



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search  
<http://ageconsearch.umn.edu>  
[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

# **Women's Cooperatives in Greece and the Niche Market Challenge**

*by*

Leonidas Kazakopoulos

and

Isabella Gidarakou

Agricultural University

with the collaboration of

Kalliopi Theofilidou

Ministry of Agriculture, Athens, Greece

## **Abstract**

Rural tourism is a field of activation for women within the broader process of promotion of reconstruction measures for the development of the countryside via integrated and endogenous procedures. The running of private or cooperative nature accommodation in rural areas and the establishment and development of the women's cooperatives for the better exploitation of local products, traditions and cultural heritage comprise the main axes of women's involvement in the field of rural tourism activities in Greece. The present work approaches the issue under a niche market perspective. Initially, it presents the institutional framework supporting the respective activities and the successive development phases of rural tourism in Greece. It further provides three typical case study examples of respective women's cooperatives in Greece regarding their evolutionary process and a number of major aspects of their profile. In the end, the cooperatives are considered and evaluated with a view to creating, developing and maintaining a niche market organization in rural tourism. It seems that for a number of reasons the rapid increase of the numbers of the women's cooperatives in Greece has not been accompanied by the development of all those necessary conditions that would make them successful niche market examples.

## **Introduction**

There is today an apparent shift in emphasis regarding rural populations on a number of features that in the past were considered as bottlenecks to development and as such they were underrated and neglected in the development process. The socio-economic changes taking place in the agricultural areas during the last decades, and especially the more recent sweeping structural changes in the economic sphere, have brought to

the attention the importance and uniqueness of a broad spectrum of rural resources (distinct local products, untapped environmental resources and amenities, cultural, historical and natural heritage resources). The dynamic changes evolving in the spheres of economy and consumer behavior have raised the importance of these local resource endowments in meeting the consumption needs of small and specific sections of the market, the so called “niche markets” that are characterized by the provision of “niche goods and services” (Stanton *et al.*, 1991; Kazakopoulos, 2000).

The concepts of product differentiation, competitive advantage and quality underpin most of the socio-economic considerations for niche market creation (Porter, 1985; Schnaars 1991; Bowbrick, 1992). The evidence available from several OECD countries (OECD a, b, 1995) suggests that niche markets have positive implications for rural development, by creating employment opportunities that favor the position and role of women in rural areas, thus encouraging entrepreneurship and strengthening social cohesion. In the end, they are contributing to the structural adjustment of rural economy through income diversification.

Within such a perspective, agrotourism has gained a more central position in many rural development policies under the umbrella of the broader concept of special interest tourism as a means of supporting and diversifying the rural economy. The growing environmental concerns, coupled with the interest to supplement farm income and employment opportunities in the rural areas, offer a potential for niche market activities under the various and more specific forms of agrotourism (farm tourism/agritourism, green tourism or ecotourism) (Clemenson, 1995).

Several studies have indicated, both in Europe and North America, a growing demand for agrotourism (Smith and Eadington, 1992; Bramwell and Lane, 1994; Hummelbrunner and Miglbauer, 1994). In the European context and especially under the LEADER<sup>1</sup> Initiative, agrotourism has proved a major component of rural development. As such it covers a number of market segments within special interest tourism, although both types of tourism remain as niches within the wider mass tourism market (Lane, 1995). From a policy orientation perspective it appears that since rural tourism builds on an array of resources already available (man-made or natural), the real cost of a program aiming at the development of rural tourism lies in organizational development, human resource management, partnerships between the public and private sector and synergy between tourism development and wider rural development goals. All these processes can be considered as some of the basic steps of the effort for creating and sustaining a “niche” market in rural tourism (Clemenson, 1995; Lane, 1995; Kazakopoulos *et al.*, 2002).

From an organizational point of view, cooperatives have being used as a devel-

---

<sup>1</sup> The Community Initiative LEADER (LEADER I, for the period 1991-93, LEADER II, for the period 1994-99 and LEADER PLUS today) has as its main aim the stimulation of innovative rural development actions at local level. Support is given to local action groups and other rural collective bodies. It also promotes the trans-national cooperation and the exchange of relevant information and experience through a European rural development network. The Initiative promotes the bottom-up approach to development by strengthening the democratic process of elaboration of local rural development.

opment instrument more or less successfully for promoting niche agrotourist activities (various types of rural tourism product, handicrafts and arts items, small-scale and usually home made food production). We have already some good examples of their role and contribution in producing unique cultural products and providing employment in some of Canada's and Norway's remote communities (Ofstad, 1995; Clemenson, 1995).

Agrotourism is a sector where women's labor force in the countryside can be involved as it offers the possibility of commercialization of activities of informal economy and validation of skills they use in the field of domestic economy. Women's participation in the process of agrotourism development responds not only to the need of diversification of farm household economy but also to the women's desire to "escape" from the professionally anonymous position of a housewife and to upgrade their social position vis a vis the local community and rural society.

Women's cooperatives in Greece represent a major form of organizational structure for promoting the development of a niche market on agrotourism either by offering the rural tourism product under various forms (rooms to let, lodgings, etc.) or by combining it with home made food production and crafts' production, a case where most of the cooperatives are involved.

The establishment of rural women's cooperatives has shown a special dynamic during the last twenty years, especially since the mid 1990s. Today, it is spread all over the Greek countryside. But research results show that despite the optimistic image presented by the increasing number of established women's cooperatives as well as by the small private businesses around agrotourism, they are confronting several operational and economic problems (Tsartas and Thanopoulou, 1994; Gidarakou *et al.*, 2000; Iakovidou and Partalidou, 2001; Iakovidou, 2002).

In this study we initially examine the institutional and development framework under which agrotourism has been promoted in Greece and present its development during the last fifteen years. Then, the focus of emphasis is centered on the types and role of women's cooperatives regarding this form of income diversification of farming population in the Greek countryside by exploring their scope of activities and identifying some of the major constraints they are facing in their effort for developing agrotourism niches. The study takes rather a heuristic approach by using secondary type of data, published work and case study results of women's cooperatives around agrotourism activities from three different areas in Greece. It makes an effort to identify common features and differences among them and to develop hypotheses rather than final conclusions about the major factors of competitive advantage and resulting constraints that Greek women's cooperatives face in creating, developing and maintaining a niche market organization in agrotourism.

## **Evolution of agrotourism in Greece and the institutional framework**

The emergence of agrotourism has been quite late in Greece as an alternative possibility of the mass tourism model. The first signs of agrotourist action appeared in the islands and coastal regions during the 1960s, in the context of a dynamic development of mass tourism without the logic and guidelines of a specific tourist policy. They were, mostly, personal and dispersed occasions of offering hospitality and local products, which gradually disappeared under the pressures of mass tourism and its ideology.

The agrotourist idea starts playing a very important role in the planning of the country's tourism policy after entering EU membership in 1981. This happened in the frame of stimulation of agrotourist programs for the diversification of rural economy in the mountainous and disadvantaged areas of the country by several organizations (Ministry of Agriculture, National Tourism Organization, Rural Bank of Greece, etc.). The Mediterranean Integrated Programs (Reg. 2088/85) mark this new era of agrotourist development in Greece. There is mainly provided economic assistance to collective proposals coming from cooperatives, communities, local development agencies or private citizens as well, through the Reg. 797/85 for the improvement of farm structures. The First EU Support Framework, common for all EU countries, that was implemented since the mid 1980s, especially encouraged the latter. Especially in 1983, we have the first important attempt to integrate cooperatives into agrotourist programs.

During the 1990s agrotourist activities have been stimulated through the Operational Program of the Ministry of Agriculture by the First and Second EU Support Frameworks (on the basis of the farm structure regulations 2328/91, 950/97 and 1257/99 and the national law 2520/97 for the young farmers). But what have been of extreme importance are the help of LEADER I (1991-93) and LEADER II (1994-99) Initiatives. The realization of these programs was mainly the result of cooperation between the Ministry of Agriculture and Local Action Groups, the latter being multishare companies with the participation of local organizations, municipalities, communes and other local actors.

Today, the institutional framework for agrotourist activities in the countryside is mainly formed by the Regulation 1257/99, the current LEADER PLUS Initiative and the Regional Operational Programs of the Third EU Support Framework.

The Regulation 1257/99 establishes the EU framework of support for sustainable agricultural development and for measures related to the diversification of agricultural activities, so that the possibility of creating multiple activities or alternative sources of income can be realized. Among those who can benefit from the measures are the inhabitants of mountainous and disadvantaged areas and especially young farmheads, of whom at least one fourth of the income comes from agriculture.

The purpose of the EU LEADER Initiative is to achieve integrated rural development by stimulating low scale investments of an innovative character, which tend to create

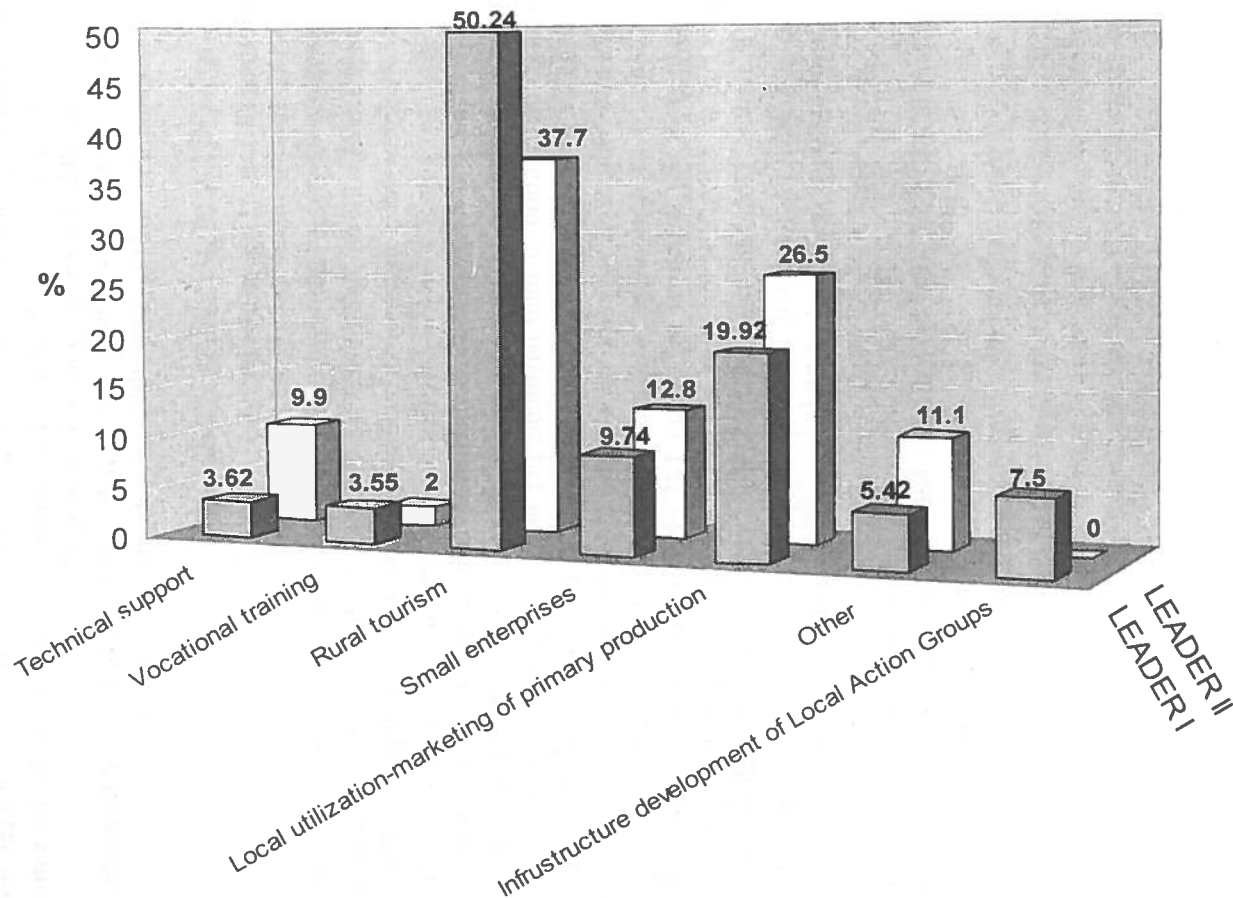
additional activities in agricultural areas including the agrotourist ones. At the same time, the initiative constitutes an “accelerator” of networking processes of rural areas. The LEADER PLUS Initiative, that covers the period 2000-2006, will be promoted in the mountainous and disadvantaged areas, as it was in the past. Those who can benefit from it are the Local Action Groups. The Ministry of Agriculture is the authority which is responsible for managing the whole program.

The Regional Operational Programs include specific directions and measures that fit the particularities and the competitive advantage(s) of each area.

### **Implementation of agrotourism**

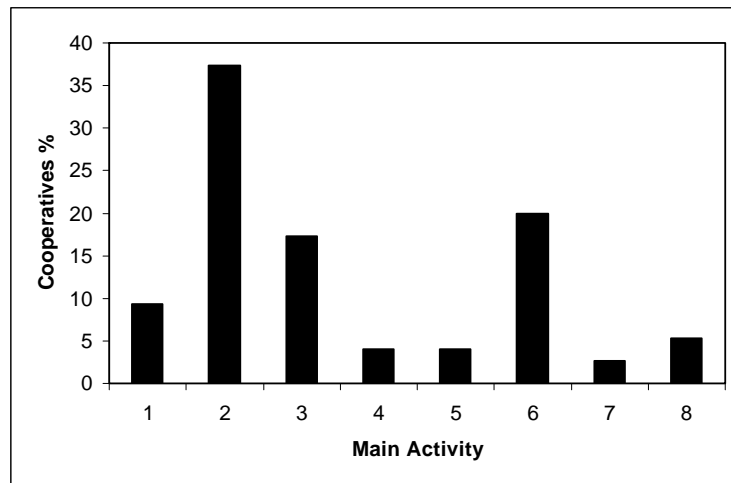
It is difficult to figure out exactly the results of the utilization of the above-mentioned framework on agrotourism development in the form of agrotourist lodgings or other low-scale agrotourist businesses in the Greek countryside. The most serious problem comes from the fact that a lot of organizations are involved in this type of projects and programs, while there is no unique national registration system for the outputs produced. However, a partial estimate can be obtained by studying the percentage distribution of total payments per measure of the LEADER I Initiative (Figure 1). It is obvious that the priority has been given to the axis of agrotourism development. Moreover, we come up with the following by using information given by the Ministry of Agriculture, which constitutes the checking authority on the implementation of the structural regulation 1257/99 (and the previous ones, 950/97, 2328/91), of the LEADER Initiative and on the implementation of the Regional Integrated Programs. Under the frame of LEADER I Initiative more than 800 agrotourist actions have been implemented, 280 of which were related to the creation and amelioration of lodgings resulting in 1,250 rooms, while under the frame of LEADER II Initiative 1,150 agrotourist actions have taken place, 560 of which were related to lodgings and resulted in 7,350 beds. Furthermore, it is also known by the Ministry of Agriculture that 515 lodgings have already been created through the relevant structural regulations up to 1993. The actions on the promotion of agrotourism through the framework of Regional Integrated Programs are marginal.

Figure 1: Distribution (%) of total payments per measure of LEADER I and II



When considering women's cooperatives, the image is quite clearer. Their establishment started in 1983, with the support of the General Secretariat for Gender Equality of the Ministry of Development. Additionally, the Directorate of Home Economics of the Ministry of Agriculture has played a very important role in the animation process and the mobilization and training of women so they can establish cooperatives or develop small-scale agrotourist businesses on an individual basis, next to the efforts made by other involved organizations, as we have already mentioned. With the exception of a small period of decline (1988-1990), the establishment of cooperatives has followed a great dynamic during the last two decades and especially since 1997 (Map 1, see appendix). In their great majority are agroindustrial handicraft cooperatives producing many kinds of products of a traditional identity (Figure 2). Ten cooperatives out of nearly 100 are occupied in agrotourist hospitality, disposing rooms of the women's houses or hostelries with their total number of beds reaching 650. The high investment costs of this type of cooperatives and their heavier dependence on tourism attractiveness are among the main reasons of the gap in numbers between the two types of cooperatives. For most of them their membership size is less than 30 members (Figure 3).

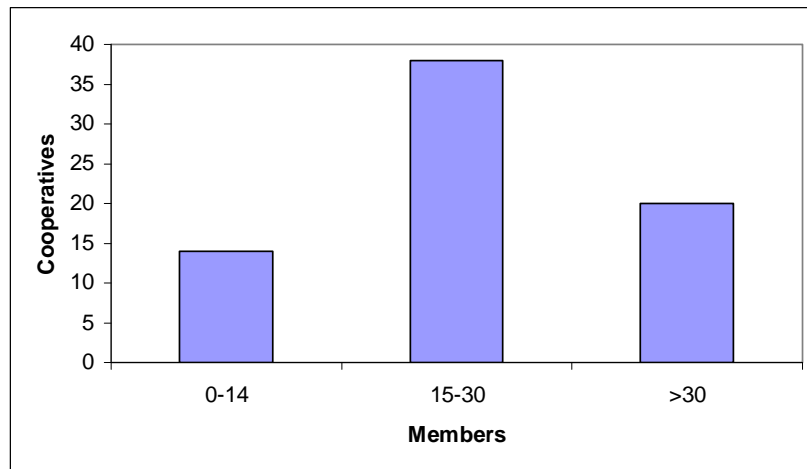
**Figure 2: Main Activity of Women's Cooperatives**



**MAIN ACTIVITY:**

1. Rooms to rent
2. Processing of farm products
3. Home Handicrafts
4. Catering
5. Rooms to rent combined with the provision of other products
6. Popular art and other products
7. Catering along with some other activity
8. Other



**Figure 3: Membership size of Women's Cooperatives**

Despite the rapid rise in the number of the cooperatives, they all have to face similar problems. No matter whether they are created from above or below, no matter the period of their establishment or what they produce, they have been confronting several problems regarding their organizational structure, territorial linkages, technical and financial assistance received, but their main problem is marketing (how to sell their products /how to dispose their products to the market). We can take an idea of their performance and the constraints they are facing through the analysis of the following three case examples.

### Case study results

In this section we will present the results of a research that was carried on three women cooperatives. The cases examined differ as to the time of their establishment, the region where they operate, the agrotourism product they offer and the degree of their networking with state and regional organizations providing them with economic and training support as well as animation.

A questionnaire addressed to all the cooperative members was used for this research, which was conducted during the years 1997-2000. The first among these cooperatives is the *Ergani* cooperative that is located in the prefecture of Lakonia, Peloponnesus, the second one is the *Lake Plastira* cooperative in the prefecture of Karditsa, Thessaly, in Central Greece, and the third one is the cooperative of the *Perachori* community in the island of Ithaca, in the Ionian sea.

### *The cooperative of Ergani*

It's one of the oldest cooperatives. It was established in 1988, at a time when the State economic assistance towards cooperative establishments was restricted. The cooperative was offered little economic support by the National Organization for Small and Medium Size Enterprises and the National Labor Force Organization, but it was given quite much training support and animation by the Ministry of Agriculture. The region lacks tourism development. Furthermore, the demand prospects of its product in the regional and national or international market were also unknown. The cooperative produces a special kind of carpet that is of a high esthetic value but also quite demanding in skilled labor and hence quite expensive. The weaving of these carpets has been a tradition for women of this area, at least two centuries ago. It is this tradition that the women of Geraki in Lakonia try to revitalize. The cooperative is a member of the Panhellenic Confederation of the Union of Agricultural Cooperatives. The networking with other cooperatives and supporting organizations is realized via the participation of its representatives in meetings and training seminars.

At the time this research was conducted (1998), the cooperative had 15 members, in their vast majority between 30 and 50 years old. Most women became members of the cooperative since the time of its establishment while no new members have been enrolled since that time. Almost all the women have farming as their main occupation and are married. Also the great majority (12/15) of them has only elementary education.

Almost all of the women in the cooperative, except two, note that the cooperative encounters problems, mainly in the area of marketing of its products. They attribute this to the low rates of tourist inflow in the area, the lack of an appropriate in space exhibition room and the lack of advertising support. Their interests, regarding the type of training more in need, are focused on aspects of advertising and marketing of their product.

According to the women's point of view, their economic benefits from cooperative membership are of a low level and they themselves emphasize the social benefits accruing from this type of activity such as the upgrading of their social position along with their familial and social recognition.

Despite all these problems, the women in their majority express a positive view regarding the role of cooperatives as an alternative to their employment in farming, and their role in keeping young women in the area. However, when considering the case of their daughters' cooperative membership, as a way to stay in their area, they are much more reserved in answering positively.

### *The cooperative of Lake Plastira*

This cooperative was founded in 1994, at a time when the idea of agrotourism had been indoctrinated among policy makers as a tool for promoting the effort of local

development and as a primary area of women's mobilization. It was founded under the initiative of the Development Agency of Karditsa, a local action group with the legal status of a multi-share, semi-state company that was managing and continues managing the LEADER Initiative among a number of other programs (LIFE, NOW). The cooperative was set up by a number of women coming from the communes situated around the man-made lake of Plastira in the mountainous region of Pindos, an area where important interventions of rural tourism infrastructure and development had been realized but are also in progress. Among the areas' tourist facilities are included 7 lodgings for the reception of tourists with a capacity of more than 250 beds and with a rapidly growing spectrum of leisure time activities at the villages around the lake and at the lake itself. The LEADER Local Action Group provided to the cooperative various forms of technical support (legal, accounting, as well as other forms of advisory support). The provision of these advisory services was either financed by some program or provided free, a form of support that is still continuing, especially with advisory work concerning accounting issues. In short, the setting up of the cooperative was the result of action of the above LEADER action group, which had a prefecture level radius of influence and activation, at an area with good prospects of infrastructure and development in rural tourism.

The cooperative was linked after its establishment with the Directorate of Agriculture at the Prefecture's level and via this with the corresponding services at the Central Headquarters of the Ministry of Agriculture. Also, it joined membership to the Panhellenic Confederation of the Union of Agricultural Cooperatives and participated in various training seminars and meetings organized by a number of supportive organizations, while a number of contacts was developed with several women's cooperatives in Greece.

Among its outputs are included sweet preserves, handicrafts, traditional food and beverages production as well as a variety of cultural events that are organized or supported by its participation. For about a period of three years, after its setting up, an experimental field on biological production techniques was set up and operated by the women members of the cooperative with the purpose of their practical involvement and training in this new form of agricultural production. Their products are sold to the local open market of Karditsa that was simultaneously serving the function of sensitizing local consumers in this new type of farm produce. This type of activity came to an end with the termination of NOW program, which financed the project. Considering the above, we can argue that we have a case of women's cooperative that was developed under the guidance and strong economic and technical support of the Local Development Agency, but also of other State Agencies.

During the period this research was conducted (1999), the cooperative had 27 members. Besides a broader age span than the previous cooperative among its members, we also notice the presence of younger age groups of women (20-29 years old). Most of the women in this cooperative have entered membership after the first two years of operation. All of its members have attended from 1 to 7 subsidized training

seminars with an average of training hours per member ranging from 80 to 1,350 hours.

Almost all of its members keep farming as their main occupation or declare themselves as housekeepers, while the amount of work time they devote to the cooperative mainly comes from their free time.

The problem of promoting the marketing of their products is the major one recognized by all the women, who mainly see the root of the problem in the lack of a locally placed show room and the absence of links with the local and the regional/national markets. The main way of currently placing their products on the market is through the small private stands placed along the central road leading from the prefecture capital of Karditsa to their area. The income derived from their engagement with the cooperative is considered by most of them as low (63 percent of the women) and much less as satisfactory (37 percent). The main reason of participating in the cooperative as members was the economic one, but they think that the benefits obtained are of a social nature, as in the previous cooperative case considered.

It can not be argued that the cooperative, despite the strong local and outside support received, has succeeded in offering a realistic alternative employment prospect to its members beyond that of an amateur, leisure time type of employment. However, the women members have a positive view about the cooperative as far as its contribution to the keeping of young women in the area is concerned. In their view, however, this is more a result of the pressures of unemployment in the urban sector and the attractiveness of country life rather than the qualities and benefits directly obtained from the cooperative. Finally, it is important to note that when relating to the issue of their own daughters' cooperative involvement, the above positive views expressed are less encouraged.

#### ***The cooperative of Perachori, Ithaka***

This cooperative represents a case of autonomy in its development process that has been partially attributed to the local initiative of the President of the Community Council and the active involvement of a local resident coming from abroad. The latter foresaw the positive role that could be played by the cooperative in facilitating the exodus of village from the status of isolation by increasing the tourist in-flow. Neither State nor private agencies were involved in setting up the cooperative, which did not receive any financial assistance and support and did not participate in any training program of the Ministry of Agriculture. In fact, though the cooperative was set up in 1995, it was only two years ago that it succeeded in gaining membership of the Panhellenic Confederation of the Union of Agricultural Cooperatives. Its training activities have been limited to the participation of some of its members to two alternative kinds of training seminars covering issues of rural tourism and biological farm production. Most of its members have not received any kind of professional training assistance. The cooperative offers room services through taking advantage of the old

and empty houses of its members, in excess since the out-migration stream in the past has reduced the number of the permanent residents. The cooperative is also producing local products that women offer through direct market outlets (door marketing) to the in-coming tourist visitors. It is worth mentioning that the first activities undertaken by the cooperative were voluntary actions of environmental sensitivity, such as seaside cleaning, the setting up of new walking pathways, etc.

The cooperative numbers 15 members, out of which one, until now president of the cooperative and of the Community Council, is a man. At least seventy percent of its members are between 40 and 59 years old. Farming and home economics are the major types of employment of all the members.

The major reason of setting up the cooperative was the improvement of their members' economic situation, the promotion of collective activities and the support of village development. It seems that the first end posited has not been met, as the contribution of the cooperative to the family income is considered as small, to the extent that it does not enable its members to make the necessary investments for room services. Nevertheless, the members note that the cooperative has made an important contribution to the development of tourist in-flow to their village. Towards this end, the cooperative resorted to the advertising services of a nationally known journal, the personal involvement of the village president, as well as the connections with foreign tourist markets.

The critical issue of marketing the rural tourism product is raised by the members as their major problem. According to the women, the solution of the marketing problem is associated with proper training and advertising activities, while it is a common belief among the cooperative members that outside financial support is necessary for survival.

The number of women's cooperatives has increased impressively by spreading to all the regions of the Greek countryside, including the most remote ones. However, such a development does not necessarily coincide with the prospects of economically viable units for their women members. The three cases examined reveal that though they were set up under different conditions and dissimilar in terms of the rural tourism product they provide or the extent of financial support received, they converge on a number of aspects. Such aspects are the composition of their human resource element in terms of age and educational level, their inability to develop new products and set up new objectives, and their stagnation in terms of eliciting new membership.

### **Factors of competitive advantage and constraints faced by Greek women's cooperatives**

The case studies considered by the OECD as typical for promoting a niche market organization disclose a number of elements, which are of importance for such an effort. We think that it worth to consider the case of women's cooperatives in Greece

as an attempt to create, develop and maintain a niche market organization in agrotourism and evaluate how effective they have been in managing such an objective up to today.

### *Identification of resources*

A niche market is developed if local resources are successfully identified and new ways of using them are conceived, so as to gain a competitive advantage in the market. Area selection and resource identification are processes that in several of the cases of agrotourism promotion in Greece have been monitored unsuccessfully from outside (*e.g.*, the Ergani cooperative case). On the other hand, niche market promotional activities such as that of agrotourism must be a locally tied process that goes far beyond just compiling a resource inventory as perceived by outsiders. It is much more a group reflection process, involving the participation of the various local parties concerned: women, young people, women's husbands, local administrators and other relevant groups or local actors. This important consideration has been rather downgraded in the process and untried or even ignored, as apparent from the case studies examined.

Moreover, of critical importance to such a development effort are the human resources locally available among the various actors involved and especially the women heavily involved in the process of agrotourism development (education and training levels available, presence of traditional skills, capacity for innovation and entrepreneurship). These elements are essential for the effective and efficient use of other available locally resources. In practice, these should receive the highest priority when a specific location is chosen for promoting agrotourism initiatives through women's cooperatives or other ways. Considering the position of training within the LEADER Initiative (I and II), at least from a quantitative point of view, it appears that it has been limited to quite low levels. Almost less than 3.5 percent of the total budget is devoted to training, when the other activities such as agrotourism investments ranged from 50.2 percent in LEADER I to 37.7 percent in LEADER II. The case studies presented, as regards the aspect of training for human resource development in agrotourism, vary in terms of training from quite short levels (the Ithaka case) to more prolonged ones (Lake Plastira). However, from the point of view of the content of training it is a common fact in training design that such critical aspects as leadership development or the development of appropriate marketing skills, particularly in demand in the case of a niche market approach, are neglected. On the contrary, the training focus is customarily more oriented to meet the needs of technical training (*e.g.*, food technology) or other issues that do not meet the immediate needs for the development of cooperatives and their linkage with the local society. Also, the type of local business culture existing in each specific case, and an essential evaluation of the whole training program at its end, are not considered.

*Factors of competitive advantage*

Initiative, entrepreneurship and partnership have been postulated by the above-mentioned study as the necessary ingredients for enhancing a competitive advantage and further developing the markets for niche goods and services. The question is to what extent women's cooperatives in Greece have succeeded in considering these basic aspects and preconditions with a view to achieving a successful example of niche market development in agrotourism.

Women's cooperatives regarding agrotourism and other related activities have usually been encouraged from outside. On the other hand, in several cases local people and leadership (local citizens, local government officials), at least during the initial formative steps of the women in the creation of the cooperative structure, reacted to their initiative with a negative predisposition, which may have been transformed in the process. Even the development of a skillful leadership among the women for running the cooperative has proven to be a difficult task and big challenge, considering their low educational levels and the low response of training design for meeting the needs of all local actors (including women) involved in promoting and sustaining a niche market objective in the area of agrotourism.

Entrepreneurship and entrepreneurial skills are quite important not only for the member women of the cooperatives but much more for the business culture that may exist, or quite often not, in their communities. Such entrepreneurship attributes as initiative, creativity, willingness to risk and sensitivity to the business environment, are almost completely absent or at best in short supply in the small and dispersed village communities where several of the women's cooperatives have been created amidst a local social organization that is "pro-system" instead of "client oriented". However, the development of competitive advantage for a niche market demands new qualities that have to do with the generation of new procedures or behavioral patterns and organization. The role of appropriate training support and assistance from outside becomes evident.

Another basic ingredient of the competitive advantage is the encouragement and promotion of partnership arrangements and collaborative relationships of women's cooperatives with a number of local actors (professional organizations, other local action groups, private concerns, different levels of local government or other local resident groups). Networking, the Federation of Agrotourism Cooperatives and the Agrotourism Agency that developed at a National level during the last years, are getting critical importance in this respect, to the extent that they manage to get staff people of high competence and skills in the areas of high demand. Common advertising strategies may be adopted, room-booking services may be provided on a network basis, marketing and local identity issues promoted, feasibility studies conducted and product inventories compiled.

With the exception of the Plastira Lake cooperative, supported in its initial formative steps by the Karditsa Local Action Group (ANKA), the data available from the two other case studies suggest the absence or quite weak presence of either horizon-

tal or vertical links between the cooperative and its local or non-local environment. Horizontal ties may increase the economic potential for both niche goods and services, while vertical linkages may provide an invaluable network of information on markets. Such networking arrangements are a priority issue for the cases of women's cooperatives that have been set up in small communities during the last two decades and are constrained by an overwhelmingly ageing membership and local population amidst the gloomy socio-economic environment of a Less Favored Area (LFA). Networking procedures are of critical importance for cooperatives and a steady effort is needed to build this type of linkages that may be deterred by the low performance levels of Local Action Groups or other inhibiting factors.

### *Organizational structure*

The niche market objective presupposes, at the beginning of the process, the establishment of some type of organizational structure. However, the reaping of benefits of whatever type of organizational structure created for promoting rural tourism, further depends on such factors as the willingness to take risks, the easiness of access to market information and the creation of more cohesive local ties and links (OECD b, 1995). The latter set of conditions is not always secured in the case of our concern, where the women members are usually aged, with a low educational and training background, and without economic independence and vitality or previous business culture experience in taking risks. The issue becomes evident from the case studies examined but also from the discussions and conclusions of relevant meetings and workshops on agrotourism development around Greece.

The success of the activity is limited by the small cooperative units dispersed in the space and isolated in several cases due to the lack of access to efficient marketing and distribution channels. These types of cooperative initiatives entail time-taking changes in attitudes, yet the development of entrepreneurship is still in its first steps. Although some progress may have been made, perhaps in areas where cooperative initiatives are associated with some broader rural development endeavors, a permanent effort and outside support must be available for improvements in the right direction. There is a pressing need for the provision of advisory services on business and marketing skills and on improving the producers' own skills, especially when the issue of handicraft production comes to the fore. The lack of an appropriate information and support agency, including the encouragement for joint ventures, feasibility studies for new investments or financial issues, is critical.

### *Territorial linkage*

The promotion of the agrotouristic product either in the form of a certain niche service (holiday farms, local festivals and folk dances, holiday villages and rest homes) or in the form of niche goods (handicrafts' production, local traditional home products) has also a territorial dimension, *i.e.*, the linkage of the niche goods and services offered to local and regional identities so that the prospective clientele will associate



certain products and quality with a specific locality or region. The creation of such territorial images not only enhances the value of the specific product, but has also a multiplier effect on the tourism and service sectors at the local or regional level. The strategic importance of territorial linkages in the current efforts of rural development in Greece has attracted the theoretical concerns and interests among academicians in the relevant discussions and research programs. However, this does not seem to be a basic ingredient of the primary objectives of the long term strategic planning for area development, with only a few exceptions [mainly through the LEADER Initiative or with the regional planning process (Regional Operational Programs)]. This argument does not of course mean that the specification of a regional identity is something of a universal panacea. However, such a factor could have contributed positively and enhance the implications for the successful performance of most of the women's cooperatives, provided that partnership arrangements were also considered, established and promoted at the local and regional levels, in synergy with respective rural development efforts.

### ***Advertising***

Advertising strategies are of critical importance for the success of niche market businesses concerning agrotourism and for other local niche goods and services that are to be promoted and linked to the image of an area or its broader territory (Kovacsazy, 1995, Reid *et al.*, 1993). The importance of advertising in the case of agrotourism increases since rural markets are generally small, and niche market goods and services are usually oriented to outside markets. A variety of strategies can be employed depending on the niche product or service promoted by the local concerns (women's cooperatives, local private tourism businesses, or other local actors) and the market targeted (tourist visitors, people of diasporas, regional clientele, segments of national clientele). One could suggest the use of posters, brochures, calendars, direct mailing, T-shirts with logos, etc.

However, all these techniques are beyond the capacities of the women members of a single cooperative, which in several cases, as above mentioned, may be a lonely organizational entity of mostly aged farm women, located in a geographically isolated area, or may equally belong to the great majority of cases lacking horizontal local links and especially vertical links of collaboration and support with regional and/or central levels.

### ***Information, communication and transport networks***

Despite the economic importance of the abundance of local resources for the viability of an enterprise, poor communication systems do not facilitate the development of niche market businesses. The importance of information and communication networks coupled with advanced transport systems has invariably been noted in creating and marketing niche goods and services produced by rural businesses. Through these

processes it is possible to upgrade product quality, lower costs or meet effectively changes in market demand.

Agrotourism development in Greece through the vehicle of women's cooperatives is especially sensitive to issues of information and communication networks considering especially that we can distinguish different target types of cooperatives, with different levels of functional specialization and hence information and training needs for their members according to Figure 2: (a) cooperatives having as main activity the procurement of agricultural products (more than one third of the total); (b) cooperatives mainly engaged in popular art production along with some other products (about more than one in five); (c) cooperatives mainly active in the area of handicrafts' production, a little more than one sixth of the cases; (d) cooperatives just letting rooms for rent, around one in ten, followed by a smaller number of cooperatives having some other distinct domains of specialization (catering, procurement of agricultural products along with some other products, catering and other products, some other activity).

Most of these cooperatives face difficulties, especially when they are multi-functional in nature, having to meet certain quality standards for a broad spectrum of goods and services they intend to provide. As to the case of traditional handicraft operations, it is noted that they are performed by small-scale enterprises, which in several cases may be located in geographically isolated and disadvantaged areas. Despite certain degrees of freedom accruing from their production from an economic point of view, the wider market forces of today are quite influential in shaping their demand. Conversely, it becomes of priority, for Greek women producers of handicrafts under a cooperative type of organization, to obtain better information related to their handicraft business development (design, production, marketing and distribution). The lack of delivery of this type of service under a proper organizational structure, including the encouragement for joint ventures and new investments or financing issues, becomes apparent.

### ***Technical and financial assistance***

The role of Government has an important place in promoting agrotourism within the broader context of rural development. However, the lack of technical and/or financial assistance available to rural people has been noted as a major obstacle to developing niche market businesses (OECD, 1995). In Greece, various types of financial and technical assistance are now available from various levels of government (regional, prefecture, local) for rural development programs, including agrotourism. In this respect, care should be taken from the beginning for the assistance provided so as to adapt women's cooperatives to local resources and a market orientation. Women's cooperatives must have as from their inception a clear objective to gradually become a self-sustaining, market-oriented economic entity, also capable to perform social functions. Important elements for such a success story are a good marketing strategy and an efficient technical assistance network from outside agencies, governmental or

not. Under such an approach, small scale women producers will most likely be able to coordinate the distribution of their product, its marketing, sales and development.

## **Final remarks**

Under the context of the present analysis, it emerges that for the past fifteen years, during which rural tourism became an inclusive element of the rural development logic, the number of women's cooperatives achieved an impressive growth. The present analysis as well as further research work focused on women's cooperatives show that their numerical increase does not reflect the development of those conditions that would make them successful niche markets examples. In fact, we have to do with small units, scattered in the rural space, usually located in far away and demographically weakened areas with no tourism infrastructures. The cooperatives are set up almost in their totality from above, by the initiative of organizations, quite often with contradictory objectives. They lack organizational linkages with local development organizations, and mostly suffer from the syndrome of supplying products and services of limited demand.

A number of conditions must be met for promoting the marketing of rural tourism products. Among these are: (a) the operation at a national level of a system of responsible, reliable and systematic flow of information to the prospective rural tourism clientele as far as areas of rural tourism interest are concerned; (b) the consensual definition of quality specification of products and services offered; and (c) the authorization of products offered for the promotion of linkages of units with regional and national markets and for penetrating foreign markets. Also, initiatives for setting up information networks and connections with e-commerce systems and electronic data exchange are necessary.

All the above refer to the need of coordinating a diverse set of activities of various organizations that must fit to a specific general frame of principles and positions. The performance of this has been assigned to a newly established semi-state limited liability company named "AGROTOURISTIKI" that is still in a formative stage, regarding its organizational chart and action. The objective of facilitating horizontal linkages of rural tourism actions at a national and international level can be eased through the exchange of experiences and information and the learning of new skills, unfortunately lacking as yet.

An important step for linking horizontally the women's cooperatives was the setting up of the Union of Women's Cooperatives in 1999. The Union has set up for ambitious objectives that, if successfully implemented, could be important factors of women's rural tourism. Among its objectives are the strengthening, broadening and coordination of a wide spectrum of cooperative actions concerning the trading, advertising and promoting of products and services; the upgrading of educational/training levels of elected officials and members; and the participation in relevant meetings in

the country or abroad. Furthermore, among its objectives could be included the facilitation of loaning by contracting with credit institutions, the proper managing of information (e.g., the operation of tourist accommodation offices); and the linkage and in-between collaboration and networking with development, local government and other types of organizations. However, the Athens based Union is staffed by only 17 members due to serve a total of almost 100 cooperatives.

It may perhaps take time before its objectives are justified.

## References

- Bowbrick, P. (1992). *The Economics of Quality, Grades and Brands*. London: Routledge.
- Bramwell, B. and Lane, B. (eds.) (1994). *Rural Tourism and Sustainable Rural Development*. Clevedon: Channel View Publications.
- Clemenson, H. (1995). "Rural Amenities and Employment and Enterprise Creation" in OECD Rural Development Programme, *Producing Goods and Services for Niche Markets as a Rural Development Strategy*, pp. 47-63.
- Gidarakou, I., Xenou, A. and Theofilidou, K. (2000). "Farm Women's New Vocational Activities: Prospects and problems of Women's Cooperatives and Small On-farm Businesses in Greece". *Journal of Rural Cooperation*, 28:19-38.
- Hummelbrunner, R. and Miglbauer, E. (1994). "Tourism Promotion and Potential in Peripheral Areas: the Austrian Case". *Journal of Sustainable Tourism*, 2:41-51.
- Iakovidou, O. (2002). "Women's Agrotourist Cooperatives in Greece: Key Elements for their Successful Operation". *Journal of Rural Cooperation*, 30:13-24.
- and Partalidou, M. (2001). "Quality Directions in Rural Tourism in Greece". Paper presented to the International Conference *New Directions in Managing Rural Tourism and Leisure*, 5-6.9.01.
- Kazakopoulos, L. (2000). "Development of Niche Markets and the Importance of Organizational Parameters" in ET.AGR.O. (ed.) *Total Quality and Rural Space*, Proceedings of the Meeting of the Greek Society for Agricultural Economics Thessaloniki: ET.AGR.O., 14.4.00.
- Klonaris, S. and Koutsouris, A. (2002). "The Creation of Niche Markets as a Lever of Rural Development", in Stamoulis Publication, *Searching for the Future of Greek Agriculture*, PP. 154-165 (in Greek).
- Kovacshazy, Ch. (1995). "The Green Gold of Magnoac – France", *Niche Markets as a Rural Development Strategy*. Paris: OECD, pp. 95-101.
- Lane, B. (1995). "Creating Niche Markets in a Growing Sector: Rural Tourism", in OECD Rural Development Programme, *Producing Goods and Services for Niche Markets as a Rural Development Strategy*.

- OECDa (Rural Development Programme 1995), *Producing Goods and Services for Niche Markets as a Rural Development Strategy*, document c/RUR (95)7, Paris, France.
- OECDb (1995). *Niche Markets as a Rural Development Strategy*. Paris: Publications Service.
- Ofstad, P. (1995). "Traditional Handicrafts – Norway", in OECD *Niche Markets as a Rural Development Strategy*. Paris: Publication Service, pp. 61-65.
- Pachaki, C. (1995). "Ecological Tourism in the Amvrakikos Gulf", in OECDb pp. 81-91.
- Porter, E. (1985). *Competitive Advantage*. New York: The Free Press.
- Reid, D.G., Fuller, A.M., Haywood, K.M. and Bryden, J. (1993). The Integration of Tourism Culture and Recreation in Rural Ontario: A Rural Visitation Program, prepared for the Ontario Ministry of Culture, Recreation and Tourism.
- Schnaars, S.P. (1991). *Marketing Strategy: A Customer-Driven Approach*. New York: The Free Press.
- Smith, V.L. and Eadington, W.R. (eds.) (1992). *Tourism Alternatives: potentials and problems in the development of tourism*. University of Pennsylvania Press.
- Stanton, W., Etzel, M. and Walker, B. (1991). *Foundamentals of Marketing* (9<sup>th</sup> Edition). New York: Mc Graw-Hill, Inc.
- Tsartas, P. and Thanopoulou, M. (1994). *Women Agrotourist Cooperatives in Greece*. Athens: Mediterannean Women' Studies Institute (in Greek).

## Appendix

**Map. 1: Women's cooperatives in Greece**  
(No. of cooperatives within each prefecture)



Source: Ministry of agriculture

Empty page