

## POSITIONING OF BEE PRODUCTS FROM THE RUSE REGION<sup>2</sup>

*The study finds that there is a serious positioning problem for bee products from the Ruse Region – strong competitive pressure, product parity and difficult differentiation. This makes positioning extremely important to their success, but also – very difficult. It was found that the region, with its natural, ecological, cultural and historical factors, as well as territorial specialisation based on these factors, is the bearer of authentic uniqueness, which is the foundation for differentiation and positioning of the bee products and services produced on its territory. Branding of bee products from the Ruse Region plays a key role in differentiating them. It can be based on natural factors, sorts, standards, technologies, domain name, brand. From the natural factors and the certified technologies, the leading positions of Bulgaria in Europe in respect to biodiversity and biotechnology in the beekeeping sector shall be used, because they ensure high biological value and quality of the bee products from the Ruse Region. Brands shall also be based on them, and the domain name plays a key role in the positioning on online markets. Positioning can also be based on marketing tools, which play an important role in differentiating competitors as well as consumer perceptions and associations. Positioning on organisational markets shall emphasise the functionality of regional apiculture products by nature (biodiversity, ecology, quality), and on consumer markets- to emphasise a single basic concept – health.*

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Following the segmentation and determining of the target markets for bee products in the Ruse Region (Lyubenov, 2020a), it is necessary to determine the approaches to accessing and positioning on them. Considering the intense competition that regional bee products face on their international and national, organisational and consumer target markets, they are in dire need of solutions in these areas. Trends in brand growth and market fragmentation, which is also valid for bee products, make the issues addressed extremely important and relevant. In the current context of intense competition and parity among competitors, the responses regarding access to target markets and positioning are of strategic importance.

In fact, the basic idea of positioning is that competitors' products must differ from each other, which requires that the competitive structure of the markets of bee products be analysed. To

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this end, we can analyse the three types of competition between products in a given market (Myers, 1996) – product superiority, product differentiation and product parity. Product superiority is based on a unique product, and it provides the best positioning capabilities. In product differentiation, the product is different and has one or more specific characteristics that make it better than the competing products in a given category. Product parity is characterised by similar products that do not have significant and tangible differences between them.

Bee products with product superiority and product differentiation have the best positioning opportunities. For example, the most expensive bee honey in the world at a price of 5000 euros per kilogram is Elvis Honey from Turkey (<https://www.obekti.bg>, 04.05.2019). It is gathered in an 1800-meter-deep cave near the town of Artvin in the Sarikair valley, located in northeast Turkey. The mineral-rich cave further enriches the honey, making it unique. Manuka honey is estimated at about \$ 400 per kilogram (<https://profit.bg>, 09.01.2018). It has antibacterial properties, the most important antibacterial component being methylglyoxal, which has a much higher concentration than other types of honey. Manuka honey comes from the nectar of a bush of the same name, which grows wild in some areas of New Zealand and Australia.

Kotler (1994) provides a different view of the competitive structure of the market, which looks at four levels of competition based on the degree of product substitution – brand and branch competition, generic and form competition. Brand competition considers as competitors the organisations offering similar products to the same consumers at similar prices. In branch competition, competitors are all organisations that produce the same product or class of products. The form competition considers as competitors all organisations that satisfy one and the same need. In generic competition, all organisations that compete for the money of the same consumers are competitors.

Analysing the competitive structure of markets for bee honey, we can conclude that the main competitors of regional bee honey through brand competition are all offering similar honey to the same consumers at similar prices. The branch competition includes all bee honey producers in the world. The form competition also includes competing substitutes for bee honey – artificial and natural, such as sugar, stevia and many others. The generic competition also includes competitors from food and beverage, who compete for the money of honey consumers. For the first two levels, regional bee honey has product parity. In terms of the third and fourth level, it is one of the most imitated products in the world and is not a staple food, i.e. no primary role and importance for consumers.

The positioning of the regional bee honey and other bee products on the organisational and consumer markets would be very easy if they were much better than their competitors for at least one parameter, but as we found out, there is no such parameter. Bee products are also characterised by one of the main problems of agricultural products – difficult differentiation (Lyubenov, 2016). Given that they are under intense competitive pressure and in a state of product parity, there is a serious positioning problem. This makes positioning extremely important to their success, but at the same time, it is so difficult. The first steps in this direction are to segment and define the target markets for apiculture products from the Ruse Region, which is done (Lyubenov, 2020a) and follows their positioning.

As we have already established, bee products are subjected to strong competitive pressure in the conditions of product parity. This is true for the Bulgarian bee products, including those from the Ruse region. Bulgaria's northern neighbour- Romania is the largest producer of bee honey in the EU, and Bulgaria's southern neighbour – Turkey is second in the world. In addition to being among the largest producers, they also have similar geographical conditions for production with the conditions in Bulgaria. This makes the positioning of bee products from the Ruse region even more important and strategic. In accordance with the defined positioning problem, the research is structured in three parts – the first refers to the regional identity, the second one- the differentiation of regional bee products, and the third one – the approaches for their positioning.

### **Regional Identity of Bee Products**

The annual production of honey in the world ranges from 1.6 to 1.8 million tons. Today, China is the world leader with an annual production of more than 450-500 thousand tons of honey, followed by the EU with about 240-270 thousand tons. Bulgaria ranks 10th in the EU in production, with about 10 thousand tons of honey per year (Lyubenov, 2020a). The main product of global and Bulgarian beekeeping is honey, and the other bee products are produced in significantly smaller quantities, but the leaders in the category of honey are most often leaders in other bee products – royal jelly, wax, etc. Although in quantitative terms the Bulgarian beekeeping is not among the leading producers of honey and bee products, it has serious grounds to claim the high quality of its bee products.

The Bulgarian beekeeping sector is not in the Top 10 of the global producers of bee honey and other bee products, but is in the Top 10 in the EU for the production of conventional bee honey. More importantly, it is in the Top 3 in the EU and in the world in the number of certified organic bee colonies, and about 1/3 of Bulgarian beekeeping is organic (Agricultural Report, 2018), which practically makes Bulgaria a member of the club of major European organic and ecologically-oriented beekeeping sectors. In addition, Bulgaria is one of the countries in Europe with the highest biodiversity (<https://bg.wikipedia.org>, 12.06.2019). The national beekeeping sector, as well as the one from Ruse region, do not use the abovementioned facts to their benefit, therefore they are not differentiated, but depersonalised on a regional scale.

The unique Bulgarian honey has been known in Europe since the 9th century. There is information about the export of honey and beeswax to Byzantium from the reign of Khan Omurtag (814-831). Later, the Bulgarian honey and beeswax, called “Chera Zagore”, was known in the medieval Italian republics. The Florentine chronicler Pegolotti wrote about them, and the Vatican decreed that the candles for the papal liturgies shall be made only of Bulgarian wax. Bulgaria is called the “Pharmacy of the Lord” because it ranks third in the world in the wealth of medicinal plants after Afghanistan and India. In Bulgaria, there are herbs that are not found anywhere else in the world ([www.standartnews.com](http://www.standartnews.com), 15.04.2021). Bulgarian bee products have been valued as high-quality products since ancient times because they originate from a natural environment with high biodiversity.

Although Bulgaria is among the top countries in terms of biodiversity in Europe ([www.bgfermer.bg](http://www.bgfermer.bg), 29.05.2018) and the third richest country in Europe in terms of forest biodiversity (<https://news.bg>, 12.10.2014), it is not in the Top 20 of the countries with the greatest biodiversity in the world, as these are the countries in the tropical regions and especially in the rainforest ecosystems (<https://bg.wikipedia.org>, 16.06.2019) which are home to about 50-70% of all plant and animal species on Earth. Bees play an important role in biodiversity through the eco-systemic pollination service, and the great biodiversity of honey medicinal plants in Bulgaria, respectively in the Ruse region, ensures the high-quality regional bee products, which today remains unappreciated due to depersonalisation of the regional origin.

The Zagore region is mentioned as part of the Bulgarian state at the beginning of the VIII century and is located in North-eastern Thrace, south of the Balkan Mountains. It is located to the South-east of the present day of Stara Zagora, and the Strandzha region is to the South-east from it. The Strandzha region is a unique natural habitat that favours the production of unique bee products. This has allowed, after more than ten years of efforts by the local beekeeping community and with the support of state institutions in 2019, to register in the European Register of Protected Designations of Origin (PDO) and Protected Geographical Indications (PGI) the regional honey as a PDO “Strandzha manna honey“ / Manna honey from Strandzha”. The Ruse region is located in North-eastern Bulgaria within the Danube Plain, bordering the Danube River to the North.

The Ruse region is an integral part of the Danube region, which is the largest macro-region in Europe. It covers 14 countries (Germany, Austria, Slovakia, the Czech Republic, Slovenia, Hungary, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Romania, Bulgaria, Moldova and Ukraine) where nearly 200 million people live, and in the districts around the Danube live more than 50 million people. Along the Danube and in the immediate vicinity are 5 European capitals – Vienna, Bratislava, Budapest, Belgrade and Bucharest, and the river itself is a Trans-European transport corridor. The Danube river is the main element of the macro-region, according to which the European Union (EU) has developed a strategy that forms its identity and image, in line with the European and the national values of individual countries.

It should be noted that the implementation of the Strategy for the Danube region, adopted ten years ago, by Bulgaria and the Ruse region, faces a number of difficulties due to the regional division of the country, which does not unite the northern regions of the Danube plain into one large Danube region – an idea that remained unfulfilled by Bulgaria’s regional ministry. While in Germany, Austria and even in Serbia, some of the richest regions are on the banks of the Danube, in Bulgaria, the opposite is true. The region is also less competitive compared to the neighbouring Romanian regions, and trade relations with them are weak, also in the field of beekeeping. To some extent, this deprives the Ruse region of full support in terms of European and national policies for the formation of regional identity.

The identity of the Danube region, and in particular of the Ruse region as part of Bulgarian territory, does not conflict with the otherwise contradictory regional Balkan identity, which traditionally produces the current image of both Bulgaria and the other Balkan countries. The Danube identity of the Ruse region derives from the characteristics of the territory and not from the characteristics of a regional institution or the state as abstract organisational

subjects. It does not contradict the existing current Balkan identity and image, due to the attachment of Bulgarians to the land. Therefore, for the Strandzha region and the Ruse region, the territorial characteristics with their nature, history, culture and traditions have an important role in positioning the beekeeping and its products.

The Ruse region is part of the Danube plain, which occupies about 1/3 of the territory of Bulgaria. The natural region of the Danube Plain is divided by the Yantra river into two parts – Western and Eastern. Along the southern riverbanks of the Danube, the Ruse region is located between the delta of the Yantra River and the Brashlyanska lowland. The southwestern part of the Ruse region falls in the Western and the rest of it- in the Eastern part of the Danube plain. The basin of the river Rusenski Lom is located in the district of Ruse. Since 1970 it has been declared a natural park being a natural complex having ecological, historical and cultural value. The precious gem of the park are the birds, some of which are endangered on a European scale or included in the Red Book of Bulgaria. This demonstrates the excellent conditions for the development of insects and respectively of honey bees.

The average altitude in the Ruse region is 176.3 m, the relief is predominantly flat and hilly, with optimal conditions for beekeeping. The relatively small differences in altitude between individual municipalities show the presence of optimal conditions for the development of beekeeping in the whole district. The region has a significantly higher average annual temperature amplitude of 25°C, which is higher than the one in Bulgaria as a whole. The territory of the whole Ruse region is rich in melliferous and pollen plants, which provide excellent conditions for the development of beekeeping. The region has rich forest vegetation with acacia and linden in the Lipnik park near Ruse, Borovo municipality, etc. (Lyubenov et al., 2020b), which provide diverse and high-quality grazing for beekeeping in the region.

Ruse is one of the average regions in terms of territory and population in Bulgaria – its area is about 3% and the population is about 2.5% of the national indicators. Over the last decade, the population and its contribution to the national economy have been steadily declining – about 2.5% of the country's GDP (Lyubenov et al., 2020b). The Ruse region is in the Top 5 of the regions with the largest number of bee colonies. The registered beehives in the region are about 43000, which is 4.95% of the 867,560 beehives in Bulgaria. The Ruse region produces about 1300 tons of honey (Lyubenov, 2019), which is 13% of the domestic production (10000 tons), respectively a similar part of the realised economic effect of pollination – over 130-200 million BGN / year. The region specialises in the production of bee honey.

The Ruse region has a leading position in Bulgaria in terms of organic beekeeping. The relative share of organically bred bee colonies is more than 40%, which is higher than the national level at 27.6% (Agricultural Report, 2020). Organic beekeeping in the Ruse region is concentrated in the group of professional farms with more than 150 bee colonies. This is due to the favourable geographical conditions for its development, and the lack of major industrial pollutants. Data on regional beekeeping show that the average yield of honey from beehives is significantly higher than the one at the national level – more than twice, due to the significantly better natural conditions and the larger relative share of professional farms.

The region has significant biological, production and educational potential – there are two universities with agricultural orientation and an institute of agriculture and seed science at

the Academy of Agriculture. The cross-border nature of the region and the cross-border transport corridors, and also the Danube river, provide easy access to foreign markets. The region has a rich history and centuries-old traditions, crafts, festivals, culture, etc., also related to beekeeping. The Rusenski Lom river valley is an established international tourist destination due to its unique nature, registered UNESCO World Heritage sites and developed tourist routes. This offers opportunities for a symbiosis between tourism and beekeeping, i.e. development of api-tourism.

The healthy bee products from the Ruse region combine very well with tourism, which allows the formation of more complex products with higher added value, less dependence on seasonality and achieving higher and sustainable prices. Api-tourism will form local markets and short supply chains for bee products and services. It will diversify beekeeping farms, assuring more stable and higher incomes for them. Api-tourism will contribute to the preservation and development of small settlements with limited employment opportunities, creating yet another opportunity. It has the potential to significantly increase the consumption of regional bee products and other products in the local economy. There are solid prerequisites for positioning the Ruse region as a destination for api-tourism.

The region has a rich history and centuries-old traditions, crafts, festivals, culture, etc., also related to beekeeping. Beekeeping in the Ruse region is one of the most developed in Bulgaria, with excellent natural and geographical conditions. This historical, natural, human and other potential allows successful positioning of the region as a beekeeping area, and as a tourist destination for api-tourism. The natural resources of the region, the bee colonies and their products, the applied beekeeping practices and traditions, form a solid resource base for creating a regional brand. The latter will guarantee good environmental and cumulative effects for the region, will increase the demand not only for goods and services from beekeeping, but also for many foods, beverages and other products of the local economy.

The main characteristics of each region, including these of the Ruse region, are a starting point for achieving competitiveness by differentiating based on the uniqueness of the region which is very difficult to copy. The differentiation on regional basis can be achieved through: 1) natural and ecological factors (climate, relief, natural environment); 2) cultural and historical factors (local traditions and way of life, identification with the region); 3) territorial specialisation based on the previous two factors. This requires differentiation of the Ruse region by emphasising the unique characteristics of the region – history, nature, culture, traditions, specialisation in organic beekeeping, and formation of a positive image of the region and branding on their basis.

To date, beekeeping farms in the Ruse region do not use the region as an authentic and unique indicator of origin. The lack of a proactive policy regarding the regional origin of bee products leads to the fact that other countries producing honey take advantage of it by mixing their honey with another one and presenting it as Bulgarian honey. Bulgarian honey and bee products are characterised by rich biological content and high quality, as they are the result of rich biodiversity and a relatively clean environment. That is why Bulgarian honey is often sold as a raw material and is used as an improving agent for honey produced in other countries. Changing the information about the origin of honey, by mixing, repackaging and manipulation, leads to a negative image of Bulgarian honey.

### **Differentiation of Regional Bee Products**

Positioning is preceded by segmentation, targeting and differentiation (Andonov, 2014). Differentiation is the third stage of the procedure after the first two stages have been completed. Successful positioning requires preliminary differentiation of bee products from their competitors. Differentiation is the creation of tangible and intangible differences in one or more of the product's attributes that distinguish it from its main competitors (Lilien, Rangaswamy and Bruyn, 2007). This is the stage where regional bee products need to be prepared for positioning in the minds of consumers. It has to be decided what will be different from the competitors and what will be similar to them. The set characteristics determine how and where they will position themselves in relation to competitors.

The approach to entering the target markets is related to positioning, as it is the next stage after segmentation and targeting. It takes into account the trends and stages of development, the size and service opportunities of market segments. Approaches to access target markets lead to a different kind of differentiation between consumers and competitors, which plays an important role in positioning. Kotler (2002) defines five main models for entering target markets – focus on one segment, selective specialisation, product specialisation, market specialisation and full market coverage. Lyubenov (2014) summarises the approaches in three categories- mass (undifferentiated), concentrated and multiple marketing through selective, product and market specialisation.

The chosen approach for entering the target markets preventively differentiates regional bee products against consumers and competitors. A priori it sets the degree of differentiation between them. It determines the value provided to consumers through the degree of uniqueness and quality, as well as the specialisation of the production of regional bee products, their modifications and variations, and respectively- their prime cost. The approach for entering the target markets sets the specialisation, respectively the quality and the prime cost of the regional bee products, i.e. differentiation and profitability. Derived from the approach for entering the target markets is the marketing toolkit, which also has to do with differentiation and positioning, but it will be analysed it in the next section.

Mass marketing allows a relatively poor differentiation of bee products from the Ruse Region to their competitors and substitutes, as well as to the ever-increasing diversity of consumers. Concentrated marketing allows for better differentiation of regional bee products from competitors and consumers due to their homogeneous nature in a given segment. Differentiation of regional bee products on the basis of certain modifications allows for better prices. Multiple marketing implies the highest degree of differentiation through product, market and selective specialisation. Overall, better differentiation options also allow for better positioning of regional bee products.

In mass marketing, the degree of differentiation from consumers is very low, because the whole market is served by the same type of marketing tools. The low differentiation significantly limits the possibilities for positioning in relation to different groups of consumers. The concentrated marketing is expressed as specialisation in one market segment, which leads to a higher degree of differentiation compared to other segments and consumers. In multiple marketing, the specialisation expands to different segments and the differentiation

deepens. The marketing toolboxes for the different approaches to enter the target markets are different and, as a result, a different type of differentiation and respectively different positioning opportunities are realised.

The differentiation of agricultural products, including bee products, is difficult due to the large heterogeneity of their quantity and quality in time and space, as well as their character as raw materials. To this, we can add their natural origin, forming a uniform design, which also makes it difficult to differentiate them. Overcoming these difficulties in differentiating regional bee products requires their branding. A solid basis for their branding are legally protected intellectual products (Lyubenov, 2015) – inventions, new sorts and breeds, geographical indications (GI) and traditional specialty foods (TSF), brands, company names, domain names, technologies, know-how, certification to a certain standard.

Another approach to differentiating regional bee products is the region, which is the basis for building a regional brand (DanuBee), which must become recognisable on local, national and international markets. This requires the formation of horizontal relationships between beekeeping farms, and vertical relationships with other sectors (crop production, industries, services – tourism, etc.) at the regional level – the Ruse region. This brand can combine all regional bee products (honey, beeswax, pollen, propolis, royal jelly, etc.) by using the leading position of honey, which occupies more than 90% of their value, to stimulate the development of other bee products. The brand will allow greater penetration of regional bee products in local, national and international markets.

The regional brand of the beekeeping sector in the Ruse region should be oriented towards branding the region as a destination for api-tourism, relying on both a symbiosis with tourism and a symbiosis with brands of regional legally protected products. This will improve the visibility of bee products and services from the Ruse region at regional, national and international levels. The complex and positive image of the regional bee products in symbiosis with the same one in tourism will allow greater penetration in offline and online markets, especially in the catering sector, where it will attract foreign tourists and business customers. The regional brand will significantly improve the position of regional bee products and services on international markets.

The differentiation of regional bee products through branding must consider the organisational and consumer markets. Organisational markets value the pragmatic benefits of bee products, such as quality and price. Consumer markets are subject to consumers' emotions, which is why they are influenced by many other factors. Differentiating for the organisational markets are the legally protected intellectual products that guarantee quality – inventions, sorts, breeds, know-how and certification to a certain standard. For consumer markets, intellectual products such as GI, TSC and brand, which characterise bee products with high added value, have a differentiating role. The domain name is applicable for differentiation on both markets.

The trademark may be the same as the company name, and the domain name may also contain the company name and the trademark. The company name, domain name, GI and TSF cannot be licensed. The advantage of the brand is that it can be licensed, which allows for wider commercialisation through franchising, which is an extended version of licensing, and respectively, of differentiation. On the other hand, the brand, company name and domain

name only promise a certain quality, while GI and TSF guarantee it. The domain name provides very good opportunities for fast, cheap, interactive and personalised global access to customers, respectively to global and much more precise differentiation.

The most widely used application for differentiation of regional bee products in the consumer markets is the brand, and with a much narrower application are the GI – designation of origin (DO) and geographical indication (GI), taking into account natural, technological and other restrictions on their creation. There is only one protected designation of origin (PDO) in Bulgaria – Strandzha Mana Honey/Mana Honey from Strandzha, and many brands. The most widely used application for differentiating organisational markets is the certification to a specific standard – most often organic. It is based on the use of a strictly defined technology and specific know-how. It improves online sales opportunities, the use of a domain name and a company name.

Strong differentiation between products provides great opportunities for competition, and vice versa – poor differentiation provides small opportunities for competition (Andonov, 2014). Therefore, branding regional bee products will improve their differentiation and competitiveness. Regional farms face serious difficulties in branding bee products due to the lack of financial resources, competences, etc. Bee product brands are created mainly by processors and traders, and inventions, sorts and breeds – by specialised institutes and global multinational companies. Overcoming these difficulties requires integration into horizontal and vertical plans of beekeeping farms through associations, cooperatives, clusters, etc.

### **Approaches to Positioning Regional Bee Products**

The basic requirements for creating effective positioning strategies are (Andonov, 2014) – uniqueness, significance and credibility. Regional bee products can be positioned on their target markets based on different approaches to differentiation from consumers and competitors, but they must be unique, significant and credible.

The basic principle of positioning is that regional bee products and their brands must differ in some way from their competitors. Therefore, it is necessary to find or create a unique characteristic. It is important to perceive this characteristic as significant by its potential users. The latter insist mostly genuine, with a clear origin and ecologically clean, including also organic bee products. The Strandzha region is a proven natural habitat that provides the production of unique bee products. This made it possible, after continued efforts by the local beekeeping community and with the support by the state institutions in 2019, to register the PDO “Strandzha Mana Honey”/“Mana Honey from Strandzha”.

In the Ruse Region, mainly nectar honey is produced, which should be clearly emphasised as being produced in a country that is among the first in Europe in respect to biodiversity. The Ruse Region has a great biodiversity of medicinal, melliferous and pollen plants. More than 700 species of higher plants have been registered in the Rusenski Lom Nature Park. The average altitude of 176,3 meters and the markedly hilly terrain are the conditions, that provide a variety of bee feeding in respect to quantity and quality. Due to its rich biodiversity, the organic bee honey and others bee products from the Ruse Region contain a considerable

amount of valuable biological components. The region has thousands of years of tradition in the production of bee honey and other products related to them.

Regional honey and bee products from the Ruse Region have many and most diverse competitors – artificial and natural sweeteners, etc., which form fierce competition, including brand competition. Positioning is therefore crucial to their success. It is necessary to use this unique feature that sets them apart from their competitors. You need differentiation as clear and as complete as possible to be recognisable and noticeable. To this end, the uniqueness of the nature in the region and the leading positions of the country and the region in Europe on biodiversity and medicinal plants, which ensure high biological value, and respectively high quality of the bee products produced in the Ruse Region, should be used.

Regional apiculture products need to be differentiated not only on the basis of uniqueness but also in a way that is meaningful to their consumers. The best option for them, and their brands, is to have a unique characteristic that is both meaningful and attractive to consumers. Bulgaria is a leader in Europe for biodiversity and medicinal plants, and the Ruse Region has similar characteristics. The environment for producing regional bee products is of high biological value, which is significant for consumers, and they will be ready to pay a higher price for them. This should be used to build a positive attitude in consumers towards regional bee products in order to assist other differentiating attributes in their positioning.

In addition to being unique and meaningful, the positioning must also be credible to consumers. The more logical it sounds, and the greater the evidence for positioning is, the more plausible it is. For example, the claim of Bulgaria's leading position in the EU on biodiversity, medicinal and melliferous plants, respectively in the Ruse Region, which has similar characteristics, is trustworthy, because there is solid scientific evidence, which is available online. Therefore, it will be reliable for consumers that in the Ruse Region, there is an economic and geographical environment for the production of bee products of high biological value. This positioning claim of "*biodiversity and quality*" is in unison in terms of uniqueness, significance and credibility.

Before approaching the positioning (Myers, 1996) of regional bee products and respectively of their brands, clear answers to the following questions are needed: has any competitor already taken this positioning in the minds of the people? Are the characteristics selected or the benefits that we will point out really important to consumers? What objective evidence could support the positioning idea? Can we fulfil our commitments and our advertising promise? Do users, including potential users, believe that we can fulfil our promise? What should we do to support the positioning claim and make it even more credible? How much promotional effort will be required to be able to achieve sustained positioning in the minds of consumers from the selected target markets?

The answers to the questions stated above allow us to analyse the positioning statement – *Bulgaria's leadership positions, including those of the Ruse Region in Europe, for biodiversity and medicinal plants, ensure high biological value and quality of their bee products*. It is not known that there is a competitor who has claimed and therefore taken this position in the minds of consumers. The highlighted characteristics and benefits are important to consumers. There is objective evidence in favour of the positioning idea. The stated engagements through advertising and other communication activities are feasible.

Consumers will be convinced that the promise is fulfilled through a certificate of organic production, that will make it trustworthy and credible. There is a need to reiterate one and the same positioning theme of “biodiversity and quality”.

There are three generic strategies (Andonov, 2014), which are applicable to a varying extent for positioning regional bee products on their target markets, so that they can be perceived as more valuable and preferred over their competitors: 1) our product is unique and the only one that has a specific characteristic; 2) our product is different; 3) our product is similar and has the same functionality as the competitors’, but at a lower price. The generic strategies are applicable not only at the product level, but also at the company and regional level. We have already noted the uniqueness of the region, which is applicable to the first and second generic strategies. Regional bee products with low added value – raw materials and others, are most applicable to the third basic strategy.

The Strandzha Mana Honey/Mana Honey from Strandzha PDO can undoubtedly be said to be unique. Some of the regional nectar honey and bee products can also be claimed to be different because they are of higher quality. The other part should be said to have the same functionality as the competitors’ because they are not inferior to them in respect to quality. It should be noted that, on the one hand, regional bee products are not inferior in quality to competitive ones, but on the other hand, they are produced in an environment rich in herbs and biodiversity, they are of higher quality, i.e. have some relative product superiority. The competitive bee products benefit from greater strategic superiority through better integration that improves quantity, sorting, branding and positioning.

The international target markets for regional bee products are predominantly organisational. A differentiating factor for these markets is their production in an environment with high biodiversity, which provides higher quality. Its disadvantage is the presence of competitors who are global leaders in biodiversity and production of bee products, such as India, Mexico and Brazil, which necessitates branding of bee products from the Ruse Region. International organisations, which buy regional bee products and re-export them at higher prices, invest in quality raw materials in order to realise profit. This indicates that regional bee products must be positioned at higher prices through branding by sorts, country and region of origin, bio standards, etc.

International markets for bee products are characterised by intense and fierce price competition. The big producers of bee honey are mainly positioned by price – they offer similar bee products with the same functionality but at a lower price. Regional apiculture products continue to compete on this basis, but it is not profitable for them, given their leadership in Europe on biodiversity and quality. They need to be re-positioned as being different and of better quality than their competitors. Differentiation in this direction requires branding on the basis of legally protected intellectual products that guarantee quality – inventions, melliferous sorts, country and region of origin, technology, know-how and certification to a certain standard – bio and others.

The current national organisational target markets for regional bee products are dominated by wholesale exporters, which account for more than 80% of demand, and therefore possess a monopoly power. They buy regional organic honey at prices very close to conventional ones. National consumer organisations buy even regional organic bee products at low prices

and then export them at higher prices. They associate them with an investment in quality raw materials in order to make a profit. Therefore, regional beekeeping farms need to be re-positioned to form their own target markets – offline and online auctions for organic and conventional honey. Branding should be by sorts, standards, technology, know-how, domain name.

Bulgarian online users are dynamic, mobile and having a high standard of living. They have a limited amount of free time and are oriented towards a healthy lifestyle and nutrition. That is why they associate bee products with a healthy and balanced diet. These users are looking for branded bee products with GO, trademark and biological certificate, and domain name plays a major role in positioning them. In contrast, offline consumers prefer to buy unbranded bee honey and bee products directly from producers, with a clear origin, guaranteeing quality at relatively lower prices. They are associated with the health and prevention of colds. The company name, the sort, and technology play an important role in their positioning.

The national traditional offline consumer markets for bee products are characterised by a significant supply of unbranded regional bee products, which are more difficult to differentiate from competing counterparts. Modern trade offers foreign branded honey, as well as a considerable amount of its branded substitutes and analogues. Online markets also offer branded bee products, as well as branded honey substitutes and analogues. It is necessary to differentiate regional bee products through a branding as being better than their competitors. Trademarks and domain names can mainly be used for this purpose, because they achieve symbiosis and synergistic action for organic bee products.

Approaches to positioning regional bee products can be focused either on consumers or on competitors. Both approaches use associations between product benefits and consumer needs. A key factor in positioning them is communicating the benefits they offer and differentiating them from competitors. Different positioning strategies may be used in relation to these goals. Aaker and Shansby (1982) propose six different strategies: positioning by product attributes, by price/quality, by way of use, by product class, by consumer type, and by competitive positioning. Aaker and Mayers (1987) added yet another strategy – positioning by cultural symbols.

Positioning by product attributes requires taking a different position from the competitors by offering a specific characteristic or benefit to the consumers. This positioning strategy is difficult to implement for most bee products because they have a uniform natural design that also forms similar product attributes. It is applicable only to unique bee products such as PDO “Strandzha Mana Honey”/“Mana Honey from Strandzha”, manuka honey, etc. Positioning by price/quality can focus on the high biological value and quality of regional bee products – created in an environment with high biodiversity and offered at a very competitive price, which is better than competitive ratios with lower prices.

Positioning by way of use refers to a specific way of use or application. Regional bee honey is very suitable for the prevention of respiratory diseases, as well as for colds and flu, because it is created in a country and its region, which is a leader in Europe for medicinal plants (herbs) and biodiversity. Positioning by product class considers the presence of competing substitutes outside the product class of honey. Sugar is a typical example of honey. It is a much cheaper alternative to it, but at the same time is much unhealthier. Replacing sugar

with bee honey will reduce health problems and extend the life expectancy of consumers. Regional honey should be positioned as a healthier alternative to sugar.

Creating a strong association between consumers and bee products is positioning by consumer type. Such a positioning association can be made between bees and consumers with a dynamic lifestyle, oriented towards healthy and balanced nutrition. Positioning relative to a competitor is most often based on differentiation against a specific competitor. For regional bee honey, competitive positioning may be applied against competitors from countries with inferior biodiversity and quality. Positioning by cultural symbols relies on associations between them and a particular country. Suitable for positioning regional bee products are symbols of the richness and biodiversity of the region – herbs, melliferous plants, traditions and culture.

Katrاندzhiev (2007) proposes a typology of positioning strategies following the model by Michael Porter of base corporate strategies – differentiation, cost leadership and focus. Eight positioning approaches are within the framework of the differentiation strategy: by product category, by product characteristic, by competitor, by country of origin, by price/quality ratio, distribution positioning, star positioning, and symbiose positioning. In the cost leadership strategy, the positioning approach is based on low cost. In the focus strategy, there are three positioning approaches – by benefit or problem for the consumer, by application/use, and by user type. Below we will analyse only those that do not duplicate the previous ones.

Country of origin positioning is related to the “made in” effect. It concerns the relatively sustainable image that certain countries have in beekeeping. Bulgaria has this image, also as being one of the global leaders in organic beekeeping ([www.bgfarmer.bg](http://www.bgfarmer.bg), 14.04.2016). This can also be used for positioning regional organic bee products. Consumers, including foreigners, have a strong preference for regional bee products, associating them with some regional uniqueness – culture, herbs, etc. Distribution positioning is associated with the establishment of associative relationships between distributor and producer. The distributor of regional organic bee honey can be positioned together with the region and the bio-certificate of the producer.

Regional bee products can also be successfully positioned by celebrities. This is especially appropriate when famous athletes, artists, doctors, pharmacists, api-therapists, scientists, etc. are favoured by the targeted consumers of bee products. Symbiotic positioning is present when one bee product uses the image of another product from another product category. Since antiquity, bees have been a symbol of hard work and bee honey, as their creation, has been a symbol of abundance. This symbiosis is well-suited for positioning – “The bee honey from the Ruse Region is the product of hard-working bees and the leadership of Bulgaria and the region for biodiversity in Europe, and not from industrial production, as with many of its substitutes.”

By analogy with star positioning in an offline environment, this approach can be successfully implemented in online positioning through influencers – influencing persons. It should be noted that, unlike the similar offline positioning approach, influencers are not necessarily celebrities such as actors, journalists, singers and others. An influencer can be anyone who attracts through their publications the attention of many people. They are the most visible and influential personalities on social networks with thousands of followers, which is why

they play an important role in positioning. They can reach a wider range of potential consumers as well as a more narrowly defined and specific segment or niche.

Influencers, which are continued consumers of organic honey from the Ruse Region – producers, scientists, api-therapists, etc., should be used whenever possible. In order to obtain better results from influencers, one has to cooperate with them in the long run, as well as to avoid those that promote a lot of different brands. Influencers provide an opportunity to effectively reach targeted consumers, create original content, and build trust faster and easier with potential online consumers. It should be considered that the use of influencers has some risks and other dangers, characteristic of PR – incorrect way of presenting the product and its brand, legal issues regarding sponsorship and use of copyrighted business content, difficult control, etc.

Bee products are suitable for positioning by benefit for the consumer given their nutritional, medicinal, ecological, technical and other properties (Lyubenov, 2020), which provide a number of analogous and derivative benefits. The positioning can be based on their therapeutic value and a wide range of health benefits – “Bee products from the Ruse Region are a natural power and a source of health.” Global benefits to nature provided by bees through pollination, as well as the benefits to society, can also be exploited, given the assurance of food diversity and food security. The positioning of regional bee products by consumer type can be based on their status – actively sporting, dynamically living, oriented towards healthy nutrition, etc.

Andonov (2014) proposes three additional positioning strategies – belonging to a strategic group, carry-over positioning, and by managing consumer perceptions and preferences.

The involvement of beekeeping farms in cluster-like strategic groups (Lyubenov, 2018b) and others, forms strategic groups that build long-term competitive advantages because they allow the creation of bee products with lower cost and better opportunities for differentiation and focus. This allows positioning on the basis of the corporate identity of a strategic alliance – a cluster, cooperative, association, etc. Another option is Bulgaria’s EU membership and the Danube region, which make us a part of an economic and strategic union, a part of its social responsibility for the conservation of biodiversity and the development of organic beekeeping, where Bulgaria, and respectively, the Ruse Region have leading positions.

The carry-over positioning of regional bee products as the best ones in a fictional and intrinsic characteristic is appropriate given their rich material and spiritual nature. The statement “Bee products from the Ruse Region contain the best of the material and spiritual wealth on its territory” can be used in this respect. Positioning by managing consumers’ perceptions and preferences is based on provoking primary emotions such as fear, threats to health, life and self-esteem. Consumers face a health problem that they have neglected – today’s dynamic lifestyle requires a balanced diet, with healthy regional bee products playing an important role.

According to the author, the positioning of regional bee products can also be based on marketing tools. These tools have an important role to play in differentiating competitors as well as in consumers’ perceptions and associations, and respectively, in their level of satisfaction. It is important to note that it is neither possible, nor necessary to achieve

superiority in all marketing tools. The classic marketing tool 4P (product, price, place, promotion) requires to achieve superiority in at least one of its elements. For larger and more complex marketing mixes, such as the 8P, a superiority in at least two of the elements is sufficient. Other instruments require parity.

The positioning on international and national organisational target markets requires that the classic 4P marketing toolkit be modified because promotion has a relatively small impact and significance on them. It plays an important role in the consumer target markets, where it should focus primarily on the preventive and healing properties of bee products. The instrument of productivity and quality plays a stronger role in positioning regional bee products on their organisational markets because it enables differentiation and higher prices than the competitors'. It is also more complex for target consumer organisations for bee products – organic, conventional, etc.

The positioning of regional bee products on their target online markets requires the use of marketing tools such as (<https://hbr.org/2013>; <http://www.free-management-ebooks.com>; Lyubenov, 2018a) SAVE – Solution, Access, Value, Education, and 4S – Scope, Site, Synergy, System. SAVE relates to the perceptions, associations and behaviour of online users. 4S identifies key strategic issues for web presence and differentiation from competitors, through a domain name, etc. On the one hand, these marketing tools are differentiating from competitors, and on the other hand – they affect the perceptions and associations of online users and their satisfaction, which is why they play an important role in positioning them on the targeted online markets.

The beekeeping brand is widely used to differentiate consumer markets, but since it is created mainly by processors and traders, it requires the integration of regional beekeeping farms horizontally and vertically. Creating it requires innovation, research and informational activities, and lasting customer relationships. This necessitates the use of marketing tools such as (Karakasheva, Markova, 2005; Lyubenov, 2014) 4I – Investigation, Information, Integration, Innovation, and 4R – Relationships, Retention, Referrals, Recovery. Positioning on consumer markets requires the classic 4P to be enriched with new marketing tools like 4I and 4R.

## **Conclusion**

As a result of the conducted research on the positioning of bee products from the Ruse Region, conclusions can be drawn in several main areas:

**Firstly**, on the positioning and the regional identity of bee products:

- regional bee products are accompanied by a fundamental problem for agricultural products – difficult differentiation. Due to the fact that they are under intense competitive pressure and in a state of product parity, a serious positioning problem is defined, which makes positioning extremely important and equally difficult for their success.
- The region with its natural-ecological and cultural-historical factors, as well as territorial specialisation based on them, is the bearer of authentic uniqueness, which is the basis for

differentiation and positioning of bee products and services produced on its territory – api-tourism, etc. It is important for the differentiation and positioning of bee products.

- The leadership of Bulgaria and the Ruse region in Europe in respect to medicinal plants (herbs) and biodiversity, as well as in organic beekeeping, make it possible that one positioning scheme is being brought to the fore and is repeated – the leading positions in Europe on biodiversity and biological technologies ensure the high organic value and quality of regional bee products.

**Secondly**, on the differentiation of regional bee products:

- The approach for entering the target markets a priori sets the degree of differentiation of the segments and among them. It determines the degree of specialisation of regional beekeeping farms, respectively the quality and cost of their products, as well as their differentiation and profitability. Mass marketing has the lowest degree of differentiation, and multiple marketing- the most in-depth differentiation.
- The region is the basis for the differentiation of regional bee products, also by forming a regional brand (DanuBee) which unites all regional bee products – honey, beeswax, pollen, propolis, royal jelly, etc. It is the basis for differentiation and branding as a destination for api-tourism, through symbiosis with tourism and regional brands of legally protected intellectual products.
- The differentiation of regional bee products is based on branding through legally protected intellectual products, which play a key role in market positioning. Their positioning on business markets should be based on their functionality by nature – biodiversity, ecological friendliness and quality, and on consumer markets, there is one basic concept – health.
- Branding leads to the differentiation of regional bee products, which in turn leads to better profitability. The ability to manage consumer perceptions of their brands is easier to achieve and even cheaper than changing the characteristics of the product, which may not be perceived as something positive by consumers.

**Thirdly**, on the positioning of regional bee products:

- repositioning towards higher prices of regional bee products on their international and national target markets as different as and of higher quality than the competitors' by branding on the basis of legally protected intellectual products that guarantee quality – inventions, melliferous sorts, Europe's biodiversity leadership and organic beekeeping, technology, know-how and certification to a certain standard.
- the differentiation of regional bee products on the target online markets should be based on branded bee products with a trademark and organic certificate, and the domain name plays a key role in their positioning. Positioning on target offline consumer markets requires branding considering the presence of many branded competitors and substitutes for bee honey. Regional apiculture products need to be differentiated by branding as having higher quality than the competitors' through brands and domain names that are most widely used.

- influencers can be used for the online positioning of regional bee products. Unlike the similar offline positioning approach, they are not necessarily celebrities. They can also be manufacturers, renowned specialists, api-therapists and others. They are the most visible and influential personalities on social networks, which is why they play an important role in the online positioning of regional bee products.
- the positioning of regional bee products can also be based on marketing tools, which play an important role, both in differentiating them from competitors and in consumer perceptions and associations. Positioning requires superiority in at least one of the four elements of the marketing toolkit, or at least two if it includes eight tools. Other instruments require parity. Positioning through the marketing toolkit provides a logical connection and a transition from tactical to a strategic level.
- for positioning on the international and national organisational target markets of regional bee products, a marketing tool of type 4P is appropriate – product, price, place, productivity and quality. Positioning on target online markets requires marketing tools such as SAVE – Solution, Access, Value, Education, as well as 4S – Scope, Site, Synergy, System. For positioning on the consumer markets, the classic 4P should be complemented by 4I – Investigation, Information, Integration, Innovation, and 4R – Relationships, Retention, Referrals and Recovery.

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