awareness and access to visitor infrastructure to enable outdoor activities.

Figure 2: Examples of lack of maintenance of hiking trails in and around Berovo



There are some hiking routes in Berovo and Pehcevo but there is a need for more variety and connection of routes. Current infrastructure near some of the trails needs repair. The local mountain club in Berovo is very active and has set out and marked several trails varying in length and difficulty. This is partly done through a grant from the Macedonia Tourism Agency. There is a large map near the reception at Hotel Manastir and the reception provides printed maps

upon request. Information on the five trails as well as maps is also available on the website of Hotel Manastir. The hotel can connect tourists with licensed guides. However, there is currently no specific information on hiking routes in Berovo available on a central portal. Also, the current information signs near the start of some of the trails have been vandalized or did not stand the test of time (see Figure 2). There is also no signage from the hotels or center of Berovo to the start of the different trails. Information on existing trails and signage needs improvement to reach

a wider audience. There are a few bike trails around Pehcevo but there is no opportunity to rent mountain bikes or to go on guided rides. There is also no online information on the bike trails.

Indicative activities to fill this gap

There is a need for more variety (length and skill level) of hiking and biking trails and the infrastructure of some of the current trails needs to be improved. Besides putting the necessary infrastructure in place, it would also require creating awareness of these hiking and biking routes and trails to the priority segments.

2b. Ensure there are activities geared towards families with children

Aurora Resort and Bela Voda offer limited activities for families traveling with children. Both the regional and domestic short break tourists often travel with families including young children and teenagers. Offering activities geared towards these markets would increase their length of stay and also improve the attractiveness of the area outside the summer months.

Figure 3: Examples of natural style play areas



Indicative activities to fill this gap

Play areas made of natural materials such as the example in Figure 3 allow for these attractions to blend into their natural surroundings. Families would also enjoy light activities such as horseback riding or short hikes.

2c. Ensure visitors have access to more and better quality products and experiences around local culture, farming and culinary traditions

There are a few visitor experiences in the area that are based on local culture, culinary tradition, farming practices or other distinctive elements of the heritage of the region and its people. These have proven to be very successful. The development of additional products like these is possible and relatively easy as there is an abundance of assets that are in place. There is need to address the lack of skills and capacity in identifying these assets and packaging them in a market-relevant format. Collaboration with specialized tour operators can help address some of the missing capacity. Existing offers need to be improved and new ones added. These activities need to be authentic and build upon existing resources (e.g. cooking classes or traditional handicrafts).

Indicative activities to fill this gap

Invest in development (private sector-led) of traveler experiences that are based on enjoying outdoors, nature, culture and local traditions. Use more effectively the destination's natural and cultural assets such as natural and cultural traditions to offer experiences that allow travelers to learn about and "taste" local culture, traditional ways in which Macedonian people interact with nature, their cultural and culinary traditions.

2d. Ensure visitors have access to locally-produced crafts, souvenirs and supplementary products linked to local traditions

Berovo and Pehcevo are known for their food specialties such as jam, honey and cheese. There is limited availability of products and souvenirs that are typical for of the area or of the country. In addition to the especially designed souvenir booths installed around tourist areas, there is a need to make local souvenirs, crafts and easy-to-take-home food items (bottles of wine or rakia, jars with aivar or fruit jams, traditional herbs and spices, etc.) available at more places visited by tourists. These can be tourist sites but also hotels and other accommodation facilities, restaurants, different attractions, resting points, etc. The purchase of locally produced crafts, souvenirs, or food items can generate more economic benefits than visitor fees so this is an important opportunity to multiple the impact of tourism. The improved availability should be combined with actions stimulating the development of such products, including improving skills as to the design, packaging, branding, pricing, etc.

Indicative activities to fill this gap

Invest in private-sector led initiatives of producing and selling locally produced goods. This includes support on food safety training, producing competitive products, packaging and promotion. A small marketplace would be attractive for both the domestic, the regional as well as international visitors. This would enhance the Berovo and Pehcevo brands and provide an opportunity for micro and small enterprises.

2e. Activity and experience providers need capacity building that secures alignment with the expectations and needs of targeted segments.

This is discussed in more detail in the cross-destination gaps chapter, but there are opportunities for implementation and some innovation to address this gap at the local level.

6.2.3. Attractions

Gaps

Currently no urgent gaps identified

6.2.4 Capacity building

Gap 3: There is a gap between the level of service offered and the expectation of priority markets (also national)

Detail and explanation

- Service providers across the region show inconsistent service culture in the delivery of visitor services
- Lack of sensitivity towards expectations and needs of different traveler groups, as well as lack of ability to understand and respond to traveler expectations and needs

Filling the gap

This problem is complex and will need to be addressed at a variety of levels both at the destination, but also at the regional or national level.

3a Ensure that accommodation and other tourism providers in the destination have a good understanding of the needs and wants of tour operators and the priority market segments.

There is a need by new entrants as well more established tourism service providers to receive guidance on the expectations of tour operators as well as individual travelers.

3b. Beyond the destination level there are a number of additional ways to address this gap, some requiring support and cooperation from the national or central level.

These have been explored in more detail in Chapter 2 of *Volume II – Destination Development Plans*.

Gap 4: There is a limited number of tourism service providers who have foreign language skills

Detail and explanation

- Foreign language skills are lacking and need to be improved in order to cater to the international priority market segments. Lack of the ability to communicate leads to misunderstandings, limited ability to exchange knowledge regarding the destination and an overall lack of providing service.
- The larger hotels, currently already catering to international groups, have a limited number of front-of-house staff who speak English. Owner-operators and staff of smaller tourism enterprises have very limited foreign language skills.

Feedback from international tour operator

'I would like to bring tourists to the east and I tried but people there don't speak English and they don't understand service'

Filling the gap

4a. Ensure the visitor experience is not negatively affected by lack of foreign language skills

Deeper analysis may be required to determine how best to address this issue. Constraints may be in the form of funding, lack of training programs, lack of qualified teachers, poor incentives to learn, or insufficient demand.

Indicative activities to fill this gap

Investment in the design and execution of activities to improve the ability of tourism service providers to communicate effectively with foreign tourists.

6.2.5 Marketing, branding and access to information

Gap 5: There is limited online content for promotion and/or information at the destination level. This affects the visitor experience in accessing timely information.

Detail and explanation

- There is very limited (online) information available about the different events, attractions, activities and sights in and around Berovo and Pehcevo. Visitors have a need for information on how to get to specific attractions as well as opening hours and or possible entrance fees. This is especially relevant when attracting independent domestic, regional and international travelers. There is also limited availability on information on hiking and biking routes available online.
- The accommodation site Berovobooking.com.mk is only available in Macedonian and thereby not accessible for the international market.

Filling the gap

This problem is complex and will need to be addressed at a variety of levels both at the destination, but also at the regional or national level.

5a. Ensure that independent travelers have easy access to information they need in order to book accommodation as well as information on local restaurants and activities such as hiking and biking.

5b. Beyond the destination level there are a number of additional ways to address this gap, some requiring support and cooperation from the national or central level.

These have been explored in more detail in Chapter 2.

For more details on these non-destination specific gaps, see chapter 2 of *Volume II – Destination Development Plans*

6.2.6. Accessibility and infrastructure

Gap 6: There is a lack of signage and roadside information necessary to guide priority market segments

Detail and explanation

- The region lacks roadside information and signage in English that enables independent travelers to navigate throughout the region on their own with motor vehicles or bike (also national)
- The region has limited and inconsistent visitor signage within towns and settlements, as well as recreational areas facilitating easy navigation by independent travelers. There is limited signage to direct visitors to sites such as the monastery in Berovo as well as to locate the starting point of the hiking trails in Berovo and Pehcevo.

Filling the gap

This problem is complex and will need to be addressed at a variety of levels both at the destination, but also at the regional or national level.

6a. Ensure visitors are better guided to destination attractions

At the local or destination level, once responsibility for key signage is determined, a plan should be put in place to address this problem, covering where to put signs, the type of signs, consistency of design, maintenance of signage etc. A first step may be to undertake a rapid assessment and to prepare a prioritized list of currently missing signage as well as signage that needs replacement

6b. Ensure visitors are able to better navigate within towns, settlements and recreational areas:

At the local or destination level, once responsibility for key signage is determined, a plan should be put in place to address this problem, covering where to put signs, the type of signs, consistency of design, maintenance of signage etc. A first step may be to undertake a rapid assessment and to prepare a prioritized list of currently missing signage as well as signage that needs replacement

6c. Beyond the destination level there are several additional ways to address this gap, some requiring support and cooperation from the national or central level.

For more details on these non-destination specific gaps, see chapter 2 of *Volume II – Destination Development Plans*

Gap 7: There is limited roadside visitor infrastructure

Detail and explanation

- The region offers limited visitor/ recreational infrastructure alongside roads, which provides opportunities for stopovers for travelers in motorized vehicles as well as bikers. This is a general recommendation for across the entire region.

Filling the gap

This problem is complex and will need to be addressed at a variety of levels both at the destination, but also at the regional or national level.

7a. Ensure visitors have access to roadside visitor infrastructure:

At the local or destination level, once responsibility for roadside infrastructure is determined, a plan should be put in place to address this problem, deciding where to place roadside infrastructure, the type of roadside infrastructure, consistency of design, maintenance etc. First step may be to undertake a rapid assessment and to prepare a prioritized list of currently missing roadside infrastructure, roadside infrastructure that need to be repaired or that needs replacement

7b. Beyond the destination level there are several additional ways to address this gap, some requiring support and cooperation from the national or central level.

For more details on these non-destination specific gaps, see chapter 2 of *Volume II – Destination Development Plans*

Table 2: Summary of opportunities for improvement

#	<i>Intervention</i>
<i>Accommodation and Hospitality</i>	
1	Improve quality of design and services at existing accommodations
2	Support for market access and improve quality and design of new and existing small properties
<i>Activities and Experiences</i>	
3	Develop a system of visitor infrastructure in natural areas in the region to enable outdoor activities
4	Develop new products and experiences targeted towards families
5	Develop new products and experiences around local culture, farming and culinary traditions

6	Develop and improve access to locally-produced crafts, food and supplementary products linked to local traditions
<i>Attractions</i>	
	<i>No urgent gaps identified</i>
<i>Capacity Building</i>	
7	Advance service culture and service quality (also national)
8	Advance foreign language skills
Marketing, Branding an Access to Information	
9	Create and maintain contemporary online presence for the region
10	Increase digital communications and social media skills of tourism operators (also national)
11	Develop contemporary digital services for independent travelers and other priority segments (also national)
<i>Accessibility an Infrastructure</i>	
12	Improve signage and information on roads (also national)
13	Improve signage and information in towns, settlements and recreational areas* (also national)
14	Develop roadside visitor infrastructure* (also national)

7. Next Steps

This development plan is a working document and will need to be adapted at regular periods (1-3 years). This will need to be done through a destination management process that involves the main tourism sector stakeholders. The primary goals for this destination are for tourism to:

1. To create more and better job opportunities
2. Increase the number of SME opportunities
3. Increased linkages with agriculture

These goals will need clear targets and an action plan with strategies to achieve these targets. The action plan will provide a road map to achieve the strategic objectives during a specific time.

It gives an indication of the activities that are to be carried out, the timeframe in which they should be achieved, who should carry them out and how much this will cost.

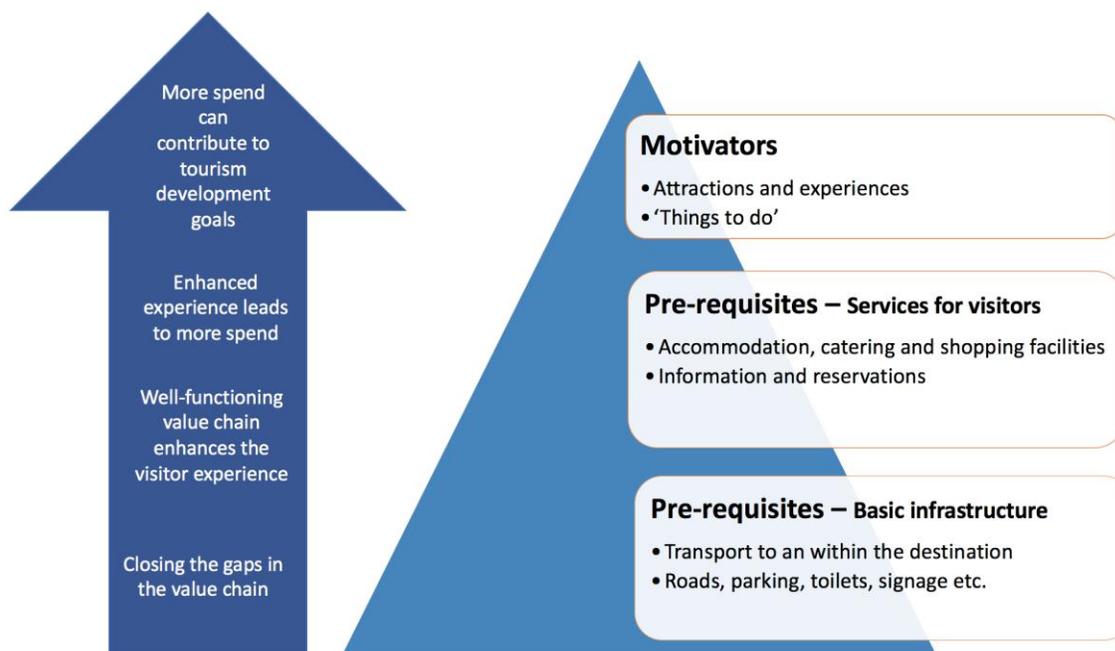
Figure 3: Tourism development plan cycle



The sequencing of actions to fill the gaps depends on the goals, the level of priority and urgency for filling the gap and the cost. During and after implementation of the actions, the results will be measured and evaluated. The destination management partnership is responsible for the development plan and should update it on a regular basis.

When determining the sequencing of action to fill the gaps it is important to distinguish between those that are ‘pre-requisites’ that any destination must have to satisfy visitors and the ‘motivators’ to attract them. Pre-requisites refer to the basic facilities and services that any destination should have if it is to compete effectively in the tourism marketplace. These are not the factors that will motivate people to come to the destination, but rather the fundamentals that people expect when they are in the destination – food and drink, accommodation, shops, public transport, etc. Different market segments have different basic requirements and provisions should be made according to the needs of the priority target markets. The motivators are those aspects of a destination that will attract people to go there, rather than to any of the (many) other destinations available to them. These could be large, well known attractions and events, unique authentic cultural experiences, outstanding landscapes and natural features, towns and cities with great ambience, exceptional food and drink, activity/adventure opportunities, health giving spa waters, etc.

Figure 4: The relationship between quality of the value chain and goals for the destination



Some gaps are more critical than others and will need to be addressed first. However, all the identified gaps will need to be filled to improve the visitor experience and thereby achieve the goals the destination has set for tourism.

Destination management is an ongoing process where stakeholders plan and manage the destination towards common goals. Evaluation and monitoring is therefore a key component of the development plan and can be used to demonstrate value, i.e. how well the activities contributed to achieving the goals. During each new cycle of the development plan, it will be important to reassess the competitive scenario and reevaluate the goals and targets for the destination.