

1st

**International
Scientific
Conference**

2-4 June, 2016

Vrnjačka Banja, Serbia

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**TOURISM
IN FUNCTION OF DEVELOPMENT
OF THE REPUBLIC OF SERBIA**

Spa Tourism in Serbia and Experiences of Other Countries



**THEMATIC
PROCEEDINGS**

I



**UNIVERSITY OF KRAGUJEVAC
FACULTY OF HOTEL MANAGEMENT
AND TOURISM IN VRNJAČKA BANJA**



The First International Scientific Conference

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DEVELOPMENT OF THE REPUBLIC OF
SERBIA**

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Thematic Proceedings

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FOREWORD

The Faculty of Hotel Management and Tourism in Vrnjačka Banja is the host of the International Scientific Conference Tourism in function of the development of the Republic of Serbia, Spa tourism in Serbia and the experiences of other countries, that takes place in Vrnjačka Banja from 2nd to 4th June, 2016. The Conference will present 72 papers contributed by 132 participants coming from Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, the Republic of Srpska, Russia, Serbia, Slovenia, Spain and Ukraine.

The aim of the Conference is the exchange of ideas and experiences of the participants coming both from Serbia and abroad, establishing collaboration with other institutions and analysing the possibility of using Good Practice to reach conclusions concerning the potential trends of further development of spa tourism in Serbia.

The Thematic Proceedings, as a result of the Conference, is published in two volumes, and will be available to a wider scientific audience, with the purpose of promoting sustainable tourism in the Republic of Serbia, with a special emphasis given to spa tourism. In such a way, we wish to promote Vrnjačka Banja as the most visited spa resort in Serbia.

Vrnjačka Banja,
June, 2016

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RISKS IN TOURISM AND THE CHALLENGES TO SECURITY IN SPA RESORTS

*Snežana Štetić*¹

Abstract

At the end of the last century the criticism of tourism began because of the "social costs" incurred by its uncontrolled growth and development. Negative impacts of mass tourism on the development of tourism destinations were particularly pointed out due to: the destruction of attractive space through uncontrolled construction and activities in the protected areas, inadequate cultural and historical heritage evaluation, etc. The increase in criminal behavior in tourism destinations and higher risks for tourists in all spheres is a number one threat for the development of tourism. Except benefits, many human activities, including tourism, can also bring many negative consequences to one area. Globalization as a process of universal interpenetration of business entities from all over the world still causes numerous contradictions and misunderstandings, enthusiasm and disappointment, as well as not significant resistance. In economic terms, it leads to the formation of the global economy. In this way the world tends to become a unique system, and global market becomes accessible to all. Economic globalization offers numerous options to many countries, but it also brings some of them into even more difficult position because of the debt increase, uncontrolled exploitation of natural resources, environmental risks, etc. Tourism as a global phenomenon is faced with growing problems in its development. Therefore, this paper discusses the specificity of spa destinations, identification of risk for their development, risk analysis and its assessment, as well as the possibilities of solving the existing problems.

Keywords: *risks in tourism, security, safety, challenges, spa resorts, destination*

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Introduction

Globalization is not the same as the global economy. It is only its upgrade, it is wider than the economic relations and it contains many other aspects and elements: politics, culture and social relationships. Instead of general stability and rapid growth and prosperity in the world, the previous process of globalization with a primary objective to achieve free flow of money, goods and people lead to increased instability, slowing growth and deepening the gap between the rich and the poor. It increasingly calls into question the democratic legitimacy of the objectives and forms of governance in the world that barely counteracts to preserve the richness of diversity and primordial right that, parallel to its global affiliation, every community remains sufficiently different, authentic and locally recognizable enough (Pokrajac & Štetić, 2013).

Every country that wants to develop tourism should create tourism policy with the objective to help its development and overcome numerous challenges while it is improving global competitiveness. These challenges include the extensive and high-quality research in tourism demand, understanding of its basic characteristics and all the risks which occur (Štetić, 2012). The role of the state (Middleton, 2002) for the sector of tourism business in the context of global competition is multiple, establishing the link between the integration at the level of the world and the decentralization at the local level.

Tourism can be a force for preservation, but also a threat to the natural and cultural resources and heritage of the local community. Interdependence that exists between tourism, natural environment and cultural heritage is obvious. With growing interest in resources of a destination, tourism is finally becoming recognized as an activity that can develop different areas, create jobs for local people and help preserve local culture and customs. This means that tourism offers improvement in the lives of people, and it is extremely important that all those involved in the creation of tourism activity keep an optimal balance of the development. On the other hand, in the tourism destinations where the condition of natural and anthropogenic resources is getting worse, the economy will be in a high-risk position because tourists are directed towards competing destinations (Vujović et al., 2012).

The problems of tourism development are increasing because tourists are leaving the beaten tracks of their movements and common solutions for

their travel needs. The speed of changes in the tourism market requires a new strategic concept that will be able to withstand competition in the global tourism market. In this sense, the main determinants of international tourism global development are:

- the development level and domestic market size,
- the economic growth of certain countries,
- the system of the world market,
- the development of communication and transport technology,
- the emergence and development of multinational and global companies,
- the safety of business operations.

The events at the end of the twentieth and beginning of the twenty-first century, assured us that the *safety of stay* became a priority in the planning of tourism development. The risk, which is more and more present in the tourist market, requires the creation of new protection methods for the activities, destinations and tourists. Tourism consumers' behavior is constantly changing, and in this century this change is primarily focused on the search for safe tourism destinations.

- ✓ *Growing concern for the safety and security;*
- ✓ *Increased participation of older and more experienced travelers;*
- ✓ *Increased competition;*
- ✓ *Increasingly emphasized importance of price competitiveness;*
- ✓ *Constant investments in quality increase;*
- ✓ *Introduction of new technologies;*
- ✓ *Partnership of public and private sectors.*

That is why risk management has become an extremely important activity in planning tourism development. We are witnessing risky and negative events and phenomena across the globe. Their causes are varied, so that their solution requires different skills (Camden, 2016). These events can have a different impact on tourism, different duration, different consequences and unequal spatial impact. We can discuss about short- or long-lasting consequences, about the influence on individuals or on population groups or the entire society, about influences that are reflected only in the territory of a local community, a region, a country or a continent. However, what is most important, if risk management is properly set up, it is the right possibility of risk planning and the control of the entire process.

Specific forms of tourism challenges to further tourism development of spa resort

The fact is that the specific forms of tourism are based on the specific relations that occur on the supply and demand side, but also with their specific interaction. They arise as a result of changes in lifestyle caused by the present and as a result of the computerization, automation, standardization of service quality and marketing and management concept from one side and the intellectualization, individualization and affirmation of ecology and health on the other (Štetić, Šimičević & Ćurčić, 2013).

The specific forms of tourism are based on a specific area that allows the development of such tourism trends. In addition to the space, people are an important factor and prerequisite for the development of these tourism trends. A few basic preconditions for the successful development of specific forms for spa resorts can be identified. These conditions are as follows (Štetić & Šimičević, 2012):

- an area that has the quality for the development of spa tourism,
- the possibility or the ability and knowledge to identify the potential for the development of spa tourism,
- the people who are willing to take risks.

The specific area and personnel, belong to the destination resources. Both resources are essential, the area because there is no base or foundation for the development of these forms of tourism without it, while human resources are essential for the design and creation of specific tourism products. The third group of factors are *people*, i.e. the tourists who are willing to take risks, namely to engage in specific forms of movement and to explore new frontiers beyond the area of mass tourism. They represent the demand for specific products and generators for the emergence of specific tourism destinations.

Through a review of the factors under whose influence the market of specific tourism forms is developing, it can be noted that generally they do not deviate from the factors that influence the development of the tourism market as a whole (Middleton, 2002). However, they are much more emphasized in the market of specific forms of tourism. The impact of high technology not only on the consumers' behavior and choice, but also on the product creation and management of spa tourism destination is far more underlined and present. One of the possible reasons is the

individualization on the demand side, i.e. the existence of a well-trained and educated individual with precisely defined preferences who will accept only what he wants. The emergence of individualization on the demand side says that the segmentation is significantly more detailed with more numerous and specific segments that are characterized by a smaller number of members with more sophisticated desires. Certainly, all this causes non-standard, or rather, a specific management on the side of tourism industry companies and destinations that are involved in spa and wellness tourism. And finally, the distribution organization must take into account all the specifics of supply and demand in spa tourism.

Therefore, it is necessary to define the specifics of demand and supply thoroughly and completely in order to avoid any deficiencies in the performance at such a market. When it comes to tourist demand for spa tourism, it has clearly expressed specifics, distinguishing (Štetić, 2003):

- the expressed tourists' desire for authenticity of spa resorts,
- the expressed tourist's request for the experience of spa and wellness products in local environment, and
- the unique tourist's demand for as a host in spa resort.

Economically, tourism can be most influential on the protected areas that, apart from the need for protection, must be integrated into the sustainable development and growth of spatial potential with the aim of improving the lives of the inhabitants, the return of the young and working age population and their impact on future tourism growth and development of the destination. Taking this into consideration, further diversification of tourist destinations is needed with special emphasis on tourism products oriented towards natural amenities including spa tourism.

Challenges to the development of specific forms of tourist destinations

Several approaches can be used in the identification and classification of selective tourism forms and types. The classification carried out in such a way divides the forms of tourist trends into conventional forms and new forms of tourism. The conventional forms include winter and summer tourism, i.e. mass tourism movements characterized by the destruction of resources and unsustainable development. Alternative and special forms of tourism are referred to as sub-forms of the new forms. They are characterized by a responsible attitude of tourists and the development of tourist destinations based on the principles of sustainable development.

Table 1: *Defining some selective forms of tourism that can be developed in Serbia*

Tourism form	Definition
Spa tourism	<i>Spa tourism is based on thermal and mineral springs as basic resources, and is focused on overall mental and physical well-being of the individual as a user</i>
Tourism of the protected parts of Nature	<i>Tourism, which is taking place within the area which has developed and intact ecosystems and values of ecological, geological, scientific, educational, landscape and historical significance, but is far from civilization and in which man is only a temporary observer without any impact on natural processes</i>
City tourism	<i>City tourism centers, very complex systems with multi-functional character within which tourism is developing in many forms, which affects the formation of numerous connections between local population and visitors</i>
Business tourism	<i>Business tourism is a form of tourist travel based on business reasons and participation in meetings, congresses, conventions, conferences, exhibitions and incentive trips, during which business travelers use the whole range of tourism services and common products within a destination</i>
Rural tourism	<i>Tourism within rural areas oriented to consumers and based on natural capacities and resources of rural areas (culture, nature, landscapes) and on family and small business</i>
Nautical tourism	<i>Nautical tourism consists of navigation and stay of tourists – navigators on vessels and in ports of nautical tourism for rest and recreation</i>
Transit tourism	<i>A set of relationships and phenomena that occur as a complex reflection of all the relevant factors relating to the tourists' movement through certain cities, regions or countries, toward the destination of their journey, while their stay is limited by the objective of stopping which can range from a few minutes of break to one or more overnights</i>
Cultural tourism	<i>A form of tourism in which the demand for the facilities and amenities of cultural character prevails, i.e. tangible and intangible cultural heritage</i>
Hunting tourism	<i>In addition to hunting as a central motive of tourist movement this also includes active rest, recreation and stay of tourists in a healthy natural environment</i>

Source: *Štetić S., Šimičević D. & Ćurčić N. (2013): Specifični oblici turizma, LI, Belgrade.*

Another approach in the division and classification of selective forms of tourism is based on the area where tourist movements take place, and which has at its disposal the resources necessary for the development of certain forms, i.e. tourism destinations. Moreover, it is based on the tourists who are focused on meeting certain specific needs within such

destinations. According to this approach, but also according to the previously stated characteristics of selective forms of tourism, *space and needs* are two basic determinants of their development. Within the group of other specific forms of tourism, the space in which tourists move and the way they move are taken as a basis for the differentiation. In the history of the society as a whole and of man as an individual, their development is followed through centuries and generations basically by various changes. However, despite the small number of what does not have a changing meaning for a man, there is some permanence. *This is the permanence of human needs and limited resources which the needs can be met with.* (Todorović & Štetić 1995).

Challenges to spa tourism development

Today's conception of spa and wellness tourism is basically a holistic approach to health.² The former spa product of Serbia was based on the offer of the following elements (Štetić, Šimičević & Ćurčić, 2013):

1. healing effect of thermal mineral water, curative mud and gases;
2. medical therapies (kinetic, electrical, work therapy, phototherapy, ultrasound, magnetic, etc.).
3. sedative effects of spa climate
4. recreational activities (walking, swimming, hiking, sports, etc.).
5. balanced regime of stay (correct and regular nutrition, proper sleep, adherence to the activities during the day, relaxation);
6. impact and attention of medical staff (advice, supervision).

This kind of tourism product was based almost exclusively on health and wellness elements intended for people with poor health, without major pretensions to extend the offer and adapt it to the population that would come to rest, recreate and prevent health problems, i.e. wellness offer. Wellness offer is, for now, in its initial stage of development, in which there are anti-stress treatments, massages, aromatherapy, fitness etc.

² The history of spas and spa treatments has its roots even 5000 years ago in Ayurveda medicine that creates harmony between mind, body and spirit. The generated harmony is based on the needs of each person individually depending on their environment. In the same period, the traditional Chinese medicine is developed based on Taoism and Buddhism, which basically looks for the harmony in human life. Hippocrates, the father of modern medicine, approaches prevention and believes that the disease is a reflection of nutrition, environment and lifestyle. The Romans take over the way of treatment from the Greeks, with special emphasis on the creation of a treatment system through use and catchment of mineral springs and the creation of spa places.

Many spas in Serbia are modern in terms of providing medical services, but most of them need the construction of modern and renovation of the existing accommodation capacities (Stanković & Pavlović, 2005). Barriers to a quality spa product of Serbia arose from:

- long-term orientation of spas to domestic tourism market and rehabilitation and convalescent needs of the domestic demand;
- multiyear isolation of the country resulted in a loss of touch with modern spa trends, which made the product outdated and without a competitive value in the global market;
- business operations of spas in the restrictive economic conditions (credit, tax, etc.), which led to low rates of a spa product;
- lack of accumulation of financial resources for the investments resulted in an overall decline in the quality of spa services;
- obsolescence of legislation in this area;
- lack of effective business cooperation of all stakeholders in this sector;
- lack of modern concepts of management, as well as the insufficient implementation of marketing.

All these obstacles need to be overcome as soon as possible in order to start with a market, organizational, managerial and financial, i.e. an overall business transformation. The result of these changes would also be reflected on the improvement of qualitative and quantitative offer of a spa product and its market repositioning at the international market. The fact that there are over 40 medical and health resorts (spas) in Serbia (Stanković, 2010), and that the quality of thermal waters on which they have based their offer is undoubted, indicates that this is a great development potential of Serbia for the future. World trends in the tourism market suggest further growth of medical tourism, mainly due to changes in lifestyle (globalization, less free time, more stress, etc.). The world demographic picture (UN, 2007) points to a global aging of population and an increasing number of consumers of spa/wellness products. According to ISPA forecasts (International Spa Association), the largest growth dynamics is expected in the segment of medically based programs, primarily water therapies and treatments. These are just some of the elements in favor of further strengthening the development of spa tourism at a global level, allowing for realistic chances of quickly finding a foreign market niche for health and wellness tourism in Serbia.

On the other hand, Serbia is in a strong competitive environment of the countries with developed spa tourism (Stanković, 2010). These

competitors can be reached and beaten off only by the high quality of services stressing the original elements of the offer in health care and wellness centers. In the initial development and investment stages of tourism the preference moves towards selecting those products that can achieve significant increase in the number of overnights and return funds invested in a relatively short period of time. Bearing in mind that the product of spa tourism in general can be divided into two market segments i.e. wellness and health tourism, spa tourism product of Serbia is structured in Serbia Tourism Development Strategy as: Destination Spa; Medical Spa; Mineral Springs; Resort / Hotel Spa. So far Serbia has been focused mostly on the domestic market, where the quality of health service has been emphasized first. As a result, spa product is currently unable to meet the quality standards and requirements of international market. Accordingly, when it comes to the product of health tourism, Serbia has to start with the *strategy of differentiation*, at moderate prices.

The greatest potential for the product development of medical tourism in Serbia stems from its predominant orientation towards treatment and rehabilitation, since the international demand for specialized health treatments continues to increase. However, although this product is becoming increasingly popular and widespread in the international market, its element of luxury is especially emphasized. Hence, it is certain that without a lot of high investments in the overall tourist offer of spas, Serbia has a relatively limited growth potential in the global market. Therefore, *the strategy of focusing* must be chosen. The liberalization of health services within united Europe, the strong positions of private health insurance and in particular the high cost of medical treatments in these countries will cause the migration of demand into other acceptable countries. This model, especially in its phase of opening to the world's market, has been implemented in Hungary. In the short term Serbia has to turn to the accelerated development and commercialization of the spa products, starting from the strategy of moderate prices but with high quality. Thus, in a relatively short time, this product can be exported beyond the borders of Serbia.

Risks in tourism

The development of spa tourist destinations depends on many influences. Modern business operations in the tourism industry have their own peculiarities. However, the last decade of the twentieth and beginning of the twenty-first century imposed uniform requirements for all areas and

all activities, with all the risk that business and area carry with them and in them. Also, considering the problems of risk in a tourist destination we come to the emergence of safety and security. These two terms are often equated when explaining how much safety of tourists a destination has ensured. However, the fact is that they are extremely close terms, yet they differ depending on the context of their use in tourism.

Commonly, when studying tourism we do not deal with the part of tourism that has negative impact on the environment in the desire to accept and show only its positive side. We are also reluctant to talk about the negative impacts on tourism development in order to drive out the fear in potential tourist demand. At the very least, it is a wrong approach and attitude that can cause only negative consequences for the development of tourism, if not in the short then over a longer period, which will have far-reaching consequences.

Safety is a priority as regards the visitors to spa tourism destinations. Safety of visitors is largely the responsibility of local communities and the facilities used by tourists. Therefore, we must be aware of the risks and make risk assessment of the destinations or facilities in spas and prepare them for tourists' safe and pleasant visit and stay. Spa tourism is a mutually beneficial exchange between tourists and the local community. Therefore, the strategies for risk management must be applied responsibly so that the exposure to risks is minimized.

The reduction of the number of foreign tourists also influenced foreign currency inflow from tourism in the UK. During this period the decline by 12% was recorded in foreign exchange earnings, i.e. nearly half a billion US \$.

A special kind of risk challenge facing tourism requires a high degree of planning and risk management. Tourist destinations cannot develop tourism in their area without *recognizing the risks and their prevention*. UNWTO in Charter of Rights and Tourism Code:³

- they take into consideration that guaranteeing security in tourism stems from the traditional idea on hospitality, and it is shared by all nations;

3 In 1991 the decision (Resolution A / RES / 284 IX) and Charter of Rights and Tourism Code were adopted and approved in Buenos Aires at the 11th session of the World Tourism Organization

- they strongly believe that safe tourism contributes to the achievement of social and cultural objectives of tourism and serves building international confidence, peace and universal respect for all human rights and freedoms;
- tourism safety should be included in the planning and promotion of tourism;
- modern mass tourism requires defining the set of basic measures that should together create a more stable and harmonious development of tourism in the interest of travelers, service providers and local community;
- tourists are particularly vulnerable to risks because of their traveling abroad, and general safety measures would be beneficial for all countries;
- such measures contribute to international cooperation and solidarity with the less developed countries, helping them to make the necessary safety standards of tourism;
- the need to check such measures periodically is emphasized;
- the recommended measures for the security of tourism set out in the Annex to this Resolution are adopted, and States are called to implement them in accordance with the procedures prescribed by the laws of their countries.

Medical problems in tourism

Tourism affects mass interference of civilizations and age structures, environmental degradation in a limited space (as seen epidemiologically). During the short period of time a large number of tourists is located in major tourist destinations maximizing the population in this way. This entails many problems due to a lack of the appropriate conditions for their stay (Faulkner, 2001). Inadequate or insufficient infrastructure affects a large number of problems including the health ones, which arise due to change of climate, unprepared body, unfamiliarity with the environment in which they reside. Certainly, in various environments different diseases are spread, because some microorganisms and bacteria, which are normal for indigenous people, cause problems for tourists.

Epidemics have dominated the world even in ancient times. Regardless of all the achievements of modern medicine, man is still faced with this problem. Tourism penetrates into the most developed and most backward parts of the world. In addition, we are witnessing that tourism can lead to

the spread of various diseases. In this way both a guest and a host become vulnerable and *tourism becomes a victim*.⁴

Tourists' health care has caused the creation of a specific health legislation covering the tourist areas or having special measures in this field for particular areas. UNWTO is working on the unification of regulations on tourists' health protection. However, insurance policies do not necessarily apply to all risks. In 1989 the Second International Mediterranean Conference on tourists' health was held in Rimini. The main contribution of this conference was the establishment of the International Tourist Health Association (ITHA).

What is it that *tourists need to know* concerning the protection of their health when traveling to certain tourist destinations? Here are only some examples of warnings that can be found on the websites of healthcare organizations, but less on tour operators', and the examples of tourists' sufferings from various viruses, or warnings about the emergence of new diseases in certain areas:

- even in 1952 WHO issued a warning about a dangerous flu virus that threatens a pandemic and instructions on how to be protected against it;
- constantly present gastroenterological problems when traveling, especially in tropical and subtropical areas;
- the virus from the West Nile in the Nile valley during the whole summer season;
- SARS – the warning about the spread and prevention;
- malaria (types of malaria by regions), which still represents one of the most massive infectious disease;
- virus of avian flu was discovered 100 years ago in Italy, but it has considerably expanded since 2004.
- Shortly thereafter new strains of flu have appeared, such as *swine flu*, *goat flu* and others.

4 The epidemic of SARS affected the extremely reduced number of tourists in the region where this disease occurred as well as in the surrounding countries. This was felt not only in China, Vietnam, and Malaysia, but also in Singapore, Hong Kong, Taiwan, Japan and Australia. The total number of bookings for the arrival in Australia was decreased by 20 to 30%, and the bookings of Australian Airlines dropped by 60%. Flights to Hong Kong were reduced and in Taipei and Osaka they were cancelled. In order to mitigate sharp reduction in tourist traffic Australia focused its marketing activities on the domestic market and the market of New Zealand.

Aware that journey carries the possibility of getting these or other diseases when traveling, tourists should be informed about it. They will avoid these risks if they are warned to possible problems.

Challenges to security in spa resorts

According to the estimates of the Global Spa and Wellness Economy Monitor report (2014), the spa and wellness tourism global revenue has reached 439 billion US \$ annually. Europe had the highest revenue of \$29.8 billion, with more than 32,000 spas. The growth projection of this sector is 9% per year making it the industry with the greatest growth. Serbia is a country abundant in mineral and thermal springs, many of which have been turned into spas and health resorts. The large number of springs is the result of a complex geotectonic condition of the terrain, i.e. a larger number of intertwined deep-seated ruptures and cracks of a secondary character, as well as the phenomena related to the existence of former volcanism (Štetić, Šimičević & Ćurčić, 2013). Spas and climatic places in Serbia have a long tradition; they have always been favorite places for vacations. Most spas are located at the mountain feet; they are surrounded by forests, protected from strong winds, have a mild climate and represent an ecologically clean environment. Also, thermal mineral springs, whose waters enable treatment of almost all diseases the spas are recommended for by their chemical composition, temperature and other properties, represent an enormous natural wealth.

Good risk assessment in tourism is extremely important given that this industry is very suitable for the development of many forms of risk. We can reach such a conclusion because tourist movements have represented the largest migration of human population since the beginning of mankind. Any unforeseen events usually have a negative impact on tourism through a reduction in the number of tourists. Given that tourism generates a large number of different services, this also causes less use of traffic, hospitality industry, and others, which leads to various problems, not only in service industries, but also throughout the whole economy. In addition, lower attendance rate at an area affected by different types of risk leads to a reduction in the number of employees, as well as to reduced foreign exchange earnings weakening the local community economy. In case of more serious disturbances this reflects not only the tourist destination, but also beyond it (Štetić, 2012).

Instruments for risk identification in spa resorts

Considering a large number of negative effects that may arise due to poor assessment of the situation in tourism a special testing instruments have been created, such as a *fault tree*. "The effects that should be produced" through the development of tourism are observed using this instrument. The determination of negative outcomes and identification of their possible causes often lead to the discovery of "trigger" – those activities that indicate the likelihood of future problems. Setting up this testing instrument, tourist spa destination development managers can achieve the reduction of risk in one destination. In order to be able to perceive all the risks, it is necessary to conduct a risk analysis. A part of this process is to determine the likelihood and possible accuracy in determining the risk so that we can respond in a timely and appropriate manner to protect a tourist destination from side effects.

Table 2: *Risk analysis*

Risk analysis								
	Identification	Rate of Probability	Rate of Importance	Plan in case of unforeseen circumstances	Responsibility	Reaction	When	Other
External risks: <ul style="list-style-type: none"> • Location • Economic • Environment • Time • Competition 								
Information flow on finance, marketing and public relations								
Health and safety of a destination/visitor								
Safety of a visitor/ destination								
Control of mass Arivals/departures Place/location								

Source: *Author research*

Each risk can have the effect of waves that is reflected in the decisions taken. If we decide that the opening of an event in spa destination is attended by celebrities, this will affect the increased interest. Therefore, the promotion will have to be changed, and this will affect the number of tickets sold. The increased number of tickets sold will result in changing

the equipment of facilities (toilets, food, etc.). This increase in the number of visitors and the fact that the person is famous, will affect the planning of security measures.

Tourists are not satisfied only with passive observation of the environment, but insist on active involvement in their vacation. In doing so, the emphasis is put on authenticity not only of the content they are offered, but also the entire experience during their journey. This involves exploring the environment, population, culture, the attractiveness of a destination and interactive relationship with these elements.

While every risk can be managed individually, the combination of risks may require a different strategy. The result of the risk analysis process can be an integrated plan of action in response to a major problem. This plan would consist of liability, chain of commands and procedures to minimize or cover this impact.

Instead of a conclusion

Modern business operations in spa tourism destinations have their own peculiarities, but the past decades imposed uniform criteria for all. These are operations in the global space with all the risks that they carry with them and in them. This also brings special segments of business which must accept the crisis and security in tourism as the foundation for future operations.

Tourism is highly sensitive to all negative occurrences and it changes business conditions pursuant to travel safety and stay security in a spa tourism destination. In order to achieve this, spa tourism destinations should be absolutely safe creating a *safe tourist destination*. Obviously, spa resorts should (Štetić, 2010):

- be safe for all visitors; be safe for employees in tourism and other fields (sectors?);
- be safe as regards space;
- be safe from the point of environmental safety;
- be safe in terms of economic security;
- possess a positive image of a safe tourist destination.

Global tourist movements are directed towards special destinations, which mean that spa resorts should not only observe visible economic elements of business operations at the micro level. The world crises are having an

impact on the local economy. In the tourism industry this is reflected primarily through business profitability and tourism industry insolvency, which further affect the entire local community and population's life quality.

Risk management has never been more important, especially those related to tourist destinations. Spa tourism with its peculiarities has a different business policy in relation to the traditional tourist movements. A special type of risk challenges, which these destinations are faced with, requires a high degree of planning and risk management. There are special circumstances that increase the importance of risk management in these destinations, such as:

- increased numbers of people to the area, and inadequate infrastructure;
- options unhindered movement in the unexplored locations and regions;
- the sources of mineral water, not enough secured;
- various activities that have a high degree of risk;
- insufficient awareness of local people about the risk existence.

Risk assessment in spa tourism destinations depends on many factors that require quick decisions and activities of the entire community. Every crisis is different and it has certain specificities, which all those who make decisions about the development of tourist destinations should be familiar with, before something happens. Therefore, action plans and teams that need to deal with that must be created. Collecting, classification and presentation of information should be constant and continuous, so that the destinations are ready and able to respond to all risks. The answer is normal operating and functioning of all economic and non-economic entities during crisis situation.

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HUMAN BIOMETEOROLGY WITH BIOTROP WEATHER CONDITIONS AND METEOROTROPISM IN THE CONTEXT OF HEALTH TOURISM

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Abstract

Human biometeorology as a more specific field of Biometeorology, mainly studies the impact of weather conditions onto life and health of people. Medical meteoropathology, as a part of Human biometeorology, represents an applied scientific discipline that is focused on meteorotropism, that is, the impact of atmospheric conditions onto the course of illness, as well as, the dependence of chronic and epidemic diseases on weather conditions. Weather conditions that cause meteorotropic changes within the organism are closely related to: cerebrovascular, cardiovascular, gastrointestinal, rheumatic, pulmologic, as well as, mental diseases. Meteorotropic diseases and conditions are closely related to biotropic weather conditions that are divided into three areas: weather conditions of warmer periods of the year, weather conditions when maximal temperature is positive and minimal is negative and weather conditions of colder periods of the year. Health tourism in the context of meteoroprofilax is one of the key measures of preventing general, as well as, specific illnesses through a set of treatments, such as air bath, UV-rays, inhalation with negative ions, just to name a few.

Keywords: *biometeorology, meteorotropism, meteoprofilax*

Introduction

Earth's climate is a system that is constantly changing due to various natural factors. Therefore, over the last hundred years, extensive increase in human activity resulted in additional direct impact on climate.

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Temperature, rainfall and other climate elements are changing in complex interactions, as a consequence of alterations in solar radiation on Earth.

The impact of seasonal and meteorological conditions on physical and mental health of people was even studied by the father of medicine Hippocrates (around 400 BC) who in his work titled *On airs, waters and places* states that whoever wants to study medicine in an appropriate way, should initially consider weather seasons and the effects each season has on people.

Weather conditions significantly impact our physical and mental capabilities. While we are younger, we do not feel weather changes so intensely, as we do in our 40s for instance. If we are in a bad mood, if we suffer from insomnia, if we have fatigue that we can't explain or we feel some other discomfort that significantly impacts our daily life, there is a good chance that we are susceptible to influence of meteorological conditions. In fact, frequent and sudden changes in weather have unfavorable impact on overall health state of our organism. Headaches, irritability, pain in bones and joints, high or low blood pressure, worsening of chronic obstructive lung disease and many other problems are frequently due to weather changes reflected in rainfalls, snowfalls or sudden drops in temperatures.

Nowadays, we know that all individuals to some extent react on unfavorable weather conditions. According to some studies, approximately 80% of world population has discomfort related to weather change. Meteorotropism today affects not only older individuals with health issues, but it also affects youngsters of good health, even the children. Studies reveal that under the influence of cosmic radiation and radioactivity in the air, a process of ionization takes place resulting in creation of positive and negative ions. Positive ions have a negative impact on organism and they mainly appear in frontal movement of air, up to 24 hours prior to bad weather. In chronic patents, the initial state of discomfort can be followed by worsening health condition, resulting even in death. On the other hand, negative ions impact our organism in positive ways. They can be found in uncontaminated mountain areas, over the sea and forest regions, given that in urban environments they are easily absorbed by air pollutants.

Biometeorology

Biometeorology is a science that studies the impact of weather and climate on living organisms (humans, animals and plants) and it is a part of meteorology. According to scientific standards, biometeorology is a relatively young science. As a science it developed in the second half of the XX century. Namely, in that period numerous studies confirmed that meteorotropism is not only a psychological, but also a real physiological phenomenon, that is grounded on the laws of physical chemistry and electrophysiology. Research revealed that a wide range of meteorological parameters (that we call weather) have an impact on people and their health. With a weather change, many atmospheric conditions are changing simultaneously, including pressure, temperature, wind, air humidity, electromagnetic field, just to name a few. As a result, the human body needs to adapt to a whole range of new weather conditions in a relatively short period of time (Živanović, 2015).

The impact of weather changes on people

Weather conditions certainly have an impact on organism and psychological state of people. Statistically, most people are affected by shift in temperatures from warm to cold, because most people are physically not prepared so the process of adaptation is rather slow. Unlike chronic patients, who usually face health problems, healthy individuals do not report that they feel discomfort. It is noticed that once people enter the fourth decade of their life, they start to be more sensitive to changes in weather conditions.

Practically speaking, there is no living organism on the planet that is not subject to those factors. Such changes result in a wide range of symptoms and diseases among people. Biometeorology conditions are expressed through ten phases. Reactions of those who are subject to meteoropathy (chronic patients, particularly sensitive individuals) are proportional to the intensity and changes of certain meteorological parameters and weather conditions. Apart from morbidity, these phases have a significant impact on mortality of the general population.

Under the influence of cosmic radiation and the Lenard's effect, in lower atmospheric layers a natural ionization of air happens which is most intensive up to one meter above ground, due to polarized Earth's crust. As a result, positive and negative ions are formed (Kojić, 2008). When

unbound, such ions are called 'light ions', and when they are bounded to other particles in the air (such as, air pollutants or smog), then they are called 'heavy ions'. Positive ions have a negative impact on organism and they mainly appear in frontal movement of air, the greatest problems are felt by those who suffer from meteoropathy. Negative ions have positive effect on health through strengthening serotonin effect, improving mental focus, attention, observation and mood. Instances in which they are particularly pronounced are biotrophic instances (Cvetanović et al., 1988; Jevtić et al., 2005).

Instances in which they are particularly present are biotrophic situations. For instance, cerebrovascular diseases occur when there is stagnation of atmospheric pressure, rise of air temperature and decrease in air humidity. On the other hand, cardiovascular diseases are more frequent during cold periods with increase in air humidity, while rheumatic disease worsens as humidity increases, or when there are drops in temperature and decrease in air pressure. Worsening of chronic obstructive diseases is present on cloudy and foggy days and when the humidity increases and relapse of psychiatric illnesses is more common when there are severe weather changes, especially with the appearance of heat waves. Such weather condition may result in lowering of attention and focus, resulting in increase of traffic accidents.

Lower intensity of sunlight during the cloudy periods also has an impact on health. During days with high levels of sunlight, autonomous nervous system is stimulated and activate, increasing overall physical activity, as well as, psychological sense of good mood. That is because sunlight stimulates chemical changes in synthesis of hormones and transmitters in the brain. In addition, it increases synthesis of epinephrine hormone, which stimulates all physical and psychological functions in the body. Due to this, during cloudy days, the level of these stimulating substances in blood is rather low, resulting in the feeling of sleepiness, dizziness and tiredness (Leung et al., 2008).

If quick and large temperatures variations occur in short time intervals, they can cause numerous physiological changes in human body. Sharp changes in temperatures also affect blood pressure, pH value of blood, capillary permeability in tissue and the presence of swelling. According to results of numerous studies, sudden and swift changes in atmospheric pressure are usually related to migraine attacks. However, some researchers have found that lower atmospheric pressure results in less

migraine attacks. That is, partially caused by shorter intervals of solar radiation, that usually follows intervals of lower atmospheric pressure – which are identified as key mechanisms for initiating migraine attacks. On the other hand, in a study carried in the Canada's Environment and Climate Change center showed that migraine attacks usually occur during days when pressure drops, humidity increases, accompanied with sharp changes in air temperature (Gajić et al., 2011). Finally, in some instances, epidemic outbreaks can be closely related to severe changes in temperatures.

The fundamental idea when analyzing the impact of these phases on out-of-hospital mortality was to determine some optimal amount of weather types, in such manner so that classification is neither simplified, nor too detailed. This way, difficulties when determining immediate classification can be avoided. Through cluster analysis a mutual hierarchical relationship among certain types of weather was determined. Such classification has a time component (chronological) as well. Weather change in some area, in ideal conditions, develops chronologically from the first to the last weather type. Majority of weather types are present throughout the year.

Duration of certain weather types in some geographical area is mostly determined by the general synoptic situation and the development of weather within areas, regions or some other geographical entity. Shift from the existing to the next weather type is usually easy to distinguish, although in some instances it can be imperceptible. Depending on the development of weather conditions in synoptic scales, some weather types can be sustained for longer periods of time, while the others can be literally skipped. Paskota (1994) and Ruml (2005) propose the following possible biometeorological phases:

1. Cyclone, warm, dry – this weather type is characteristic for the front of the cyclone. Sunny weather dominates, but the weather conditions are moving towards high and medium cloud levels and stronger warm winds from the South are present. Air pressure drops, temperature and relative humidity are dropping as well.
2. Cyclone, warm, humid – the main trait of this weather type are rainfalls from compact and layered clouds. It is relatively warm, with winds from the South, air pressure is dropping, temperature raises or stagnates due to rainfalls and relative humidity increases.
3. Warm front – a couple of hours before and after the warm front weather is cloudy with rainfalls. At the moment of passing front sharp

change in wind direction occurs, temperature raises and relative humidity increases or stagnates.

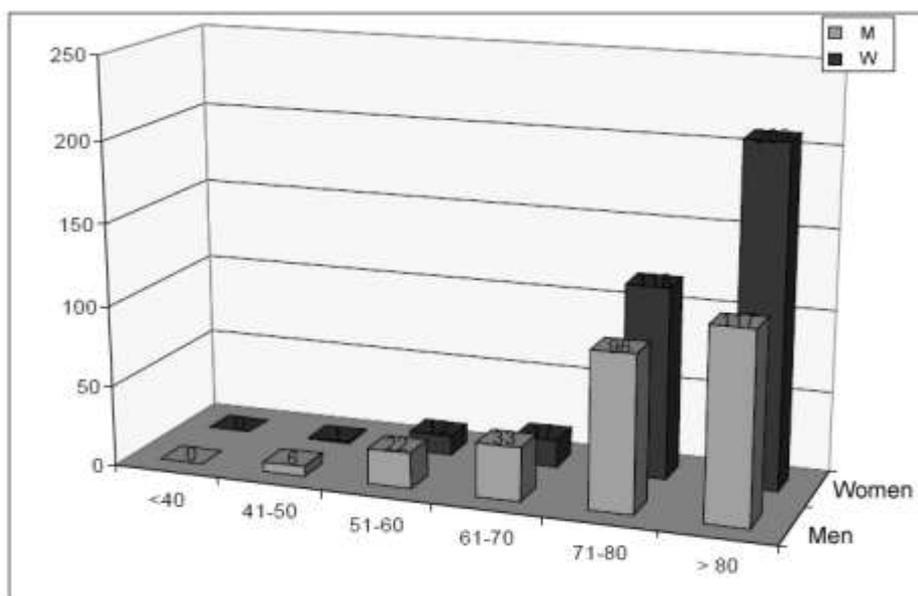
4. Cold front – in the zone of cold front the most tempestuous weather processes takes place in troposphere. Temperature usually sharply drops, air pressure sharply increases, while relative humidity increases due to rainfall, but quickly drops once the precipitation ends. Wind sharply changes direction, while its intensity grows. Heavy rainfall, thunders and strong winds are quite common.
5. Cyclone, cold, humid – if there is enough humidity, showers and thunderstorms develop. On certain occasions, rainfalls can be abundant, lasting longer than usual. Air pressure increases, temperature drops or stagnates, while humidity remains relatively unchanged and drops once the precipitation ends. Winds are stronger and are coming from the North.
6. Cyclone, cold, dry – cloudy weather dominates. Precipitation is possible, but it is usually short in duration and with modest intensity. The main characteristic of this weather type is cloudy and cold weather with seldom rainfalls and tendency of clearing up the sky.
7. Anticyclone, cold, dry – clear skies dominates with weak winds from the North. Air pressure, temperature and humidity remain relatively stable.
8. Anticyclone, cold, humid – if conditions are cold, during the evening and in the mornings there is fog, particularly in the winter period.
9. Anticyclone, warm, dry – clear skies and clam weather are typical for this type of conditions. Temperature is staying relatively stable.
10. Anticyclone, warm, humid – this weather type takes place in the summer. Sunny and warm weather dominates.

Adapting to unfavorable atmospheric conditions

Over the years, mankind has been adapting and getting used to changes in weather and climate. However over the last few decades there is a rapid change in climate conditions, resulting in reduced capacity of human organism to adjust to newly created weather and climate conditions. Most often we speak of global changes in atmosphere, as well as, about people's unhealthy habits. Furthermore, in the last few years we are witnessing that the weather seasons are changing without transition periods, so that daily temperatures can range 15-20°C, in a matter of couple of days. In addition, the way of modern life further distances man from the nature and the way of life that was dominant in the past.

Human organism is nowadays mainly used to closed rooms, so that mechanisms of self-regulation are not ‘trained’ anymore to react quickly enough to weather changes. Besides this, people that are frequently within air-conditioned rooms often foresee weather reports, as well as the signals that their body is sending them, thus creating addition unnecessary stress to their organism. As far as climate is concerned, some scientists suggest that global warming is not the only responsible factor for generating the ‘greenhouse’ effect. Another important factor is related to increase in Sun activity that is occurring recently. If this is true, some individuals could be more sensitive to Sun radiation in a similar manner as to how they they feel biometeorological changes (Gajić et al., 2011; Gajić & Gajić, 2009). Recently, Gajić et al. (2011) conducted a study on the impact of weather conditions through pre-determined biometeorological phases on the overall out-of-hospital mortality. The analysis of gender and age distribution of deceased shows that deaths related to biometeorological changes occurred mainly in females over 80 years of age, and in males between 71 and 80 years of age, as Graph 1 suggests.

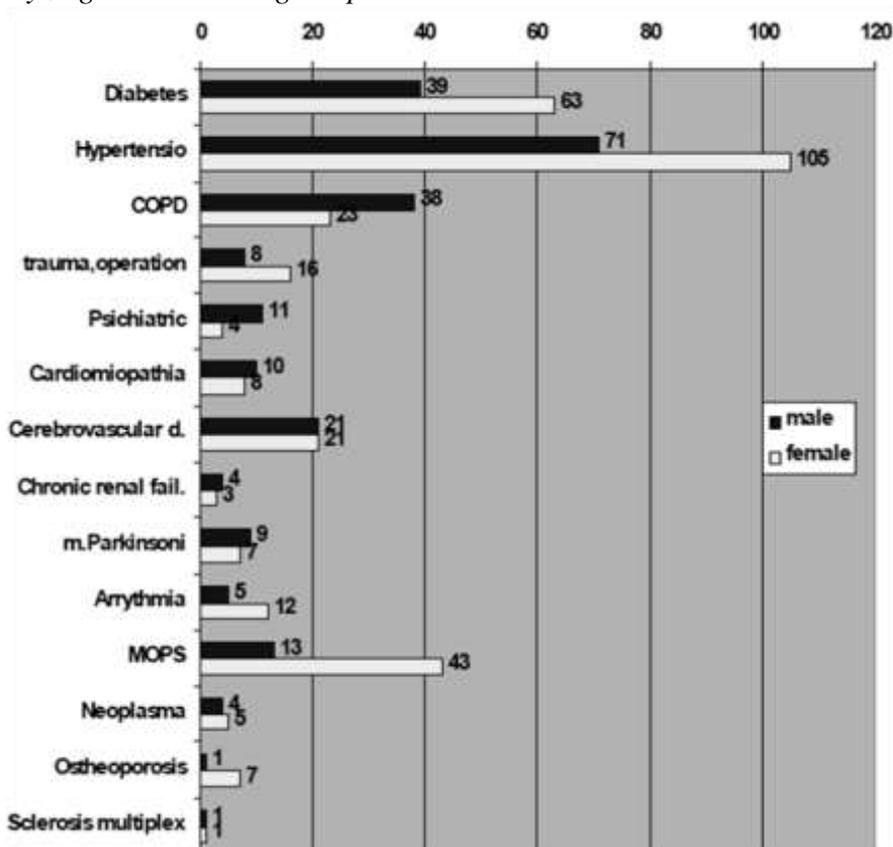
Graph 1: Gender and age distribution of individuals whose death is related to biometeorological changes



Source: Gajić, V., Milojević, D., Smailagić, J., Donović, N. & Gajić, S. (2011): *Biometeorološki uticaj na kardiovaskularni mortalitet*. PONS, Volume 8, Number 1, pp. 3-10.

Apart from the main cause of death, study same study examined co-morbidity that can additionally lead to death outcome as shown in Graph 2. Results revealed that hypertension, which is more prevalent in women than in men, ranked as the most common co-morbidity factor. It is followed by diabetes, which is also more prevalent in women. In addition, analysis showed that besides the main reason of death, women and men with cerebrovascular disease as co-morbidity factor had almost identical level of death outcomes. Particularly interesting was the result that implied that there are three times more deaths in women with organic brain syndrome (OBS) as the co-morbidity factor, compared to men (Gajić et al., 2011; Gajić & Gajić, 2009).

Graph 2: *Distribution of deceased according to co-morbidity by analyzing biometeorological phases*



Source: Gajić S., Gajić, V., Milojević, D., Smailagić, J. & Đonović, N. (2011): *Biometeorološki vremenski uticaj na vanhospitalni mortalitet u gradu Kragujevcu u jednogodišnjem periodu*, *Naučni časopis urgentne medicine HALO* 94, Volume 17, Number 1, pp. 1-12.

Weather change impacts on humans

Besides having an effect on individual's health, weather conditions also impact mood, behavior and general organism condition of every individual. Each meteorological factor that describes weather (solar radiation, air pressure, temperature, humidity, rain, etc.) has its biological consequences because meteorological changes cause environmental changes as well. An organism receives stimulation from atmosphere through skin, lungs or directly via vegetative nervous system. Humans are capable to adjust to a relative wide range of stimulus from the environment, including atmosphere. Even though some individuals are not impacted by weather changes, most people are in fact more or less impacted by such changes.

In general, human organism has the need to maintain stable internal ambiance (body temperature, neurotransmission, physical and chemical balance) which is known as homeostasis. This term includes maintaining constant physiological conditions within cells, which are ensured by enzyme, hormone and neuron mechanisms, enabling normal metabolism, normal use of oxygen from atmosphere, appropriate food intake and normal secretion. In order to maintain homeostasis all organ systems are equally engaged, but two complementary regulatory systems stand out – nervous and endocrine.

Each meteorological change inflicts stress on the internal body ambiance and if the organism is not used to such changes the human body reacts by modifications in neuroendocrine system in order to adjust to a new situation. That situation depends on the body's capability to react appropriately. Some individuals don't react at all, while many other react differently to the very same impacts, therefore, resulting in different modifications in homeostasis (Shibasaki et al., 2001; Gregorczyk & Cena, 1967).

Defense mechanisms from unfavorable weather conditions

Organism reacts through a set of defending measures of internal protection (e.g. by increasing body temperature when exposed to cold and reduction in metabolic processes when exposed to heat). We refer to this as adaptation. When these measures enable optimal working setting in new climate conditions, we refer to it as acclimatization. Critical temperature, i.e. the lowest temperature in which the human body can

maintain its normal temperature without increasing metabolism is plus 20°C.

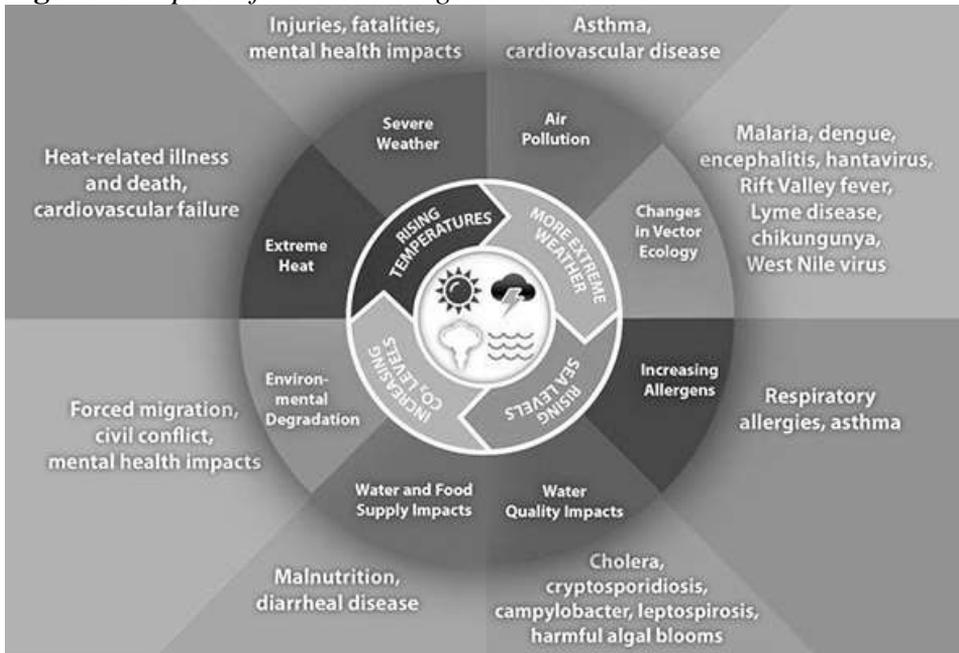
When arriving to warm regions, the adaptation of three days progresses in such a manner that there is increase in pulse and breathing rate, more sweating, decline in systole pressure. Loss of salt can lead to hypoacidity and gastrointestinal discomfort (usually it occurs on the tenth day). As a consequence of lowering pressure, situation can worsen to the level of collapse. Longer daily resting is necessary with moderate Sun exposure and reduced activity.

When adapting to low temperatures, body reacts with higher pulse rates and increased blood pressure, while the breathing is not affected. Harm to human body due to impact low temperatures can occur even when temperatures are above 0 °C (even up to 13 °C), because the impact itself depends on other weather parameters, such as humidity for instance. In some colder regions, diet should be protective and more caloric.

Even the old Greeks, 2400 years ago, noticed the impact of ‘warm and cold winds’ on aches and illnesses, while many testimonials in the XX century speak of people who feel intense pain in amputated parts of their body. The first written trace on the impact of weather conditions on human body was given by Hippocrates, who warns that sick people should particularly pay attention to sharp weather changes. The significance of atmospheric influence on humans is well described in the statement that suggests that an atmosphere is an ocean consisting of air, whose bottom is populated by humans. Evidently, humans are very impacted by the atmosphere and all living organisms are subject to the works of atmospheric phenomena and should adjust to them constantly.

Studies revealed that the most unfavorable weather conditions are cyclones and fronts. Their occurrence can bring changes in certain areas of air mass that have different traits from the air masses that are currently present in that area, leading to changes in temperatures, air pressure, winds, forcing people to adapt to them (Wexler, 2002; Radaković et al. 2007). Furthermore, with the ongoing changes in global climate, a set of new challenges for human health can be expected as the Figure 1 suggests.

Figure 1: *Impact of climate change on human health*



Source: Patz, J. A., Campbell-Lendrum, D., Holloway, T. & Foley, J. A. (2005): *Impact of regional climate change on human health*, *Nature*, Volume 438, Number 7066, pp. 310-317.

Meteoropathy

Even though the human organism is quite adaptable to changes in atmospheric environment, in the case of severe and large deviations from usual meteorological conditions, the capacity to adapt physiological functions seems to be inappropriate, allowing us to note differences in reactions among healthy and ill individuals. In healthy individuals a physiological stress occurs, but they are able to quickly adapt to atmospheric changes. Chronically ill individuals have a hard time in adapting to atmospheric changes, so the existing difficulties are even more present or the new ones emerge.

People sensitive to weather changes are called meteoropaths. The term itself comes from the Greek word *meteoron* (sky phenomena) and *pathos* (illness). Almost all individuals react to unfavorable weather conditions. Very few individuals feel well in the periods of extremely high or low temperatures or in the case of sharp changes in air pressure. Particularly sensitive are the ones who have weak adaptation mechanisms, including

children and older people. Lower levels of adaptation are also noticed among chronic patients, especially when we speak of meteoropathic disease, that is, illnesses that are susceptible to the impact of weather – including, cardiovascular, rheumatic and lung disease, just to name a few.

The most exposed individuals to meteoropathy are middle aged females, older individuals and chronic patients – in other words, ever third person on the planet. Apart from having an impact on person's health, weather conditions also influence people's mood and behavior. Usually, in sensitive individuals, one to two days prior to weather change, a number of discomforts appear that we can describe as meteoropathy. With the improvement in weather conditions symptoms of meteoropathy weaken or completely disappear (Conrad & Pollak, 1950).

Two major types of meteoropathy are identified (Brooks, 1953). Primary (or basic) meteoropathy occurs in healthy persons through change in mood, body weakness or aches during the weather change. On the other hand, secondary meteoropathy happens when some already existing diseases (high blood pressure, heart and lung disease, etc.) worsen as a direct result in weather change. The following symptoms of meteoropathy have been identified (Conrad & Pollak, 1950; Brooks, 1953):

- Physical: tiredness; sharp changes in mood; lower capacity to concentrate, think or coordinate; indifference, irritability, apathy and insomnia; sickness, depression, vertigo, headache, migraine, high or low blood pressure, overall dizziness, tiredness, sleepiness, muscle pain and pain in joints.
- Worsening among healthy patients is manifested through rapid heart work, stronger heart beating, and increase in blood pressure. In heart patients, older individuals and smokers, heart and brain strokes are more common.
- In individuals who suffer from issues with lungs and bronchia there is a greater chance of asthma or respiratory inflammation.
- Increased frequency of kidney and bile attack, particularly during the night or early in the morning.
- Worsening of gastritis and pain in stomach due to peptic ulcer.

Rheumatism

Patients that suffer from rheumatic issues sense discomfort a couple of days prior to weather change. This is manifested in pain within bones and joints. However, such pain has nothing to do with change in atmospheric

pressure. In fact, it has been proved that before weather change, strong infrared waves are formed and these waves span just prior the weather change with a light of speed, i.e. much faster than clouds and storms. These waves cause changes in scars and joints that have been modified due to rheumatism. These changes are felt by people as pain in their joints (Walker & Littlejohn, 2007).

Cardiovascular diseases

According to many doctors, acute phase of blood vessels disease has an extremely meteorotropic character. In other words, frequent appearance of infarct, stroke and lung emboli is in their opinion closely related to weather conditions. For that reason, weather and meteorological conditions are examined as risk factors in addition to other risk factors already present in the organism (or outside of it) at the moment of acute manifestation of disease. Most frequent risk factors that contribute to acute heart attack include: hypertension, smoking, issues with coagulation, diabetes, obesity, lack of walking, physical stress and lately this list of risks was expanded by weather and meteorological conditions. Certainly, weather – even with unfavorable factors – will not lead to heart attack or stroke in healthy individuals. Mechanisms for adaptation to environmental changes, that every healthy person possesses, can successfully combat weather based stress. However, if such mechanisms are damaged by some types of illness, then the adaptation to atmospheric changes are determined by various health discomforts resulting in heart attack or stroke among cardiovascular patients, causing death or terminal handicap. Aware of the possibility that weather, among other risks, has an important role in influencing one's health, a number of doctors started to explore the impact of weather on illness such as Tromp (1963).

Lung diseases

Weather conditions in winter days mostly affect older patients, who are suffering from bronchial asthma. Furthermore, unfavorable atmospheric condition can provoke severe asthma attacks. Studies regarding the impact of meteorological factors on emerging of spontaneous pneumothorax based on weather conditions (temperature, atmospheric pressure, air humidity, etc.) found that there are no significant differences in frequency of pneumothorax depending on the values of atmospheric pressure, nor minimum, maximum or average air temperature (Schwarze et al., 1997; Haathela et al, 1990). Maximum daily amplitudes of

temperature and atmospheric pressure in certain weather conditions in days with and without pneumothorax, were not either significantly different.

Conclusion

Human biometeorology as a science that studies all changes in weather conditions that have an impact on health, physical and mental capability of people, plays an important role in meteorology, which studies atmosphere with special focus on weather processes and weather forecasting. These two focuses are of essential importance as an anticipative measure, i.e. prevent the emergence of bad weather effects in existing chronic patients and hamper health of individuals sensitive to weather changes, known as meteoropathy sufferers. Sensitivity to weather conditions, that is, meteorotropism, seen as the dependence of certain state of illness from biotrophic weather conditions can be prevented through adequate types of health tourism.

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THE MAIN CONDITIONS FOR MEDICAL TOURISM DEVELOPMENT - THE STATE OF ISRAEL

Petrović Daliborka¹

Abstract

The subject of the paper refers to the fast growing field of health care tourism called medical tourism. The term medical tourism is usually defined as the system of improved medical procedures, treatments and services which attract foreigners to travel abroad and use/consume them. The aim of this paper is to emphasize the main conditions for medical tourism development, using the method of case study and method of qualitative analysis, based on the secondary research data, describing the development of medical tourism in the State of Israel.

Keywords: *Medical Tourism, the State of Israel, Innovation, Research and Development*

Introduction

The economy of the State of Israel is generally based on the innovation and high-tech industry, which represent the main sectors of the export of Israeli economy. Therefore, the economy of the State of Israel is worldwide known by its economic growth- changing the structure of her economy towards the more sophisticated sectors. Apart from that, by spreading the innovation and new technology to the other economic sectors (called „traditional industries“) on the national level, the overall Israeli economy improves in terms of its productivity (GDP), balance of payments, employment level, the level of employees' education and their marginal productivity.

The extension of the innovation and new technologies have also been given special attention to the field of medicine, influencing the establishment of so called Life Science companies. At the end of 1990s there were 200 Life Science companies in the State of Israel, whereas in the year 2014, their number grew up to 1,100. Each year 45 new Life

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Science companies have been established, all of them becoming profitable in the relatively short period of time. Consequently, the innovation in the sphere of medical devices represent the key export economic sector of the Israeli economy, contributing by 17.5% in total export. In the year 2014., the value of medical devices export was \$8.5 billion, which is the increase of 4% compared with the value of medical devices export realized in the year 2013 (Petrović, 2015, p. 24).

This approach has resulted in production and successful implementation of improved medical devices and delivery of high-quality medical treatments in the State of Israel. The strengthening of technological capacity in the field of medicine has led to the development and growth of one special kind of health care tourism called medical tourism. So, the first condition for developing the medical tourism sector includes the macroeconomic ambiance which fosters research and development, innovation, high-tech solutions and continuous education of medical staff.

As far as the institutional framework for medical tourism is concerned, The Israeli Ministry of Health is responsible for the promotion of the innovation, knowledge and expertise base in order to develop and make the concept of medical tourism in Israel competitive, by initiating, coordinating, regulating and monitoring the activities of private and public health institutions, as the main subjects in the sector of medical tourism. Strategic decision of marketing the State of Israel as a top destination for medical tourism has resulted in a fast growing number of foreigners coming in Israel for various medical treatments. Consequently, the medical tourism has growing demand in Israel, which significantly contributes to the growth of tourism sector as well as the whole national economy. Medical tourism creates jobs and income, saves lives and gives Israel a chance to promote its national message (Hasbara).²

Therefore, apart from the investment in research and development, the second condition for developing the medical tourism sector refers to the proper institutional framework- organization and strategic approach of the state in order to achieve the long-term goals of positioning the country on the medical tourism market, either at the regional, or global level.

² Hasbara is a specific word in Hebrew language, and can't be accurately and precisely translated into English, but the closest meaning would be sending good messages about Israel through many activities which positively influence the image and public opinion of the State of Israel in the world.

Medical tourism market - main characteristics

Although there are several terms used to express the travelling for medical purposes („Medical Travel“, „Health Travel“, „Health tourism“), the term „Medical Tourism“ is one that is commonly used by the international tourists (Jagyasi, 2010, p.7).

Although the sector of medical care tourism has still been considered as an emerging and relatively new part of the health care tourism (especially from the medical tourists point of view), it has already been proved that medical tourism has had significant potential for growth. Its contribution to the improvement of the tourism sector and the economy as a whole has also been reported by the countries which have developed this particular sector of health-care tourism. Precisely, the medical tourism contributes to the government revenues, direct foreign exchange earnings, employment rate, generating direct or indirect employment to the residential (Jagyasi, 2014).

The medical care tourism has captured the attention of several countries, resulting in the efforts of its development, continuous improvement and world-wide promotion. Therefore, even at the early stage of medical tourism development, the high competition at the global level has already been present. Some of the countries that already positioned themselves as a top medical tourism destinations include: Israel, United States, Costa Rica, India, Malaysia, Mexico, Singapore, South Korea, Taiwan, Thailand and Turkey (Woodman, 2014, p. 5). The first common thing for all these medical tourism destinations is the strategic decision of the state authorities to invest in research and development, innovation, the development of new technology and its implementation in the medicine sector. In other words, there is a significant positive correlation between the level of investment into the R&D and the development of medical tourism market.

The second characteristic of the medical tourism market, which explains the existing high competition in the medical tourism sector, refers to the already established and worldly accepted crucial factors and precisely defined high standards for its implementation, such as: JCI accreditation, Quality and Safety Transparency, Patient Safety, Transparency in Managing Risks, Importance of Market Transparency in International Medical Tourism (Todd, 2012, p. 70-72). Since the medical tourism deals with the peoples' health and human life in general, these and other

elements represent not only the necessary foundation of medical tourism, which are expected to be even more demanding in the future, but also the main factors of competitive advantage. Therefore, the high standards and high quality of necessary factors defined for the medical tourism influence the constantrise of global competition on the international medical tourism market. So, although the market structure can be, from the theoretical side, defined as monopolistic competition, in the practice, however, there are considerable entry barriers- sophisticated technology, high investment rate in research and development, institutional strategic focus and organization, and the already existed competition. Having all mentioned in mind, the second common thing for all current medical tourism destinations is the strategic decision of the state authorities to make encouraging institutional framework for the development of the medical tourism.

To sum up, the main conditions for the medical tourism development are tightly connected to the overall macroeconomic policy of the country - specially fiscal policy-primarily expressed through the level of investment in research and development (percentage of GDP spend on R&D). Second condition refers to the development of the encouraging institutional framework as a support for all market entities involved in the medical tourism.

Research and development, innovation and high technology as the foundation of the medical tourism development in the State of Israel

Most of the basic factors for Israeli medical tourism power can be found in the sphere of research and development, high technology and a constant innovations, which results in the state-of-art medical devices and continuous education of medical staff. Therefore, the professionalism of doctors, unique treatment methods, and high-quality health institutions with modern medical equipment are some of the factors attracting thousands of patients from abroad. Medical procedures in various fields of public and private medicine in Israel have a high percentage of success, higher than the average world figures such as IVF, bone marrow transplants, oncology treatments, heart surgery and after surgery rehabilitation such as physiotherapy and others (MedMar HealthCare).

The emergence of Israeli research institutes and pharmaceutical and biotechnological companies with their pioneering discoveries, enhanced by local companies (small-sized but human capital reached start-up

companies) that have invented state-of-the-art equipment and technologies, gives the Israel the solid base to compete on the global market of medical tourism. Moreover, Israel is also a pioneer in the development and implementation of laser surgical instruments, computerized monitoring systems, and other lifesaving and pain-relieving devices. Due to the sponsored medical research and development and pre-certification trials, some of the outstanding medical developments in Israel have been made. Just a few of them include: a procedure for the relief of prostate cancer and a highly popular treatment for the removal of kidney stones, based on a non-invasive system which crushes the kidney stones so that they can be removed naturally by the human body, and which usually doesn't require hospitalization (Israel: Medical Tourism Manual, Israel Travel News Ltd, 8).

Cutting-edge research is another area where Israeli professionals have excelled. Stem cell research is one case in point. There are many stem cell projects in the State of Israel, in various stages of development: ALS clinical studies; MS clinical research; research with bone marrow stem cells in treating Parkinson's Disease, and the development of a system by means of which stem cells could be grown in large tanks and cultivated in quantities big enough to meet the world's needs (Israel: Medical Tourism Manual, Israel Travel News Ltd, 9).

The state of Israel is well known for the innovative design and production of medical equipment and devices as well as the advanced know-how. Some of them, such as computer-assisted tomography (CAT) scanners, and advanced microcomputer-supported devices have also been exported widely.

Israeli hospitals are equipped with state-of-the art equipment and technology wherever developed, such as the SBRT technology, the most advanced form of Image-Guided Stereotactic Body Radiation Therapy in the world, which provides precision radiotherapy 10 times stronger than other radiotherapy machines, giving sufferers from many types of cancer a greatly increased chance of remission and recovery. Additionally, there is the da Vinci Robotic Surgical System, a major advance in general and cardio surgery alike, which is capable of performing long-distance surgery and providing an unprecedented level of accuracy. The functionality of the da Vinci exceeded beyond all expectations and has been a proven success with prostate cancer surgery (Hadassah Medical Center).

The high technology offers one more chance for Israel achieving the competitive advantage in the medical tourism, especially including the capacity for delivering the high-quality services for foreign medical tourists. High-quality of services which follow the process of medical tourism in Israel are given the special attention to. Namely, apart from multilingual medical staff³, each specialized medical center, including cardiology, IVF, oncology, orthopedics, genetic, gastroenterology, pathology, plastic surgery, dental surgery, gynecology and urology centers have state-of-the-art equipment allowing medical tourists to choose the dates of their surgeries and their surgeons, as well as the consultancy with their family physicians (in the country they live) before and after the procedures by telephone, video-conferencing or on the Internet. Therefore, the quality concept of medical tourism in Israel has been consisted of two equally treated parts: the professional quality of the medical procedures, as well as the quality and efficiency of additional services connected to the overall satisfaction of the clients (Petrović, 2015, p. 123) during their staying at the Israeli hospitals.

The full attention is paid to the safety and recovery of the medical tourists. Apart from hospitals, there are also many other entities with the role to ensure the quality of health care. In order to be able to offer specialized and high-quality pre- and post- procedures treatments, The Israel Center for Medical Simulation (MSR), as a world leader in simulation-based medical education, strives to improve patient safety and the clinical skills of healthcare providers through new approaches to healthcare training and practice. By proactively exposing trainees to challenging clinical and humanistic encounters, The Israel Center for Medical Simulation aims to reduce errors and improve the quality of care and teamwork (MSR- Israel center for Medical Simulation).

Additionally, there are a number of voluntary, altruistic not for-profit organizations loan out post-hospitalization equipment free of charge. There is even a local company specializing in developing and modifying special help devices when no commercial solution can be found.

3 The immigration from Russia at the end of 1990's made Israel also unique by removing the language barrier between the patients and the medical personnel. Many of the medical staff in Israeli clinics and hospitals speaks Russian as their mother language (most of the medical tourist come from Russia) and almost all staff speaks English. Besides that, French, German and Spanish are commonly spoken languages in the Israeli hospitals.

Institutional framework in the function of medical tourism development in the State of Israel

The crucial condition for the development and management of medical tourism sector include the strategic decision of the State of Israel to support it by proper health policy development (legislation), organization (public authorities in charge of medical tourism, and their coordination), standardization (national system of medical procedures/ services quality), controlling, evaluation and monitoring (data base, accurate statistics).

The Israeli Ministry of Health is the main public authority in charge of medical tourism in the State of Israel. The Israeli Ministry of Health is responsible for the control and management of health policies in the country, including the standardization and implementation of health regulations among the various hospitals and health centers in the country. The evaluation and monitoring are integral parts of the medical tourism in Israel since they give the opportunity for collecting, analyzing and tracking the necessary statistics, which in turn enable the Israeli Ministry of Health to follow-up the real situation, trends, contribution of medical tourism to the growth of tourism sector. From the other side, neat statistics offer the opportunity for the strategic planning and improvements of medical tourism in the State of Israel. Additionally, the Ministry of Health also regulates the qualification and certification of Israel's doctors and other medical professionals.

Having in mind the importance of the health care policy, the Israel National Institute for Health Policy Research was selected by the Health Council to facilitate and encourage research, surveys and professional expert opinion intended to supervise the implementation of the National Health Insurance Law. On June 15, 1994 the Israeli parliament (Knesset) passed the National Health Insurance Law-NHIL (National Health Insurance Law, 1994, Book of Laws, Official Gazette, No. 1469, p. 156), after decades of attempts and efforts to legislate or devise national health insurance (Cohen, 2012, p. 6). National Health Insurance Law came into effect on January 1, 1995. Medical services are provided through four health insurance companies, known as sick funds: KupatHolimClalit, KupatHolim Maccabi, KupatHolimMeuhedet and KupatHolimLeumit. KupatHolimClalit (General Sick Fund), the largest organization and the first health insurance institution, was founded in 1911 by a small group of agricultural workers and taken over by the Histadrut (General Federation of Labor) in 1920 (The Health Care System in Israel: An Historical

Perspective). This institution is in charge of evaluating the influence of health care policy on the health care system in Israel.⁴ The Israel National Institute for Health Policy Research regularly holds scientific meetings, policy debates and conferences intended to arouse discussions between researchers and policy makers. Its research findings have been translated into policy decisions and action plans (The Israel National Institute for Health Policy Research). Additionally, the Israel National Institute for Health Policy Research is in charge of the quality assessment of the services provided by HMOs (health and medical organizations), according to the national quality measures, being regularly published in the National Quality Measures Program Report (The Israel National Institute for Health Policy Research, 2012). In general, as far as the quality of health-care services are concerned, the Israeli system is marked as efficient even by the independent external researchers (OECD Economic Surveys: Israel, 2013, p. 78).

Israeli institutional framework fosters close cooperation and coordination between two main public authorities in the health-care system- The Israeli Ministry of Health and The Israel National Institute for Health Policy Research - when it comes to the policy of health care system, and its improvements.

In order to promote intensive intellectual interactions among scholars and practitioners from Israel and other countries regarding all aspects of health policy, with particular attention to Israel, the Israel National Institute for Health Policy Research launched and started with regular publishing of the new, open and publicly accessible the Israel Journal of Health Policy Research (IJHPR). The ultimate aim of the interactions among scientists and practitioners is to contribute to the development of health policy in Israel, and also to foster wider communication between health scientists and policy analysts in Israel and their colleagues around the world. So, the primary focus is the promotion of the interdisciplinary synergy between studies of different aspects of Israeli health care where the results of studies done by scholars in a number of health-relevant fields would be gathered in the same publication and contribute to the

4 According to the data from 2014, out of 51 countries, Israel's Health System is ranked seventh in the world, having: high score of efficiency (65.4), high life expectancy (81.7 years), health-care cost as percentage of GDP (7%), health care cost per capita (\$2,289). Source: Bloomberg, Most efficient health care 2014: countries <http://www.bloomberg.com/visual-data/best-and-worst/most-efficient-health-care-2014-countries>

continuous improvement of the Israeli health care policy (Rosen & Israeli, 2012).

Moreover, the institutional framework is also enriched by special law firms with the experience as well as technical expertise in the field of medical tourism, particularly dealing with themalpractice cases, whether it refers to the misdiagnosis, failure to render the correct treatment, or unreasonable delay before treatment is rendered. So, the patient's rights are highly protected and guaranteed by the Protection of Patients' Rights Law (Protection of Patients' Rights Law, 1996, Book of Laws, Official Gazette, No. 327), as well as by Basic Law: Human Dignity and Freedom (Basic Law: Human Dignity and Freedom, 1992, Book of Laws, Official Gazette, No. 1391).

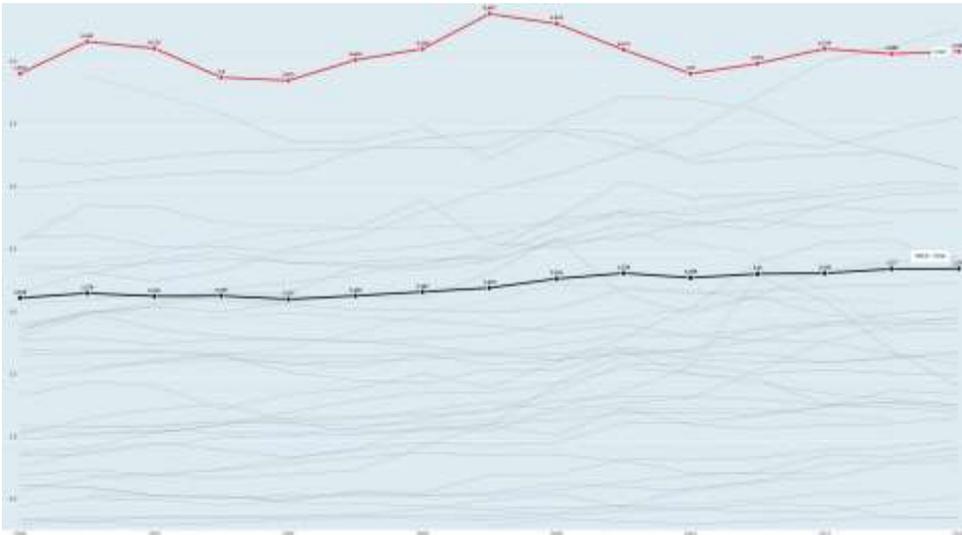
The last but not the least, forming the data base of all subjects (hospitals) in different areas throughout the country ⁵ (Health-Tourism.com, Medical tourism made simple) involved in medical tourism also represents the necessary element of the medical tourism promotion in the State of Israel. Data base is very important because it helps potential medical tourists to find out the whole list of hospitals accredited by the Israeli Ministry of Health and inform themselves about their specialization, prices and all needed information concerning the whole procedure and their staying at hospitals in Israel.

Main statistical data of the medical tourism in the State of Israel

According to OECD report from 2014, Israel is placed among the highest in the world for Research & Development expenditure, ahead of many OECD countries, and thus ahead of the total OECD countries expenditures on R&D. In 2014, total expenditure on R&D in Israel was 4% of GDP whereas the OECD, in the same year, totaled 2% of GDP (OECD Data, Gross Domestic Spending on R&D).

⁵ Top hospitals for Medical Tourism in Israel are: Tel Aviv Assuta Hospital - Tel Aviv, Herzliya Medical Center - Herzliya (5 KM from Tel-Aviv), Hadassah Ein Kerem Hospital and Hadassah Mount Scopus Hospital in Jerusalem, Sheba Medical Center - Tel Hashomer (Tel-Aviv suburb).

Graph 1: *Gross domestic spending on R&D (Total, % of GDP, 2000-2014)*



Source: *OECD Data, Gross Domestic Spending on R&D, <https://data.oecd.org/rd/gross-domestic-spending-on-r-d.htm> (*red line - Israel; dark line - OECD Total)*

This is the main reason for Israeli medical centers to be equipped with unique equipment and the newest treatment methods and medication.

Since Israeli government succeeded in placing the State of Israel on the global map of medical tourism top destinations, a number of foreigners coming to Israel has been continuously growing, making the medical tourism a profitable source of income for the nation's healthcare system.

According to the report released in April 2013 from the Israeli Ministry of Health, it is estimated that medical-tourism revenues skyrocketed from 54 million in 2009 NIS (New Israeli Shekel) to 119 million NIS in the year 2011. Some 30,000 medical tourists annually spend nearly \$5,000 per visit, compared to about \$1,500 for sightseers. In the year 2006, 15,000 people came to Israel for medical treatment, bringing in \$40 million in revenue. In 2010, Israel treated 30,000 medical tourists. It was estimated that in 2012 the income from medical tourism was at about \$140 million, whereas in the year of 2013 public hospital revenue was NIS 291 million, and private hospitals and health maintenance organizations revenues in

the same year were more than NIS 500 million⁶ (Medical Tourism Magazine, 2014, p.18-19).

The Health Ministry estimates that they inject about NIS 200 million a year into the health system, of which more than NIS 100 million goes to government hospitals. Outside experts put the total much higher, at almost NIS 500 million. In fact according to a report in 2013, the number of people from Eastern Europe and the United States seeking treatment at Israel's public and private hospitals has been growing (The Israeli Ministry of Health).

In 2013, approximately 30,000 foreign nationals entered the country specifically for various medical treatments. Approximately 50% of these visitors were medical tourists from Eastern Europe (mostly citizens of Russia and Ukraine), Western Europe, Cyprus and the United States. 65% of medical visitors that came to Israel have undergone various medical treatments, while the remaining 35% pursued cosmetic and aesthetic surgeries and treatments (Health-Tourism.com, Medical tourism made simple).

Most of these patients came for medical procedures that otherwise would be expensive or not readily available in their home countries, then because of the increased waiting list in their countries, as well as because of the Israeli technology and modern equipment that are compatible with the new health services (Horowitz & Rosensweig, 2007). Heart surgeries, oncology, cancer treatments and bone marrow transplants are common procedures that medical tourists come to Israel for treatment. Others come for the country's reputation in specific branches of medicine, such as in the field of IVF treatment, where Israel is considered a global leader.⁷ A survey published by the Journal Human Reproduction Update in 2002 showed that 1,657 in vitro fertilization procedures per million people per year were performed in Israel, compared with 899 in Iceland, the country with the second highest rate, and 126 in the United States, which trailed far behind European countries (Collins, 2002, p. 267).

6 Each Israeli hospital experiences boost in revenue, to mention just a few: Tourism revenue at Rambam Medical Centre in Haifa rose from \$2 million to \$5.5 million from 2009-2011. At Ichilov Hospital in Tel Aviv increases totaled \$10.5 million in 2009 and \$24 million in 2011.

7 The Israeli Hospital „Assuta Hospital“ in Tel Aviv performs about 7,000 up to even 16,000 of the fertilization procedures each year, which accounts for more than a quarter of Israel's approximately 28,000 IVF procedures a year.

Table 1: Cost comparisons between medical procedures in Israel and equivalent medical procedures in the USA and UK

Fertility Treatments			
Procedure	USA	Israel	Average Savings
IVF Treatments	\$16,000 - \$20,000	\$5,000 - \$6,000	68% - 70%
Medical Procedures			
Procedure	USA	Israel	Average Savings
Heart Bypass	\$120,000 - \$130,000	\$20,000 - \$35,000	73% - 83%
Hip Replacement	\$41,000 - \$43,000	\$35,000 - \$40,000	6% - 14%
Bone Marrow Transplant	\$240,000 - \$260,000	\$100,000 - \$120,000	53% - 58%
Knee Replacement	\$38,000 - \$40,000	\$20,000 - \$30,000	25% - 47%
Eye Surgeries			
Procedure	USA	Israel	Average Savings
Cataract Surgery	\$5,000 - \$6,000	\$3,500 - \$4,000	30% - 33%
Plastic Surgery			
Procedure	USA	Israel	Average Savings
Face Lift (rhytidectomy)	\$7,500 - \$9,500	\$6,500 - \$7,500	13% - 21%
Breast Augmentation (Mammoplasty)	\$5,000 - \$8,000	\$3,500 - \$4,000	30% - 50%
Complete Liposuction (lipoplasty)	\$4,000 - \$6,500	\$2,000 - \$3,000	50% - 53%
Nose Surgery (Rhinoplasty)	\$5,500 - \$6,500	\$4,000 - \$5,000	23% - 27%
Botox (Facial Region)	\$500 - \$1000	\$350 - \$450	30% - 55%
General and Cosmetic Dentistry			
Procedure	USA	Israel	Average Savings
Dental Implants	\$3,000 - \$4,000	\$1,000 - \$1,500	62% - 67%
Medical Procedures			
Procedure	UK	Israel	Average Savings
Bone Marrow Transplant	£140,000- £150,000	£60,000 -£70,000	53% - 57%
Plastic and Reconstructive Surgery			
Procedure	UK	Israel	Average Savings
Face Lift (rhytidectomy)	£6,500 - £7,500	£4,000 - £4,500	38% - 40%
Breast Augmentation (Mammoplasty)	£3000 - £5000	£2,000 - £2,500	33% - 50%
Breast Reduction	£3000 - £5000	£2,000 - £2,500	33% - 50%
Botox (Facial Region)	£340 - £400	£250 - £350	10% - 40%
General and Cosmetic Dentistry			
Procedure	UK	Israel	Average Savings
Dental Implants	£1800 - £2500	£600 - £1000	60% - 67%

Source: *Health-Tourism.com, Medical tourism made simple, <https://www.health-tourism.com/medical-tourism-israel/>*

As far as the prices of different types of surgery are concerned, it can be said that the State of Israel has a competitive advantage over the USA, since “the value for money” ratio is more than satisfactory. Although the statistics can be expressed only in approximate figures due to the different types and aspects of surgery in every field, there is still an indication that the level of pricing in Israel medical tourism gives the opportunity to the foreigners treated in Israel to save substantial amount of money (Table 1.)

According to the data in the Table 1. it can be said that, apart from the high tech medical devices and improved medical treatments in the State of Israel, the clients also receive good „value for money“, compared with other high developed countries.

Conclusion

The underlying foundation for medical tourism development in Israel includes highly developed and one of the world’s leading healthcare system, defined and continuously improved by research and development, innovation and high technology as well as the encouraging institutional framework and government support. The State of Israel is well-known for her constant and high investments in research and development, ensuring the Israel the role of global leader in the high-tech industry. High technology influences the development of modern medical devices and the improvement of medical treatments, that have propelled the practice of medicine in Israel to heights achieved in other highly developed countries. The encouraging institutional framework fosters a culture of ambition and a competitive and dynamic environment, which have created a powerful drive towards excellence that pervades every area of Israeli medicine. Therefore, the investment in research and development and proper institutional framework contribute significantly to the development of advanced medical tourism services in Israel, on a par with developed nations, yet at a much lower cost than the United States and Western Europe. High quality medical treatments as well as the good ratio of „value for money“ represent, not only the conditions for the development of medical tourism, but also the key factors of international competitive advantage of Israeli medical tourism.

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ENTREPRENEURSHIP AS BASIS OF SERBIAN SPA TOURISM COMPETITIVENESS IN INTERNATIONAL TOURISM MARKET

Snežana Milićević¹, Jelena Petrović²

Abstract

In extremely competitive conditions of tourism market, where everything is subordinate to the requirements of tourism demand, entrepreneurship plays the key role, being a primary source of ideas, innovations and creativity. The subject of this paper refers to the analysis of the situation in Serbian spa tourism. Main characteristic of spa tourism in Serbia is domination of domestic visitors, while foreigners make up only 16% of visitor turnover. This points to the conclusion that Serbian spas are not competitive in international market. Main goal of the paper is to highlight the significance of entrepreneurial activities in creation of innovative health-tourism product in Serbian spas, as in already known spa practices from the region. Significant contribution of the paper will reflect in guidelines towards relevant state institutions that can significantly improve development of entrepreneurship in Serbian spa tourism in order to achieve higher competitiveness in international tourism market.

Keywords: *Entrepreneurship, innovation, spa tourism, Europe, Serbia*

Introduction

Extreme growth of tourism activities in the past decades clearly defines tourism as the most significant economic and social phenomenon. Number of international tourists shows a growth from 25.3 million in 1950 to incredible 1,184 million in 2015 (UNWTO, World Tourism Barometer 2016). Such development of international tourism evolved in constant growth of tourism role in overall economic development of most

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countries over the world (Petrović & Milićević, 2015). Tourism became a global phenomenon of 21st century. However, tourism market is characterized by extreme glut. In tourism, continuous innovation of tourism offer is required because the development of the world economy, as well as the tourism development happens in a very turbulent environment (Krstić et al., 2015), and because tourists today increasingly strive for new tourism products, new destinations, new adventures and experiences. New experiences become a main motive for a decision on tourism travel.

Entrepreneurship is a crucial factor in the increase of a company's competitiveness in tourism and includes numerous elements such as creativity, innovations, uncertainty, risk taking, managerial skills, etc. (Hjalager, 2010). The basis of entrepreneurship is innovation. Spa centers, which want to survive in extremely turbulent tourism market, need to constantly keep pace with changes in the environment and, accordingly, innovate tourism products, services and business processes. Spa tourism, in initial phase of its development, was primarily related to the use of thermo-mineral waters, and many European spas were developed on this basis (Jovičić, 2008). During evolution process, spa tourism expanded its offer with wellness, which included Eastern therapies (holistic concept), as well as sports and recreation, and culture and entertainment offer, meaning there was a transfer from curative to prevention, i.e. health promotion (Scopel, 2011). European spas that accepted such tendency and innovated their offer with additional services have made rapid progress in the market, and that primarily refers to traditionally competitive countries such as France, Hungary, Czech Republic, Austria, and Italy.

Entrepreneurship in tourism

Entrepreneurship is one of the most rapidly growing fields in economy, management, finances, as well as in numerous other fields. It is market's driving force (Mises, 1949). Entrepreneurship is an activity that includes discovery, revision and use of chances to introduce a new product or service, method, market and raw materials, organizing potential that didn't exist before (Shane, 2003).

Basis of entrepreneurship in field of tourism is represented by small and medium companies. Entrepreneurial processes also take place in bigger companies that introduce innovative products and processes in order to improve the offer and become prominent in the market in conditions of

uncertainty and strong competition. Entrepreneurs in tourism actively monitor the changes in environment in order to observe newly emerged chances on time and use them for competitiveness increase through the creation of innovative solutions. Those changes in the environment are relatively frequent and they can be related to general economic conditions, contemporary trends in tourism market and consumers' preferences, political stability, infrastructure, etc. (Weiermair, 2001). The biggest obstacle for the development of entrepreneurship in tourism is limited access to information, mostly insufficiently qualified workforce, expressed seasonal character of business, unpredictability of future developments, as well as financial weakness of small and medium companies (Milićević & Milovanović, 2012).

Entrepreneurship is best reflected in fields that offer the most innovative possibilities and chances. Big tourism companies are much faster in implementation of new ideas, by which they achieve comparative advantage. Smaller companies follow them only after they are convinced that investments or changes are feasible. By its nature, tourism sector makes it easier for companies to observe what others do (Radosavljević & Borisavljević, 2011). Innovation is, alongside skills, investments and enterprise, a major initiator of productivity in economy (Pivčević et al., 2012).

Innovations in tourism can be divided into the following (Hjalager, 2010):

- innovations on products,
- innovations on business processes,
- innovations in the field of information management,
- innovations in the field of management,
- institutional innovations.

There are numerous examples of innovations in tourism, such as organized travels, charter transport, low-cost airlines, franchising, time-sharing, all-inclusive services, electronic reservation systems, wellness tourism, "green hotels", etc.

Spa tourism offers an opportunity for unique and specialized business undertakings. As standard of living is growing, health tourism gains in significance, particularly in highly developed countries. In today's contemporary world, health has become precious. To feel and look healthy represents a true privilege in the time in which we live rapidly and experience stress on daily basis (Milićević, 2015). Entrepreneurs in spa

tourism can significantly contribute to economic growth, increase of local population employment, prolongation of tourism season, greater usage of accommodation facilities, development of complete spa destination through development of tourism infrastructure and superstructure. By using local contacts and information, they can create an integrated health tourism product in accordance with visitors' requirements. For example, they can combine wellness programs with active holidays in nature or health treatments with visit to cultural and historic sites.

Spa tourism in Europe

Tourism significantly contributes to economic, social and cultural development of Europe (Gligorijević & Petrović, 2009) as well as development of transition countries (Zdravković & Petrović, 2013). Europe disposes with a great number of widespread spas with diverse contents and special programs with different length and market targets. The concept of spa tourism is different from region to region, from country to country. In Western Europe, accent is on prevention, mental and physical health, spending time in thermal spas and wellness hotels. Opposed to this, in Central and Eastern Europe, the emphasis is on curative and physical health, i.e. conventional treatments prevail. In Southern Europe, there are treatments based on sea water (thalasso therapy) and tourism based on sea coast and sunlight, in combination with healthy food based on olive oil, fish, fruit and vegetables. Northern Europe bases spa tourism on physical activity in nature (fjords, lakes, forests). For example, in Scandinavia, great attention is paid to Nordic walking, skiing, swimming in the lakes, even during the winter (Smith & Puczko, 2009).

Tourism development trend in the part relating to people's health in Europe ranges from classic thermalism to contemporary notion of health tourism, which in addition to medical component (prevention, curative, rehabilitation), includes other components as well (wellness, sport, recreation, entertainment, healthy food, etc.) which can attract not only an ill man whose treatment/rehabilitation and stay is paid by the state through health insurance system, but also a healthy man, who is aware of the fact that he himself must finance his vacation in spa and climate places, i.e. health tourism destinations, for the sake of his own health and condition (Hrabovski Tomić, 2006).

In order to meet the requirements of contemporary tourists and survive in the competitive market, European spas continuously introduce innovative products and services. They offer an integral tourism product of exceptionally dynamic growth, which includes diverse offer of health tourism, wellness, medicine, beauty programs, fitness etc., in combination with quality accommodation, gastro offer, entertainment, cultural, and other activities that make a spa stay complete. Thus, spas are no longer only health resorts with a prominent philosophy of hospitalized services, but modern spa centers in which healthy people come as well, with the motive of preventive care for their health (Tabbachi, 2008).

Examples of spa practice in region

Further in this paper, we will present spa tourism in particular European countries, which are traditionally known spa destinations. This analysis shows the examples of good practice, which spa tourism in Serbia should look up to.

Natural health resorts of Slovenia. Slovenia disposes with 87 thermal springs and in relation to state size it can be classified among “thermally developed” countries. Most springs are meant for health tourism activities. Development and affirmation of 15 verified Slovenian health resorts was enabled by wealth of intact natural beauties of Slovenia. The most significant are thermal waters of diverse characteristics and temperature (from 32°C to 73°C) and mineral water; they are followed by sea water and brine, organic and inorganic peloids, as well as sea, Pannonian and pre-alpine high mountain microclimate. In the offer of 15 spa centers there are not only balneotherapy and physio-therapeutic services, but also other types of contemporary therapies based on competitiveness and education. The most contemporary offer in well-being products field is developed, as well as new programs for health preservation and illness prevention (Land of health Slovenia, 2015). Due to the rich tourism offer, these spas are visited by different clients, from children to very old people: rich offer of open and closed pools is primarily meant for children and the young, wellness offer for guests aged 30 and older, wider and general offer of recreation activities in addition to spa curative treatments is aimed for older clients. All hotels in spas have: one covered pool minimum and one open pool minimum, one fitness center at least, saunas and beauty centers, congress hall with accompanying equipment, professional staff for the animation of children. Diverse offer of sport and recreation is another characteristic of spas in

Slovenia (golf, minigolf, closed and open tennis courts, bowling allies, bocce, trim trails, equestrian sports, riding, bicycling, skiing, boat riding, hunting, fishing, hiking, wine trails, etc.). However, the strongest features of these spas are incredible experiences in thermo-mineral waters, in attractive pools with numerous attractions, which are extended on more than 43.000 m² surface (<http://en.slovenia-terme.si/offer/sport-and-entertainment/>).

Terme Čatež, the biggest Slovenian natural health resort, leads by the number of innovations. The spa offers the most diverse offer in this part of Europe for maintenance of health, relaxation, business encounters, and enjoying in sports 365 days a year. It offers entertainment for whole family: “Summer Thermal Riviera” (10.000 m²) and “Winter Thermal Riviera” (2.300 m²) with water attractions, such as: “thermal formula”, Pirate's island, “adventure tree”, pirate ships, pool with waves, surfing simulator, etc. Since June 2013, one more attractive innovation is the fun fair “Termopolis“ which offers “summer explosion of fun” with first class adventures for all generations: race track "Skyflyer", “Zombie”, “Temple of adventure”, "Family rollercoaster Grisu", "Twister", "Rodeo", etc. Innovation is reflected in accommodation offer as well. Beside accommodation in hotels, they offer their guests car camping as well (450 units), which was pronounced as the best camp in Slovenia for the last four years, then accommodation in “Pirate bay”, in 20 floating small houses on the lake, as well as “Indian village” with 25 tents which attracts guests from all parts of Europe for an adventure vacation in nature's arms (Dopolnjeno polletno poročilo Terme Čatež, 2014).

Due to such a diverse health tourism offer, Slovenian spas had 811.927 visitors and 2.998.959 overnight stays in 2014. Foreigners made a number of 352.361 guests, whose number of overnight stays was 1.332.794 (Statistical Office of the Republic of Slovenia, 2015).

Spa tourism in Hungary. Hungary is a country with abundance of thermal waters. Owing to favourable natural characteristics, therapeutic thermal waters of high capacity can be found in more than 80% of the territory of Hungary. There are more than 1.300 thermal springs in Hungary (Guljaš, 2010). Hungarian spas are characterized by Roman, Greek, Turkish and northern countries architecture. Spa culture in Budapest is more than 2.000 years old (Hungary in Figures, 2012). By the number of thermal waters, Budapest is the richest capital in the world. In Hungary, there are approximately 350 public baths (Milojević, 2007). Services offered in

them are wellness and curative, they offer any kind of spa and physical therapy. Through the entire history, bathing and spa tourism has always played a significant role in Hungary. Today, a few hours spent in public bathroom are a part of daily routine for many Hungarians.

In Hungary in 2010, it was registered 206 spas which belong to the following categories: 100 spa baths, 107 thermal baths and 103 baths of adventure/experience. There is a total of 30 baths which are registered and make business in all three categories concurrently. The spas with highest capacity are: Hajdúszoboszló, which disposes with 57 pools and can have 26.000 visitors on daily basis, Harkány, which can take 15.000 visitors daily, then Debrecen, Gyula, Győr and Kiskunmajsa, each of them can have 11.000 visitors daily. When it comes to health treatments, the spas offer balneotherapy, hydrotherapy, electrotherapy, mechanotherapy, inhalation, reflexology, phototherapy, etc. All the spa hotels have at least one open pool, a rich offer of wellness content, diverse massages and saunas, cosmetic treatments, fitness centers, sport and recreation and cultural and entertainment facilities. In addition to traditional Hungarian kitchen, hotel restaurants offer vegetarian, as well as organic food (Hungary in Figures 2010).

Hajdúszoboszló spa is one of the most visited destinations in Hungary; by the number of domestic tourists, it is positioned right after Budapest, and by the number of foreign visitors it is fourth. Hajdúszoboszló is the biggest spa complex in Europe with 57 pools. The complex of open pools spreads on 30 ha and offers diverse attractions: giant pools, Pirate island with a lighthouse at the sand beach with palm trees, a few dozens of adrenaline slides which start at 12m high tower and of which some have additional safebelts. There are also numerous attractions for the youngest: children's maritime world with animals in the pools, slides, and playgrounds. The spa offers thematic pools with appearance that fascinates the visitors: Ice cave, pool cinema, tropical pool, "Gang", "Roman pool", sea pool, cave pool, "Páva" thermal pool, etc. (Hungary in Figures 2010).

The spas of Hungary recorded amazing number of 3.267.685 visitors in 2014 (580.685 domestic and 2.687.000 foreign visitors) (Hungarian Central Statistical Office, 2015). The key attraction for foreign tourists is diversity of health tourism offer, high quality of services and qualified personnel, as well as good relation between price and quality (compared to prices in Western Europe).

Spa tourism in Czech Republic. Czech Republic disposes with 36 spas (Facts & Figures Tourism in the Czech Republic, 2008). The history of Czech spas has begun in 15th century and it has become indivisible part of cultural heritage and an extremely important part of health protection system of Central Europe. Due to the outstanding quality and proved curative effects of a few hundreds of natural mineral springs, muds rich in minerals and moderate climate, remarkable physiotherapists and doctors, Czech spas achieved very good reputation among spa lovers due to their excellent spa vacations with natural curing and rehabilitation therapies. Among famous people who visited and highly appreciated Czech spas were: Carlo IV, Peter the Great, Maria Theresa, Johann Wolfgang von Goethe, members of the Rockefeller family, etc. The most famous Czech spas are Karlovy Vary, Mariánské Lázně, Luhačovice, as well as Teplice, which is the oldest spa of Czech Republic and Central Europe (Spa & Wellness Catalogue Czech Republic, 2014). They put all their efforts to guarantee a comfortable and relaxing stay for those who look for a holistic natural spa treatment or rehabilitation therapy or only a wellness vacation in unique magic spa atmosphere. They have a rich offer of sport and recreation, and cultural and entertainment activities for leisure time (Királová, 2010). Cultural events usually begin with official opening of the spa season in May and they end with special programs for Christmas or New Year.

Czech spas had 742.281 visitors in 2014, of which 350.488 were foreigners and 391.793 domestic guests. Total number of overnight stays in the same year was 6.409.326, of which 2.939.287 overnights were made by foreign and 3.470.039 by domestic visitors (Czech Statistical Office, 2015).

Karlovy Vary is the biggest and the most famous spa in Czech Republic. It carries the epithet of a modern, cosmopolitan spa. It is famous by its German name Carlsbad gotten after Roman emperor Carlo IV who discovered it by chance in 1358 while he was hunting (Spa & Wellness Catalogue Czech Republic, 2014). Prestigious image of the most famous European spa was obtained in 18th century, when the aristocrats came to cure and relax themselves. Today, Karlovy Vary is one of the most popular places in the world, favourite among celebrities, rich and famous. The spa has beautiful parks, rivers, Japanese garden, as well as 12 mineral springs whose temperature ranges from 30°C to 72°C. Height of the water fountain is about 12 m, and the strongest spring is Vřidlo which comes from depth of 3.000 m and reaches the temperature of 72°C. Beside

exceptional natural and anthropogenic resources, diverse spa&wellness offers, medical treatments, it offers extremely rich sport and recreation facilities: 3 golf courts, 16 tennis courts, a hippodrome and equestrian sports, hockey and ice skating, squash, etc. A big emphasis is put on cultural and entertainment manifestations during the whole year: jazz festival, carnival "Carlsbad", food festival, classical music concerts in colonnades and churches, balls in ballrooms, as well as big spectacle due to the opening of the spa season each spring. The spa is also a tourism attraction because of the fact that it is the host of the most significant international film festival in Central and Eastern Europe (www.karlovyvary.cz).

Spa tourism in Serbia

From II to IV century AD, the Romans built baths, pools and villas on the springs of thermo-mineral waters and thus their remains could be found in Niška Banja, Vrnjačka Banja, Sokobanja, Jošanička Banja and Kuršumlijska Banja.

Spa tourism in Serbia is primarily related to the traditional curing tourism, which implies prevention, curative or rehabilitation by applying natural-curing resources (thermo-mineral springs, mud and radioactive sand, climate, etc.). Serbia disposes with 40 spa and climate places where spa therapies are adapted to curing a wide range of health diseases and most frequently are applied by drinking mineral water or using curing baths (Tourism Organisation of Serbia, 2015).

Main comparative advantages of spa tourism in Serbia are rich natural curing resources, anthropogenic contents, long balneology tradition, high-quality medical staff, as well as qualified curing techniques. On the other hand, obsolete offer and inadequate health tourism product, as well as insufficient awareness of innovations in contemporary spa tourism, affect the competitiveness of Serbian spa tourism in international market. Accommodation facilities, which have not been renovated or modernized for years, also represent one of the main obstacles in the attraction of foreign tourists (Hrabovski Tomić & Milićević, 2012). It is on the example of accommodation capacities that we can see the possibility of a greater entrepreneurial action. Contemporary accommodation capacities should fit into spa environment by their appearance, they must have comfortable accommodation in their offer, open/closed pools, modern wellness centers, beauty salons, fitness centers, organized entertainment

of guests, business meeting rooms, restaurants with the offer of organic, vegetarian, macrobiotic food, etc.

Just in the recent years, Serbian spas begin to introduce innovations in their health tourism offer. Vrnjačka Banja, the most famous and the most visited spa in Serbia, is one of the first that took new steps in business undertakings. Seven thermo-mineral springs, four of which are used for balneology therapy: Hot water, Snežnik, Slatina, and Jezero (Borović Dimić, 2005), 27 ha of park surface in which there are 165 tree and rare exotic types of plants, 65% of the entire territory under the forests (Brčeski et al., 2010), these are only some of the characteristics of this spa which is rich in natural resources.

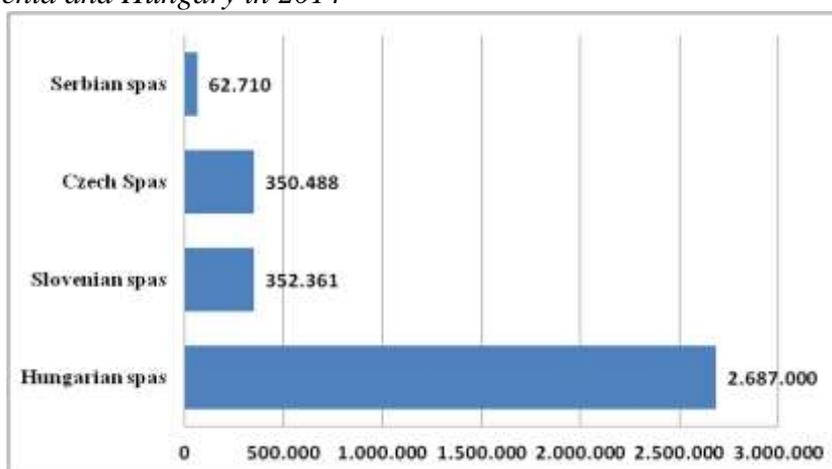
In 2005, “Mercur” Vrnjačka Banja opened the first wellness center in Serbian spas, named “Fons Romanus“, and then it introduced a series of novelties each year, such as: Aqua Center “Water Fall“, Peloid Center “Limus Romanus“, Center of Medical Esthetics, etc. (www.vrnjcispa.rs). Vrnjačka Banja puts a big emphasis on the cultural and entertainment offer. It organizes one of the most important cultural manifestations in Serbia named “Cultural Festivities of Vrnjačka Banja” (Ruđinčanin & Topalović, 2008). In order to attract younger people, in 2005 Vrnjačka Banja organized first “International Carnival” which became a tradition since then. It includes about 50 manifestations meant for all generations, and central event is a big international carnival parade (<http://vrnjackabanjakarneval.com/>).

From then, innovations in spa offer begin to be accepted by other spas in Serbia through the opening of modern spa&wellness centers, aqua centers, new accommodation facilities, and other attractive features. In Bukovička Banja, a luxurious hotel “Izvor” is opened, a congress, spa&wellness resort, which occupies the surface of more than 32.000 m². This prestigious hotel and tourist complex offers a wellness center with 9 pools of more than 1.000 m² of water surfaces with natural, curative, thermo-mineral water, filtered by the latest technology. Big aqua park with 3 pools is a separate part, it also has 12 slides for the adults, 3 slides for the children and numerous attractions (www.a-hotel-izvor.com). Sokobanja opened a water park which occupies 1.6 ha. Total surface of water content is 1.380 m² (<http://akva-park.soko-banja.org>). Banja Ždrelo offers a unique water park in Serbia, which works during the whole year, with day and night swimming in thermal water of 40°C temperature.

Banja Ždrela has 6 pools (2 indoor and 4 outdoor pools) as well as a swimming pool with salty water (www.ruczdrelo.rs).

However, although it is diverse at the first glance, this offer is still modest in relation to the offer of famous spas in region, which was shown by the previous analysis. The best indicator that spa tourism of Serbia is not competitive in the international tourism market is the number of foreign guests (Figure 1). Primary guests in Serbian spas are domestic guests that make 84% (323.635) of visitors, while foreign guests make 16% (62.710) of the total number of spa guests in 2014 (Statistical Office of the Republic of Serbia, 2015).

Figure 1: *Number of foreign visitors in spas of Serbia, Czech Republic, Slovenia and Hungary in 2014*



Source: *Data of Statistical Office of each individual country*

Offer of spa tourism in Serbia must keep the pace with the requirements of modern tourists if they want to attract foreign guests. Spas have long ago stopped being only “health resorts”, but modern spa centers that base their offer on sport and recreation, and cultural and entertainment activities, as well as wellness elements, which have even become the most important part of the offer. In order for spas to survive in extremely competitive tourism market, such reorientation is necessary (Milićević, 2015).

Development of entrepreneurship in spa tourism implies the appearance of different, innovative content in the offer. In continuation, there are some suggestions for innovations in the spa tourism of Serbia:

- Maximum usage of hot mineral water for the development of new types of health, and spa & wellness programs, for which there are natural conditions;
- Construction of big water surfaces for the purposes of health, relaxation, entertainment, animation, sports;
- Development of attractive sport and recreation activities;
- Raising the quality of accommodation capacities, i.e. renovating and modernization of old hotels;
- Modern boarding houses with accommodation of quality, and diverse offer in them (conference rooms, piano bars, spa centers, etc.);
- Replacement of classical forms of energy sources (coal, oil, mazut and wood) in accommodation facilities with renewable sources, primarily solar sources, wind, geothermal energy, biomass, biogas energy, heat pumps, small hydro-systems, etc.
- Opening of “beauty farms”, i.e. contemporary centers of health and beauty;
- Opening of specialized restaurants of healthy, vegetarian, diet, macrobiotic food;
- Opening organic food farms;
- Greater offer of specialized trades meant for users of spa tourism: authentic souvenirs, natural domestic products, products with healthy food label, natural cosmetics, medicinal plants products, etc.;
- Organization of picnics with specialized guides for picking medical herbs, edible mushrooms, forest berries, etc.

Guidelines for improvement of entrepreneurship in spa tourism of Serbia

In order to reach greater competitiveness of Serbian spa tourism in the international tourism market, greater involvement and strong support of relevant state institutions is required. With their measures, they can significantly improve entrepreneurship development in spa tourism of Serbia. Some of the measures could be:

- Offering the support to the growth of entrepreneurial sector through specialized programs of training and education for entrepreneurs and their employees in the field of management, quality management, market research, and marketing;
- Foundation of technological and incubator center for spa tourism, for technological transfer, exchange of experiences and business communication;

- Provision of required financial-technical support to entrepreneurs in the field of spa tourism;
- Formation of information and documentation center (information on donating and loan programs, information on market, bank of experts and advisors for entrepreneurship development in spa tourism, etc.);
- Marketing support to existing and newly emerged entrepreneurs (regular information on economic manifestations, support to entrepreneurs for participation in domestic and international tourist manifestations and fairs, printing offer prospect in spa tourism of Serbia, etc.);
- Creation of strategy and program for attraction of investments in Serbian spas, as well as support in promotion activities for the attraction of investors;
- Provision of required advisory-technical help to entrepreneurs for growth and investments (e.g. support for development of business plans of small spa hotels/boarding houses, specialized restaurants, organic food production farms, etc.).

Concept of strictly specialized spa resorts is mostly overcome. Going to spas (shorter visits per year) in order to improve health, increasingly suppresses the traditional, long health treatments. Serbian spa tourism should base its offer according to all this. Business strategy should be directed to the change of the old-fashioned spa image, through the development of innovative features in accordance to contemporary tendencies in international tourism market.

Conclusion

Since the moment when the essence of spa structures was “doctor” and “bath”, we came to structuring of activities of modern spas in accordance to the criteria of higher flexibility and with different other professional profiles that should be organized and managed. Spas became industry for products and services meant for health and general mental and physical welfare of people, with product line structured according to the type of clients: along with the traditional therapies, activities of wellness, rehabilitation, cosmetic spa treatments, and mental and physical relaxations were developed and even prevailed. Simultaneously, new accommodation culture was developed with the impact on the concept of spa facility and spa environment, as well as organization of service network according to client needs. Professionalism of spa and wellness staff profiles and appropriate education of managers are an essential

condition for offer quality (Scopel, 2011). European spas have succeeded in integrating their traditional values with the requirements of contemporary tourists. This practice is specific for the majority of European countries.

Despite the longest tradition in Serbian tourism and enormous potential, spa tourism is not competitive in the international tourism market. Disharmony in proportion between abundance of natural resources and level of their use is one of the characteristics of Serbian spa tourism. Examples that one nation uses less than 5% of natural wealth it has are rare in the world and that at the same time that wealth has been and has remained a strategic product in global proportions (Vešković, 2012).

In Serbian spas, it is required to maintain traditional curing and medical treatments, but the offer must be complemented with as many as possible attractive sport and recreation, and spa & wellness activities for healthy visitors. Visitors in spas should not only be patients, but healthy guests as well, who want spa stay for the purpose of vacation, recreation, entertainment, and relaxation. International tourism must be a priority in future development of the spa tourism. For these reasons, much greater entrepreneurial activities in Serbian spas are required, which need to base their offer looking up to famous spa centers in the region. Serbian spas must introduce innovative health tourism products, which will be competitive in the international tourism market.

In that sense, more intensive inclusion of relevant state institutions is recommended in creation of more favorable conditions for business, in order to encourage entrepreneurial activity and further development of Serbian spa tourism. Encouragement of healthy competition, providing help in the form of professional consultations, training of entrepreneurs and employees, technology and knowledge transfer, information transmission, marketing support, legal changes, are only some of the suggested measures for the competent authorities in order to further develop entrepreneurship, which would certainly result in greater competitiveness of Serbian spa tourism in the international market.

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THE ANALYSIS OF THE OFFERS OF MEDICAL TOURISM IN SERBIA

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Abstract

Health tourism deals with offering health services that range from the most complex surgical procedures in specialized health institutions, and traditional treatments in the spa resorts to a variety of spa and wellness services. The subject of this research is to analyze the potential of Serbia as far as the development of medical tourism is concerned, in order to examine the situation of medical tourism in the world and in Serbia. In the research, we analyze the factors that influence the development of medical tourism and the level of supply and demand. We particularly consider a cluster organization of medical tourism sector and point out the potential of dental tourism in Serbia. The research results show that medical tourism in Serbia needs a new development concept in line with modern trends in the tourism market.

Keywords: *medical tourism, medical services, dental tourism, wellness*

Introduction

Medical tourism is a branch of tourism that arose as a result of the fast life-style and social policy of developed countries. As opposed to current practice where patients from less developed countries travel to developed countries to undergo tests, interventions or surgery, medical tourists move in the reverse direction - patients from developed countries travel to less developed ones to use professional health care providers under more favorable conditions.

There are different opinions about the definition of the concept and types of medical tourism. International Union of Touristic Organizations defines health tourism as health-care facilities that use natural resources

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of the country, above all mineral water and climate. However, this definition is too narrow, since it allocates only mineral resources and climate and does not include a complete natural healing factor, an integral part of health tourism, which includes sea water, sun, radioactive sand, mineral mud and other factors.

In studies dealing with the importance and impact of tourism on the economy, special emphasis was placed on the impact of medical tourism, as pointed out by Ignjatijević and Čavlin (2014). According to the Ignjatijević et al. (2010), the medical tourism offer of Serbia and neighboring countries goes in two directions. The first one is the traditional offer of spa treatments and the second one is the offer of medical services. Domestic users show the greatest demand for dentists, ophthalmologists, plastic surgeons, orthopedic surgeons and GPs, cardiologists, but also for rehabilitation in spas (Serbia has over 50 major natural spas, but at the moment this type of tourism is stagnating). Health tourism includes two types of consumers, with rather similar if not the same way of meeting their health needs. The first group of consumers, in the strict sense, is those with the need of natural healing factors, medical infrastructure and trained personnel. The second group is consumers of medical tourism in the broader sense, who want services and activities in order to improve, maintain and promote health. These patients are mobile and they visit local events, museums, galleries, or are interested in the customs and culture, gastronomy, sport and recreation (Milićević, 2013).

The frequently asked question is the difference between health and medical tourism. It can be said that health tourism is a broader concept than medical tourism. A further question might be whether this difference is only terminological one. In that case, the practice suggests that the difference is still greater than the terminology. In fact, medical tourism, on one hand can be seen as a higher category (where medical tourism is one of the components), while on the other hand, it could mean a type of a network providing services that emphasize spa tourism, wellness & spa and so on. When it comes to medical tourism, it is clear that those are services in the field of medical procedures, regardless of whether it comes to dentistry, internal medicine, gynecology, in vitro fertilization, abdominal, cardiac or cosmetic surgery, etc.

Health tourism, as a broader term, describes the general health care and a variety of methods of disease prevention. Health tourism includes categories such as: **Medical tourism** - refers to the treatment of diseases,

surgeries and medications; **Prevention tourism** - here everything starts from the conscience of every person and includes your own risk and prevention of health in conjunction with the operation of the bad health habits; **Wellness tourism** - includes a combination of travel and wellness, beauty and cosmetic treatments, feeling good, relaxed, healthy and fit; **Fitness, bio market and "Functional Food"** - prevention and healing, and improvement the general body condition; **Plastic surgery** - on one hand, it finds a role in improving the functionality of human body parts while, on the other hand, certain aesthetic procedures contribute to patient's mental satisfaction; **Lifestyle drugs** - a group of drugs which are not prescribed for the treatment of serious illnesses and do not belong to therapeutics, and make it a means to increase potency, body weight reduction and other.

Medical tourism in Serbia and abroad

The main reasons why patients decide for medical services outside the country are primarily of a financial nature. Prices, which are twice as lower, and the possibility of staying in a tourist destination are only some of the motives. However, there are some cases when patient, due to specific required procedure that cannot be performed in his country because of technological or legal reasons, must ask for this service abroad.

According to Spalević (2014), a combination of medicine and tourism is a relatively new form of tourism with a positive annual trend. According to Monte Medical (Agency for Medical Tourism in Montenegro), the growing trend will continue in the future. Today, 5% of all international travel is related to medical tourism. The structure of the current total turnover of medical tourism is 40% in dental services, 42% in orthopedics, cardiology, cardiac surgery and neurosurgery, and 15% in cosmetic surgery.

Treatment abroad has experienced a boom in recent years with the strengthening of international hospitals and a growing number of users from Russia and the Arab countries. In choosing a medical tourism destination, the price certainly plays a key role, as well as the standard of medical services, expertise and equipment of the hospital. In the process of making a decision on the implementation of treatment abroad, the first phase is to obtain detailed information about the estimated state, the necessary medical procedures, the estimated duration of the medical

procedure/stay, doctors who will be the holder of the consulting team during the stay in a given country, the language of correspondence, accompaniment for the patient and others. India and Thailand are leaders in medical tourism and offer a combination of health and classic tourism (Čavlin & Ignjatijević, 2014). People from all over the world come there to undergo plastic surgery, dental treatment, rehabilitation, which is combined with a tour of the ancient temples, beaches and traditional restaurants. Malaysia and the Philippines have a strategy to attract customers with low prices. Sometimes it is a service that is not legal in the country of the tourist (e.g. abortion), or the patient asks for anonymity, which can be provided by unknown environments (e.g. in cases of detoxification of alcoholic from some Islamic countries). Some destinations are even 'specialized' in certain procedures, for example Hungary (dentistry) or Thailand (sex change surgery). And Latin American countries, especially Argentina, Bolivia, Brazil and Colombia, are known for plastic surgery. Their services are also used by the local population.

Serbian health care is the foundation of competitive advantages of Serbia in providing services in medical tourism. Potential of supply in medical tourism in Serbia is enormous, but with numerous limitations in the promotion and presentation of the possibilities of health services provision. That is why the number of foreign visitors and the effects of these visits are significantly below expectations. Serbia is not well positioned in this area, even though it has huge potential to become one of the leading countries on the world map of medical tourism. Serbia is visited by patients from Switzerland, Germany, Austria, Belgium, Sweden, Canada and Australia, but it should be noted that the services of our doctors are still mostly used by migrant workers or citizens of the former Yugoslav republics.

Serbia offers more than 2,000 medical services, even though the greatest interest is for local dentists, ophthalmologists, plastic surgeons, orthopedic surgeons and physiatrists, cardiologists, as well as for rehabilitation in spas (over 50 major natural spas; although a lot has been done to modernize spas in recent years, this type of tourism is stagnating at the moment).

In comparison with the east European countries, medical tourism in Serbia, unfortunately, has not been developed sufficiently. Unlike us, Hungary took advantage of this opportunity by joining the EU, and earns

one billion Euros per year, while Serbia earns that amount from all forms of tourism. In Serbia, the problem is legislation. Because of this, at this moment, mainly private health institutions have some benefits.

The reasons for the medical tourism in Serbia being underdeveloped are the following:

- System of state health insurance prevents foreigners to use medical services in Serbia in large numbers. The reform of the health insurance system would create better conditions for the usage of medical tourism, although individual macroeconomists argue that it is easier to control costs of health when there is one source of funding (e.g. taxes and contributions), than in cases where funding is fragmented, from multiple sources.
- Disorderly and inefficient regulatory system that hampers the operations of government health institutions in terms of providing additional medical services. At the same time, the focus of management of state hospitals is mostly on the provision of additional funds that is critical point of the managing process. Namely, when managers believe that everything can be fixed with money, it often happens that providing an additional funding becomes their only mission (Čavlin et al., 2015).
- Poor transport infrastructure is another limiting factor in the development of medical tourism. The choice of hotels is poor and patients generally have expensive hotels or hostels, which often do not have adequate apartments.
- The big problem is the poor advertising and promotion of medical tourism and a lack of private-public partnerships in the field of health.

The problem that we have been facing for many years is the departure of key medical personnel abroad, which results in deficit of both specialists and managers.

However, the trend is increasing when it comes to involvement of people from the fields of marketing, finance, or management in the medical tourism organization. The cooperation of private clinics and medical practice is being established with the Diaspora and the agencies around the world. Private insurance companies are showing interest to make contract with our health institutions to provide services for their clients. World hospital chains are interested in investing in health in general and especially health tourism in Serbia (medical corporations in Korea, Malta, Turkey, Germany, and Russia).

The most important areas for the development of medical tourism are dentistry, orthopedics, physical medicine and rehabilitation in spas. It is worth mentioning that some public health institutions are equipped and ready to offer their services to foreigners, such as the Military Medical Academy. Serbia has great potential in this area: 300 natural water sources, 39 spas and 25 rehabilitation centers, 65,000 beds and 7,500 beds are located in specialized hospitals. Hungary has made foreign currency inflow, which represents 30% of the total earnings from tourism.

European trends in the field of health care, the rapid tempo of technological development and a number of other economic and non-economic factors impose the need for establishing effective instruments for monitoring, control, management and establishing a satisfactory level of transparency in the work of medical institutions at all levels of health care. Beside the above mentioned, it is necessary to constantly work on the promotion of the Republic of Serbia, particularly the field of health and medical tourism.

Many medical institutions will definitely apply for accreditation for engaging in this activity, such as LPG Centre in Belgrade for the treatment of connective tissue and mesotherapy without needles.

Table 1: *Comparative review of the price of medical services in Serbia and abroad*

Medical services	Serbia	Foreign countries
Colonoscopy	200€	2.000€ (England)
Dialysis	120€	150€ (Slovenia)
Cataract surgery	1.200€	2.300-4.000€(France and England)
Lip augmentation	400€	800€ (Europe)
Nose correction	2.500€	10.000€ (Europe)
Implants	2.500-3.000€	15.000€ (Germany)
Teeth whitening	200-270€	1.400-2.300€ (England)
Tooth extraction	20€	100€ (Europe)
Fixed prosthesis	600-1.000€	3.000€ (Europe)

Source: <http://www.belmedic.rs/General-hospital/107/pricelist.shtml>

Serbia is becoming increasingly important destination for European tourists, who come in order to improve their appearance and health. At the top of the list are cosmetic treatments, dental care and sex changing surgery. The users of medical tourism in Serbia are Swedes, Spanish,

Germans and Englishmen for aesthetic intervention, and Italians, Germans, Canadians and Swedes for dental. Foreign patients have the opportunity to establish contact via the internet with a doctor, to get informed about the price and schedule medical services in the following areas: surgery, cosmetic surgery, abdominal surgery, gynecology, and radiology. Foreigners come mainly to the correction of the eyelids, ears and nose, Botox, hyaluronic acid, mesotherapy, facelift and breast augmentation. Sex changing surgery in Serbia costs around 3,500 Euros, while in Germany, for example the price is 10,000, in America 30,000 dollars. Foreigners are interested in heart surgery, and often they perform these interventions in recognized centers, such as the Institute for Cardiovascular Diseases "Dedinje". Most foreign patients come to this institution from the countries of former Yugoslavia, as well as from Russia and Albania.

Table 2: *Medical services that are offered in Serbia*

Medical services	Clinics
Internal medicine (cardiology, rheumatology, endocrinology ...)	Institute "Dedinje" Transforma, Bel medic, Afeja
Surgery (cardiac surgery, plastic surgery, vascular ...)	Institute "Dedinje", Transforma, Bel medic, Afeja, Hertz
Gynecology	Transforma, Bel medic, Afeja
Urology	Transforma, Bel medic, Afeja
Pediatrics and children's surgery	Transforma, Bel medic, Afeja
Ophthalmology	Transforma, Bel medic, Afeja
Physical medicine and rehabilitation	Transforma, Bel medic, Afeja
Aesthetic medicine	Transforma, Bel medic, Afeja
Dermatology	Transforma, Bel medic, Afeja
Dentistry	Transforma, Bel medic, Afeja
Plastic surgery	Bel medic, Afeja
Spa treatment	Transforma

Source: <http://www.ikvbd.com/>

The growth of medical tourism in Serbia has been launched by the crisis in the health systems of developed countries. However, the most common foreign clients in our surgeries are people from Serbian Diaspora. Patients from the region mainly come to visit the relatives, and use the opportunity to perform a systematic review or any dental service. Systematic screening for adults in our private hospitals is about 100 Euros, and, in

Slovenia, it is six and a half times more. The clinics in Serbia are mostly visited by the middle class. The users of the medical tourism services mostly come from Europe. The offer of medical tourism includes the following: transfer from an airport to a hotel or hospital and back, accommodation, food and complete medical supervision for a couple of days. Special convenience for foreigners is that more and more private insurance companies refund these expenses to their clients in case of this kind of journey. The goal of insurance companies abroad is to provide quality service for less money to their clients, so they point them to other countries. Beside significantly lower prices, one of the most important factors in choosing Serbia as a destination of medical tourism is the speed of the inspection, intervention and operations, both emergency and elective. This convenience is especially significant in case when you have to wait too long for some operations in other countries. An increasing number of clinics and other organizations in Serbia recognizes the importance of medical tourism. There follows its further explanation.

Vista travel - The agency mediates in the choice of solutions to health problems. The primary objective is the quality of services that will meet the high standards of health services placed in highly developed countries, but at a considerably lower price. Upon request, they provide 24-hour patient care, and the care and monitoring of the postoperative course after returning to the patient's home country. The procedure is delivered to the patient medical records, medical history, the opinion of the local doctors and diagnosis. After necessary consultation, additional information or analyzes are required to propose further treatment and therapy.

Bel medic is a clinic that has recognized the modern trends in medical tourism. As the first private hospital in Serbia, it is dedicated to the treatment of both children and adults. International quality standard ISO 9001 was introduced in Bel Medic in 2003 by OQS, an Austrian company. Using the Internet, it is possible to make contact with top doctors and get medical treatment that is required quickly and efficiently without intermediaries. There, at one place, you can get all the information about medical services available in Belgrade, with an easy and quick solution of technical problems related to the stay. Quality medical treatment by highly skilled and experienced doctors is cheaper a few tens of percent, and dental services are cheaper up to 60% of the same services in some of the EU countries. There are no problems in communication. All the doctors as well as medical and other staff are fluent in English.

Dental practice Cvejanović – It is generally known that the dental services around the world are several times more expensive than in Serbia. The economic situation in Serbia affects the prices of services, which can be up to 80% lower than in Western countries. For example, metal-ceramics ordinary rosary beads in Specialist Practice Cvejanović Belgrade cost €80, while in Germany the price is €800, and in the USA \$1,000 per a dental crown; metal-free ceramic crowns is about €180 whereas at the West it is €1,500. Through dental tourism, Dentist Practice Cvejanović offers the overall organization, ranging from booking air tickets, accommodation and transportation services in Belgrade to entertainment and tourist sightseeing during the stay.

Health and Medical Care Solutions – They aim to connect individuals in need of health or medical assistance with medical institutions that are able to provide the required health and medical services at the highest possible level of quality. Their vision is to become recognized for their quality, reliability, and efficient organization of health services in Serbia, for both foreign and domestic customers. HMC Solutions connects healthcare institutions from Novi Sad with domestic and foreign patients. The strategy of action is education, business - technical and commercial contracting with existing and potential partners, transfer of knowledge and technology, attracting potential business partners and investors from home and abroad and cooperation with all relevant state and economic institutions. HMC Solutions has developed a concept of orientation towards the patient and the specific needs of each individual user.

Panakeia Dental Clinic – Their dentists are constantly perfecting following world trends. A team of doctors analyze and propose a treatment plan: a description of the intervention, duration, the number of arrivals and prices. For foreign citizens and persons residing abroad, invoices are issued for the purposes of reimbursement of costs of treatment on the basis of health insurance. The services are in the fields of cosmetic dentistry, prosthodontics, oral surgery, pediatric dentistry, periodontology, endodontics and dental disease.

Private Specialist Dental Practice “Dr Kuljača” was established in Belgrade in 1952. Foreigners come to this clinic from the Scandinavian countries: the Norwegians, Swedes, Icelanders, but also patients from the UK, Germany, France, Greece and America. These patients - tourists stay in Belgrade from five to seven days. The office offers a wide range of services: conservative, extraction, teeth whitening, treatment of

periodontal disease, upgrading of titanium implants, aesthetic dentistry, prosthetics and more.

Colić hospital – It was established in 1989, as the first private health institution in our country. In the hospital, there is the seat of the European Representation International Confederation for Plastic, Reconstructive and Aesthetic Surgery. There is also a Center for the treatment of obesity, as well as the Serbian Society for breast reconstruction. Hospital Dr Colic is the only hospital in our country that possesses American accreditation for performing surgical operations. A number of innovative surgical techniques were first performed in this hospital. Provided services include: breast surgery, body, face and transsexual surgery, treatment of obesity, skin cancer surgery and hand surgery.

Clusters in medical tourism

A cluster organization as a non-profit organization has a most important role in medical tourism. Forming a cluster of medical tourism would lead to the improvement and development of medical tourism in Serbia. Medical Tourism Cluster, which is currently under formation, seeks to bring together all interested state and private entities in the field of medical and tourist services, i.e. spas, hospitals, clinics, institutes, offices, hotels, tourist agencies, carriers and other entities, especially those services that are tailored to the expectations and requirements of foreign visitors. The plan is to establish cooperation with relevant ministries and other relevant institutions. The specific objectives of medical tourism cluster are: media and other joint marketing and PR activities in order to improve the supply and development of medical tourism in Serbia; education of target groups and end-users of standards and trends in medical tourism; creating the first brochure with offers of medical tourism at the territory of Serbia; development of on line database of medical tourism in Serbia; promotion of domestic medical tourism in specialized trade fairs and conferences for medical and health tourism; creating a guide for medical tourism; organizing the conference of medical tourism in Serbia; the improvement of the international image of the country; Improving markets and developing a positive business climate; promotion of medical tourism cluster at the regional presentation of an international and national level; alignment with EU standards in building institutions, standards and legislation; and joining the International Association of Medical Tourism.

The aim of the cluster is to brand the Republic of Serbia as a destination for medical tourism, and offer its highly professional services to all those who are actively seeking information about medical treatment abroad. A person seeking medical service contacts with the provider of services, usually with intermediaries. In some countries this role is performed by specialized travel agencies. The patient is asked to submit a medical report, nature and history, the opinion of his/her doctors and all the diagnosis and, if necessary, to seek additional information. Based on the documentation, medical specialists give their opinion and suggest a therapy. Patient reviews the costs, choosing a clinic or hospital, as well as the destination. After signing the contract, patient gets the recommendation which embassy to visit to get a short-time visa. Then the patient can travel to a destination where he/she is provided with the person who takes care of accommodation and all the technical details of the stay.

Spa tourism as a representative of the Medical Tourism

Although the National Strategy for Public Health has an area dedicated to health tourism, a detailed plan for the development of this area practically still does not exist. Basic comparative advantages of Serbian spa tourism, according to Milićević (2013), are reflected in an exceptionally rich natural medicinal resources, rich cultural and historical heritage, long balneological tradition, quality medical staff, skilled techniques of treatment, relatively low prices of accommodation and treatment as much as a variety of events that complement the stay of visitors. On the other side, the factors that slow Serbia on the way to the international market are inadequate transport and municipal infrastructure, large representation outdated supply, an inadequate health-tourism product, lack of awareness of health tourism in line with modern trends in the market positioning of health tourism are slowing Serbia.

Dental tourism

Dental Tourism is a branch of medical tourism, which implies many people travelling beyond the borders of their own country to do a dental intervention. The main reasons that lead to a rise in the popularity of dental tourism are significantly lower rates of dental services in some countries and the possibility of quick and inexpensive travel to a chosen destination. Beside the above mentioned, it is also the possibility for exploring other countries and cultures. In a word – a blend of beautiful

and useful while saving significant sums of money. Advantage of dental tourism is the **low price**. Without a doubt, the greatest advantage of dental tourism is cost savings. Some countries, including Serbia, are able to provide the highest quality dental services at lower prices due to lower labor and administrative costs. **High quality** - The services that are obtained in dental offices in Serbia are equal to or even better than those in foreign countries. Dentists in Serbia are well educated and trained to use modern equipment and materials. **Speed of service** - Dental services at a time that best suits patients. **Travel opportunities** – Even though primary motivation for most customers is affordable dental care, for some people this is a great opportunity to combine dental care with travelling/vacation.

Serbia is very interesting country for dental tourists, because in addition to low prices it offers high-quality dental care. The geographical location and transportation infrastructure makes it very cheaply to reach the desired destination in a quick way. Dental Tourism is the subject of interest of many agencies in Serbia, which are able to attract more tourists to Serbia through various media - websites, trade shows, magazines, TV presentations. There is a large number of dental practices in Serbia, which in addition to local patients have patients from abroad. A larger number of patients are our people from abroad who get this intervention during the stay at home on vacation. This alone does not constitute a dental tourism since most dental practices on their websites do not have concrete offer for foreigners. And there is the problem of recording and a complete review of the status of dental tourism in Serbia. There are also dental clinics that have recognized the benefits of dental tourism, and in cooperation with a travel agency or by themselves they offer dental services (including price lists tailored to foreigners), including transport, accommodation for their patients as well as organizing short excursions.

In a recent study of dental tourism in Serbia, we analyzed 20 dental offices from all over Serbia, which created offers specifically for patients from abroad. Detailed supply and prices of services are shown in Table 4.

We conclude that there is a wide range of prices for the same type of service, which largely depends on the quality of services provided and the reputation of the dental practice. A larger number of analyzed dental clinics, beside medical service, provide patient transport services from the airport to the office or a hotel and even accommodation. Some of them

offer services such as booking a taxi service for the entire period that the patient will spend in the treatment.

Table 3: *Comparison of prices of dental services in Serbia and neighboring countries*

Services	Croatia	Hungary	BIH	Serbia
Conservative dentistry	€15-120	€25-65	€10-15	€8-150
Oral surgery	€30-980	€15-195	€10-100	€4-800
Cosmetic dentistry	€30-420	€30-195	€150	€4-300
Prosthetics	€30-900	€15-520	€10-450	€8-1.000
Orthodontics	€900-4.000	€130-520	€500	€10-2.100
Periodontics	€30-40	€30-300	€40-400	€10-270
Implants	€300-1.200	€80-780	€230-500	€100-1.000

Source: *The author, based on research*

Among the analyzed dental offices, a small part of them offers the provision of hotel accommodation. Some offer this service if the amount exceeds a certain price, while others, in cooperation with the hotels, provide a discount to the patient. Six dental clinics provide "real dental tourism service" because in addition to dental services, transport and accommodation they also provide optional excursions and hire a tour guide. Several offices, in order to attract more patients to certain dental services, give guarantees up to 10 years. In relation to the supply and prices of dental services in European countries and in the region, the offer in Serbia is extremely competitive, Table 3. However, the big problem is "bad" marketing of local dental offices and travel agencies. Dozens of foreign websites deal with dental tourism and combine offers from several countries, but there are no offers from Serbia.

Table 4: Offer of dental services in the Republic of Serbia (in EUR)

Service	Dr Bobić	"Minja"	Moja zubarka	Dental Petrović	Belville Dental care	Dr Maja Cvjetković	Dr Ljubojević	Bijadent	Pavlović	Dental implant
Pediatric and Preventive Dentistry					10-15	4-8	10-20	5	4-15	10-20
General dentistry	8-150	20-30	7-10	100	10-35	8-30		7-25	8-75	
Surgery	10-590	20-100	4-10	10-50	20-120	12-16	50-150	7-100	12-665	20-800
Prosthetics	80-315	80-450	12-16	40-350	5-250	5-290	100-1.000	5-180	4-290	20-390
Orthodontics	115-2.100			300-1.000			800-1.200		40-994	
Dental implants	590	700-900		600-700	500-800		100-650	200-500		390-490
Cosmetic dentistry	9-40	20-150	4	150	25-100	6-90	150-250	10-100	12-87	50-220
Periodontics				10-80	25-250			5-30	7-50	10-35
Endodontics						6-25				
Jaws Orthodontics								200-600		250-1.000
Hotel accommodation		90-1700								gratis
Taxi	gratis		gratis	gratis		gratis				gratis
	Dental Viston	Cvejanović	Panakeika	Dr Kuljača	Bel medic	Dr Cvjetković	Dr Popović	Mitrović dent	Dental M	Proestetik
Pediatric and Preventive Dentistry			10-20					20-25		10-20
General dentistry		20-180	10-60	20-40		23-26	20-40	10-70	16-33	10-35
Surgery	20-120	20-700	10-300	40-120	41-200		30-200	10-150	15-125	20-120
Prosthetics	10-200	80-320	5-400	65-80	7-450	4-332	20-350	10-400	5-400	20-350
Orthodontics			10-850			41-911				50-750
Dental implants	380	350-500	300-600	850	870-905	390-700	200-1.000	500-700	580	600-800
Cosmetic dentistry	50-220	30-200	30-180	50-180		8-40	20-100	100-300		30-250
Periodontics	20-120		5-250			8-41	30-50	5-270		
Endodontics					25-240					
Jaws Orthodontics	250-700						200-900	10-750	215-500	
Fixed prostheses		200-700								
Hotel accommodation	gratis									
Taxi	gratis	gratis	gratis	gratis	gratis		gratis	gratis		

Source: The author, based on research

Conclusion

The merging of medicine and tourism, where every complex development of health tourism means an extensive coordination of touristic and health principles, has been recognized as a perspective branch in the world nowadays.

Based on everything stipulated in this study, we can conclude that nowadays tourism starts from traditional spa treatment (preventing, healing and rehabilitation) with natural healing factors, according to components of wellness tourism (spa and wellness treatment, recreation, healthy food, and similar) that every person needs for vacation and preservation of good health and physical condition, and also to medicine, which includes most complex medical procedures in specialized health institutions that have quality staff and medical equipment.

All the countries in the Balkan environment are included in a new trend in tourism, but Serbia is still not visible enough on the map of Health, especially when it comes to medical tourism. In Serbia, there is no travel agency that would seriously deal with mediation in medical tourism. Sporadic attempts to present domestic supply via the web portal do not give the expected effects. The largest part of the implemented visit was realized through informal channels or the results of initiative by visitors themselves. The situation in the health tourism in Serbia is vastly different. Despite the longest tradition in Serbian tourism, spa tourism has failed to develop in accordance with its potential. There are few examples in the world that a nation uses less than 5% of the own natural treasures.

Serbia is very interesting for dental tourists because beside the low price we offer high-quality dental care. Dentists in Serbia are among the most wanted professionals in the world because of the quality of education and practice gained during the study. In relation to the supply and prices of dental services in European countries and in the region, the offer in Serbia is extremely competitive. However, the big problem is "bad" marketing of local dental offices and travel agencies, as the dozens of foreign websites dealing with dental tourism combine offers from several countries, but not the offers from Serbia.

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WELLNESS AS A SEGMENT OF SPA TOURISM IN SERBIA

Jelena Vićentijević¹

Abstract

Spa tourism implies the use of healing thermal and mineral water. In the past the main was health-cure function, while in the 21st century it represents complex type of tourism integrating series of tourism subtypes. Wellness is new lifestyle that emphasizes nurturing spirit and body, putting accent on prevention rather than treatment. Spas as ecological places with preserved nature and healing characteristics are ideal wellness destinations. The aim of the paper is to analyze the concept of wellness, highlight its importance in spa tourism and point out effects and possibilities of wellness tourism development in Serbian spas. In the future due to stress and faster lifestyle tourist demand for products based on relaxation and establishment of psycho-physical balance will increase, therefore it is necessary that spas in Serbia recognize their potential in wellness industry, build their offer modeled on developed European spa centers and improve their position on the international tourism market.

Keywords: *wellness, spa, tourism, Serbia*

Introduction

Modern lifestyle has brought technical, technological, social and other changes, while a man as a biological entity is under the negative influences which one can not easily overcome, so health issues are increasingly present. Everyday duties accompanied by stress, improper diet and physical inactivity have created the need for mental and physical body relief (Milačić, 2011). Tourism as a comprehensive concept is increasingly gaining importance and has a strong reverse effect on society in general. The tourist market puts the spotlight on service whose number is constantly increasing, so there are a lot of new thematically different and modified forms of tourism, which are the result of individual human

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desire for authentic experience. It could be said that there are many different tourist destinations because there are so many people with varied interests. This is why certain types of tourism do not have adequate name in Serbian language (Jovanović, 2013). One of these specific forms of tourism is the segment of health and spa tourism, known as wellness tourism, which emerged as a result of changes in the traditional spas caused by the increase in demand for destinations that offer a holistic experience based on well-being.

Wellness tourism in spas contributes to improvement of their tourism functions and is a combination of medicine and tourism. In recent years, wellness tourism has been expanding due to numerous factors, and modern spas, by providing therapeutic and other professional services, are increasingly promoting wellness (Spasojević & Šušić, 2010; Šušić & Dimitrijević, 2015).

Spas in Serbia have long ago attracted the attention of tourists, due to the number of thermal springs, traditions and general recognizability and some of them have eventually become multifunctional centers of tourism (Stanković & Pavlović, 2005). The richness and diversity and also distribution and chemical composition of thermal and mineral water in Serbia are related to the complex tectonic relations and various geological compositions of terrain including the wide distribution of igneous rocks. Thanks to their health function it was created a tradition of spa treatment and were formed specific ambients (Jovičić, 2008). Spas around the world guided by experiences of successful wellness destinations are improving infrastructure to attract wellness tourists in order to achieve multiple benefits (Sheldon & Park, 2008). Spas have always been places with an offer based on the use of thermal and mineral water and the services of qualified medical personnel in equipped facilities in a pleasant relaxing atmosphere (Cohen & Bodeker, 2008). In modern spa tourism in addition to health programs, tourist facilities need to also complete each other to represent a unique health tourism product (Belij et al., 2014). The competitiveness of the tourism market implies prediction, adaptation and change management. The human needs are submissive to continuous changes so the task of destinations is to closely monitor these changes in order to utilized in time the chances for advancement. Wellness was created precisely as a result of management changes in the tourism market and has become imperative for the successful development of spa resorts (Milićević et al., 2012).

The aim of the study is to analyze the concept of wellness, to emphasize its importance in the context of spa tourism and to point out the current offer and perspective of wellness tourism in Serbian spas.

Spa tourism in Serbia

Spas are resorts with a number of specificities that came from the existence of thermal and mineral resources and efforts to exploit value of sources for treatment and recreation. Functionally spas are directed primarily towards health and wellness tourism, but they are also significant for the prevention and recreation of healthy people.

Going to the regions and centers abundant in thermal and mineral springs, is one of the oldest type of tourist movement, so often is pointed out that the spa tourism in general has a long and rich tradition (Stanković, 2008). It is one way of returning the natural healing factors which increased interest is manifested in our country and also in the world. Balneotherapy on which the spa tourism captures is a complex therapeutic discipline that includes factors such as change of environment, dietary regimen, active and passive psychophysical rest, and if necessary, medication and physiotherapy into a single continent. Its basis is made by natural factors such as mineral water, peloid and climate (Stanković, 2009).

Often can be heard that Serbia is called „the land of spas“. The number and variety of mineral and thermal springs in Serbia is the result of complex geological and petrographic relief structure and there is also the fact that the Serbian spas in the total spa tourist arrivals of the former SFR Yugoslavia participated with more than 60%. Among the ten most popular spas of the former Yugoslavia, seven were from Serbia (Stanković, 2009; Štetić, 2007). The first data of tourist arrivals were registered in Serbia in 1869 in Vrnjačka Banja when it was founded „Osnovatelno fundatorsko društvo lekovite kiselo vruće vode“ in Vrnjci and with the establishment of „Društvo za unapređenje i ulepšanje Sokobanje“ in 1893 the Sokobanja also becomes recognized (Jovičić, 2008; Stanković and Pavlović, 2005). The first law of spas was enacted in 1914 and in 1960 spas in Serbia obtained the status of natural health resorts (Stanković, 2009). The number of spas that have provided medical and tourist services was increasing and poor material base of hotel and tourist facilities was compensated with accommodation in private households that had been participated with share up to 75% in total spa facilities (Belij et al., 2014; Jovičić, 2008). Prosperity of spa tourism was

interrupted by war events in the former Yugoslavia since 1991 and decline in tourist arrivals lasted until 2002, when there can be noticed some improvements (Belij et al., 2014). Although Serbia has a large number of thermal and mineral springs, today, official statistics records tourist traffic only in the about 30 spas, which account for about 95% of tourist traffic of spas in Serbia and among those 30 spas are presented huge differences in the volume of tourist traffic because the five most developed spas absorb even 2/3 of the total tourist arrivals in the Serbian spas (Jovičić, 2009).

Two basic characteristics of Serbian spa tourism are seasonal concentration of tourist traffic and the domination of domestic tourists. Theoretically spa tourism in Serbia can be developed throughout the year, which so far hasn't largely been achieved. Because of recreational, especially health function spa tourism can be performed throughout the year and should not have marked seasonal characteristic. However, in our spas seasonal character of tourist traffic is very apparent and high season refers to the period from June to September, when a 55% tourist overnight and 45% of tourist arrivals is realized. Overwhelming dominance of domestic tourists is observed during the second half of the 20th century and in the first decade of the 21st century. Participation of foreign clientele is marginal character and slightly more noticeable at the end of the 1980s, when tourism in general noted the best results (Jovičić, 2009). The fact that in so far structure of Serbian spa guests with 99% dominated domestic tourists can be explained by a rich and varied spa, health and wellness tourism offer of countries in the region, which offer is compared to Serbia better known in Europe (Stanković, 2009).

Apart from rare exceptions, most spas in Serbia has a negligible circulation of tourists and tourist nights and consequently the poor economic and social effects, so it can be said that the current level of tourist valorization of our spas is not at a satisfactory level. The causes of this situation are numerous and various and related to insufficiently explored natural resources, organization of health and tourism operations, but also to difficult business conditions during the 1990s, when war, political and economic events have a negative impact on tourism in general and therefore on Serbian spa tourism. The consequences of all stated are negative trends in tourism development and negative image of the tourist market (Stanković, 2009; Stanković & Pavlović 2005; Vuković et al., 2015).

Great opportunities that Serbian spas have, due to the balneo-therapeutic value of healing water, need to be far more used, so the potential of the spa tourism in Serbian could become a reality (Štetić, 2007). Tourist offer of Serbian spas should more significantly follow the requirements of the market, because spas have long ago stopped to be just a health resort, increasingly struggling to animate tourists in the true sense of the word (Jovičić, 2009). The chance of achieving this goal is in wellness programs that can enrich the offer in spas, but also can be the main objective of tourist movements.

The concept of wellness

Modern trends in spa and health tourism in the world attach a key role in wellness. The rapid rhythm of life in the 21st century is resulting in stress, exhaustion, chronic anxiety and often with compromised immune system. In order to establish a balance between the physical and spiritual, it was formed a new concept, a new philosophy which is called wellness. Around the world in progressive tempo a large number of wellness centers in the cities, spas, hotels, beauty salons, etc. are opening up. Wellness is a modern word with ancient roots. It can be said that the principles of wellness have their origin in the ancient practice of treatment and medical traditions that date back thousands of years. The ancient culture of China, India, Greece and Rome tended to emphasize the „whole person“ in order to feel good. Today, the concept of wellness reaches its maximum in the modern application of ancient practices (acupuncture, yoga, meditation). The modern concept of wellness was first developed by an American doctor Halbert Dunn in 1959, when he first wrote about the special health condition that involves the unity of body, soul and mind. Wellness means feeling good, not only to be healthy but also to be happy and healthy. The main role of wellness is health care, maintaining a healthy body and spirit through the condition trainings, physical and mental relaxation and preservation of inner peace. Precisely for this reason and due to a stressful lifestyle, the need for programs that creatively and effectively implement the sense of wellness has increased all over the world and with it also increased the importance of wellness programs within the health and spa tourism (Milićević et al., 2012).

Wellness is an English word that is composed of two words well-being (feel good) and fitness (to be fit). Today, wellness is linked to many areas of human activity, including tourism, medicine, sport. Wellness is, in the strictest sense, a program that is designed to guide the individual back

into good physical shape and to let him feel good. However, when it comes to wellness, one generally avoids the narrower definition because identifying, understanding and knowing what wellness actually is requires a multidimensional and contemplative approach (Milačić, 2011). The concept of wellness is different in different parts of the world. In most European countries wellness is observed through healing thermal and mineral water and spas; in Asia wellness is seen through spiritual activities such as yoga, meditation and various types of massages; in America, Canada, England and Australia wellness focuses on beauty treatments, care and relaxation (Milićević et al, 2012). Wellness in most cases means a healthy balance between mind and body, which leads to widespread feelings of well-being (Smith & Kelly, 2006; Mueller & Kaufmann, 2001; Myers, Sweeney & Witmer, 2000; Steiner & Reisinger, 2006; Smith & Puckzo, 2008). National Wellness Institute defines wellness as an active process through which people become aware of the decision-making to the successful existence (Belij et al., 2014).

Five basic elements of wellness are physical activity, spiritual activities, healthy and natural nutrition, relaxation and face and body care. The term spa is often equated with the term wellness. However, the term spa means the place which offer services that contribute to the overall well-being and can be based on only one of the elements of wellness, while the term wellness is used primarily in tagging lifestyle, philosophy, ideas on achieving a balance of body, mind and spirit and can not work if one of these elements is missing (Milićević et al., 2012).

Basic principles of wellness are multidimensionality, orientation towards identifying causes of wellness rather than the causes of disease, balance, relativity, subjective perception. Wellness is more psychological than physical condition and tendency to look and feel good and to live healthy (Adams, 2003).

National Wellness Institute has developed a model of the six dimensions that focuses on the physical, spiritual, social, professional, intellectual and emotional aspects of life (http://www.nationalwellness.org/?page=Six_Dimensions).

Table 1: Dimensions of wellness

Dimension	Explanation	Basic principles
Physical	Optimal wellness is achieved through physical activity and healthy diet. Discourages smoking and use of drugs and alcohol.	Consume food and drinks that promote health and be fit.
Spiritual	Recognizes the wake of the meaning and purpose of human existence, respect for life itself and the forces in the universe. It is pointed out that on the road to wellness, the man tempts many emotions like doubt, despair, fear, frustration, but also feelings of satisfaction, joy, happiness.	Think about the meaning of life, be tolerant, do not close your mind, live according to your beliefs and values, be honest with yourself.
Social	Emphasizes the interdependence between the environment and society. Encourages actions to improve and preserve the world, a healthier life and a more beautiful and more pleasant communication with people around you.	Contribute to the overall good of the community and live in harmony with the natural environment and others.
Professional	Gives importance of personal satisfaction that a person experiences on the job.	Choose a job that is compatible with the interests and development of functional, useful skills and be involved in the creation of opportunities.
Intellectual	Recognizes the creative and stimulating mental activity. A person needs to expand his/her knowledge and skills while discovering ways to share them with others.	Expand your mind and cause creative mark, identify their potential problems and choose appropriate solutions.
Emotional	Management of feelings, including a realistic assessment of the borders, the development of autonomy and stress management skills.	It's healthier to be aware of feelings and accept them with an optimistic approach.

Source: http://www.nationalwellness.org/?page=Six_Dimensions

Awareness of healthy lifestyles and the need to escape from everyday stress affects the increase in tourist demand for wellness tourism. Since wellness is not a static but a relative and subjective concept needs of wellness tourists are in many ways specific so we can talk about a new form of thematic tourism - wellness tourism.

Wellness tourism as one of the oldest forms of tourism

Wellness tourism with multiple aspects can be seen as one of the oldest forms of tourism, keeping in mind the commitment to the overall well-being of man with the ancient Greeks and Romans, the search for spiritual enlightenment with the medieval pilgrims and with spa visits of European elite for health reasons during the 18th and 19th century. In the 21st century, the progress of science and medicine has led to better preservation of body and physical health and fitness, while in the field of mental, emotional and psychological health the progress is not so obvious, so in the past few years there has been a large increase in demand for wellness in tourism. According to the level of health services within the health tourism, it can be distinguished traditional spa tourism, spa and wellness tourism.

In modern spas health tourism product is divided into medical and wellness, except that in the modern spa tourism demand for wellness programs is increasingly growing and the intertwining of traditional spa with wellness tourism is more and more expressed (Jovanović, 2013). It is quite expected, due to the fact that the spas are resorts and places for recovery, but also places for prevention and preservation of physical, emotional, mental and spiritual health (Vuković et al., 2015). Wellness is one of the new trends, not only in health but also in the modern tourism (Šušić and Dimitrijević 2015). Wellness tourism has the most dynamic and fastest growth in the European tourist industry (Tomka and Romanov, 2011).

Considering that there is no one generally accepted definition of wellness, neither one generally accepted definition of tourism, it can be said that there is no universal definition of wellness tourism. Wellness tourism is the sum of relationships and phenomena arising from the travel and stay of people whose main motive is the preservation and improvement of health. They stay in special hotels that provide expertise and individual care, and require a thorough package of services that includes care, healthful eating, diet, relaxation, meditation, mental activity, education (Mueller & Kaufmann, 2001). Wellness tourism is a journey whose main goal is achieving harmony and balance of mental, emotional, physical and spiritual value of man (Milićević et al, 2012). Wellness is a way, not a destination so wellness tourism is the way to wellness that is much more important than a destination itself. Destination is often only an alternative

space where people can engage in self-analysis without stress and distractions at home (Smith & Kelly, 2006).

Often it can be read that the wellness tourism is a subcategory of health tourism, so the question is whether the wellness tourism is part of health tourism or vice versa. Starting from the fact that one can not talk about health tourism without the natural healing factors and medical facilities, and for wellness tourism it does not have to be the case, it could be concluded that the wellness tourism is a wider area. However, the wellness does not include curative and rehabilitation in contrast to health tourism. So it can be noted that health tourism and wellness tourism are two different but also complementary forms of tourism whose contents are intertwining.

Definitions both health tourism and wellness tourism, include clues that describe their function where the components of health and wellness tourism are divided into wellness with thermal springs and wellness without thermal springs, health and wellness spa tourism (Erfurt-Cooper P. & M. Cooper, 2009). When it comes to tourism, we can talk about the concept of wellness at the destinations that have so far been known as spa centers and the wellness concept at the level of individual objects (mostly hotels).

The target group of wellness tourism are people in good health condition who seek the preservation and promotion of health in the physical, mental and spiritual sense (Tomka and Romanov, 2011). Wellness tourists are usually very motivated to play an active role in their own health, they often choose alternative medicine and they are not afraid to experiment. Most wellness tourists are already active at home in some form of wellness activities (Smith & Kelly, 2006).

In Table 2, it was given the classification of wellness tourists. The main clients of wellness tourism are mostly women between 36 and 55 years and couples whose children have already grown up. In recent years wellness journeys are increasingly attractive to younger tourists. Wellness tourists are educated, powerful in payment and usually live in urban areas. When they choose the destination, they mostly rely on recommendations of friends and relatives, taking into account the recommendations of travel agencies, but also use the Internet for additional information about attractions and destination offer (Milićević et al, 2012).

Table 2: *Users of tourism services in wellness tourism*

Superficial users	Users who have not adopted the philosophy of wellness as a way of life, so rather use wellness to achieve good looks. Using cosmetic treatments to look good and feel good. They can be classified in beginners and those who aspire to be more involved in health and wellness, but their intentions are not applied in everyday life.
Moderate users	Moderate involved in wellness „lifestyle“ interested to learn and find out more about wellness, but they lack the commitment and passion of active spa users, they have certain limitations regarding willingness to pay for the services they have not been tried, because their wider aim is to escape from everyday commitments. The greatest number of wellness tourists.
Active users	Fully involved in wellness „lifestyle“, they consider cosmetic treatments superficial, luxury facilities are not the primary for them, they appreciate experience and professional approach, training of staff as well as general ambient atmosphere, quality of service is ahead of price, sustainability, authenticity and local resources are also important. This group of wellness tourists belongs a relatively small number of people and often they are famous personalities, athletes, actors whose professional lives are dependent on physical appearance.

Source: *Spas and the Global Wellness Market: Synergies and Opportunities, 2010.*

Destinations can develop many forms of wellness but experiences should arise from the competitive advantages of the destination (local knowledge of wellness, the unique natural characteristics and indigenous plants, etc.), that should be innovated and adapted in order to meet contemporary needs of wellness tourists. Destination must develop its special features of wellness, with its infrastructure, investments and human resources that the market demands (Sheldon & Park, 2008).

Activities and wellness tourism services given in Table 3 are not exhausted, and destinations themselves should adapt and choose activities and services they want to provide (Sheldon & Park, 2008). The wellness center with its concept of local features of the amount of investment determines the kinds of programs and services that will offer.

Table 3: Activities and services in wellness tourism

Activity	Explanation	Required resources of destination
Fitness and Sports	Sports activities, training, consultation with a personal trainer, cycling, walking...	Sports fields and facilities, the racetrack.
Complementary treatments	Alternative or complementary treatments, acupuncture, chiropractic, kinesiology, naturopathy, healing herbs, homeopathy, traditional Chinese medicine ...	Licensed professionals and health resort centers.
Indigenous culture	Spiritual and health resort and the quality of indigenous cultures and spaces, sauna, traditional food, native plants...	Culture of knowledge about treatment, practitioners and appropriate natural environment.
Health resort and accommodation facilities	The accommodation facilities which offer the option of healthy food, medical treatment and the soothing atmosphere of the environment and are more suitable for wellness experiences of other capacities.	Hotels, pensions, accommodation in nature, nutritionists.
Lifestyle change	Changes in habits and behaviors that are continuing when the tourists return home.	Trainers, practitioners, diagnostics.
The experience of nature	Self-awareness, relaxation and satisfaction through meditation in nature, eco-tours and agriculturally tours, use of natural and organic herbs, mud and flowers...	Natural places accessible to tourists and provided infrastructure.
Relaxation and rejuvenation	Nurturing and resting the body, yoga, pilates, massage, skin care, reflexology, acupressure...	Practitioners and treatment centers.
Interior pilgrimage	The journey to self-realization, looking for the meaning of life, the expansion of spiritual awareness, meditation, vision quest, visiting holy places, spiritual treatment, art therapy, dance...	Holy places, spiritual leaders, spiritual centers and the natural environment.
Travelling for the purpose of helping others	Passengers philanthropy, helping destination and the possibility of helping tourists get a sense of well-being through helping.	The willingness of the community to work with tourists.

Source: Sheldon & Park, 2008.

As the key segment of wellness tourism services are hotels and spas, which are intended to make a offer unique on the tourist market (Tomka

and Romanov, 2011), the International Spa Association has defined seven types of spa/wellness facilities listed in Table 4.

Table 4: *Types of spa/wellness facilities according to the International Spa Association*

Type of wellness capacity	Explanation
Club Spa	The primary purpose is fitness, but in the offer there is a wide range of spa services on a daily basis.
Cruise ship Spa	Spa center on a cruise ship that has spa services in offer, fitness and wellness components, with a menu based on healthy and proper nutrition.
Day Spa	Spa center that has professional spa services on a daily basis in offer, the most developed in Western Europe.
Destination Spa	The main role is to provide customers a choice of lifestyle and improve the health status of the spa services, fitness, educational programs, accommodation and food.
Medical Spa	The main role is to provide complete health and wellness services in an environment that integrates spa services with conventional and special treatments and therapies. It is predicted the largest growth, because there is the increasing demand for holistic medical treatments and therapies.
Mineral Springs Spa	The use of natural mineral, thermal and other sources for the purpose of hydro therapeutic treatment. The most typical for the European spa/wellness sector.
Resort/hotel Spa	Spa in the hotel or resort. Due to increasing demand of guests and due to the increase in profitability, this is the second largest type of wellness facility.

Source: *Vuković et al., 2015.*

Complementarity of tourist-recreational and health functions of spa is best confirmed in wellness programs, which are offered in many developed European spas whose examples should follow the spas in Serbia (Obradović Arsic & Gledović, 2012; Jovičić 2008). The introduction of new services and wellness programs certainly improves the tourist offer, attracts a new user profile and promotes the market position of spas (Tomka & Romanov, 2011). It should also be mention the absence of pronounced seasonal character of wellness tourism and the possibility of using wellness services by the local population (Milićević et al, 2012).

Wellness tourism in Serbian spas - actual offer and perspectives

Spa tourism is a sector in which wellness tourism had the fastest development, thanks to the natural factors and healing waters. Bearing in mind that Serbia has a large number of spas and climate places, which are rich in natural medicinal resources, it is logical that wellness tourism as part of health tourism in Serbia stands out as one of the tourism types which, according to the Tourism Development Strategy of the Republic of Serbia in 2005, has great potential for development. Since the nineties, there was a significant ownership transformation in the whole tourism industry. As a result of these changes, there have been major innovations in the field of tourism. Before the start of this transitional period wellness tourism segment was slightly less developed and mainly structured into public property. In the first decade of the 21st century, there appeared private forms of individual or packet spa-wellness arrangements: health clinics, massage salons and the like. These private forms are newly established and a part of private capital was invested in the purchase-acquisition of developed tourist companies (Jovičić, 2009).

Development trend of spa tourism at wellness model is slowly being used in some spas in Serbia, primarily in their specialized hospitals (eg. „Merkur“ Vrnjačka Banja), but also in hotels and other types of accommodation and facilities (eg. the transformation of the hotel „Izvor“ in Bukovička Banja in the first wellness hotel in Serbia). In May 2005 specialized hospital „Merkur“ in Vrnjačka Banja opened the first spa wellness center in Serbia called „Fons Romanus“ located in the building of thermomineral bath, with a number of services that are available for wellness tourists. „Merkur“ is a positive example of separation of medical and wellness services, which has contributed to increased number of service users in the short term, thereby it is very important that it has managed to attract more foreign tourists (<http://www.rimskiizvor.rs/spa/>). Hotel „Izvor“ is a wellness hotel complex, opened in November 2010, situated in Aranđelovac, Bukovička Banja. This hotel-tourist complex emphasizes wellness center with ten swimming pools with natural, healing, mineral water and with its rich wellness offer brings back Bukovička Banja on the tourist map of Serbia (<http://www.a-hotel-izvor.com/article/navigation/spa--wellness.html>). Today, some forms of wellness offer can also be found in other spas in Serbia, such as: Atomska Banja in Gornja Trepča, Sokobanja, Vrdnik, Banja Junaković, Prolom Banja, Niška Banja, Kanjiža etc. (<http://www.wellness-spa.rs/>).

Although the global trend towards wellness tourism has been recognized in the world and Europe, where wellness services are actively innovated and introduced, Serbia still slowly accompanies these currents. Globally speaking, it can be said that the wellness offer is modestly represented in most spas in Serbia, which are known for their skilled techniques of treatment, but on the other hand spa offer is outdated, health-tourism product is insufficiently developed and awareness of wellness products as the modern trend is insufficient. All that doesn't go in favour of the competitiveness of Serbian spas in the international touristic market. In further development of spa tourism it is necessary to maintain the traditional and medical treatments, but with the supplement offer of wellness programs for health visitors that should be represented as much as possible (Milićević et al., 2012).

Situation in the spa tourism in Serbia is not at the satisfactory level, but perspectives of spa tourism developed on the model of wellness applications in Serbia can be evaluated positively, bearing in mind that spa tourism for decades took leader place in tourism industry of Serbia (Jovičić, 2009). It should cite the fact that even during the recession when all destinations in Serbia recorded a drop in tourist arrivals and overnights, spa centers, which have invested resources and innovated and built new facilities and introduced modern wellness services are centers that have experienced growth or at least had a lower rate of decline in the number of tourists comparing to other spas (Tomka & Romanov, 2011).

Benefits that Serbian spas can achieve with the development of wellness offer are encouragement of entrepreneurship, increase in employment of experts, strengthening of local communities, the economic revenues of high paying wellness tourists, environmental protection, diversification and improving the quality of the product and the destination market, renovation and modernization of infrastructure, competitiveness in the off-season etc. In fact, in the process of developing wellness spa tourism, tourist values of spas must be kept with the establishment of a balance between the interests of all interested parts. In this process, priorities must be defined on the basis of a detailed comparative conducted analysis.

Conclusion

Spas in Serbia have a significant tourist value and for further development of spa tourism Serbia should use the positive experiences of some neighboring countries. The phase of stagnation of spa tourism by the end

of the 20th century has not been overcome while in the meantime the role and importance of spas in the world have been significantly changed. Serbian spas from the standpoint of offer and the level of development have so far generally been seen as structures that were left in the past. They are mainly observed as objects for treatment and rehabilitation of elderly people, although they should be recognized as places that offer wellness tourism amenities. This leads to the conclusion that there is a clear need for spas in Serbia to show themselves as reconstructed, modern and adequately equipped facilities. In some spas that is the actual fact. Focus of Serbian spas in marketing must be in their differentiation from earlier perceptions with the emphasis on quality and modern facilities. It is necessary to promote spas in Serbia as traditional facilities for treatment, but also as modern wellness destinations.

Important characteristic of modern development of spa tourism in Europe relates to the integration of traditional spa with other forms of tourism, among which an important place takes wellness. The concept of strictly specialized spa sanatoriums is mostly obsolete and visiting spa in order to improve overall health is increasingly replacing the traditional medical treatments. The exceptional growth rate of wellness market in recent years in the world initiated the growing and diverse offer in this segment.

Modern spas have now become industry for products and services for mental and physical health and general welfare of people. With traditional therapies, wellness activity, beauty spa treatments and psychophysical relaxation have been developed and prevailed. Travel demand for activities that contribute to the wellness of the mind, body, emotions and spirit is high. Given the competition for wellness tourists, destinations can no longer be passive, but must develop strategic plans, identify resources and wellness products. This is essential for success.

Possibilities for diversification of spa and wellness services are practically inexhaustible, and because of that this type of tourism attracts a lot of attention. In the future due to stress and faster lifestyle tourist demand for products based on relaxation and establishment of psycho-physical balance will increase, therefore it is necessary that spas in Serbia recognize their potential in wellness industry, build their offer modeled on developed European spa centers and improve their position on the international tourism market.

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POTENTIALS AND LIMITATIONS OF SPA TOURISM IN SERBIA

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Abstract

Spa tourism has a long-standing tradition and represents an important tourist attraction in Serbia. There is a large number of mineral, thermal and thermal mineral springs in Serbian spas. Although spa tourism primarily focuses on health/balneal and climate therapy and wellness, it also has a special role in promoting culture, nature, leisure and recreation, numerous events and the like. In prospect, spa tourism may play a key role in the economic development of Serbia and may also serve as an incentive for development of local communities. Over the past several decades, the development opportunities in the tourist sector are given priority; hence, the increasing number of local communities and regions are working towards development and improvement of their tourist destinations. Tradition, natural healing properties and health factors, rich cultural and historical heritage, domestic and international demand, and excellent geographical position are representative of spa tourism development potentials, whereas major limitations refer to the lack of a clear spa development strategy, poor infrastructure, legislative shortcomings etc. Another issue is the lack of planning documents on management, organisation, protection, and the use of spas and spa settlements.

Keywords: Spa tourism, potential, limitations, development, planning documents

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Introduction

Since a long time ago, Serbian spas attracted tourists and nature-lovers, and over time, some spas became centres of multifunctional tourism. Serbia is a distinctly continental country and spas represent its important local, regional, national, and international tourist attraction in addition to cities like Belgrade and Novi Sad, the Danube, mountains, numerous events and a pointedly transit position.

Until now, only partial research of spas was carried out usually focusing on the health properties and the efficacy of their most valuable resource – thermal mineral water. A starting point for the integrated study of spa tourism development possibilities are the characteristic of the site, in addition to which the knowledge of natural conditions, potentials, and limitations that largely determine the functioning of tourist locations is also required.

Serbian spas have an abundance of cold and warm mineral water springs, while medicinal mineral gas and mud complement their riches. Spa potentials were utilized by ancient Romans as evidenced by spas and remains of Roman baths in Niska Banja, Vrnjacka Banja, Sokobanja, Kursumlijska Banja, and Josanicka Banja. A great many spas in Serbia are located in natural surroundings, encircled by pastures and forests, mostly protected from strong winds, and typically have mild climate.

The majority of spas were built on the slopes of hills and mountains near valleys and dales seeing how thermal mineral springs are situated along deep fault lines predisposing such morphological units. The aforementioned location of spas usually means that distinctly natural surroundings are complemented by an anthropogenic spatial and urban complex.

Serbian spas offer year-round sojourn and leisure. According to their territorial distribution, spas may be divided into five destinations: spas of northern, central, western, eastern and southern Serbia.

Historical overview of spa development in Serbia

Spas and spa tourism in Serbia have a long-standing tradition. First chemical tests and analyses of spa water were performed 1834 (Stanković, 2005). The overall development of the 19th-century Serbia,

including the development of transport and hospitality industry, was modelled after the neighbouring Austria-Hungary while at the same time retaining many traits formed under five-century long Turkish rule. Spas and roadside inns (mostly taverns and meyhane) were continued and improved, whereas in Belgrade (and other larger cities closer to the Austrian-Hungarian border), modern bistros and coffee-shops called kafanas were opened (becoming the centres of public life by organising first parties, theatre productions, political panels and similar events), then followed by first hotels (Dabić and Milijić, 1998).

The interdependence and continuity of the development of spas and cities, transport and hospitality services, led to the appearance of first forms of organised tourism in Serbia by the end of the first decade of the 20th century (primarily of spa and city tourism). Vojvodina in particular (at the time a part of the Austria-Hungary) was leading the way, and its cities such as Novi Sad, Subotica and a few others, became role models for other Serbian towns regarding the standards and organisation. However, despite official proclamations that the beginning of tourism is related to the establishment of Serbia's most important spa (Vrnjci) in the second half of the 19th century, most authors believe that tourist activities properly commenced only in the 1920's, in the Kingdom of Serbs, Croats and Slovenes (Dabić and Milijić, 1998).

First Law on spas, mineral and warm waters was declared in 1914 (Stanković, 2005). A tangible, more significant development of Serbian tourism ensued in the stable period after the World War I directly influenced by the development of tourism and the overall progress in Europe. Belgrade and other larger cities (especially those in Vojvodina) led the way regarding the standard of the offer and the highest number of tourists, whereas spas had the highest number of overnight stays and domestic visitors. The construction of hospitality facilities was more profitable in cities (since the tourist season lasted throughout the year and more affluent customers visited cities), than in spas (spas usually operated only during the summer season; less affluent visitors from smaller towns and villages accounted for the high number of visits which meant that spas, with a few exceptions, were much more modest than cities) (Dabić and Milijić, 1998).

In 1936, Belgrade hosted the International congress of hydrology, climatology, and medicinal geology. That same year, Serbia received

worldwide recognition concerning the level of knowledge on mineral waters and their usage for health purposes (Stanković, 2005).

In addition to political stability and attending economic, social, and cultural progress, the development of tourism after the World War II was particularly influenced by the technical and technological advances primarily in automobile and air transport.

The Republic of Serbia employed mostly its own knowledge and assets in developing tourism and recreational services, whereas tourism was essentially considered to be a side activity (within the developing tertiary sector, while the dominant primary and secondary industries took precedence). Domestic tourism was mainly based on the commercialised forms of mass social tourism and recreational services. Spas played a major role in it – frequently due to a combination of spontaneous local initiative and additional (mostly modest) state aid – followed by outing spots and climate resorts in low-altitude mountains, whereas the development of mountain tourist sites began only in the early 1980's (Dabić and Milijić, 1998). From 2000 until present, the development of tourism intensified adapting to the contemporary leisure and recreational trends of the urban population.

The connection between tourism and the geographical area and their relation

Approximately 300 mineral or thermal mineral water springs are registered in the territory of Serbia (Stanković, 2000), but there is a large number of unregistered, individual springs with higher or lower flow rate. Main geographical areas with prevalence of thermal mineral springs or spas are the **Zapadna Morava catchment** (Ovcar Banja, Gornja Trepca, Mataruska Banja, Vrnjacka Banja, Bogutovacka Banja, Josanicka Banja, Novopazarska Banja, Rajcinovacka Banja and others) and the **Juzna Morava catchment** (Niska Banja, Sokobanja, Kursumlijska Banja, Prolom Banja, Zvonacka Banja, Vranjska Banja, Sijarinska Banja, Lukovska Banja and others) (Jovičić D., 2008).

A deciding factor in the number and diversity of spas i.e. of thermal mineral springs in Serbia are specific tectonic characteristics, structure and geological composition of the relief. Balneal merits represent an important tourist potential and may contribute to the development of spa tourism (Stanković, 1987). Spas and thermal mineral springs are located

in different parts of Serbia and, according to J. Markovic (1980), belong to the following zones:

- The Sumadija zone which includes – Bukovicka Banja, Selters Banja, Palanacki kiseljak, and Koracica;
- The Zapadna Morava zone which includes – Vrnjacka Banja, Gornja Treпча, Ovcар Banja, Bogutovacka Banja, Vitanovacka Banja;
- The Kopaonik–Jastrebac zone which includes – Josanicka Banja, Lukovska Banja, Ribarska Banja, Lomnicki kiseljak, and Prolom Banja;
- The Novi Pazar–Priboj zone which includes – Novopazaraska Banja, Slatinski kiseljak, Visocka Banja, and Pribojska Banja;
- The Juzna Morava zone which includes – Niska Banja, Vranjska Banja, Sijarinska Banja, Tularska Banja, and Bujanovacka Banja;
- The East Serbia zone which includes – Zvonacka Banja, Josanica, Sokobanja, Brestovacka Banja, and Gamzigradska Banja;
- The West Serbia zone which includes – Koviljaca, Donja Badanja, and Obrenovacka Banja;
- The Vojvodina zone which includes – Slankamen, Junakovic, Kanjiza, Rusanda, and Torda, and
- In Kosovo and Metohija – Pecka Banja and Klokot Banja.

According to the temperature of water, thermal mineral springs in Serbian spas may be divided into four groups (Jovičić Ž., 2002):

- Cold mineral water springs – Bukovicka Banja, Palanacki kiseljak, Selters Banja, Vrnjacka Banja, Klokot Banja etc.,
- Hypothermal water springs – Sokobanja, Bukovicka Banja, Banja Koviljaca, Zvonacka Banja, Klokot Banja, and Obrenovacka Banja;
- Homeothermic water springs – Niska Banja, Ovcар Banja, Brestovacka Banja, Lukovska Banja, Pribojska Banja, Banja Koviljaca;
- Hyperthermal water springs – Gamzigradska Banja, Brestovacka Banja, Kursumlijska Banja, Novopazarska Banja, Sijarinska Banja, Josanicka Banja, and Vranjska Banja.

The assessment and valorisation of the geographical position of spas depends on their access to major routes and inhabited areas and more attractive tourist locations. In particular, spas located in river valleys of the Velika Morava and the Zapadna Morava should be pointed out for their access to major communication routes. Corridor 10, connecting Central and Western Europe to the Middle East, runs through these river

valleys. The Ibar valley is another important route, and the third one is the Zapadna Morava valley. Concerning the access of spas to cities and settlements, the city of Belgrade is in the highest demand among tourists, followed by urban settlements such as Novi Sad, Kragujevac, Cacak, Kraljevo, Jagodina and others. The tourist demand for Nis with Leskovac, Zajecar with Bor, Negotin with Knjazevac and other areas is not as high. Tourist potentials of spas also depend on the variety of the offered cultural and historical heritage sites, sports, recreational and wellness activities. Mediaeval monasteries and churches are located in the immediate vicinity of many spas. Spa tourism development is integrated with the development of mountains since spas are typically situated at the foot of mountains (Josanicka banja at the foot of Kopaonik, Vrnjaska Banja – Goc, Sokobanja – Ozren, Bukovicka Banja – Bukulja and others), and also near rivers (Ovcara Banja – the Zapadna Morava, Koviljaca – the Drina, Niska Banja – the Nisava etc.) (Jovičić D., 2008).

The condition of Serbian spas and their possibilities

The improvement and enhancement of the condition of the material basis and the tourist offer is very slow, and likewise, the number of visitors, arrivals and overnight stays, their commercial and economic effects and the business performance of spas and tourist sites are sluggish. The current situation was caused by a series of actions over the past decade involving privatisation, denationalisation, non-alignment of legislation, categorisation of facilities and completion of infrastructure necessary for uninterrupted development of spa tourism, etc.

Spa tourism in Serbia has notably greater development potentials than those currently allowed by the material basis, content and length of stay, presentation of health and tourist potentials of the environment, and similar. The current state indicates that spa tourism did not reach the desired level regarding the number of guests, quality and diversity of the offer. As a reminder, in the 1980's spas witnessed a record number of visits that was never achieved again.

The number of tourists and the number of overnight stays are the most important indicators of spa tourism development. Statistical data per years and periods offer an insight into the movements of tourists and help define the offer, as well as the wealth and diversity of content during the stay.

Table 1: *Tourists in well known Serbian spas*

Spa	1975	1985	1995	2000	2005	2010	2014
Vrnjacka	119.612	163.018	93.600	89.800	91.000	146.246	146.756
Sokobanja	44.831	65.125	40.500	53.200	61.000	48.837	42.438
Niska	38.593	34.123	31.700	47.600	26.000	21.049	4.916
Mataruska	33.795	30.642	14.200	13.600	12.000	8.567	2.792
Bukovicka	32.937	44.246	25.700	30.600	6.000	4.446	28.102
Koviljaca	18.817	40.733	20.300	20.600	20.000	20.512	15.147
Vranjska	15.073	11.714	5.100	7.500	7.000	6.262	4.413
Sijarinska	13.763	10.908	8.900	6.500	8.000	6.701	5.721
Gamzigradska	5.807	6.840	4.145	2.400	5.000	5.581	3.105
Bogutovačka	5.576	5.880	3.801	4.100	4.000	2.398	1.737
Prolom	9.087	9.870	12.392	9.595	/	/	11.731
Trepca	9.600	14.229	9.594	8.300	7.000	10.841	9.913

Source: *Statistical yearbook, Statistical Office of the Republic of Serbia*

Data show that in 2000 there were fewer tourists in spas than three decades before. The largest number of tourists was recorded in 1985, followed by a period of stagnation, and then followed by a significant drop in the number of tourists in our spas. The same situation was recorded with regards to realised overnight stays.

Current level of tourist valorisation of Serbian spas is unsatisfactory. Analyses of the realised tourist turnover, and the number of overnight stays and income, indicate that spa tourist centres failed to achieve the 1980's level for several consecutive years. The situation may be remedied to an extent by complementing spa tourism with other types of tourism available in the immediate vicinity.

The distribution of Serbian tourist attractions is not equal in all parts of the country. This refers to both spa tourism and other types of tourism that are, in the majority of cases, available throughout the year enabling realisation of significant economic effects.

Physical-geographical position of a large number of Serbian spas allows the organization of spa-mountain tourism, and it also complements and is integrated with other types of tourism such as city tourism, cultural tourism, sports and recreational tourism, event-related tourism, water tourism, etc. In several instances, conditions are met for synchronised planning and development of spa and mountain tourism. Josanicka Banja, Lukovska Banja, Kursumlijska Banja, and Prolom Banja are located at the foot of mountains Kopaonik and Radan, Vrnjacka Banja is located at

the foot of Goc, Vranjska Banja in the Besna Kobila hill range, etc. Spas, in addition to towns, mountains, mediaeval churches and monasteries, national parks, and an excellent transit position of Serbia, represent an important tourist attraction.

Spa related legislation in Serbia

The development of spas and climate resorts in Serbia until now was fairly spontaneous rather than regulated legally and technically. The current Law on spas from 1992 does not provide legal mechanism that can adequately support the development of Serbian spas and their wider integration in and cooperation with the surroundings. The law neglects the development of spas and climate resorts from the very important tourist aspect. An attempt made by the Association of spas and climate resorts in 2001/2002 to amend and supplement the existing law, did not succeed (for more details see Dabić, 2010).

The greatest shortcoming of the existing Law on spas refers to issues regulated by the spa planning documents. The Law does not address the issue of the simultaneous development and organisation of spa settlements and their tourist functions. Vrnjacka Banja may be used to illustrate the above mentioned. Vrnjacka Banja is the largest Serbian spa-tourist centre while serving at the same time as the urban, economic and administrative centre of the eponymous municipality, i.e. the balneal-medical treatment function and the tourist function are intertwined with numerous urban functions at the same location. Due to this, the limitations of Vrnjacka Banja are not typical of the majority of Serbian spas; however, addressing such issues would significantly impact the improvement of spa related legislation (Dabić, 2006).

A conclusion may drawn from the analysis of the current Law on spas that the said Law determines and defines specific relations between the state, local self-government, and spa clients. It should be noted that the Law is generalised and does not precisely define the competences, obligations, supervision, and sanctions of interested and competent ministries, local self-governments and spa clients. Also, the Law does not envisage the enactment of rulebooks and other bylaws that would provide a more precise definition of specific competencies and obligations.

Law on spas merely establishes the spa status but it does not envisage the ranking of spas and climate resorts. The Law on tourism envisages the

ranking of tourist sites per categories, including spas and climate resorts. The Tourism Development Strategy of the Republic of Serbia does not establish the ranking of tourist destinations and it does not determine development priorities.

Tourist ranking of spas in plans and strategies

Tourist ranking of spas related to their importance, attractions, and developmental and organisational potentials is typical of developing countries where the state provides the initial support to the development of tourist destinations. The ranking of Serbian spas is underdeveloped and no integrated approach is available due to lack of theoretical, methodological and legal foundations (Dabić, 2009).

The treatment of spa tourism in planning and development strategies of Serbia is neither adequate nor synchronised. Much greater attention was paid to other types of tourism. Although Serbia's natural conditions are outstanding, a development plan and strategy are required to develop Serbian spas not merely as health resorts but also as wellness centres drawing modern, young and healthy individuals, and families, whose lifestyle requires several shorter vacations during the year. Spa tourism development in our country should be carried out with precaution – developing and improving those areas and contents that can achieve contemporary standards and quality both in terms of treatment, leisure, lodging, and attending services, and the natural and architectural ambience, while protecting and keeping the areas and contents for which currently there is no sustainable solution (Živanović, 2006).

A general ranking criterion for spas and resorts and other tourist zones/destinations primarily focuses on the current level of development and on future market profitability of tourist destination products. The properties of spas such as their quality and quantity, as well as their level of development, are based on specific and individual conditions. Statistical data are observed regarding tourist capacities, tourist turnover, affirmation of natural conditions and resources, accessibility, the availability of accommodation and sports-recreational capacities, utilities, the landscaping of spa area etc. (Dabić, 2009).

First attempt at tourist ranking of spas was made in the Spatial Plan of the Republic of Serbia from 1996 by designating spa tourist centres and resorts into I, II, and III rank. The ranking prioritised those spas which,

based on their development opportunities, would have the greatest effect on Serbian health and wellness tourism.

Spas were seen as centres for health and recreation and tourist centres either included in the offers of tourist zones, regions and transit routes or with their own tourist offer. Spas were ranked into following sub-types:

I – Vrnjacka Banja – *International importance*

Niska Banja, Sokobanja, Vranjska Banja, Mataruska Banja, Kovljaca, and Bukovicka spa – *National importance*

II – Gamzigradska Banja, Bujanovaka Banja, Prolom Banja, Ribarska Banja, Kursumlijska Banja, Josanicka Banja, Novopazarska Banja, Bogutovacka Banja, Pecka Banja, Pribojska Banja, Gornja Trepca, Selters Banja, Junakovic, and Kanjiza – *National importance*

III – Zvonacka Banja, Brestovacka Banja, Lukovska Banja, Sijarinska Banja, Klokot Banja, Visocka Banja, Ovcar Banja, Vrujci, Badanja, Radaljska Banja, Vrdnicka Banja, Rusanda, Banja Slankamen, Planacki Kiseljak, Palic Banja, Orlovaca Banja – *National importance*

Based on the prevalence of certain tourist potentials in Serbia, the Spatial Plan from 2010 established the dominant types of tourism. Mountains, water bodies, transit tourist routes, large cities, spas, natural and cultural units, villages and others were designated as separate units.

The Republic of Serbia's tourist spaces comprise parts of tourist clusters with tourist destinations, touring routes, tourist sites and resting areas. According to the available conditions and resources, they are divided into primary tourist spaces – comprising tourist destination areas, circular and linear international and national roads and waterways, and concentrated/dotted agglomerations of urban tourist centres and sites, spa tourist centres and sites of international and national importance – and into other, secondary tourist spaces and sites of mainly regional importance.

According to the current Spatial Plan, the most significant tourist spas of national importance and prospective international importance are the following: Vrnjacka Banja, Niska Banja, Sokobanja, Mataruska Banja, Bukovicka Banja, Koviljaca, and Vranjska Banja. Among the spas of national importance, Prolom Banja, Gornja Trepca, Ribarska Banja, Kanjiza, and Junakovic have prospective development importance, as well as the new wellness/recreational tourism sites Palic and Novo Milesevo. Other tourist spas of national importance are Josanicka, Bogutovacka, Novopazarska, Lukovksa, Kursumlijska, Zvonacka, Pecka,

integrated offer of tourist areas, supporting the development of tourist areas so that the tourist season may be extended, including natural, cultural and historical and other man-made attractions etc. (Prostorni plan Republike Srbije, 2010).

Conclusion

Sustainable development of spa tourism presupposes an integrated approach to: planning, completion of utility infrastructure, construction of accommodation and attending facilities, expansion of the offer and content provided during the stay, development of year-round tourist offer, participation in domestic and international tourist markets, etc. An abundant variety of natural and anthropogenic tourist attractions is available in the territory of Serbia. Their distribution varies and not all are equally appealing to all tourists. If Serbian spas are to be competitive in the market, their organisation has to be planned and should take into account the experiences of other countries and modern spa development tendencies. The advantages of staying in a spa should be presented in a systematic and planned manner to both domestic and foreign tourists thus improving their understanding of spas and increasing their interest in leisure, recreation, rehabilitation and other activities offered in Serbian spas. Spas are valued based on tourism-related factors, which may be qualitative and quantitative, such as: accommodation facilities, cultural and entertainment facilities, historical sights, appearance of the surroundings, variety of wellness and health-related activities and other factors that are segments of tourist zones and/or destinations. A great many Serbian spas do not have an adequate number of hotels, restaurants, medical facilities, and public utility facilities. Almost all spas lack funds for maintenance of the existing facilities; hence, many are in a relatively poor condition and unable to take in or provide appropriate accommodation to visitors.

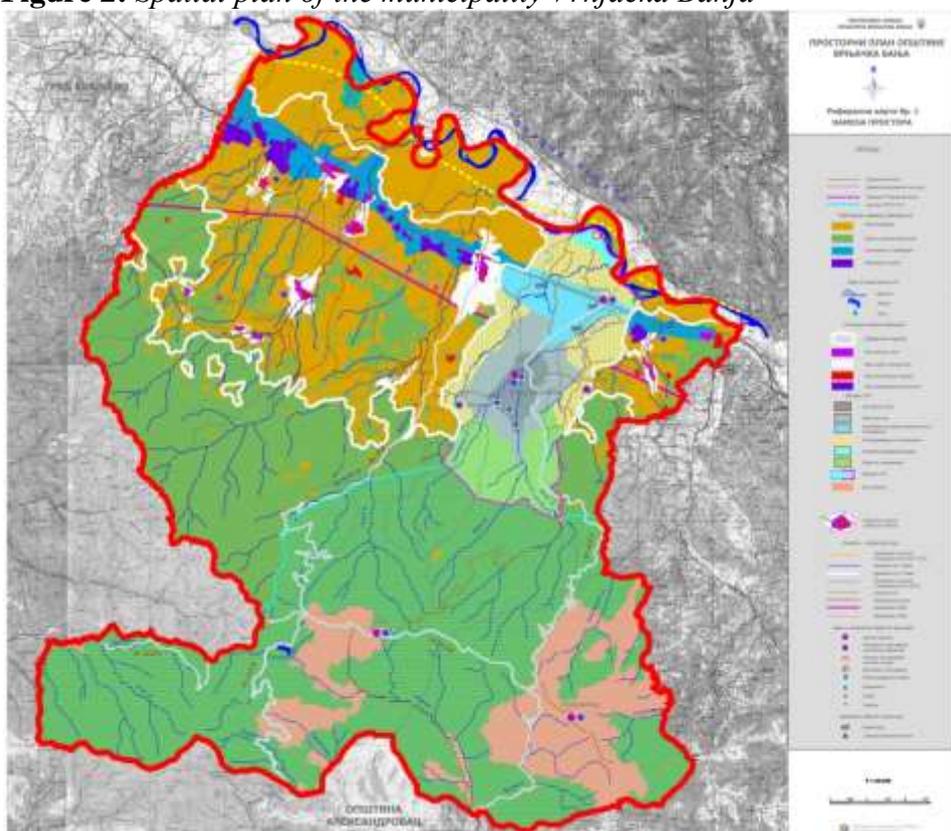
In a historical perspective, spa sojourns have a long tradition and, potentially, a wide tourist market. It is therefore necessary to create economic and social conditions enabling a stable long term development. Serbian spas could become centres of polyvalent tourism for people of different ages and professions, catering for their health, recreation, cultural, sports and outing activities, and other needs. Serbian spa related legislation should complement other laws regulating environmental protection, mining and energy, planning and urbanism, health care, tourism etc. New laws and regulations were adopted in these fields since

the 1990's; therefore, a new Law on spas, aligned with the above mentioned laws, needs be declared regulating the sustainable development and improvement of spas in a more precise and comprehensive manner.

Contemporary legislation aligned with European norms, as well as tested methods and procedures for preparation of spatial and urban plans must avoid and minimize negative consequences that are the legacy of previous periods. Society had faced numerous economic and political issues causing, inadvertently or not, adverse circumstances and processes; therefore, a mode of sustainable development should be attempted at that would gradually eliminate the inherited limitations of spa tourism.

Contribution

Figure 2: *Spatial plan of the municipality Vrnjačka Banja*



Source: *Direkcija za planiranje i izgradnju opštine Vrnjačka Banja*

Figure 3: *The most famous spas in Serbia - Vrnjacka Banja*



Source: https://www.google.rs/search?q=banje+u+srbiji&biw=1920&bih=969&source=lnms&tbm=isch&sa=X&ved=0ahUKEwiUvc2DwaTM AhXEnBoKHZPzCRQQ_AUIBigB&dpr=1

Figure 4: *The most famous spas in Serbia - Prolom Banja*



Source: https://www.google.rs/search?q=banje+u+srbiji&biw=1920&bih=969&source=lnms&tbm=isch&sa=X&ved=0ahUKEwiUvc2DwaTM AhXEnBoKHZPzCRQQ_AUIBigB&dpr=1#tbm=isch&q=prolom+banja&imgcr=tbfh-8sLouYIM%3A

Figure 5: *The most famous spas in Serbia - Banja Koviljaca*



Source: https://www.google.rs/search?q=banja+koviljaca&biw=1920&bih=969&source=lnms&tbm=isch&sa=X&sqi=2&ved=0ahUKEwji8rbS wqTMAhVGIcAKHQz5CcAQ_AUIBigB&dpr=1

Figure 6: *The most famous spas in Serbia - Sokobanja*



Source: https://www.google.rs/search?q=sokobanja&biw=1920&bih=969&tbm=isch&tbo=u&source=univ&sa=X&sqi=2&ved=0ahUKEwj5_vbxw6TMAhUISJoKHQfIAlYQsAQIJQ#imgsrc=1Rvfn_lpBgP07M%3A

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A SURVEY ON FACTORS INFLUENCING TOURISTS' DECISION TO VISIT SPA DESTINATION

Melita Jovanović Tončev¹, Milena Podovac²

Abstract

The individualization of tourist demand has caused the multidimensionality of travel motives. The fact that they expect an integrated tourist product indicates that tourists travel to a destination because of a large number of motives. In this paper, we have analysed the push-pull concept, which represents a widely accepted theory of motivation in tourism. It is concluded that for 26% of respondents treatment and rehabilitation, 32% water consumption of medicines, 47% socializing with friends and 43% of leisure time in intact nature constitute are the main push factors of choosing a destination by statistical analysis of the data collected by research conducted in the period from 5 December to 25 December 2015. On the other hand, 52% of respondents said that, for them, the most important factor is quality medical staff, 44% diverse medical treatment, while 46% of respondents said that a wide variety of local attractions are factors that attracts them to a specific destination. Using and Spearman correlation coefficient the relationship between the push factors and future behaviour of tourists in terms of repeat visits and recommendations to friends is determined.

Keywords: *motivation, push factors, pull factors, spas, destination.*

Introduction

In pursuit of health and pleasure, relaxation, spiritual peace, and spiritual upgrade, tourists have undertaken the journeys since ancient times. Starting from the Indian ayurveda (more than 5000 years), through traditional Chinese medicine (2697. before our ere) and the ancient

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Greeks and Romans, tourists use the healing properties of mineral water, mud, gas and air in order to maintain and improve health, prevention from physical and mental illnesses and to establish a balance of spirit, body and mind (Jovanović, 2015).

The use of medicinal mineral water in order to achieve health, wellness and well-being in many parts of Europe dates back to the 17th and 19th centuries (Laing & Weiler, 2008). Health through water eventually becomes the most important postulate of wellness tourism that contributes to the growing popularity of this form of tourism. Accordingly, the quality of the spa environment and a well-designed integrated health tourism product, are the most significant motive for tourist visits of most spa resorts (Milićević & Podovac, 2013, p. 208).

Specifics of modern touristic demand point to the existence of diverse and multiple travel motives, as well as different ways to meet them. In the following parts of the paper we will analyze the basic factors that influence the decision of the tourists visiting the destination, as well as determine the significance of these motives for future travel behaviour of the participants of spa tourism.

Literature review

Motivation has attracted considerable attention of tourist academia in the 1960s, in order to better understand and predict factors that influence the decision to travel (Wong et al., 2013). Analysis of theoretical knowledge of the motivations and behavior of tourists primarily involves defining the concepts of motivation and motive. Motivation is associated with psychological and biological needs and wishes, and includes generated integral powers, direct and integrate the behavior and activity of a particular person (Yoon & Uysal, 2005, p. 46).

The motivation for taking trips refers to a set of activities that influence a person to become a participant in basic tourism activities. In this sense, the motivational factors could be defined as psychological needs, which have an important role in causing psychological imbalance in a person, and that can be corrected only through the tourist experience (Park & Yoon, 2009, p. 100). The motive implies an internal factor that encourages, directs and integrates the behaviour of certain people (Murray, 1964, p. 7).

Motivation of tourists is the topic of study of numerous authors (Cohen, 1972; Crompton, 1979; Dann, 1981; Gnoth, 1997; Yoon & Uysal, 2005). Motivating people to travel and live outside their place of permanent residence involves meeting various needs. On the other hand, very often people travel to meet not one but more needs, which indicate the interconnectedness of tourist needs. The motivation of tourists implies a set of needs and attitudes, which predetermine potential travel behaviour to a specific, clearly defined goals. Motivation has several dimensions. Tourists want to experience more than one attribute of destinations. Therefore, exploring the relationship between the two sets of variables, and destination attributes and motives is much more functional than the one-dimensional survey of dependent variables (Pyo et al, 1989).

Examining the motives that influence the decision-making on visiting a particular destination, the researchers note push-pull motivational theory (Dann, 1977; Azman & Chan, 2010, Chun-Man Cheung, 2012.). Push motivations are more related to internal or emotional aspects. Push motivations can be seen as the desire for escape, rest and relaxation, prestige, health and fitness, adventure and social interaction, family togetherness, and excitement. Pull motivations, on the other hand, are connected to external, situational, or cognitive aspects. motivations are those that are inspired by a destination's attractiveness, such as beaches, recreation facilities, cultural attractions, entertainment, natural scenery, shopping and parks (Yoon & Uysal, 2005, p. 46-47).

Uysal and Jurowski (1994) state that the essence of push-pull theory is that a man driven by the adoption of a decision on taking trips with internal forces and drawn by external forces, or by attributes of destinations (p. 844). The authors point out the existence of a reciprocal relationship between the pull and push factors to satisfaction when traveling. Many authors, seeking to explain the factors that direct visitors to the destination, consider different psychological and demographic characteristics of spa tourists. For example, Mak et al. (2009), according to the following factors: striving for physical relaxation, reward after a demanding job, seeking mental peace, escape from the business and social pressure, improving overall health, experience of spa tourism, striving for spiritual refreshment, an escape from daily routine, enjoyment in the luxury, improving physical properties, spending time with friends and family, strengthen family relationships, losing weight, as well as the desire to be trendy.

The authors of two like Azman and Chan (2010), grouped push factors as follows:

- Factors that lead to achieving self-satisfaction (escape from everyday stress and daily routine and hard work, relaxation and stress relief).
- Factors that lead to regeneration and fulfillment (recovery from tensions of business life and participating in various physical activities).

Crompton (1979) tried to identify those motives of satisfaction that influence the choice of destination. He also tried to develop a conceptual framework that will be able to show the listed motives. In addition to the theoretical model, Crompton has empirically identified nine motives of tourists. Seven of them are classified as a socio-psychological: an escape from the everyday environment, its own research and evaluation, relaxation, prestige, regression, improvement of kinship relations and the promotion of social interaction. As for the other two motives, stated the novelty and education (p. 408).

Analyzing the pull factors that attract tourists to a destination, Azman & Chan (2010) state spa attributes watching them as visible and invisible resources of destinations. Visible ones include the natural environment and anthropogenic resources, while under invisible marketing destination image is analyzed. Goeldner & Ritchie (2006) are consistent with the view of many researchers, according to which a tourist attraction is very important component of the tourism system and the main factor that attracts tourists and affect the development of the destination.

Considering the available literature on the push motivational factors that influence the decision on the visit to the area, and for purposes of the carried out research, internal factors will be grouped into two categories: health factors and social factors. In doing so, we will include in the health factors the following:

- Treatment and recovery of the disease.
- To escape from everyday stressful lifestyle.
- To improve and promote the health of the whole body.
- To establish a balance of spirit, body and mind.

Under the social factors, the following be considered:

- Tendency to acquire authentic tourist experience.
- A desire to spend free time with friends and relatives.

- A desire to spend free time in an unpolluted natural environment.
- Purchase and enjoy in organic food.
- Education about the tradition, culture, faith and ethical authenticity of the local population.

Methodology, research questions and hypotheses

In order to research the factors that influence the decision-making on visiting a particular destination spa, a survey was conducted in the period from 5 to 25 December 2015. Research, research questions and hypotheses are set based on a review of the literature on motivational factors of tourists to visit spas and based on previous researches (Rančić et al., 2014; Hashemi et al., 2015). Initially, a pilot survey was organized in the form of analyzing the responses of eight members of the focus groups to test the validity of the questions. The questionnaire includes 10 questions divided into three segments. In the first part, there are questions related to the demographic characteristics of the respondents (gender, age, education level, the amount of monthly income) as well as issues related to the spa where they lived and whether they were the first time in the spa or not. The second part of the questionnaire contains questions related to the push and pull motives of respondents. The respondents determined the degree of importance of a push and pull motives on a scale from 1 (not important) to 5 (most important). The third part of the questionnaire contains questions about the future intentions of the respondents, who are on a scale from 1 (impossible) to 5 (definitely) assessing whether they will visit again destination and recommend it to friends/relatives.

In order to analyze the factors that influence the decision of tourists visiting a particular destination spa, as well as their future behaviour, we have set up the basic hypothesis, which states:

Different push and pull factors influence the tourist's decision on a visit to spa destination.

In order to make operational the basic hypothesis we set specific hypotheses, which are:

- *Various push factors affect the decision to visit a spa destination.*
- *Various pull factors affect to visit a spa destination.*

In order to analyze the future behavior of the respondents and connectivity with the undertaking motives of respondents to travel, there have been set the following individual hypotheses:

- There is a statistically significant difference between the attitudes of different sexes in terms of re-visit destination.
- There is a statistically significant difference between the attitudes of the respondents of different monthly income and recommendations destination to friends/relatives.
- There is a statistically significant difference between the number of visits to destination of respondents of different ages.
- There is a correlation between the push motives and re-visit destination.
- There is a correlation between the push motives and recommendations of friends to visit a spa destination.

The research results with discussion

The study included a sample of 100 respondents with valid answers. Looking at the gender structure, the largest number of respondents were male, respectively 58 respondents. The largest number of respondents or 36% belong to the age group between 26-35 years. The study included a sample of 100 respondents with valid answers.

According to the level of monthly income, most of the respondents, or 48%, pleaded monthly earning from 150 to 300 euro.

By level of education, 32% of respondents said that they had completed college, then 27% of respondents have completed secondary education, whereas 24% of respondents hold a master's degree.

76% of respondents said they did not visit the spa for the first time (See: Table 1.).

When asked, in which spa they have stayed or are currently staying, the majority of respondents answered they stayed in the following spas: Vrnjačka Banja (37 % of respondents), Sokobanja (10 % of respondents), Morahalom (7 % of respondents), Karlove Vari (6 % of respondents), Banja Ždrela (5 % of respondents). Figure 1 shows the share of individual spa in a sample taht respondents have visited and used its services.

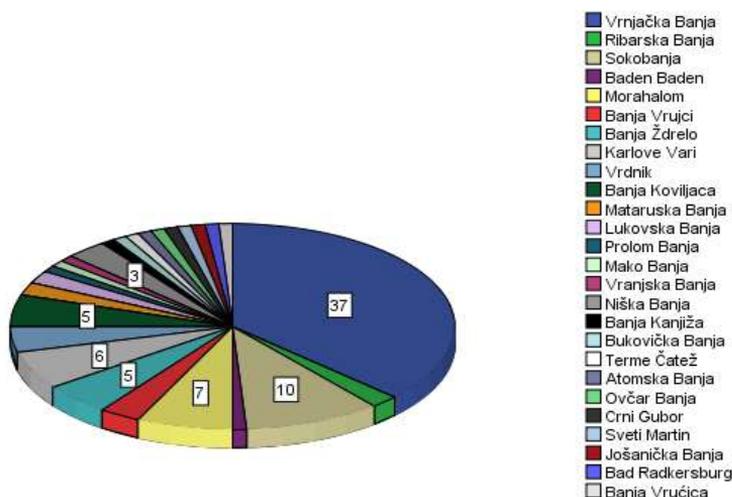
Table 1: Demographic profile of tourist respondents

Variables		F	%	M	SD	S	K
Sex	Male	42	42,0	1,58	0,496	-0,329	-1,931
	Female	58	58,0				
Age	Up to 25 years	14	14,0	2,78	1,236	0,332	-0,951
	26-35	36	36,0				
	36-45	19	19,0				
	46-55	20	20,0				
	56 years and over	11	11,0				
Monthly income	150-300€	48	48,0	1,93	1,112	0,904	-0,590
	310-500€	28	28,0				
	510-700€	7	7,0				
	710€ and over	17	17,0				
Education level	High School	27	27,0	2,83	1,422	0,285	0,241
	College	9	9,0				
	Faculty	32	32,0				
	Master	24	24,0				
	Magister	2	2,0				
	PHD	6	6,0				
First time in spa	Yes	24	24,0	1,76	0,429	-1,236	-0,482
	No	76	76,0				

f- frequency; %-percentage; M-Mean; SD-standard deviation; S-skeweness, K-kurtosis

Source: *Survey results*

Figure 1: The structure of the sample according to destination, where the participants stayed



Source: Survey results

Table 2. shows the frequency responses of respondents about the degree of importance of motives of arrival to a spa and spend their holidays in it. The respondents jumped from 1 to 5 (1-unimportant, 5 most important) expressing the degree of significance of individual motives of arrival to the spa. The largest number of respondents (26 respondents) pleaded their *treatment and rehabilitation* is not an important motive coming to the spa. However, 23 of respondents do not have a clearly defined position, while 22 respondents believe that this motivation is very important. 32 respondents believe that the *consumption of mineral water* is a very important reason for coming to the spa. *Spending time with friends* is very important motive for the 47 respondents, while 30 respondents believe that this is the most important motive. *Enjoying the local cuisine* represents a very important motive for the 33 of respondents, while an equal number of respondents do not have a clearly defined attitude regarding the significance of this motive, and that motive is the most important (by 26 patients). 33 respondents do not have a clearly defined position regarding the significance of *visit sites of cultural and historical heritage* as well as the motives of arrival to the spa. *Leisure time in the natural environment* is a very important motive for 43 respondents, while 30 respondents believe that this motive is most important motive for the spa. 38 respondents believe that the *preventive health care* is a very important motive for the spa.

Table 2: Push factors (f)

Variables	Unimportant	Irrelevant	Neither important nor unimportant	Very important	Most important
Treatment and rehabilitation	26	14	23	22	15
Drinking mineral water	21	15	19	32	13
Spending time with friends	5	5	13	47	30
Enjoying local cuisine	6	9	26	33	26
Visiting sites of cultural and historical heritage	7	11	33	27	22
Leisure time in a natural setting	4	7	16	43	30
Preventive health care	3	6	21	38	32

Source: Survey results

Table 3. presents the frequency of answers of respondents on the significance of certain elements of the range on offer, where they were staying. For 29 respondents, the *richness of mineral water* is a very important element of the range on offer. On the other hand, an equal number of respondents do not have a clearly defined position, and considers that the most important element of the offer (by 27 respondents). 51 respondents believe that a *good and quality service* offers the most important element. 42 respondents think that *unpolluted nature* is a very important element of an offer. For 52 of respondents, the *trained medical personnel* is the most important element of the offer, while 38 respondents believe that the *possession of medical equipment* is a very important element range on offer. 33 respondents believe that the entertainment on large water areas is very important element offer of the spa, where they stayed. *Adequate facilities for children's activities and accommodation and restaurant offer* are a very important element of offers of the spas for 30 or for 49 respondents. *The variety of medical and wellness treatments* is a very important element of the offer for 44 respondents, while 40 respondents believe that the *wide range of local attractions* is also a very important element of an offer of the spa, where they stayed. *Specially designed spa weekend products* are a very

important element of the offer for 40 respondents. 41 respondents believe that the *price competitiveness* of the most important element of an offer of the spa, where they stayed.

Table 3: Pull factors (f)

Variables	Unimportant	Irrelevant	Neither important nor unimportant	Very important	Most important
The richness of mineral water	5	12	27	29	27
Good quality service	1	2	4	42	51
Unpolluted nature	1	4	14	42	39
Trained medical staff	3	2	15	38	42
Avalable quality medical equipment	2	5	20	38	35
Fun on large water surfaces	8	10	28	33	21
Adequate facilities for children's activities	23	15	21	30	11
Accommodation and restaurant offer	0	2	9	49	40
The variety of medical and wellness treatments	1	6	15	44	34
A wide variety of local attractions	6	5	29	40	20
Specially designed spa weekend products	5	10	18	40	27
Price competitiveness	1	4	18	36	41

Source: *Survey results*

When asked whether they would again visit the spa where they were staying, 51 respondents answered that they would visit the same spa again,

while 34 respondents were likely to visit it. 55 respondents will definitely recommend their relatives/friends to visit the spa, where they stayed (See: Table 4).

Table 4: *Future intentions of participants (f)*

Variables	Not likely	Neither likely nor unlikely	Very likely	Surely
Revisiting the spa	3	12	34	51
Recommendation relatives and friends	1	9	35	55

Source: *Survey results*

In order to test the hypothesis, they applied some statistical tests. The first step represents checking assumptions about the normality of distribution, for which is used Kolgoromov-Smirnov test for samples from more than 100 respondents. Based on the value of Sig., Which is 0, 000 we conclude that the assumption of normality of distribution is discarded and in this case non-parametric test is applied.

To check the set hypotheses *there is a statistically significant difference in the attitudes of respondents in different sexes in terms of re-visit destination*, we used t-test for independent samples, which is used for comparison of mean values of the measured characteristics of the two different groups of people and in different circumstances (Pallant, 2011, p. 235).

Table 5: *Descriptive analysis of variables*

	Sex	N	M	SD	SE
Revisiting the spa	Male	42	4,26	0,912	0,141
	Female	58	4,38	0,721	0,095

M- Mean; SD-Standard deviation, SE-Standard error

Source: *Survey results*

Table 5. shows the descriptive measures for the analyzed sample, and the arithmetic mean and standard deviation values for the characteristics of each group (sex: male/female). Analyzing the values shown in Table 6, we can determine the value of the Leven's test of equality of variances Sig. 0.062 and it is greater than 0.05. In order to determine the existence of statistically significant differences, we use the result in the first column equal variances assumed, in which the level of significance is 0.474, and it is greater than 0.05, which means that there is no statistically significant

difference between gender and re-visit destination. Hypothesis has not been confirmed.

Table 6: *The results of t-test for independent samples*

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Diff.	Std. Error Diff.
Revisiting the spa	Equal variances assumed	3,405	0,068	-0,718	98	0,474	-0,117	0,163
	Equal variances not assumed			-0,692	75,409	0,491	-0,117	0,170

Source: *Survey results*

To check the set hypothesis, which states *There is a statistically significant difference between the attitudes of the respondents of different monthly income and recommendations destination to friends/relatives*, was used Kruskal-Wallis' test, which is used to determine the significance of differences between two or more measured properties in those cases when the data do not meet conditions for the application of analysis of variance (Turjačanin i Čekrlija, 2006, p. 107). Based on the values of Asymp.Sig, which amounts to 0,008, and it is less than 0.05, we conclude that the difference between the attitudes of the respondents between the different monthly income and recommendations destination to friends/relatives is statistically significant (See: Table 7). According to test results, the hypothesis is confirmed.

Table 7: *Results of the Kruskal-Wallis*

	Recommendation relatives and friends
Chi-Square	11,880
Df	3
Asymp. Sig.	0,008

Source: *Survey results*

To check the set hypothesis, which states *There is a statistically significant difference between the number of visits to the destination in*

respondents of different ages, we used Kruskal-Wallis' test. Based on the value of Sig. of 0.107, which is greater than 0.05, we can conclude that there is no statistically significant difference between the number of visits to the area in subjects of different ages (see Table 8). Accordingly, this hypothesis was not confirmed.

Table 8: Results of the Kruskal-Wallis

Test Statistics ^{a,b}	
	First time in spa
Chi-Square	7,605
Df	4
Asymp. Sig.	0,107

Source: Survey results

Representing the correlation between the variables, the correlation coefficient is a measure on the basis of which it is concluded about the extent of their connection. The correlation coefficient indicates the extent to which changes in value of the variable followed by change or other changes in the value or other variables (Turjačanin, Čekrlija, 2006, p. 120). In continuation of this paper, we used the Spearman rank correlation coefficient, which is a non-parametric test and does not require a normal distribution. The objective correlation analysis is to examine whether there is a statistically significant correlation between certain variables.

In the first part of the Table 9., is shown the results of correlation analysis between the push factors and re-visit to the spa, with which is also confirmed hypothesis *Various push factors affect the decision to visit a spa destination*. It has been found that there is a positive correlation between the push factors and re-visit the spa, where they were staying. Looking at the connection strength, it was found that there is little correlation between the treatment and rehabilitation and re-visit (0,162); then the mean correlation between enjoying the local cuisine and re-visit (0,406); visits of cultural and historical and religious monuments and repeat visits (0,219) and the strong correlation between the consumption of mineral water and repeat visits (0,757).

The second part of the Table 9, shows the results of correlation analysis between the push motives and recommendations to friends/relatives. It was found that there is a positive connection between the push motives and recommendations spas, where they were staying, with which was also confirmed and hypothesis *Different pull factors affect the visit to a spa*

destination. Analyzing the connection strength, it was found that there is a medium correlation between visits to cultural, historical and religious monuments and recommendations of friends / relatives (0.378) and between leisure time in a natural setting and recommendations of friends/relatives (0.420) and strong correlation between the consumption of mineral water recommendations of friends/relatives (0.802) and between enjoying the local cuisine and recommendations of friends/relatives (0.532).

Table 9: *Correlation among visit motives and future intentions*

Visit motives	Revisiting the spa	Recommendation relatives and friends
Treatment and rehabilitation	Spearman correlation Sig. (two-tailed) .162	Spearman correlation Sig. (two-tailed) .090
Drinking mineral water	Spearman correlation Sig. (two-tailed) .757	Spearman correlation Sig. (two-tailed) .802
Leisure time in a natural setting	Spearman correlation Sig. (two-tailed) .096	Spearman correlation Sig. (two-tailed) .420
Hanging out with friends	Spearman correlation Sig. (two-tailed) .028	Spearman correlation Sig. (two-tailed) .034
Enjoying local cuisine	Spearman correlation Sig. (two-tailed) .406	Spearman correlation Sig. (two-tailed) .532
Visits of cultural and historical and religious monuments	Spearman correlation Sig. (two-tailed) .219	Spearman correlation Sig. (two-tailed) .378
Preventive health care	Spearman correlation Sig. (two-tailed) .081	Spearman correlation Sig. (two-tailed) .031

Source: *Survey results*

Conclusion

Based on the research results, we can conclude that various *push* and *pull* factors affect tourists to decide on the visit. Realizing factors on the demand side pushing towards tourist destination, it should predict the future behavior of spa tourists to adequately respond to the changed demand by formulating complex products. Specifically, as the survey results show, visitors of spa destinations are no longer older and sick people, but more and more the younger and business people who want relaxation and an active holiday and eager to relax and escape from

everyday life. Further research could be organized for the purpose of defining the products that could be part of integrated spa products. You should also explore the possibility of promotional mix in order to better presentation and marketing of achieving visibility spa centers in Serbia on the European tourist map. For the purpose of linking research results and practical implications of these, we suggest the importance of analyzing socio-demographic characteristics of spa tourists and motivational factors in formulating appropriate marketing strategies. Segmentation, positioning and differentiation of marketing mix can be implemented only on the basis of a good understanding of the behavior and characteristics of spa tourists.

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PERFORMANCE ASSESSMENT OF FINANCIAL OPERATIONS OF HOTELS IN SPA TOURISM CENTERS

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Abstract

Based on financial statements of a representative target group of hotel tourist companies which operate in spa tourism centers, cumulative balance sheet and income statement were made and a certain number of indicators of financial health of the surveyed companies. By comparative reviewing of the obtained indicators for the period 2012-2013, with the performance indicators from the cumulative balance for the period 2009-2010, the changes in financial performances have been defined. The obtained results are the reflection of internal strengths and weaknesses of the very companies as well as of a macroeconomic ambient in which the companies were operating. For the purpose of achieving a higher competitive advantage, it is necessary to investigate the possibilities of using the leadership strategies in costs and strategies of differentiating for reaching the objectives related to higher turnover, lower fixed costs and higher profitability.

Keywords: *hotel tourist companies, spa tourism, financial statements, ratio analysis, financial indicators*

Introduction

As a tourist company implements its mission in an interaction with numerous factors of external and internal nature which have different character and intensity, it is requested from it to identify opportunities and threats on time, to evaluate strengths and weaknesses of companies and their competitors, and by knowing the critical factors of business success, to define the mode of business running of companies.

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Financial management is an essential element in any tourist company for implementing the objectives related to revenues and profitability. The management team uses the financial accounting statements for financial analysis, planning and control. The individual positions or items in financial statements are only relative numbers. As the profit is only a relative indicator of success i.e. performance, thus the general state of financial health can be monitored by comparing individual positions in financial statements. Financial analysis deals with research and quantification of functional relationships that exist among the positions of balance sheet and income statement, in order to provide a realistic assessment of the financial position and activities of the company. Financial analysis is basically a ratio analysis. The ratio of one balance sheet position to the other, expressed in a simple mathematical formula, is called the ratio. The significance of substitution of absolute values with the ratio numbers stems from the need to identify and measure those causal links between the balance sheet positions that highlight some of the financially relevant aspects of the business activities of the company (Krasulja, 1982, p.53).

Modern balance theory and practice of financial management have a large number of indicators that are available for the analysis of financial statements. Depending on needs they will be used for, all ratio numbers can be classified into several related groups of financial indicators. That classification is not uniform. One of the most common divisions of ratio numbers is as follows:

1. Indicators of liquidity;
2. Indicators of activities;
3. Indicators of financing structure;
4. Indicators of profitability.

Methodological approach to empirical research

In order to assess the financial performance of hotel business operations in spa tourism centers, it is necessary to consider it through the comparative analysis of financial statements and calculated performance measures, that show causal links between the balance sheet and income statement positions and highlight some of the financially relevant aspects of business activities of the companies.

For the analysis, the published financial statements were taken over from the website of the Business Registers Agency (hereinafter: BRA or APR

in Serbian) the Register of financial statements and data on solvency of legal entities and entrepreneurs. They consist of: income statement, balance sheet, cash flow statement and statistical annex for 2009 - 2010 (Jovanović et al, 2014, p. 264) and 2012-2013 for 60 tourist companies from the territory of Serbia, classified as medium and small enterprises, which make up a representative sample for the need of a further analysis. Based on the entered data from the financial statements for each company individually, the cumulative balance sheet and income statement were made which show a cumulative status of the property and the business performances of the hotel companies in Serbia during three consecutive years.

Given that a representative sample consists of hotel companies which operate in towns, spas, at mountains and near rivers and lakes, the companies that provide tourist services in spas were selected. From the individual data, a cumulative financial statement was made related to hotels business operations in the spa centers in Serbia. The selected sample for analysis of business operations for the period 2009-2010 consisted of eight hotel tourist companies which operate in the well-known spa tourism centers in Serbia.

The same procedure was carried out for the period 2012-2013, and a sample for analysis included nine hotel companies, because, for example, the representative hotel in Arandjelovac, the Izvor hotel doo, started running in 2011. There was a change in the structure of the sample, because some companies from the previous observation period, in accordance with the provisions of the Law on Accounting and Auditing (The Official Herald of the Republic of Serbia, No. 99/2011), changed a size and thus denied the possibility of taking over the financial statements from the web portal of BRA (APR in Serbian), and the others, however, met the conditions to qualify from small into medium-sized companies. The sample consists of the companies whose main business activity code is 5510-Hotels and similar accommodation, as well as the companies with code 8710- accommodation institutions with medical care, such as "Prolom spa" Prolom or DP "Mataruska and Bogutovacka spa", Mataruska Banja, because they are known to be bearers of health or medical tourism in these spas. Some companies, for example, the company "Planinka" AD Kursumlija, has a primary activity code of 1107-production of soft drinks. From the notes to the financial statement of this company it is shown that, besides this, it conducts the activities in the field of tourism, catering and medical rehabilitation in Kursumlija,

Prolom and Lukovska spa, and it submits a unified (consolidated) financial statement, so it is not possible to extract only the hotel business activity.

The aim of this paper is, with the analysis of the cumulative financial statement of the reference companies, classified as medium in size, (whose reports are subject to audit), and which achieve a dominant turnover volume from rendering tourist services in the spas of Serbia, to consider their financial health. Also, its aim is, by comparing the key indicators in different time periods, to determine the direction and level of changes in them, as well as available operating strategies in order to achieve a greater profitability.

In Tables 1 and 2, there are summarized cumulative balance sheets and income statements of hotel companies that operate in the spas in Serbia, in the periods 2009-2010 and 2012-2013, with the amounts expressed in RSD 000.

Performance analysis of financial operations of hotel tourist companies

From the financial accounting statements of the hotels operating in spas in the above mentioned periods, the key business indicators were calculated such as: indicators that provide general information on business operations of these companies, their accumulative and creditworthiness, indicators related to liquidity, structure, profitability and activities.

Table 1: *General information on hotel companies business in spas*

Name of data or indicators	2013	2012	2010	2009
Total revenue	3,347,477	3,235,969	2.204.664	2.252.428
Total expenditure	3,343,337	3,435,907	2.007.873	2.169.389
Net financial result	-57,661	-253,932	137.333	63.176
Business-operating result	6,081	182,121	161.993	198.396
Number of employees	1,697	1,782	1.373	1.565
Self-financing degree	0.40	0.41	0,60	0,65
Credit worthiness degree	0.49	0.50	0,81	0,87

Source: *Authors' calculation*

Table 2: *Summary of cumulative balance sheets of hotel companies in spas*

POSITION	AOP	2013.	2012	2010.	2009.
ASSETS					
Fixed assets (002+003+004+005+009)	001	7.692.350	7.439.478	2.728.950	2.503.339
Property, plant, equipment and natural assets (006+007+008)	005	7.671.807	7.417.165	2.487.744	2.473.148
Long-term financial investments (010+011)	009	14.853	14.814	236.518	28.244
Turnover assets (013+014+015)	012	1.118.216	1.146.863	787.326	690.339
Inventories	013	162.587	158.150	146.535	147.047
Short-term receivables, investments and cash (016+017+018+019+020)	015	955.629	988.713	640.791	543.292
Deferred tax assets	021	82.707	85.875	8.544	895
Business assets (001+012+021)	022	8.893.273	8.672.216	3.524.820	3.194.573
Loss over capital	023	572.119	343.318	190.037	165.341
F. TOTAL ASSETS (022+023)	024	9.465.392	9.015.534	3.714.857	3.359.914
NON-BALANCE ASSETS					
A. Capital (102+103+104 +105+106-107+108-109-110)	101	3.434.914	3.678.204	2.213.846	2.167.189
Basic capital	102	3.627.198	3.627.197	1.689.181	1.778.040
Retained profit	108	847.775	622.624	430.499	321.544
Loss	109	3.347.478	2.682.163	528.227	514.247
B. Long-term provisions and liabilities (112+113+116)	111	6.005.493	5.317.878	1.489.558	1.180.131
Long-term liabilities (114+115)	113	1.221.187	1.250.531	293.853	253.409
Short-term liabilities (117+118+119+120+121+122)	116	4.411.774	4.043.737	1.186.655	926.722
Deferred tax liabilities	123	24.985	19.452	11.453	12.594
C. TOTAL LIABILITIES (101+111+123)	124	9.465.392	9.015.534	3.714.857	3.359.914

Source: *According to the data from published financial statements of the reference companies, on the web site of BRA (APR) the Register of financial statements and data on solvency of legal entities and entrepreneurs for the periods 2009/2010 and 2012/2013*

Table 3: *Summary of Cumulative income statements of hotel companies in spas*

POSITION	AOP	2013.	2012	2010.	2009.
A. Revenues and expenditures from regular business operations					
Business revenues (202+203+204-205+206)	201	3.129.566	3.047.701	2.076,588	2.200.624
Business expenditures (208 to 212)	207	3.123.485	2.865.580	1.914.595	2.002.228
Profit from business operations (201-207)	213	6.081	182.121	161.993	198.396
Loss from business operations (207-201)	214	0	0	0	0
B. Financial revenues	215	113.562	68.493	21.346	20.755
Financial expenditures	216	112.803	404.973	42.630	60.685
Other revenues	217	104.349	119.775	106.730	31.049
Other expenditures	218	107.049	165.354	50.648	106.476
C. Profit prior to taxation (219-220+221-222)	223	2.924	0	196.463	83.150
D. Loss prior to taxation (220-219+222-221)	224	0	201.860	0	0
E Tax on profit		0	0	0	0
1. Tax expense of the period	225	53.362	34.676	22.176	21.626
2. Deferred tax expenses of the period	226	7.275	9.906	635	1.479
3. Deferred tax revenues of the period	227	52	8.510	8.767	3.131
F. Paid out personal earnings to employer	228	0	16.000	45.086	0
G. NET PROFIT (223-224-225-226+227- 228)	229	0	0	137.333	63.176
H. NET LOSS (224-223+225+226-227+228)	230	57.661	253.932	0	0
Net profit belonging to owners of parent legal entity	232	38.303	69.170	0	0
1.Basic earnings per share	233	5	3	3	4

Source: *According to the data from published financial statements of the reference companies, on the web site of BRA (APR) the Register of financial statements and data on solvency of legal entities and entrepreneurs for the periods 2009/2010 and 2012/2013*

Table 3 provides an overview of basic information about the hotels business operations in the periods 2009-2010 and 2012-2013, so we can notice that both the revenues and expenditures increased in absolute amounts, but that the business operating result, as the difference between

revenues and expenditures related to the business activity itself, decreased significantly in 2013 compared to the previous period. The business operating result is the result of regular business activities of the company. It is independent of the mode of financing and is not affected by extraordinary items (except when a company leases the assets to perform business activities and thus, the operating result contains implicate (hidden) costs of interests, making it suitable for assessing the profitability of the primary business activity of a company, and thus for assessing the ability of the management of a company (Knežević et al, 2013, p. 202).

The net financial result, regarded as the financial result reduced by tax expenditures and deferred tax expenses of the period, was negative in 2012 and 2013, which is certainly a result of internal weakness and unfavourable external conditions of business operations. Namely, according to the Announcement on the operations of the economy in the Republic of Serbia in 2013, (Business Registers Agency, 2013b) issued by the Serbian Business Registers Agency, the consequences of the global economic crisis from 2008 had an impact also on the domestic economy. There was a slight recovery of the Serbian economy in 2011, but the second wave of the crisis in 2012 incited the economic tensions and recession trends again. The indications of recovery of domestic economic entities in 2013 are encouraging, thanks to the recovery of the Euro zone states' economy. The number of employees in the hotels was increased in the last two observed years, which tells about the social importance of this sector of business activity. The coefficient of self-financing degree indicates the share of own sources of funds in the total sources, a degree of creditworthiness shows the extent to which fixed assets are financed by own long-term sources of financing (capital equity and long-term bookings). The optimum value of this indicator is 1 or more. In the observed periods, these two indicators have a decreasing trend, which means that the net assets of the company are decreasing, considering the fact that net assets of a company include the assets financed from its own funds (Radovanović&Jovanović, 2000, p. 6)

Analysis of liquidity

Liquidity indicators are intended to indicate the ability of a company to settle its due payment commitments, while maintaining the necessary structure of funds and maintaining a good credit solvency –standing (Knežević, 2009, p.110).

Table 4: *Liquidity indicators of hotel companies in spas*

Indicator	2013	2012	2010	2009
ACID- Liquidity test of level I	0.07	0.02	0,08	0,07
Liquidity test of level II	0.22	0.24	0,54	0,59
Liquidity test of level III	0.25	0.28	0,66	0,74
Revolving fund at the end of year	-2,663,717	-2,487,133	-212.201	-82.741

Source: *Authors' calculation*

The value of the liquidity ratio of the first level, in the amount of 0.07 indicates that the coverage of short-term cash liabilities is at the level of 7% (on RSD 100 of short-term liabilities, RSD 7 in cash).

The value of the liquidity ratio of level II in the amount of 0.22 indicates that the coverage of short-term liabilities with working capital excluding stocks, tax credits and accruals at the levels of 22% and 24% in the period 2013-2012, which is twice lower than that liquidity ratio was in the year 2010/2009.

The value of the liquidity ratio of level III (general,current) in the amount of 0.25 indicates that the coverage of short-term liabilities by working capital was at the level of 25%, and in 2009 that liquidity ratio was 74%. This indicator is the ratio form of of net working capital. If the value of the net working capital is positive, the value of the current ratio will be above 1, and vice versa.

With the analysis of the data of the companies in the sample, it was found that the value of net working capital was negative, which means that the value of short-term assets is lower than the value of short-term liabilities, and taking into consideration that the amount of negative net working capital increases from period to period, it means that the state of long-term financial balance was deteriorated.

Analysis of financial structure

The business operations of a company can be financed from various sources that can be divided into own and borrowed. Own sources include basic-recorded, paid down and entered capital of owners, legal, statutory and other reserves and a profit retained and reinvested in the business running. Borrowed sources, which can be short-term and long-term ones, mean the financing of current and new investments and the providing different forms of assets from debts – payables towards suppliers,

received credits and loans, commitments to employees, the state and other creditors. The relation between the own and borrowed sources of financing indicates the quality of a financial structure, security of creditors and the possibility of sustainable development of a company. There are a lot of financial structure and security indicators and some of them are shown in Table 5.

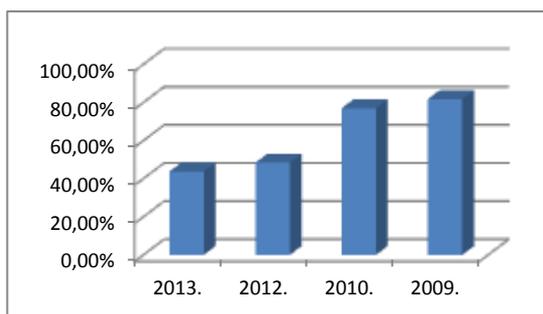
Table 5: *Indicators of structure of hotel companies in spas*

Indicator	2013	2012	2010	2009
Ratio of capital and fixed assets value and stocks	43.73%	48.41%	76,99%	81,77%
Ratio of fixed assets and working capital	687.91%	648.68%	346,61%	362,62%
Share of own capital in total capital	36.29%	40.80%	59,59%	64,50%
Coefficient of indebtedness (Share of other people's capital in total capital)	63.71%	59.20%	40,41%	35,50%

Source: *Calculation of authors*

The ratio which shows the relation of capital and the value of fixed assets and stocks, indicates that tourist hotel companies in the Serbian spas have a growing problem to finance fixed assets from their own capital. Due to the insufficiency of owner's equity capital, the companies look for additional funds from long-term and short-term borrowed financing sources (banks, creditors ..), which presents the ratio of a share of own capital in the total capital (which is decreasing) and the ratio of other people's capital the total capital – indebtedness indicator (which is increasing) in the observed periods

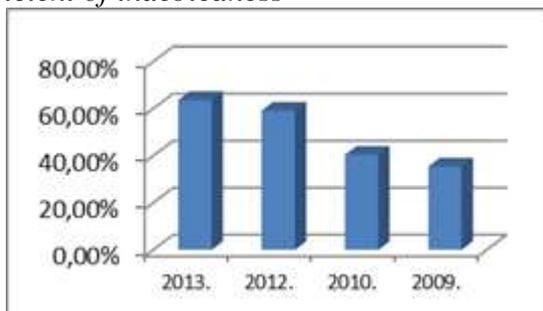
Figure 1: *Indicator of relation between capital and value of fixed assets and stocks*



Source: *Authors' calculation*

This indicates a worse financial structure and a higher degree of financial uncertainty. However, in the hotel business activity, increased indebtedness values of indicators do not absolutely have to indicate the uncertainty in business. Namely, everything depends on the management's skills to manage capital, total assets and revenues so as to contribute to the profit growth.

Figure 2: *Coefficient of indebtedness*



Source: *Authors' calculation*

The ratio of relations of fixed assets and working capital shows the structure of assets, i.e. the dominance of values of the fixed assets in relation to working capital of a hotel, which is justified taking into consideration the fact that the business activity of rendering accommodation to guests in hotels, means high investments in the purchase and construction of facilities for the performance of the business activity. This ratio was significantly higher in the period 2012/13 because the sample included the newly built magnificent "Izvor" hotel in Arandjelovac with a high value of fixed assets.

Profitability analysis

Primary motivation of all the investors is earning profits, which in the financial statements represents a positive difference between revenues and expenditures. The nominal value of the result is not particularly informative without knowing the size of a company that achieved that result. In order to standardize and compare with other companies, the result is put in relation with some of the indicators of business operations volume (revenues) or the volume of invested funds (capital, operating assets, invested capital), in order to make a certain quantification.

Table 6: Profitability indicators of hotel companies in spas

Indicator	2013	2012	2010	2009
Factor of business risk (business leverage)	358.52	10.96	8,70	7,72
Factor of fin. risk (financial leverage)	0.89	-1.18	1,15	1,25
Return rate on own capital/equity - ROE	-1.68%	-6.90%	6,20%	2,92%
Return rate on investments - ROI	0.58%	1.68%	4,84%	3,69%
Ratio of interest coverage from profit	-0.51	-0.63	3,22	1,04

Source: Authors' calculation

A business risk affects significantly the amount of achieved profit, especially in business activities with a high share of fixed costs, such as a hotel activity, as well as a financial risk, if they operate in circumstances where it is necessary to obtain additional funds for business operations, from borrowed sources of financing, with the obligation of interest payments.

A business risk represents uncertainty if a company will achieve a business operating profit due to the presence of operative fixed costs in total costs. A business risk is measured with a factor of business leverage. Operating leverage is a rule that in companies with a high share of fixed costs (as is the case with hotel companies), it comes to an above-proportional profit growth together with the growth in turnover volume due to the degression of fixed costs, respectively it comes to the above-proportional loss growth with the falling volume of activity i.e. turnover. Therefore, in case of a fall in demand for the services of a hotel company as capital-intensive, the first step should be to reduce the prices, and not to reduce a production (turnover) volume (Radojević, 2013, p.270). This means that small changes in a sales volume, cause a business loss instead of a business profit.

A business leverage factor is obtained by establishing a relation of coverage margin (a marginal profit) and an operating profit. The coverage margin is calculated as the difference between sales revenues and variable costs (which consist of a purchase value of sold goods and costs for materials). Table 6. shows that the factor of business risk was increasing, but it increased sharply in 2013, when it amounted to 358.52, although it amounted to 10,96 in the previous observed year. What happened?

If we look at 2012 and 2013, from the cumulative income statement we see that there was an increase in total revenues by 3.4%, and a reduction in variable costs by 10%. Bearing in mind that "if the revenue from sales

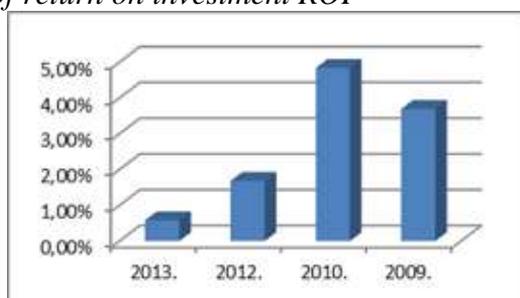
was increased due to increased sales prices, then variable costs remain unchanged. If the sales revenue was increased due to the increased volume of turnover, then variable expenditures of the company also increase "(Radojević, 2013, p.271), we can conclude that the growth of total revenue is the result of price increase rather than a turnover increase, i.e. that there was a decrease in turnover. Thus it results in the fact that within the coverage margin the amount of fixed costs was increased (because the variable costs were reduced), and the operating leverage in 2013 was 358.52 and in 2012 it amounted to 10.96 (increased almost 33 times).

It is characteristic for a business leverage factor that it shows how many times faster a business results is changing than the sales revenue is changing (assuming that a parity of sales and purchase prices is unchanged), which for the period 2012-2013 could mean that when you increase the total revenues, based on the growth of sales prices by 3.4% , and not the turnover increase, while reducing the variable expenditures by about 10% and the increase of business leverage by about 33 times (due to the increased participation of fixed costs in the coverage margin), it came to the decline of business profits by about 30 times i.e. from RSD 182,121,000 to RSD 6,081,000. This confirmed the thesis that in companies with a high share of fixed costs, there is an above-proportional growth of loss with the fall of the volume of activities that is turnover, respectively that small changes in a sales volume cause a business loss – instead of profit, which the hotel management should specially take into account.

Financial risk reflects the uncertainty if a company will be able to pay fixed financial commitments (interest, rent and preferential dividend). Financial risk is measured by a financial leverage factor, and it reflects the relation between borrowed and own funds. The idea is that a company should borrow as long as the return on total equity or assets is greater than the cost of borrowed capital. In that case we have a return growth on own assets (Radojević, 2013, p. 272-273). Financial leverage is obtained by establishing a ratio between a business operating result / net business result, while a business operating result is calculated when you from the net operating result subtract the result from financial items i.e. the difference between the financial revenue and financial expenditure. This indicator was 0.89 in 2013 which means that that the companies in the reference sample can borrow, given that the return on total equity/capital is greater than the cost of borrowed capital.

Considering the fact that the factor of financial leverage is at a low level (in 2013), a high level of business leverage in the company is compensated through it. The increase in sales revenues will increase the gross profit of the companies, the rate of return on own equity capital and stimulate the companies to move the capital structure towards someone else's or external capital. It is enough to reduce the sales revenues in a relatively small percentage, and thus a company will enter the loss zone, without a possibility of rapid substituting other people's capital into one's own capital. With the reduction of credit solvency, the companies lose their current creditors, who want to collect their claims and they are hardly willing to borrow someone else's new capital to remedy the situation of non-liquidity (Radojević, 2013, p. 277). The rate of return on own equity (ROE) is obtained as a ratio between the net financial result (profit attributable to owners of a company) and the equity capital (as capital contribution of owners). It shows the profitability of own equity capital, taking into account the financial structure, financing sources and the effect of financial leverage. Return on Equity shows the percentage increase of own capital at the end of the period, compared to the beginning of the accounting period. This indicator in 2012 and 2013 was negative, but with a growing trend. The rate of return on investment (ROI) is obtained by putting into the relation the sum of a net financial result and financial expenditures vs. the total liabilities. This indicator is increasingly lower in time, but it shows that with the current pace of funds borrowing, a return on investment has been still achieved which is greater than the cost of borrowed capital. The hotel companies in the spa tourism centers are approaching the point of indifference, which is the breakpoint of financing of the companies at which the rate of return on total business equity / funds equates to the average cost of someone else's funds (Radojević, 2013, p. 277).

Figure 4: *Rate of return on investment ROI*



Source: *Authors' calculation*

Interest coverage ratio from profit indicates how many RSD of profit is covered by RSD 100 of expenditures for interest on borrowed financing sources. Although this ratio is negative, considering that the net financial result is negative, it can be said that the investments financed from borrowed capital in 2013, contributed to the reduction of loss from 2012.

Analysis of activities

A company invests in fixed assets and working capital with the intention to use them efficiently, which means that the objective is to achieve a greater volume of business activities with small investments. Financial indicators of the activities correlate the information from the balance sheet and income statement. These indicators include the relations between revenues and expenses from the income statement putting them in connection with the respective positions from the balance sheet.

The coefficient of stocks turnover is according to Barjaktarović, Jovic, Milojevic an important indicator for a practical reason as it tells about speed, i.e. the period needed for a company to reach cash. It is obtained as the ratio of business revenues and average balance of stocks. It shows how many times during a year, stocks are converted into cash. The obtained values of this indicator for the observed companies show a slight increasing trend of activities in cashing of stocks, and the highest was in 2012. In 2013, the turnover coefficient was 19.51, which further means that the sampled companies need, on average, 18 days ($365 / 19.51$) to produce and sell the items that are in stocks, and 39 days to collect the claims pursuant to issued invoices.

Table 7: *Indicators of activities of hotel companies in spas*

Indicator	2013	2012	2010	2009
Coefficient of stocks turnover	19.51	38.54	14,15	15,43
Coefficient of turnover of total assets	0.34	0.68	0,59	0,71
Average number of days for collection	39	54	71	63

Source: *Authors' calculation*

A turnover coefficient of the total operating/business assets (assets) "shows the efficiency of managing total assets" (Barjaktarović et al,2013, p 141) and is calculated as a ratio of net sales revenues and total business operating assets. When explaining this coefficient, there are no defined values of trend levels, bearing in mind that "the level of this coefficient depends on the long-term trend of this ratio trend in a company and its

level in relation to turnover coefficient of total operating assets of other companies in the same economic sector." (Barjaktarović et al, 2013, p 141). Comparing it by periods, we can conclude that the speed of monetary valorization of engaged funds in 2013 was lower than in the previous observed period.

Conclusion

Prior to the carried out analysis of financial operations of the hotel companies operating in the spa tourism centers in Serbia, it was pointed out to the number and specificity of the companies that make up the sample for analysis, and in that sense, the obtained data should be taken with caution and critical consideration.

On the other hand, if the obtained data are taken conditionally as a picture of business operations of tourist companies in the spas which represent a pearl of the Serbian tourist offer, we conclude that the consequences of the recession from the previous period are still felt, but that there are signs of recovery expressed through financial indicators. The amount of loss which was high in 2012, has been reducing. Due to insufficient increase in the turnover volume and a high share of fixed costs, a business risk is high and the business operating result is low. Liquidity of the hotel companies has been continually at a low level, and the current short-term liquidity is particularly jeopardized due to a lack of short-term funds to cover short-term liabilities. The indicators of activities show a slower turnover of stocks and a prolonged period of claims collection. The rate of return on owners' equity was negative in 2012, with an increasing trend in 2013. Despite a high financial risk, the indebtedness coefficient increases, but the rate of return on investment, as the most qualified ratio, indicates that there is a possibility for obtaining additional borrowed capital, for the purpose of the business activities intensification.

Namely, the management of hotel companies surely have in mind that they must invest continuously in facilities and their furnishing and equipping in order to provide top quality services to tourists, on one hand. On the other hand, the investment in capacities means an increase of fixed costs, which in addition to the seasonal nature of demand and intense market competition, is the biggest challenge for achieving profitable business operations, particularly bearing in mind that a business leverage factor is high. In order to increase the turnover and total revenues at the level at which the fixed costs would get a digressive character, the tactic

to increase the price of services is not recommended to the companies, but at their disposal is a choice between at least two strategies: the reduction of costs (cost leadership) and the strategy of differentiation (differentiation strategy) (Knežević et al, 2013).

The strategy of differentiation requires positioning of products in relation to competitors by distinguishing specifics of that product, which means much bigger investments in design, innovative activities and development of products, rather than if a company decides for a simpler strategy, such as costs reduction. Most companies operate in an environment where one chooses to run in several business sectors simultaneously (diversification). The goal is to lower costs and to share risks. The disadvantage is that new business activities which a company enters, may be consumers of cash from other profitable activities, which may contribute to the inefficiency of business running as a whole (high agency costs, inadequate internal system for measurement of managers' performances, etc.) (Knežević et al, 2013, p. 49).

The strategy of leadership in costs is one of simpler ways to achieve a competitive advantage. This strategy is operationally achieved through the economy of volume, simpler products and design of products, lower input costs and the efficient organization of business processes. If a company is a leader in costs, it will have the opportunity to realize a profit rate above the average of the sector and thus to achieve an extra profit (Knežević et al, 2013, p. 49)..

Theorists are of the opinion that these two strategies are mutually exclusive, but the application of one of them will enable a company to achieve a sustainable competitive advantage. However, for achieving a competitive advantage, it is not enough for a company to decide for one of the two strategies, but also to support that strategy through the appropriate value chain within the very company. The value chain is a set of related business activities as well as support activities aimed at creating values for customers. Those companies that are based on differentiation have an organization that stimulates innovation and creativity, while companies that have chosen to have leadership in costs, they have the organization that promotes greater efficiency.

Finally, it is to emphasize the importance and contribution of the state, as a partner to local companies, which by awarding vouchers for subsidized use of accommodation services in hotel and catering facilities, pursuant to

the Decree on conditions and modes of allocation and use of funds for encouraging the improvement of tourist turnover by domestic tourists on the territory of the Republic of Serbia (The Official Herald of the Republic of Serbia, No.113/15), has influenced a bigger share of domestic tourists in the total turnover of hotels throughout Serbia, and especially in spas.

The state should, also, through fiscal policy measures, such as the amount of VAT on board and lodging services in hotels, the tax percentage on profit, incentives for investments into a basic business activity and for employment of new workers, but also of penal policy for those who operate in the zone of „black economy“, has significantly improved the business environment and encouraged the economic activity in tourism.

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SPECIFICS OF FINANCIAL REPORTING IN SPECIAL HOSPITALS IN SERBIA

Aleksandra Mitrović¹, Snežana Knežević²

Abstract

Accounting information, intended for internal or external users, provide the necessary basis of financial reporting. Topicality of financial reporting specifics' display, has led to the need for this paper to show the differences between the accounting of the private and public sector, and thus through the specifics of financial reporting of public sector, to point to the case of special hospitals in Serbia. Given that there are specifics of accounting in the public sector, and that special hospitals are a part of the public sector in Serbia, the paper pays special attention to financial reporting in special hospitals in Serbia, i.e. in Serbian spas. In accordance with the aforementioned, the aim of this paper is to consider the difference between the accounting of the private and public sector, as well as more detailed emphasis on the specifics of financial reporting of special hospitals.

Keywords: *financial reporting, public sector, special hospitals*

Introduction

Having in mind that the accounting has been developing for thousands of years through a variety of forms depending on the mode of social organization and forms of individual entities, below the differences are made and the basic specifics of accounting in the private and public sector are highlighted. For the purposes of this paper, it is important to point out that the definition of the public sector also went through a series of forms and the final definition of the public sector was helped by international regulations determining the practice of accounting and auditing. These are

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the International Accounting Standards for the public sector and according to them the "public sector refers to national governments, regional authorities, local government (city and municipal) and similar state entities (agencies, boards, commissions...)."

In the private sector, financial reporting provides understanding of the financial position and performance of company's operations and the extent to which the main goal, generating a profit, is accomplished. The aim of the audit is to create a judgment on the accuracy of the company's account and thus provide assurance that the realized gain is reasonable, or "true and fair" by reviewing the success of the company.

In contrast, in the public sector, the financial statements may, at best, provide only half of the same story. They essentially show a report what the government or public sector organizations spent their money on. They do not show how much the government or public sector organizations were successful in achieving their objectives, through the provision of basic services to citizens and in the wider sense improving their well-being. Therefore, these objectives are outside the scope of the financial statements of the government and public sector organizations. However, these reports nevertheless provide an essential role in facilitating the accountability of government to parliament and the country as a whole, as well as accountability of public sector organizations to the interested users.

The financial statements may provide information on the concise economic information and thus users faced with too much information can often find themselves in situations that, trying to use them in the process of business decision-making, they ignore the importance of key information required (Knežević et al., 2012).

The financial statements are usually designed for general purposes and not adapted to any particular group of users, so that some information may be irrelevant to one type of the users, but relevant for the other. It is essential that users apply different types of analyses in order to identify information relevant to the decision making (Mitrović & Vučić, 2015; Mitrović et al., 2015; Knežević & Mitrović, 2015).

Special hospitals in Serbia are specialized in certain specific points and areas of treatment, and thus, in addition to various cities where they are located, special hospitals represent significant institutions in spas in

Serbia. For example, in Serbia there are several specialized hospitals operating in spas, such as: in Sijarinska Banja, Soko Banja, Vranjska Banja, Bukovička Banja, Ribarska Banja, Banja Koviljača, Kuršumlijska Banja, Banja Kanjiža, Mataruška Banja, Vrnjačka Banja and other spas.

The paper starts with highlighting the differences between accounting in the private and public sectors, after that the attention in the paper is devoted to the financial reporting of special hospitals, which are part of the public sector in Serbia.

The differences between accounting in the private and public sector

Most organizations in the public sector are aimed at making profit, because they are mainly focused on the sale of goods and provision of services to the public, so that the concept of gain for which the private sector financial statements are designed, is not relevant.

The financial statements of the private sector are provided primarily, at least for the shareholders of a given subject. The stakeholders of organizations from the public sector are a less discrete group of people and can include all citizens of a country.

The budget (usually created annually by the parliament or other legislature) is central for the responsibility in the public sector. Thus, the primary financial statement is usually a comparison between the agreed budget and actual payments and receipts by the government during the year.

For these reasons, the majority of public sector organizations prepare financial statements which have a completely different format than those compiled by the private sector. Therefore there is a special chart of accounts used for the budget system. The following Table 1 shows the chart of accounts for the private sector and the budget system.

Table 1: *Chart of accounts for the budget system and the private sector*

<i>Chart of accounts for the budget system</i>		<i>Chart of accounts for the private sector</i>	
<i>Class</i>	<i>Class title</i>	<i>Class</i>	<i>Class title</i>
Class 000000	NONFINANCIAL ASSETS	Class 0	ENTERED BUT UNPAID CAPITAL AND FIXED ASSETS
Class 100000	FINANCIAL ASSETS	Class 1	INVENTORIES AND FIXED ASSETS INTENDED FOR SALE
Class 200000	LIABILITIES	Class 2	SHORT-TERM RECEIVABLES AND INVESTMENTS, CASH AND ACCRUED INCOME
Class 300000	CAPITAL DETERMINATION OF RESULTS OF OPERATIONS AND OFF BALANCE SHEET ITEMS	Class 3	CAPITAL
Class 400000	CURRENT EXPENSES	Class 4	LONG-TERM PROVISIONS, LIABILITIES AND ACCRUALS
Class 500000	EXPENDITURES FOR NON-FINANCIAL ASSETS	Class 5	EXPENDITURES
Class 600000	OUTFLOWS FOR REPAYMENT OF PRINCIPAL AND PURCHASE OF FINANCIAL ASSETS	Class 6	INCOMES
Class 700000	CURRENT INCOMES	Class 7	OPENING AND CLOSING SHEET AND INCOME STATEMENT
Class 800000	INCOME FROM SALE OF NONFINANCIAL ASSETS	Class 8	OFF BALANCE SHEET RECORDS
Class 900000	INCOME FROM LENDING AND SALE OF FINANCIAL ASSETS	Class 9	COST AND OUTPUT ACCOUNTING

Sources: *Regulations on Standard Classification Framework and Chart of Accounts for the budget system “RS Official Gazette” no. 103/11, 10/12, 18/12, 95/12, 99/12, 22/13, 48/13, 61/13, 63/13 - correction, 106/13, 120/13, 20/14, 64/14, 81/14, 117/14, 128/14, 131/14 and 32 / 15- and Rules on chart of accounts and content of accounts for companies, cooperatives and entrepreneurs, “Official Gazette of RS”. 95/2014*

Further differences between accounting of the private sector and the public sector are summarized in Table 2.

Table 2: *Differences between accounting of the private sector and the public sector*

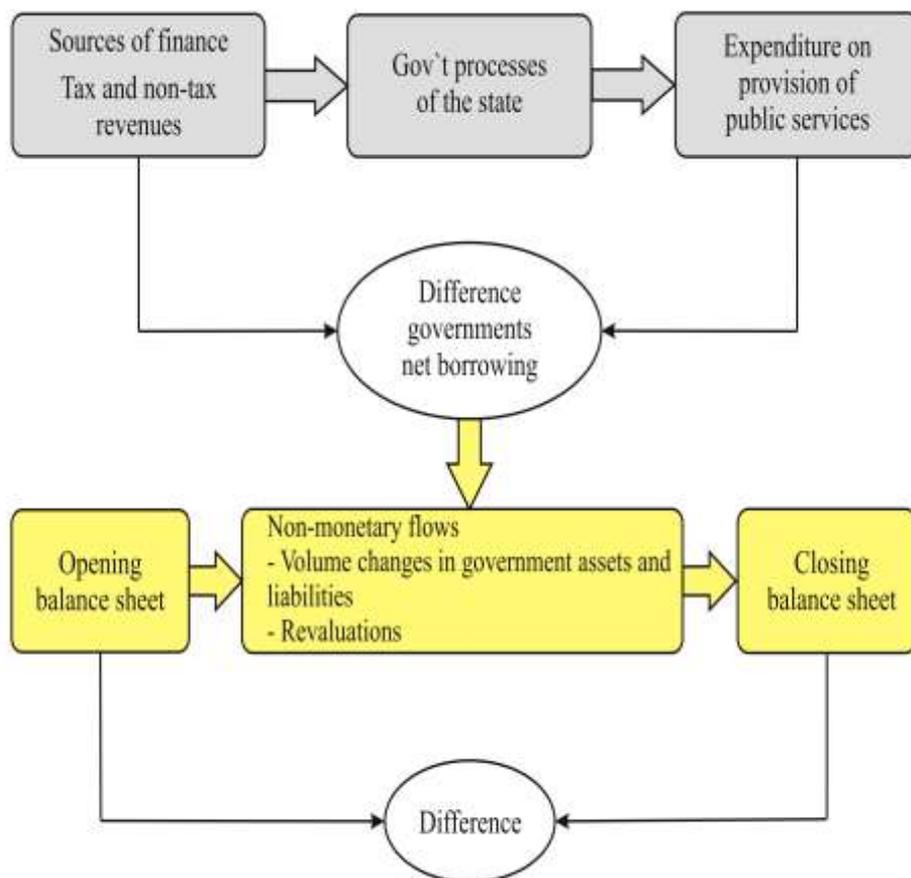
	Accountability to	Accountability mechanism	Accountability for	Leadership
Private	Shareholder	Annual General Meeting	Global	Director leadership
Public	Parliament/ legislature	Anytime	Single/ global	Political leadership

Source: *Bogdanor, V. (2001): Civil Service Reform: A PPMA report, London: Public Policy and Management Association*

The differences can be viewed directly in the management and accountability, as in private companies, the accounting system must support the management process, where shareholders hold responsible the managers of the company at the annual general meeting of the company (legal form - joint stock company) when the financial statements are proposed for approval. Individual decisions and policies of enterprise managers cannot be called into question, as opposed to public sector organizations, where officials of the public sector can be questioned at any time, where special measures to be taken and provision of a certain calculation for these measures are required.

It explains why the model of accrual accounting is dominant in the private sector – it provides a universal model amount input in the same units for any kind of work, and a common indicator of the performance - a profit. This model and the simple performance measure simply do not exist in the public sector. According to the International Federation of Accountants (IFAC), full accrual accounting is the system that recognizes transactions and events when they happen regardless of the inflows and outflows of cash. Incomes reflect the amounts due during the year, regardless of whether they are collected/paid for or not. Expenses reflect the amount of inventories and services "consumed" during the year, regardless of whether they are paid for that period. Cost of funds are deferred and recognized when the funds are used to provide services. For the public sector it is not that easy to build a universal input-output model. The basic problem is that the output is a simple provision of services and that it is not expressed in monetary units. An attempt to develop an accounting model for the public sector is shown in Figure 1.

Figure 1: Accounting model for the public sector



Source: Parry, M. (2005): *Accrual Accounting for National Governments*, ICGFM Public Fund Digest, Vol. V, No. 2. 60-67. <http://www.icgfm.org>, (15 February 2016).

It may be noted that this model, although being less stylish than the model of the economic entity, provides a framework for the public sector. Although financial inflows and outflows are not directly related, they are still controlled by the government, and therefore are the requirement for borrowing and are an important measure.

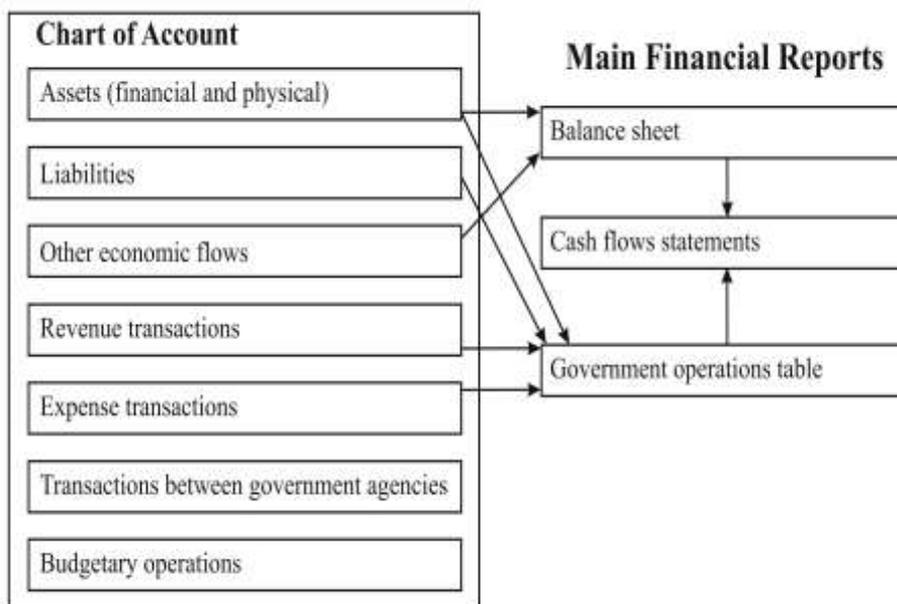
Specifics of financial reporting in special hospitals in Serbia

In the private sector, users of accounting information are, in addition to all levels of management in the company, a number of external users, due

to the successful implementation of management activities. External users are primarily interested in the basic financial statements of the company, of which mainly the balance sheet, profit and loss statement, cash flow statement and statement of changes in equity, and less for the notes to the financial statements (Mitrović & Vučić, 2015). The objective of financial statements is to provide information about the financial position (balance sheet), success (profit and loss), the use of financial resources (cash flow statement), changes in equity (statement of changes in equity) and accompanying notes (Stanković et al., 2012).

Accounting for the public sector needs has undergone a broad and radical reform through the introduction of accrual accounting by governments and other public sector bodies as widespread in the world (Newberry, 2001; Barton, 2005; Ellwood, 2008). Figure 2 shows the most frequently used accounts and financial reporting of public sector.

Figure 2: *Chart of most frequently used accounts and financial reporting of public sector*



Source: *Allen, R. & Tommasi, D. (eds). (2001): Managing Public Expenditure: A Reference Book for Transition Countries, Paris: OECD., p.296.*

According to the Law on budget system, the annual balance sheet includes:

1. the annual financial report on the execution of the budget, with additional notes, explanations and justifications;
2. the annual financial report on the execution of the plan of organizations for mandatory social insurance, as well as the annual consolidated financial report of the Health Insurance Fund with additional notes, explanations and justifications;
3. external audit report.

Annual financial statements must be consistent with the content and classification of the budget, i.e. plan, provided that the financial results in these reports are determined in accordance with International accounting standards for the public sector - cash basis.

Financial reporting in special hospitals includes, in addition to comparisons between the agreed budget and actual payments and receipts by the government during the year and display of realized own funds in the context of the sale of goods and services.

The final account of special hospitals on reviewing business practices of specialized hospitals, consists of a set of reports consisting of:

- Balance Sheet,
- Revenues and expenditures balance,
- Report on capital expenditures and income,
- Cash Flow Statement,
- Report on budget execution,
- State of the arrears to suppliers,
- Overdue payments by the health institution,
- Deviations from the cash flow,
- Form for participation and refunds and
- Form BO-paid and refunds related to the charges that are recorded within the group 414100.

Special hospitals also submit quarterly reports, and concretely the quarterly report of the health institutions in the Republic of Serbia comprises:

- Report on budget execution,
- Deviations from the cash flow,
- Form for participation and refunds and

- Form BO-paid and refunds related to the charges that are recorded within the group 414100.

Budget Execution Report lists the total revenues and receipts and total expenditure and expenses and based on it the determination of results is made through the possibility of expressing the excess revenues and income - the budget surplus, or deficit of revenues and earnings - the budget deficit. In addition to quarterly reports, the special hospitals also submit the daily statements.

Planning and budgeting are important management activities in organizations regardless of whether they belong to the private or public sector. In particular, budgets allow managers to plan their business activities and identify expectations for the future, evaluate financial performance in a timely manner and to ensure that business activities are conducted in a manner that is in line with expectations.

Planning involves the entire process of preparing for the future, while budgeting is an accounting process that connects the planning and control functions. Accounting planning is a part of the integral planning process. The budget is equally important from the standpoint of effective management of the organization, regardless of the type of organization in question, profit or non-profit organization in the public or private sector (Knezević et al., 2014).

In accordance with the foregoing, the special hospitals prepare financial plans, through drafting of the projected income statement, comprising the planned revenues and receipts and expenditures and expenses on the basis of the size of the projected surplus or deficit.

Financial management and accounting information play an increasingly significant role in the management of hospitals and the level of their departments (Ellwood, 2008). According to the survey by Pettersen & Solstad (2014: 372), based on a study examining the use of accounting information in the management of hospitals in Norway, the use of accounting information in the budgeting process involves the following according to the order of importance:

1. The action plans;
2. Budgets from previous years;
3. Financial statements of the last year;
4. Cost analysis according to positions;
5. The budget is based on factors outside the organization;

6. Long-term plans and strategies;
7. Analysis of medical practice;
8. Future health care activities;

If we look at the core purpose of public sector financial reporting, a part of which are the special hospitals, it can be said that the primary objective is the management of financial resources, revenues and income, expenditures and expenses, assets and liabilities, and in this sense, the funds received by the state and actual own funds.

Thus, according to Allen & Tommasi (2001: 317-318), financial reporting should respond to issues concerning the integrity of the budget, operational performance, and system management and control. In this sense, it is perceived whether the resources are used in accordance with the legal authority and mandatory terms, how much the programs cost and how they are financed, what the obligations arising from their execution are, then whether the financial position has improved or worsened, whether there are systems to ensure effective compliance with the budget and financial regulations, proper management of resources, adequate performance and more.

As for planning and policy formulation of special hospitals, the reports should provide information on current programs and main objectives, and can also be used as a source of information for interested users. Since the special hospitals are under the scope of the relevant ministry within the government and organizations (HIF - Republic Health Insurance Fund), as the interested users of the primary level, there are different bodies within the ministries and many other people outside the government, individual citizens, the media, enterprises, universities, non-governmental organizations and other stakeholders, investors and lenders.

In addition to the foregoing, it is important to mention internal control as well as a useful management tool for assessing the effectiveness of planning and organization and management, since special hospitals should also identify and develop appropriate control framework to support effective management (Lakicević et al., 2012).

The International Organization of Supreme Audit Institutions (International Organisation of Supreme Audit Institutions - INTOSAI) adopted the approach and definition of the Committee of Sponsoring Organizations of the Treadway Commission (Committee of Sponsoring

Organizations of the Treadway Commission- COSO) as the basis for the definition of control of the public sector. The definition³ offered by INTOSAI, says: "Internal control of the public sector is a comprehensive process that involves the management and all employees in the control of the public sector, which aims to manage the risks to provide reasonable assurance that the realization of the mission of control of the public sector is to achieve the following general objectives:

- performing operations in a proper, ethical, economical and effective manner;
- accountability for the successful achievement of tasks;
- compliance of operations with laws and regulations;
- protection of assets and other resources against losses caused by abuse and mismanagement."

According to Article 81 of the Law on Budget System (Financial Management and Control), users of public funds establish financial management and control, implemented through policies, procedures and activities with the task to provide reasonable assurance that its objectives will be achieved through:

1. operations in accordance with regulations, internal policies and contracts;
2. the reality and integrity of financial and business reports;
3. economic, efficient and effective use of resources;
4. protection of resources and data (information).

Internal control serves management in ensuring the accuracy and reliability of accounting information, because the decisions made by management are also based in great extent on the information provided by the accounting system (Stanković et al., 2013).

3 Guidelines for Internal control standards in the public sector (INTOSAI 2001), p. 6.

Table 3: *The risks of financial reporting, control objectives and typical controls*

Control objectives	Risks (typical and other known risks)	Typical controls
Safety	<ul style="list-style-type: none"> • Uncontrolled access to financial records change • Uncontrolled access to working papers and pre-accounting records • Uncontrolled disclosure of system information such as lists of entry and payroll 	Access control - A well-functioning general ledger
Regularity	<ul style="list-style-type: none"> • Failure to follow or non-compliance with international financial reporting standards (IFRS) • The inadequacy of the user instructions and other aspects of the control environment 	Preset formats for accounts. - Precise formats and disclosures in the user guide
Timeliness	<ul style="list-style-type: none"> • Failure of fulfillment of legal and managerial reporting deadlines. • Reputational risk 	- Legal time limits - Schedule
Completeness	<ul style="list-style-type: none"> • Total budget does not comply with the overall approved. • Non-inclusion of transactions 	- Reconciliation between the budget and reports
Measurability	<ul style="list-style-type: none"> • Misclassification of accounting transactions • Misclassification of approved budget data • Transactions do not add up correctly 	Manuals and instructions represent the classification for reporting - Laws and Regulations prescribe formats and reports
Accountability	<ul style="list-style-type: none"> • A negative comment or opinion of the external audit 	- Presentation of the reports to managers and parliament

Source: *Internal Audit Manual of the Republic of Serbia, the third part, Audit programs and guidance through audit, (April 2013), p. 202.*

Statutory financial reporting is the key aspect of the strategic responsibility for the KJS. Reports and accounts are audited by an

external audit - The State Audit Institution (SAI). External audit is tasked with to give an opinion in the official report on the fairness of the presentation of accounts, while internal audit discusses the process, to ensure the control of management, and the risks in the process of preparation. Internal audit can reasonably make recommendations for improvements of the very process of the financial statements preparation. Typical risks and controls that the auditor can expect with system evaluation are shown in Table 3, and the expected control may relate to more than one risk and they can be mitigated by the existence of more than one control.

Conclusion

Bearing in mind that there are differences between the accounting of private and public sector, this paper has only presented the particularities related to accounting of the public sector, through the comparative analysis, and thus highlighted the differences in comparison to the private sector.

Through the very purpose of compiling the reports, interested users and the entire process of preparation and submission of financial statements, accounting of public sector are very different from those of the private sector. Bearing in mind that there are differences in almost all segments of accounting, further in the paper we elaborated on the specifics of financial reporting of specialist hospitals in Serbia, which form a part of the public sector.

Through a series of accounts and financial reporting, then by displaying the basic purpose of compiling the accounts and financial statements of specialized hospitals stakeholders, the specific nature the special hospitals possess, as part of health care institutions has been pointed out.

Thus, according to the practice of special hospitals in Serbia, it has been shown that these are the reports that make up the final account; and further, which are the parts of quarterly reports and what is the daily report. Additionally, the importance of planning and internal control, as well as highly useful instruments of adequate management have been emphasized.

Once again we want to emphasize the importance of special hospitals, and in particular the importance that these organizations, which are a part of

the public sector in Serbia, have for the development of spas in Serbia where they are often located. In this regard, highlighting the differences between accounting in the private and public sector, and the specifics of financial reporting of special hospitals, contribute to improving the informational role for many interested users, ranging from service users of special hospitals, to interested investors.

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WELL-BEING AS DRIVING FORCE FOR ECONOMIC RECUPERATION OF TRADITIONAL SPAS, LLEIDA, SPAIN

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Abstract

Throughout history, care and well-being are concepts that have been always present in many societies and cultures. Nowadays, this concept becomes a continuously growing field as consequence of people's will to reach a specific quality of life. Construction of spas had an important growing period in the 19th century, although just a little segment of society could enjoy them. Nowadays, this spa tradition was almost lost, but it has recently increased demand thanks to the services for people who need to reduce their daily stress or those who are just doing some sort of body care. Therefore, spas all over the world have been recovered, extended and modernized to focus on these target market demands. Actual trend of mindfulness therapies involve wellness and health tourism as an economic and social driving force in places where these facilities are located. The aim of this research is to analyze specific rural area in Spain, Lleida, related to two different aspects:

- Growing demand of society in its search of well-being and body care (concept of "health-express") and*
- Contribution to economic and social developments of these areas.*

Keywords: *spas, health-express, health tourism, well-being, economic driving force, Spain*

Introduction

The pursuit of health is one of the oldest motives for tourism, but during the Ancient Greece and the Roman Empire, well-being and the possibility of enjoying the spas and baths started to become widespread phenomenon

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adapted to the needs of modern times (Smith & Kelly, 2006). The term “spa” comes from Latin acronym “Sanus Per Aquam” which means “health through water” (Puczkó & Bachvarov, 2006). The origin of Spa is connected with Belgium, where several hot mineral springs with healing power for skin problems were discovered (Miller, 1996). Thus, Europe has long tradition of spas and consequently spa tourism. European spas have traditionally been engaged in providing medical care or treatment to people suffering from certain types of illness (Lee & King, 2008). Cockerell (1996) has observed that in Europe spa sector is composed of two market segments: those visiting spas and health resorts primarily for medical reasons and those visiting for purposes more closely aligned to traditional tourism motivations. European spa tourists generally have perception that spa experience is mainly for curative or therapeutic purposes (Douglas, 2001), focusing on healing by hydrotherapy, rather than promoting just massage and facials.

According to Henderson (2003), spa service is referred to as one of healthcare tourism services. Spa could be classified in seven major categories, according to the facilities and treatments proposed: cruise ship Spa; day Spa; destination Spa; medical Spa; mineral spring Spa; club Spa; Spa hotel and resort Spa. The various services of spas are categorized according to the available regional resources, including natural resources such as therapeutic water, climate, mud, and caves for meditation (Chen et al., 2013).

Nowadays, spa tourism is one of the fastest growing sectors in tourism industry (McNeil & Ragins, 2005). The spa industry is under continuous evolution with the growing emphasis of wellness and sustainability (Cohen, 2008). The term spa tourism is often interchangeable with wellness tourism (Smith & Puczkó, 2009), as almost all wellness tourism services include some health services referred to as spa treatment (Erfurt-Cooper & Cooper, 2009). Spa industry as global phenomenon is considered a natural response to the human desire for wellness in the context of various individual and global crises (Cohen, 2008). Spas combine aesthetic treatments with various relaxation techniques and products, in order to achieve physical and spiritual harmony (Loureiro et al., 2013). It also combines ancient traditions, modern technology, and scientific advancement (Lo et al., 2013). As interest in physical well-being increases, spa therapy has become popular among consumers and has been recommended by many medical specialists (Kohet et al., 2009).

Consumers are gradually turning to seek more medical and professional programs from general spa treatments (Snoj&Mumel, 2002).

Spa, wellness and wellbeing

Spas growing demand is due to daily lives imbalances, with ultimate aim to promote the general well-being of people, that is, mind and body spirit (Loureiro et al., 2013). Today, concerns about body and mind health are related to disease prevention, daily stresses and the importance of achieving mental and psychological balance (Maket et al., 2009). The term spa is mainly associated with a healthy lifestyle, but during the time it has broadened, so today it is perceived as a place for multiple purposes (relaxation, healing, pleasure, rehabilitation, and socialization). It is a journey that aims at rejuvenation of the customer's overall wellbeing, which includes body, mind, and soul (Mueller & Kaufmann, 2001). Spas could be also seen as cultural driver, influencing intense social gathering between tourists (Dimitrovski&Todorovic, 2015).

Erfurt-Cooper and Cooper (2009) stated that increased awareness encompasses preventive therapies based on travel to health resorts and spas. Spa consumers are looking for a nurturing and healing place where they can enjoy and share experience and time with friends, relatives and spouses (McNeil & Ragins, 2005). Development of wellness concept has influenced much-needed revival of natural hot and mineral spring destinations. Therefore, nowadays we have change in paradigm from spas representing indulgence to spas representing wellness and well-being, resulting in that emphasis is being placed from physical appearance to inner balance and well-being. Wellness tourism as a phenomenon is by no means confined to spas (Pesonen et al., 2011).

The concept of wellness was first proposed by Dunn (1959), who defined it as a special state of health comprising an overall sense of wellbeing. Wellness is a multi-dimensional concept, which may include physical, mental, spiritual, educational, occupational, economic, political, social, cultural, ethical, environmental and existential attributes (Chen et al., 2013). Wellness tourism is a holistic traveling style that aims at developing, maintaining and improving the body-mind spirit (Smith & Kelly, 2006). Wellness tourism comprises efforts by individuals to preserve an already healthy state through activities provided by healthcare facilities (Mair, 2005).

Konuet al. (2011) stated that wellness also includes concepts of well-being, happiness, quality of life, holistic practice, and spiritual beliefs. Well-being is defined more widely than wellness and includes factors that are connected to the basic things in life (Konuet al., 2011). The concept of wellbeing tourism refers to emotional motivations, such as connection with community or nature, inner and outer beauty therapy, relaxation and energy balancing (Sheldon & Bushell, 2009). Well-being tourism might be considered as a form of wellness tourism that refers to emotional motivations instead of emphasizing luxury spas and wellness centers (Pesonen et al., 2011), including small-scale recreational spas.

The recent growth in the demand for wellness services and treatments has led to the proliferation of health and wellness destinations, spas, thalassotherapy centers and other components of the wellness and well-being offer (Smith & Kelly, 2006). Sheldon and Bushell (2009) concluded that the holistic structure of wellness tourism encompasses a range of tourism experiences with wellness products, infrastructure, facilities, and natural and wellness resources.

The role of spa, wellness and wellbeing in economic development

Spa tourism is attractive tool in promotion and development of any destination, region or country. Spa experience depends on uniqueness of cultural, social, and natural environments (Chen et al., 2013). Spa service industry has the possibility of increasing competitive abilities of hotel industry (Madanoglu & Brezina, 2008), with a special focus on intangible elements of hotel service quality (Maricet et al., 2016). Therefore, leisure and business travelers are more and more interested in spa experience as a complement to their traditional or standard tourism activities (Maket et al., 2009). Spa and wellness has become a label that allows the customer to expect added value (Erfurt-Cooper & Cooper, 2009). Spa tourism development has many beneficial consequences, economical and comparative benefit for providers, for the entire region, and country's economy (Sekliuckiene & Langviniene, 2009). Spa tourism makes a significant contribution to the economy of many countries, as spa services and facilities are offered to foreign customers. Together with spa tourism, developing wellness tourism in a region can encourage entrepreneurship, enhance the sense of place of a destination, and health of the local residents, provide economic benefits, and create environmental preservation and quality products (Sheldon & Park, 2008). A region that is able to provide a distinctive spa and wellness tourism services could

become to be very competitive comparing with other regions. Growing competition on global market forces spas to struggle in order to get a good position as customers' choice (Alénet al., 2006). Moreover, the rapid expansion of the wellness tourism sector has led to more intense competition among business suppliers and destinations aiming at attracting visitors for wellness tourism (Maket al., 2009).

Spain offers a wide range of tourist experiences (CrespiVallbona & Dimitrovski, 2016), among them wellness and spa are becoming more and more popular. The aim of this research is to analyze specific rural area in Spain, Lleida, related to two different aspects:

- Growing demand of society in its search of well-being and body care (concept of “health-express”), and
- Contribution to economic and social developments of these areas.

Historical introduction of the spa tourism in Spain

As it is known, spas, both public and private, have been present in many civilizations throughout history. Since ancient times numerous religious and social activities have been using bathing as the main event associated with the cleaning and purification of both, body and soul.

The eighteenth century could be perceived as the beginning of the spas development in Spain. However, not until after the changes produced by the Industrial Revolution influenced its subsequent growth. Between 1764-65, the volumes of *Historia Universal de las Fuentes Minerales de España Universal history of hot springs in Spain* were published, written by Pedro Gómez de Bedoya, who brought together the analysis of the hot springs of the country. Consequently, establishments were prepared to offer medicinal baths. At the end of the nineteenth century, Spanish areas dominated by the bourgeoisie (Catalonia, Cantabria and the Basque Country), built great hotels associated with already known and crowded spas. Thus, the growing interest of the bourgeoisie in hot springs is explained along with the gradual introduction and improvement of transport (in 1848 the railway Barcelona-Mataro was inaugurated) and medical and therapeutic expertise as well. Moreover, social changes related to summer holidays also increased the customers' demand, who went to spas just to relax, without having any illness. Thus, in order to spend fun moments, leisure venues were promoted: dance halls, casinos, theatres, etc. Leisure and hot springs became an inseparable tandem.

This trend and interest in hot mineral waters drove urban development linked to spas, as for instance La Toja, Lézrez or Caldes de Malavella. In other countries, it led to the Spa towns, but in Spain, it was never consolidated mainly due to the economic crisis at this time.

However, the first decades of the twentieth century began the first period of decline of these establishments, due to political reasons (the disaster of the colonies), the dictatorship of Primo de Rivera, social (the concerns of the working masses, anarchism), economic (loss of purchasing power, strikes) and, above all, medical motives, with the emergence and rapid dissemination of drugs that precipitated the rapid recession of spa activity.

During the Civil War (1936-39), these establishments were used as hospitals and clinics, shelters for religious communities as well as barracks and prisons. This period was determinant for the closing of most of them. After the war the Franco's dictatorship started (1939-75), and its government transformed some of the bathing establishments to sanatoriums or health centers for the treatment of tuberculosis. Other establishments initiated a phase of rehabilitation of their buildings and a timid recovery of health therapies, involving wealthy classes. The large number of events that were held there includes family celebrations, festivals, rallies, football teams, and conferences. However, the use of the baths was scarce. Furthermore, private car, sun and beach summer holidays, second homes, moved away people from spas and just few spa establishments succeed thanks to the stable interior tourism. In 1973, from the total amount of 300 spas around the Spanish country (during the splendid period), there were just 80 establishments. Most of them, had (and have) continuity due to IMSERSO (Institute of Elderly People and Social Services) of Spanish Government (since 1978), since its Social Thermalism Programm facilitates the acces to spas and medical therapies for elderly and retired people.

Nowadays, few trends are ongoing - the increase of spa demand, diversification and reduction of the age of customers, the improving and modernization of hotel facilities and services, etc. So, traditional nineteenth century spas have led to the recreational and preventive twentieth century thermal centres. It is considered an emerging sector that brings together old and new customers, both motivated by health and personal care (Valls Casas, 2006). This latter type of clients interested in tourist packages/health services, are called **health-express visitors**. Services include care for beauty and fitness; healthy diet and nutrition;

and spaces for relaxation and/or meditation (mindfulness), in a time of reduced hours in the morning or afternoon or a single day.

Mindfulness is associated with well being and happiness (Kabat-Zinn, 2003; Lagardera, 2009). Thermal centres use to work mindfulness through meditation, due to benefits of their practice (Lavilla et al., 2008), as, for instance, it reduces distraction and increasing mental concentration; strengthening our selfconsciousness; reducing sufferings and offering a possibility to learn to relax our body and mind; benefiting immune system and increasing the physical and psychological wellbeing.

Methodology

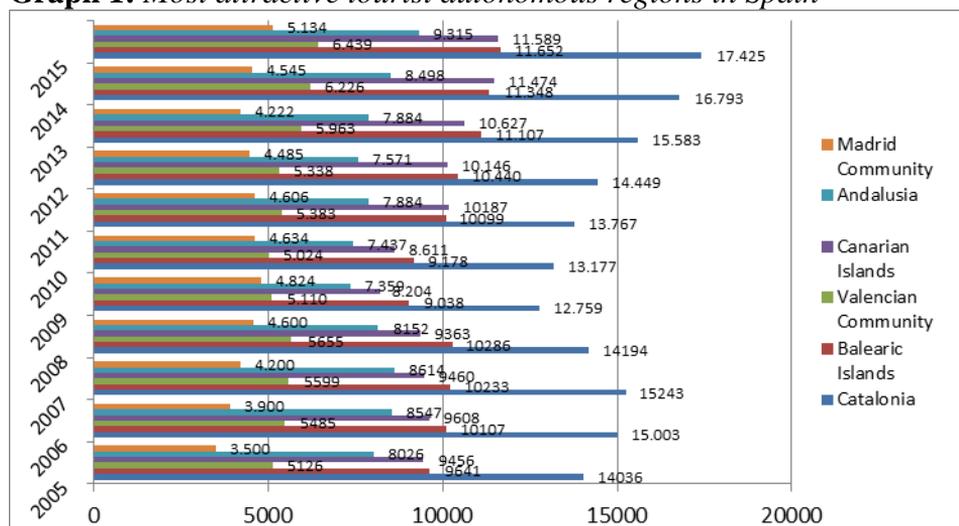
Methodologically, we have analyzed secondary sources, especially data from the Institute of Tourism Studies of the Ministry of Industry, Trade and Tourism (IET), data from National Institute of Statistics of Spain (INE), and from Institute of Statistics of Catalonia (IDESCAT). Using quantitative analysis, it becomes evident that, on one hand, the development of tourism in Catalonia, especially trademarks of Barcelona, Costa Brava and Costa Daurada, and also the brand evolution of Terres de Lleida (Lands of Lleida) is more focused on snow tourism and second homes. Therefore, we have also interviewed the owner of the spas located in Les and Caldes de Boi, respectively (in Lleida province).

The objective is to analyse the real impact of spas in these areas, not only related to tourism demand, but also as new (recuperated) economic engine in this interior area of Catalonia. In addition, we analyze the data provided by these spas relating to overnight stays and treatment services provided.

Thus, the territorial framework of analysis is concentrated in the Lleidatan Pyrenees and the existing spas. The reason to choose these spas is due the peculiarity of this environment with specific characteristics (few population, lots of second homes, lack of professional options). We aim to study the supply and the evolution of offered services and obviously demanded by customers looking for health tourism and a way of deepening self-awareness of one's body as a source of wellbeing. Therefore, we highlight the importance of tourism activity based on data from IET and IDESCAT. We have interviewed the managers of spas in Lleida area and also have analyzed data from 2008-2015 of applied health therapies provided by these centres.

Focusing the analysis, tourism activity in Spain has six emblematic autonomous regions (CCAA) ordered according to the volume of tourists received in the last 10 years: Catalonia, the Balearic Islands, Canarian islands, Andalucia, Valencia and Madrid. The data of Graph 1 show perfectly the weight of the tourism relevance of Catalonia towards the rest of Spain.

Graph 1: Most attractive tourist autonomous regions in Spain



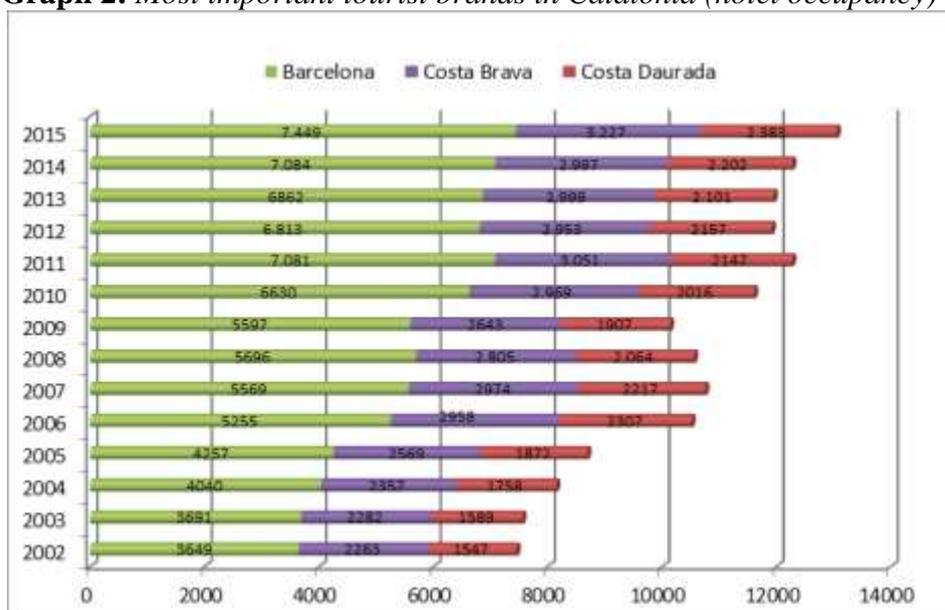
Source: Own elaboration from IET and IDESCAT data, from 2005 to 2015.

It is noted that Spain is essentially a tourist destination of sun and beach, as the Autonomous Regions (CCAA) of Catalonia, Valencian Community, Andalusia, Balearic Islands and Canarian Islands receive a greater number of tourists, as it is shown in Graph 1.

If we focus on Catalonia, the concentration of tourism takes place in the summer. Although it should be stressed out that, despite the considerable number of tourists visiting the Catalan coast, there are also other tourist areas located in inland areas and mountains. Specifically, 9 tourism brands have been defined in Catalonia: Barcelona, Costa Brava (Brava Coast), Costa Daurada (Daurada Coast), Costa Barcelona (Barcelona Coast), Barcelona, Terres de Lleida (Lands of Lleida), Val d'Aran, Pyrenees and Terres de l'Ebre (Lands of Ebre).

Given this wide demand for sun and beach tourism (Costa Brava and Costa Daurada), as well as urban tourism (Barcelona brand), we have to analyze the product offering by brands as Val d’Aran, Terres de Lleida and Pyrenees. Its type of tourism focuses mainly on snow tourism and second homes. What about spa tourism?

Graph 2: *Most important tourist brands in Catalonia (hotel occupancy)*



Source: *Own elaboration from IDESCAT data, from 2002 to 2015*

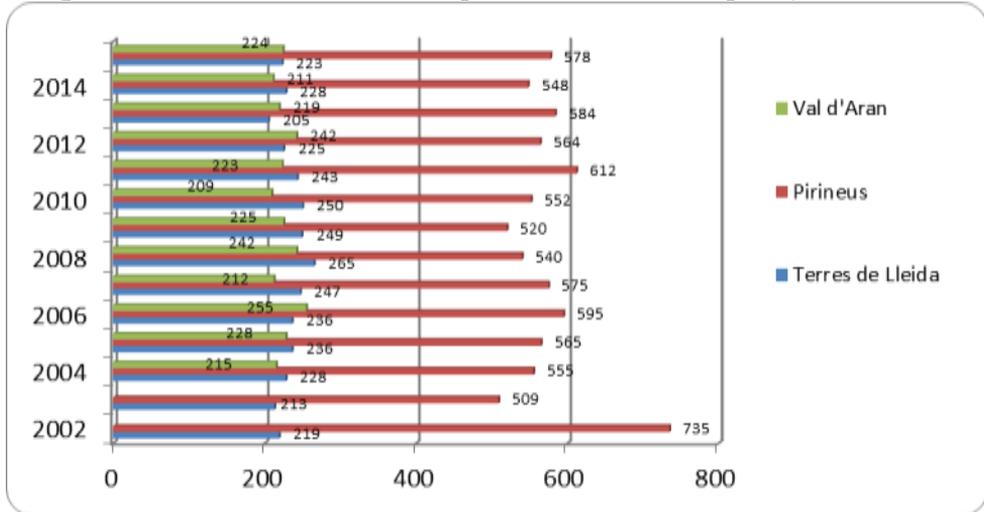
In Terres de Lleida, there are three spas located. These wellness centers are included in the Pyrenees and Val d’Aran brand; they are situated in Caldes de Boi, in the Pyrenees brand, and in Tredòs and Lès, in the Val d’Aran brand. We have also gained data from 2 centers, those of Caldes de Boi and Lès.

Our approach considers spa tourism as a potential engine of regional, economic and social development, as a tool for generating wealth and attracting both, those who want to enjoy their holidays in a health environment, and those professionals who try to provide health services and therapies.

It should be noted that these two brands focus its offer on sports, and not only winter sports, and nature. However, we have to mention the existing cultural resources, the Romanesque Boi Valley as the most famous

example, but not the only. All of these resources help to complete and diversify tourism.

Graph 3: *Tourist brands in Lleida province (hotel occupancy)*



Source: *Own elaboration from IDESCAT data, from 2002 to 2015*

To introduce more information related to the environment in which these two spa centers are located, it is even worth to highlight the low density of inhabitants in those areas and the significant unemployment of its territory, mainly in the service sector. This low density becomes an added value for health tourism segment of demand: the possibility of maintaining an environment crowded and full of calm and relax environment. The registered unemployment by the specific service sector has increased from 2008 and has kept this trend until nowadays (Source: IDESCAT, Catalan Government).

Table 1: *LÈS and BOÍ data related to population density and unemployment rate, in 2015*

	Density	Population	Working population	Unemployment	Unemployment in services sector	Total unemployment
LÈS	40.6%	953	590	125	31 %	39.8 %
BOÍ	4.6%	1004	701	124	12.5 %	14.3 %

Source: *Own elaboration from IDESCAT data*

In this context, we analyze the possibility of spa tourism as an element of social and economic development in these rural areas. Related to the

information provided by interviews held with the owners of these centers and with the staff management team, we highlight the following aspects:

A) Proliferation of concepts and services offers that generically are related to health treatments, but without a clear identification of what health means. A lot of therapies mainly related to body care.

B) Absence in the local (Catalan and Spanish) market of spa culture, related to the habit of taking medicinal waters baths, unlike other European areas such as North Italy, Germany, Czech Republic, Slovakia and Russia.

C) An excess of institutional legal requirements and licenses, and in return an asymmetry linked to the support of other health centres without mineral waters.

D) Imsero programs, for spring and autumn, help keep these traditional spas with activity during almost all the year. Therefore, the public-private sector collaboration is a positive aspect in favor of the existence of these centers. Therefore, Imsero programs are vital for the survival of these types of centers; however they seem to be specialized in elderly people segment and due to this required segmentation, these spas chase away other interested groups, as young people or families.

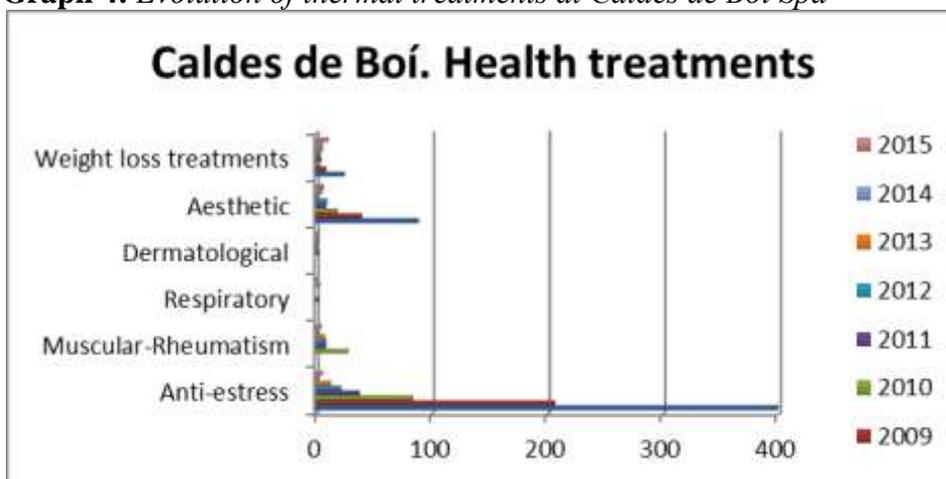
E) The location of these centers is a strength of the offered supply, for the calm, nature environment, and relax that clients can find there. However, it can also become a limitation when people are interested in just one day or just two hours of health services. The distance factor of those who are seeking the health-express packages can shoo away this active and occupied collective of people.

F) The technical knowledge and high medical level of therapies of staff who are working in these centers, give and added value to the product and create a comfortable ambiance between customer and health professional. Traditional spas offer an excellent product, linked to medical mineral and regular water. Therefore, it is worth mentioning that there is a the need of accredited professionals with the appropriate characteristics of services provided. This implies a demand for doctors, physiotherapists and people related to environmental health.

This professional demand has had an effect on the labour environment of these two towns, Les and Caldes de Boí. The recruitment of needed staff has been provided by local young candidates, with recent degrees, as well as people coming from other regions. Needless to say, therefore, that the pull that offer these types of centers, it is not exclusively to customers, as it is connected professional labor field as well. Therefore, thermal centers become a point of promoting local employability and point of professional attraction to places traditionally represented by a significant migration of human capital in the not too distant past.

Also, if we analyze the data of health treatments and services sold (Graphs 4 and 5), we can see the development of treatments that have been made in these two centers, taking into account the specific conditions of each of them.

Graph 4: *Evolution of thermal treatments at Caldes de Boí Spa*

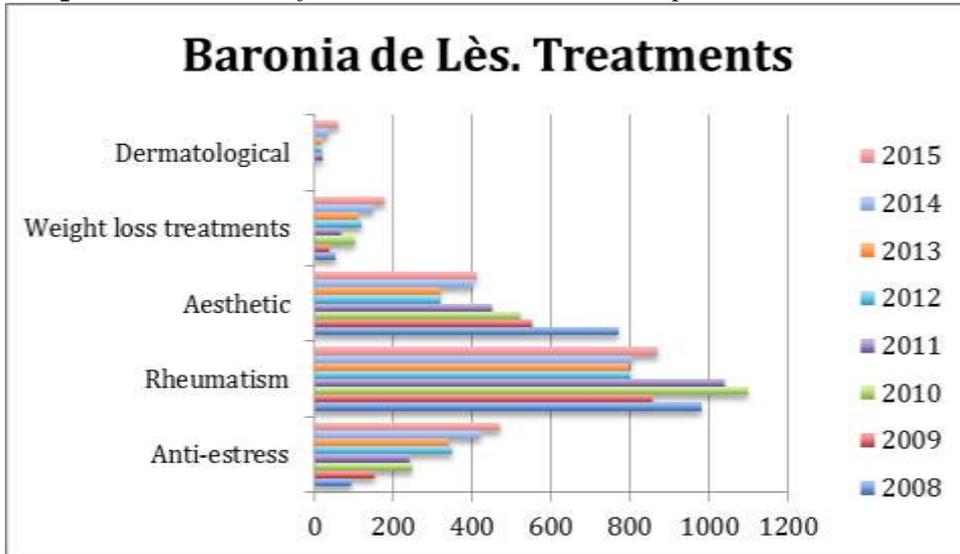


Source: *Own elaboration from spa data*

In the case of Caldes de Boi, it is interesting to comment figures obtained in 2008, especially as anti-stress treatments are the most demanded treatments by customers, without neglecting the relevance of aesthetic and weight loss treatments. The downward trend of these types of treatment in 2009, 2010 and 2011 gives us a very clear vision of the impact of the crisis scenario related to the demand of these offered products. Since 2012, the center is recuperating the demand step by step.

It is important to note a timid increase, though minimal, of respiratory, dermatological and muscle-rheumatology treatments, becoming such as a line of complementary supply of spas.

Graph 5: *Evolutions of thermal treatments at Les Spa*



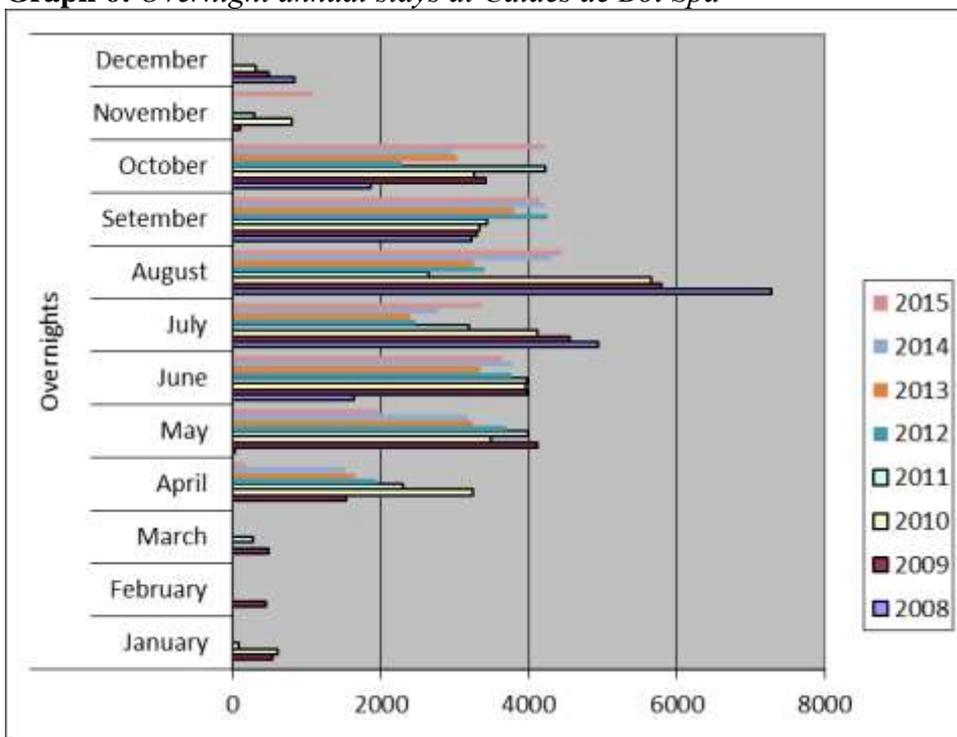
Source: *Own elaboration from spa data*

Regarding the evolution of thermal treatments at Les Spa, it is noted that the impact of the crisis has had an effect less relevant compared with the sold treatments at Caldes de Boi Spa. The demand of anti-stress treatments have been similar during 2010 and 2011, as well as rheumatology, weight loss and dermatological treatments. The prominent and gradual reduction has been seen in beauty treatments. In winter, skiers use to be important customers.

Taken into account that Les Spa has no accommodation facilities, it leads us to confirm that wellness treatments and health-express packages (getting treatment lasting a few hours or just one day), have not suffered any strong decline as thermal centers that offer a wide range of facilities (accommodation, food handling and special health treatments).

Finally, we analyze the volume of overnight stays (Graph 6) in Caldes de Boi Spa, using treatments and services included in their rooms booking. However, since 2011, during December-March months, the hotel is closed due to the lack of overnights demand.

Graph 6: *Overnight annual stays at Caldes de Boi Spa*



Source: *Own elaboration from spa data*

To sum up, once again it is important to highlight the positive impact of IMSERSO program during the stay periods of spring and autumn.

Conclusions

Since 2008, due to the economic crisis, there has been an obviously negative impact on the booking of thermal or spa services. It is important to distinguish between centers that offer services aimed at the welfare with shorter duration (Spa of Les) and centers that offer a chance to stay a long period (Caldes de Boi). In the first case, it is interesting to show how significant "health-express" is, that is, the increasing demand of wellness products, but in sessions lasting no more than one day.

Due to these social changes in demand, there is an increase of supply of health-express therapies, which have not existed before. This increase in anti-stress products are linked with spaces dedicated to meditation and self-awareness, introducing here the concept of full awareness or mindfulness. These new concepts of spa health centers try to become the

engine of growth of these two socio-economic areas where they are located, Les and Caldes de Boí.

The Government requires a strong commitment to developing a detailed regulation which would clearly differentiate centers with medical mineral waters from the ones that do not have these types of waters. Then, the proliferation of the so-called "urban spas" that come into direct competition and replacement of traditional spas (those with medical mineral waters), could be compatible.

The existence of IMSERSO program has a dual purpose. Firstly, it helps those centers (as Caldes de Boi) to work almost during all the year; and secondly, the use of these treatments imply an element of preventive and health improvement, as has been evident in other parts of Europe.

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ANALYSIS OF HEALTH TOURISM IN SLOVENIA

Malči Grivec¹;

Abstract

Tourism is becoming an increasingly important sector of the economy. In Slovenia, a specific place in this area is represented by the natural health resorts. In 2013, the health resorts created as much as 47.7% of the total revenue of Slovenia's hotel industry. A lot of funding has been invested into modernisation of the health resorts' infrastructure and new services, since the providers are aware that this is a product for which a growing demand is expected. Wellness tourism is the fastest growing form of tourism and represents a strong trend in the lifestyle, namely, it accounts for about 6 % of all travels and 14% of all expenditures. At the same time, wellness tourism encourages the preservation of traditional, cultural and natural heritage. In the article we are trying to demonstrate the development of health tourism in Slovenia, along with the fact that the economic crisis has also affected this segment of the economy. The data analysis has revealed that the number of domestic tourists and their overnight stays has been significantly reduced. The mentioned reduction has definitely been influenced by the aggravation of conditions of the health insurance companies for the area of concession health care, as the healthcare activity in individual health resorts represents an important part of the revenue.

Keywords: *tourist offer, natural health resorts, wellness tourism, health care, lifestyle, Slovenia.*

Introduction

Although tourism is not a new phenomenon, it's been gaining increased attention recently. The fact is that in developed economies tourism represents an important share in the gross domestic product, whereby new and new types of tourism appear. We can say that tourism is an activity, which has impact on the development of economic activity, and expands

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and alters the structure of production and consumption, and also significantly influences the cultural environment of destinations and the environments tourists come from. Tourism is equally an economic, sociologic, psychological, cultural and environmental phenomenon, and we need to keep in mind all these dimensions when studying tourism, and even more so when developing new services. This also applies to health resorts, with the offer of wellness services in Slovenia representing one of the most important tourist products of tourism.

The Concept of Tourism

Tourism is not a new phenomenon, and traveling has been known since the period of nomadic tribes. Still, the concept of tourist and tourism appeared about 200 years ago (Vorina, 2012, p. 8).

Even today we can see the traces of different definitions of the concept of tourism, which is a result of two basic features of tourism – multidimensionality and multidisciplinary of the tourism system, which reflects in the methods and approaches to the study and understanding of tourism. But mainly, the definition of tourism today is based on the definition of the World Tourism Organization (Gojčič, 2005, p. 81).

Thus, the concept of tourism refers to all activities of people, which are directed at traveling and staying in places, which are not their main or permanent residence, to relax, for business reasons or for any other purpose (Maravić&Juvan, 2009, p. 3).

But we have to be aware that it's not only about the location, it's also about a whole set of services, which represent a whole to a tourist. Grlica (2009, p. 841) emphasizes that a tourism product is made up of five components, which impact the satisfaction or dissatisfaction of a tourist in order to generate value for that tourist: location, capacity (accommodation, food, recreation, etc.), destination reputation, price, and method of provision of services. Which of those will prevail in the decision as well as in the satisfaction of an individual guest, also depends on the reasons for traveling. With regard to different purposes of travelling, tourism is often classified to different types or forms.

Picture 1: *Classification of tourism with an emphasis on spa tourism*



Source: *Gojčič, S., (2005). Wellness: zdrav način življenja: nova zvrst turizma. Ljubljana: GV Založba, p. 102.*

As can be seen from the above diagram, the distinction between wellness tourism and health tourism is unclear, so it is no surprise that wellness holidays are often associated with health tourism. But note, there is a difference between both groups of tourists as regards their motives in decision-making. Gojčič (2012a, p. 75) argues that the motive of tourists is the one element, which separates individual types of tourism. These motives are given in the table below.

We can say that health tourism appears in various forms and as such plays an important role in good physical and mental state of health of an individual (Conell, 2013, p. 42).

In order to further study the trend in spa tourism in Slovenia it makes sense to examine in more detail the very concept of spa tourism.

Table 1: *Classification factors of health prevention tourism – health promotion and treatment/rehabilitation*

Classification factor	Health promotion	Rehabilitation – treatment
Tourists	Healthy	Ill
Motives	Health promotion, primary prevention	Treatment, alleviation and soothing of pain, secondary and tertiary prevention
Goals	Exercise, food, relaxation, mental activity	Doctor defines patient's goals
Offer	Exercise, food, mental activities	Focus on medical care
Decisions	Self-initiative, voluntariness	Doctor's opinion
Length of stay	Often at weekends, 1-2 weeks	Usually 3 weeks at least
Financing	Mainly private patients or partial supplementary insurance	Mostly on the basis of basic or supplementary insurance

Source: *Gojčič, S., (2012a). Trendi v velneškem in ekološkem turizmu. Celje: Fakulteta za komercialne in poslovne vede, p. 75-76.*

Spa Tourism

Spa tourism, which arises from the provision of natural thermal and mineral waters and healing mud, is classified among the oldest forms of tourism, as it existed already in the ancient Roman times (Mrhar, 2014, p. 1363), when people visited spas to enjoy hot springs, to rest, for pleasure and even to seal business deals. There is evidence from that period about the existence of such tourism in Slovenia as well (Gojčič, 2005, p. 76, 109).

We can look for the reasons for early development of this type of tourism also in the fact that treatment is an urgency. With regard to the scope of the use of services, spa tourism is divided to (Gojčič, 2005, p. 76):

- Curative spa tourism,
- Rehabilitation spa tourism,
- Prevention spa tourism,
- Spa tourism as a part of other forms of tourism (holiday, travel, seminar, gaming tourism), and
- Medical wellness.

Irrespective of which type of tourism we are talking about, it is clear the basic motive of guests for visiting spas is health – preservation of health, and also recuperation, improvement or strengthening of health. Gojčič, (2005, p. 79) points out that the basic motive will not change in the future, because health is becoming a fundamental value and the greatest wealth of every individual. Therefore, this trend should be followed by service providers. Namely, Mrhar (2014, p. 1363) points out that just a few years ago spas offered only rehabilitation programmes, and today they are encouraging people to preserve their health.

Spa tourism differs from other types of tourism by features, such as (Gojčič, 2005, p. 77):

- The main part of demand and supply are medical services;
- Demand, to a large extent, depends on the need for medical services and the available financial resources than on the price of services;
- Spa tourist offer is extremely rigid;
- The resources of health insurances used to be the primary source of financing the costs of spa treatments, today this share is significantly lower;
- Average duration of stay is longer;
- Seasonal fluctuations are smaller; and
- Utilization of capacities is increasing.

Furthermore, authors also emphasize that spa tourism has the largest share of regular guests, which in some places amount to as much as 69%. Likewise, spa tourism includes guests with a higher socioeconomic status, which reflects in higher average consumption per guest. And we shouldn't overlook the fact that spa tourism contributes to the reduction of medical costs, which go up in the GDP structure each year (Gojčič, 2005, p. 77-78).

Spa Tourism in Slovenia

On the basis of archaeological findings, today we know that the beginnings of utilization of hot springs in Slovenia date back to the Roman times (Gojčič, 2005, p. 109). This is also supported by the written documents, which date back to 1147 and deliver an account of health benefits of mineral water from Rogaška Slatina (Grlica, 2009, p. 835). Healing powers of these natural springs were later documented by J. V. Valvasor and the poet Anton Aškerc. The milestone in the development

of spa tourism in Slovenia, as in Europe, is the end of the nineteenth century. Gojčič (2005, p.109-110) points out that the beginning of organized business cooperation of spas was in 1957, when more and more guests starting coming to Slovenian spas. Their number, much like today, depended on the currently valid legislation in the area of health care.

Before we look at the trend in the number of guests in the recent period, i.e. after the economic and financial crisis started, we should also say that 87 natural thermal springs make Slovenia, with regard to its size, one of the richest countries with natural and artificial sources of balneologically useful waters (Gojčič, 2005, p. 110). Likewise, we can say with certainty that Slovenian natural spas have a specifically important role in the development of Slovenian tourism (Prodnik, 2009, p. 2227). Spa are not just destinations for relaxation of the elderly and the ill any more, but they are increasingly becoming destinations for families and couples of all ages (SPIRIT Slovenia Agency, 2014). Today, there are 14 certified natural spas in Slovenia, which offer a comprehensive view of health. So, in addition to top medical services, they develop innovative forms of prevention and alternative programmes for health as well as programmes for beauty, self-confidence, relaxation and experience, which nurture the spirit (Slovenska turistična organizacija, 2016). Spas are basically spread all over Slovenia:

- in Prekmurje: Terme Radenci, Terme Lendava and Terme 3000 – Moravske Toplice;
- in Štajerska: Terme Dobrna, Terme Topolšica, Terme Zreče, Zdravilišče Rogaška, Thermana Laško, Terme Olimia and Terme Ptuj;
- in Dolenjska: Terme Čatež, Terme Dolenjske Toplice and Terme Šmarješke Toplice;
- in Primorska: Talaso Strunjan.

Next to classic spa tourism, in recent years we have also witnessed the development of wellness services in Slovenia, as the providers realized that wellness can be one of strategic guidelines of Slovenian natural spas. But this area can be further developed. Gojčič (2012a, p. 24-25) points out that this is all the more possible, because wellness as a philosophy of life is not included enough in the activities in the area of health promotion in Slovenia at the moment. She is also critical of the medical profession, which only seldom provides holistic approach to treatment. Gojčič (2012b, p. 15) stresses the known fact that the medical policy directs health promotion and comprises joint management of the measures of organizations and institutes in the sense of demand for health promotion.

Irrespective of the noted criticism, we must acknowledge that spas with their offer of wellness services represent one of the most important tourist products of Slovenian tourism. Good results in Slovenian natural spas are certainly the result of major investments in new hotel capacities, construction of new wellness centres, and new attractive contents to tend to every need and age group. With excellent services and high investment in staff in the areas intended for spa treatment and rehabilitation, Slovenian natural spas deliver the leading tourist product (Grlica, 2009, p. 835), which may continue with an appropriate policy. The SPIRIT Slovenia Agency (2014) also stresses that modern-day spa tourism centres have become one of the most prominent forms of the Slovenian tourist offer. Greater focus on the tourist offer is also indicated by their renaming into “thermae”, “spas” or “wellness centres”.

But policy measures and renaming are not always enough. Tourism is namely, to a large extent, affected by domestic as well as foreign economic and political situation. Just recently this has become even more apparent, since, in addition to the economic crisis, the traveling trends have been marked by political events. Before the 2009 summer season, world research organizations have predicted that the economic crisis will reduce the demand for services in the “free time industry” segment, i.e. in the area of tourism. The result of this, according to Rankel (2009) is that holidays will be more modest, much shorter and, for reasons of costs of traveling, focused on the local (domestic) environment (p. 2290)). Also, the majority will take a vacation only once. The consequences of the above in Slovenia are mentioned in the following chapter.

Situation of (Spa) Tourism Today

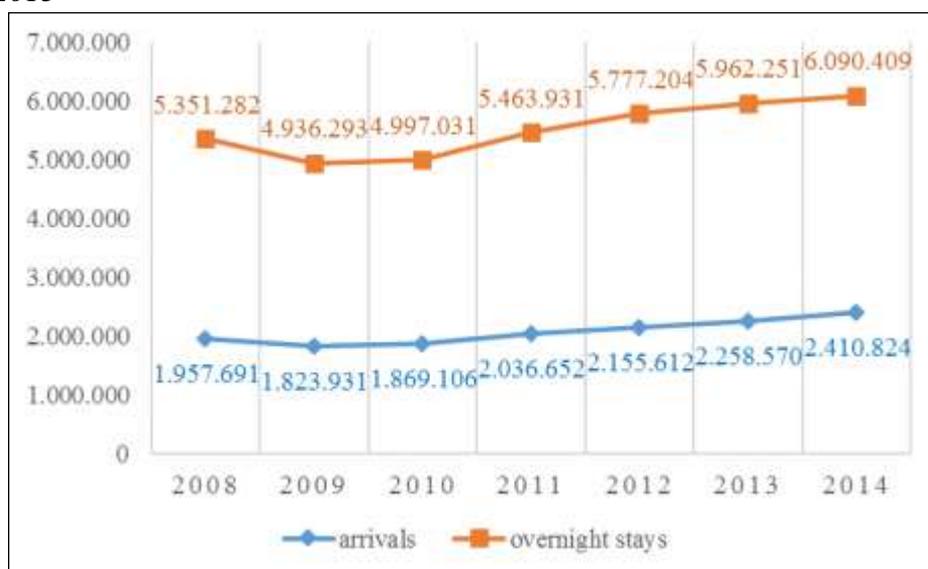
Tourism as one of the most important activities on a global scale contributes more to the global GDP than the car industry, furthermore, there are more people employed in the tourism sector than in the car and chemical industry combined (Novarlič, 2014).

Tourism also has a significant influence on the development of the country and the standard of living in Slovenia. In fact, tourism contributed a total of 13.0 percent to the Slovenian GDP, whereby employing about 13 percent of people (103.000 people or every eighth person employed has a job in tourism) and generating 7.1 percent of total value of Slovenian export (Slovenian Tourist Board, Slovenian Tourism in Numbers, 2015, p. 3).

Tourism also contributes an important share to the budget, with €240 million increasing the budget solely in respect of tax on profit in 2014. Let's have a look at some numbers.

Most arrivals and overnight stays in tourist accommodation facilities in Slovenia by now have been recorded in 2014. This means there have been 3,524,020 tourist arrivals or 4% more than in 2013, and 9,590,642 overnight stays or about as much as in 2013. It's worth noting here that foreign tourist accounted for nearly 2,411,000 arrivals or 7% more than in 2013 and over 6,090,000 overnight stays or 2% more than in 2013 (graph 1).

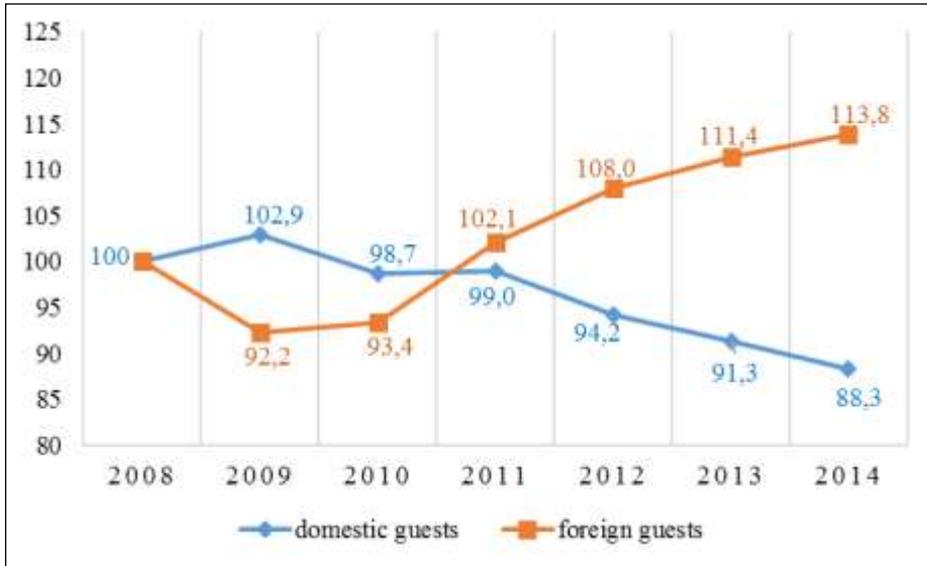
Graph 1: Arrivals and overnight stays of foreign tourists from 2008 to 2013



Source: <http://pxweb.stat.si/pxweb/Dialog/Saveshow.asp>.

Even though the total number of tourists has been increasing throughout the studied period, we have to know that it is at the expense of foreign tourists. Economic situation and socio-political circumstances in Slovenia have been influencing the reduction in the number of domestic tourists since 2008 onwards, which is graphically shown by graph 2.

Graph 2: *Index of overnight stays of domestic and foreign guests in Slovenia*



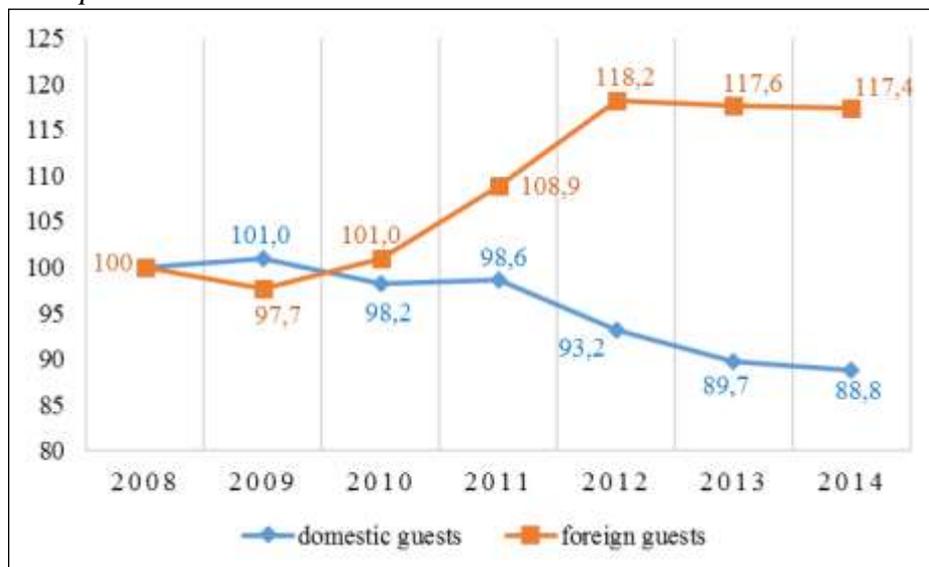
Source: <http://pxweb.stat.si/pxweb/Dialog/Saveshow.asp>.

So, we can see that in 2014 domestic guests generated 11.7 percent of overnight stays less than in 2008, which is the least in the studied period. On the other side, the number of overnight stays of foreign guests, after the initial considerable drop (in 2009 by 7.2%), has been steadily growing. In 2014, thus, foreign tourists generated 13.8% of overnight stays more than in 2008. Gostiša and Jokić (2015) argue that in 2014 domestic tourists generated the least arrivals and overnight stays in the last seven years. Namely, in 2014 domestic tourists generated 1,113,196 arrivals or 1% less than in 2013, with 3,500,233 overnight stays or 3% less than in 2013. The situation is not any different as to the trend in overnight stays in spa municipalities, which can be seen in graph 3.

A reduced share of domestic guests can also be attributed to the reduction in expenditure of the Health Insurance Institute of Slovenia, which is a result of general savings in the public sector. As can be seen from the graph below, the lowest amount of expenditure for the purpose of spa treatment in the studied period was recorded in 2012 and 2013, while it has been on the increase recently. Taking into account the above deliberations and the fact that the number of the elderly is growing, then this is certainly not the correct approach. As we pointed out earlier, spa treatment is not only a curative treatment, but it is also prevention, which

in the long term suggests a more healthy population and, consequently, less healthcare expenditures and, what is even more important, a better quality of life.

Graph 3: *Index of overnight stays of domestic and foreign guests in spa municipalities*



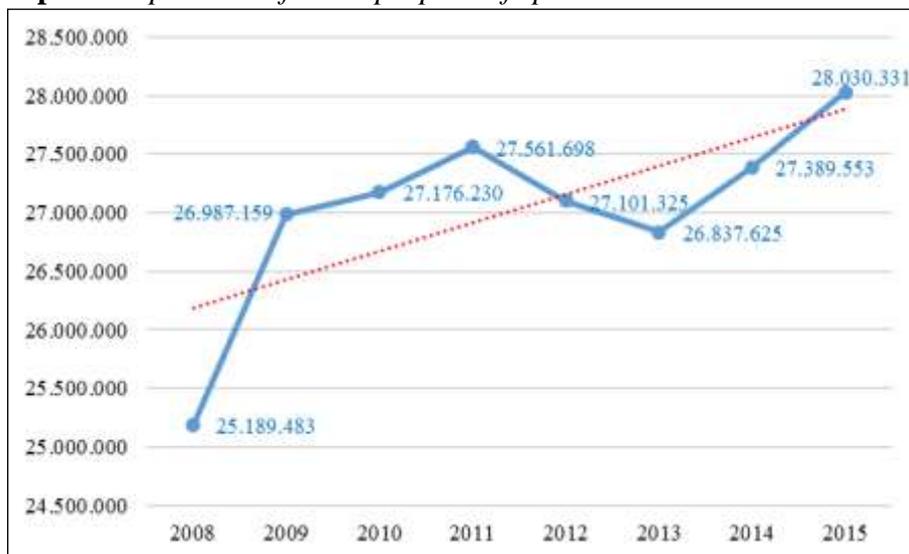
Source: <http://pxweb.stat.si/pxweb/Dialog/Saveshow.asp>.

Regardless of all facts, in 2014, the spa municipalities (i.e. municipalities with spa tourist centres, which meet the required conditions to obtain the status of nationally certified spas and are included in the public health network of Slovenia) generated as much as 31.27% of all overnight stays in Slovenia, i.e. 2,998,959 of overnight stays (Statistični urad Republike Slovenije, 2016).

Because foreign tourists are very important for Slovenia, it's only right to have a more detailed look at where they come from. In 2014, foreign tourists generated 64% of all tourist overnight stays in Slovenia. The key European markets where tourists, who generated the most overnight stays of foreign tourists in Slovenia, come from, were: Italy (16% of foreign overnight stays), Austria (12 %), Germany (11 %), Russian Federation, the Netherlands, and Croatia (5 % each). From the aspect of more significant tourist markets, tourists from Hungary (16 % more), Austria (8 % more), Italy (4 % more) and Germany (1%) created more overnight stays in Slovenia in 2014 than in 2013. Tourists from Serbia generated

about the same number of overnight stays as in 2013. Less overnight stays than in 2013 were generated by tourists from the Russian Federation and the Netherlands (8% less each) and from Croatia and United Kingdom (4% less each).

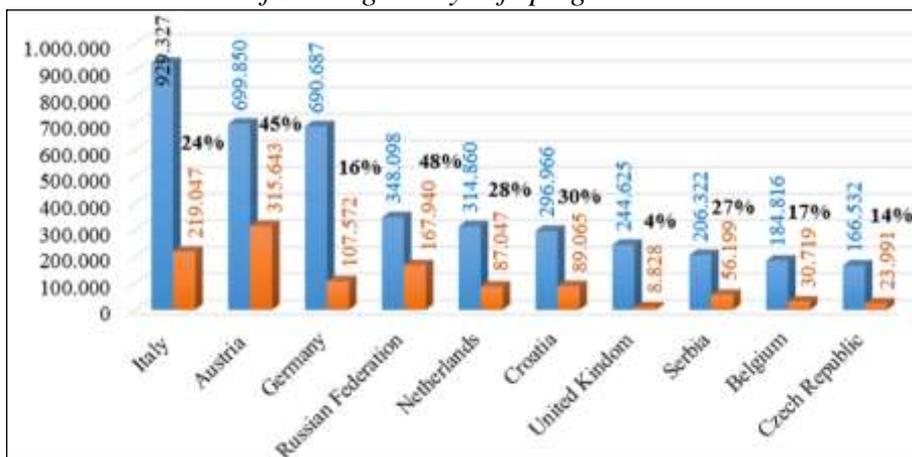
Graph 4: *Expenditure for the purpose of spa treatment*



Source: *Zavod Zavod za zdravstveno zavarovanje Slovenije. Poslovno poročilo zavoda za zdravstveno zavarovanje Slovenije za leta 2008 – 2015.* http://www.zzzs.si/ZZZS/info/egradiva.nsf/poslovno_porocilo_slo?OpenView&count=1000.

More and more tourists to Slovenia also come from non-European countries. So, in 2014, tourists from non-European countries accounted for 12 % of all overnight stays of foreign tourists in Slovenia. In 2014, tourists from the Republic of Korea, for example, generated 146% more overnight stays than in 2013; the respective number for China is 24 %, for Japan 13%, for the United States 11%, for Canada 8%, and for Australia 5%. But there were 11% less overnight stays accounted for by Israeli tourists (Gostiša&Jokić, 2015). But if we look at where foreign guests come from to spa municipalities, we can see that the highest share of overnight stays in spa municipalities is attributed to Russian and Austrian guests. As much as 48% of Russian tourists, who visited Slovenia in 2013, stayed in spa municipalities (Agencija SPIRIT Slovenija, 2014). The trend in the share of overnight stays in spa municipalities as regards other guests is shown by the graph below.

Graph 5: Top 10 countries by the number of overnight stays in Slovenia in 2013 with shares of overnight stays of spa guests



Source: Agencija SPIRIT Slovenija (2014). *Zdraviliški turizem v Sloveniji: analiza podatkov*, p. 5.

Before we look at the future of spa tourism, we should also mention that the total revenue of 15 Slovenian natural spas in 2013 amounted to 220 million € (2.5-percent growth of net turnover in the period 2009-2013). But as we can see from the table below, a significant drop has been registered in the recent year. The drop outside of the B&B consumption is particularly worrying (Agencija SPIRIT Slovenija, 2014, p. 14).

Table 2: Structure of operating income

Operating income of SSNZ members/ activities	2009	2010	2011	2012	2013
Accommodation	92.078.888	86.330.035	86.997.878	94.776.787	104.896.252
Food and beverage	59.135.250	60.122.786	62.317.677	73.077.388	55.900.139
Healthcare	42.856.167	44.345.898	46.072.181	45.051.445	42.019.943
Pool entry	20.618.314	19.992.046	20.103.980	21.307.433	17.230.756
TOTAL	214.688.620	210.790.765	215.491.717	234.213.052	220.047.090

Source: Agencija SPIRIT Slovenija. (2014). *Strategija razvoja in trženja slovenskih naravnih zdravilišč 2015 – 2020*, p. 12.

It is also interesting that Slovenian natural spas contribute 47.7% in the structure of income of total hotel management in Slovenia. Certainly, also at the expense of longer average duration of stay of guests, which amounts to 3.98 days, while the Slovenian average is 2.9 days. On the other side, it should be said that natural spas have 13,570 beds at disposal, with 22,399 beds in spa municipalities as a whole (Strategy 2015-2020).

Future of Spa Tourism

We can certainly argue that the development of tourism in Slovenia is based on the principles of sustainable development, which takes into account equal treatment of economic, social and environmental component. All of this was also observed in the strategic document Development Plan and Guidelines of Slovenian Tourism (Gojčič, 2012a, p. 11-12). These aspects were also observed in the Strategy for the Development and Marketing of Slovenian Natural Spas 2015-2020, where the goal is to facilitate 3.3 million overnight stays (increase by 20%) and generate an income of €300 million (increase by 30%) by 2020. This would be achieved by strengthening the competitiveness of the Slovenian spa offer (Public Agency SPIRIT SLOVENIA and the Association of Slovenian spas and health resorts, 2014, p. 3). For this purpose, SWOT analysis was also carried out.

It's also worth noting here the opportunity delivered by the European Act on patients' rights in cross-border healthcare (Cross Border Healthcare Directive – Directive 2011/24/EU), whereby we can expect increased development of health tourism in Slovenia (Marulc, 2013, p. 184). Marulc (2014, p. 513) also notes of the issue of many Slovenians looking for medical services abroad on account of the shrinkage of rights. This fact should not be overlooked, but it exceeds the purpose of this article. It would, however, make sense to examine this area in more detail in the future.

But all is not that well. Hence, the authors warn that the greatest obstacles in achieving higher competitiveness of Slovenian tourism, in general, include insufficient scope of resources for the development and marketing of tourism, specifically pointing out the unsystematic use of the brand and poor recognisability of Slovenia in target markets.

Table 3: *SWOT analysis – internal advantages and weaknesses and external opportunities and threats*

Advantages	Weaknesses
<ul style="list-style-type: none"> - Scientifically proven natural healing factors – first and foremost, unique thermal and mineral waters. - Rich spa tradition and wellness offer developed in accordance with modern trends (Aquafun, wellness – particularly strong segment of saunas and active relaxation). - Knowledge of people based on tradition and on two decades of research, further professional training and scientific proofs of natural healing factors. - Diverse, unspoiled and beneficial climate. - Good price-quality ratio – good value. 	<ul style="list-style-type: none"> - Lack of specialization among spas (similar indications/programmes/products, target groups, we are too much alike, not distinguishing enough). - No distinguishing products with a higher added value, lack of sales products, which are the basis for more successful marketing. - No established/set international quality standards. - Lagging in the quality of provision of services (less qualified and less motivated staff), due to rationalization measures also stagnation in the area of quality of offer and infrastructure. - Poor connection with the local environment and poor urbanistic planning of spa towns.
Opportunities	Threats
<ul style="list-style-type: none"> - Permanent health care (body, spirit and mind health) = selfness or mindfulness. - Introduction of permanent business models to the operation of spas (and spa destinations) and development of the “local-vital” concept. - Entry of international chains to the market of spa providers. - Public private partnerships at the level of destinations, for the development of destination offer and tourist infrastructure. - Openness of the European medical insurance market. 	<ul style="list-style-type: none"> - Discouraging and non-competitive business environment. - Unstable business environment due to ownership structure and high indebtedness – and further pressures on the rationalization of operations at the expense of quality. - Business strategy, which is not based on distinction, but on prices (further battle in the generic spa or B&B market). - Self-willed contraction of the public health network, no dialogue and no listening to experts, and further stagnation of umbrella promotion. - Insufficient internationalization.

Source: *Agencija SPIRIT Slovenija. (2014). Strategija razvoja in trženja slovenskih naravnih zdravilišč 2015 – 2020, p. 23.*

Another future challenge is also low added value of tourist products and modest actions in the area of sustainable tourism. According to Bergant (2014), development is further aggravated by poor accessibility (flight, road and railroad connections), discouraging business environment

(inefficient inter-sectoral coordination, discouraging capital investment environment) as well as legislation (licenses and duties). We should also not disregard global trends, where Novarlič (2014) points out, in particular, political riots, regional conflicts and terrorism, as well as climate changes.

Conclusion

As regards natural splendours, cultural, culinary and climate features, Slovenia has a lot of potential for development, but how we will make the best use of these opportunities largely depends on the providers of tourist services as well as on the institutional environment, which can facilitate development with appropriate measures. We must be aware that tourism offers an opportunity for greater economic growth and, consequently, better employment opportunities and improved standard of living. No matter which type of tourism we are talking about, we must be aware that guests are increasingly demanding. This particularly applies to the area of tourism related to health, such as spa tourism, which is presented in this article. Tourist products in this area, in particular, will also be one of the key opportunities for success in the European and global tourist market in the future. And the words of Ban Ki Mun, the United Nations Secretary-General: "Tourism has become one of the most important economic sectors and social activities of today," will not lose their weight.

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QUALITY OPERATION OF HEALTH RESORTS AND SPAS IN SLOVENIA

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Abstract

The health resorts and spas that wish to be successful must also measure and improve their organisational energy in order to achieve this success and the satisfaction of their employees and the users of their services. The energy of health resorts and spas is reflected in the strength and enthusiasm of their employees, and in the level of innovativeness, work intensity and the skill of adapting to change. Managers and executives can apply the results of the measurements of organisational energy to developing strategies for quality leadership and better management of the energy of employees, thus creating the conditions for successful operation, growth and competitiveness. The paper presents the opinions of presidents and members of management boards, general managers and executives on the energy that is predominant in their health resorts and spas. It has been established that productive energy is predominant in their working environment. They are aware that good organisational energy does not necessarily result in a job well done, but that a job well done undoubtedly generates good team energy and that quality leadership, strategic orientations, belief in success, commitment and cooperation can have a critical effect on the generation of positive organisational energy.

Keywords: *managers, executives, organisational energy, health resorts, spas*

Introduction

The quality of health resorts and spas is measured not only by the number of employees, the number of users of their services and a diverse offer for a relaxing getaway or a successful recovery for health reasons, but also by

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the management of individual health resorts and spas, and by the type of energy they possess, both of which enable their operation. By energy we are referring to the energy coming from the employees and which is "generated" by employees in the processes of creating and achieving objectives and mutual cooperation at all levels. It is an organisational energy, which is reflected in the strength and enthusiasm with which an individual health resort or spa is operating.

Organisational energy is the result of interactions among the emotional, perceptual and psychological state of the employees, and is identified through the behaviour and mode of conduct of employees and through their reactions to various situations and events. It is difficult to directly observe or measure it; however, diagnosing it is of great importance for a health resort or spa as it increases the intensity, speed and persistence of the work of employees. It must be emphasised that employees are influenced by various factors which are an integral part of their individual traits, such as e.g. values, needs, desires, goals, and, that which is most important for creating organisational energy, emotions. This affects the way an individual feels in the organisation where he/she is employed; whether he/she is satisfied and wishes to pursue the objectives of the organisation; or whether he/she is unhappy and will simply give up on the work and the goals he/she has set for himself/herself when taking the job in the health resort or spa.

Organisational energy

Organisational energy is described as a force which the company operates with. It is shown in the power and dedication with which a certain organisation is operating (Brečko, 2007, p. 56). Namely, it portrays the degree in which the company uses its own emotional, cognitive and behavioural potential, with the intent of achieving the set objectives (Breznik, 2009, p. 19). It represents the organisation's emotional charge, since it is transmitted within departments, working units and the whole organisation. Therefore, it can be described as a type of contagiousness, in which the enthusiasm, will, intentional activities and passion are transferred among employees (Carter, 1999, p. 237).

When employees are overwhelmed by enthusiasm and a shared sense of urgency, it leads to contemplation on their shared success, resulting in an accumulated organisational energy (Breznik, 2009, p. 20). Organisational energy is invisible, but we can feel it working (Bruch, 2006, p. 6). It is

created in a company by cooperation between employees and team members and cooperation between the employees and the management of the organisation (Brečko, 2012b, p. 7). It is demonstrated in the power and enthusiasm of the employees, in their innovativeness, vitality, and the speed of all three - work, innovation processes and processes of change (Bruch and Ghoshal, 2004, p. 199).

Cardon (2008, p. 78) describes organisational energy as energy systems which create and influence the physical essence. The flow of energy is circular, thus helping the management or the human resources officers to focus on human relations more thoroughly. Carter (1999, p. 233) speaks of an organisation's primal energy, which is said to be released in an environment where energy is being exchanged among participants in the business process, in which individuals that are willing to commit to an organisation with all of their being and abilities hold a prominent role.

Cottrell (2008, p. 9) clarifies organisational energy employing an example from physics using Einstein's equation $E=mc^2$, in which E stands for organisational energy, m stands for employees and c^2 stands for the energy of executives, their management style and impact on staff. The author also argues that, based on variables, we can see that, in the everyday environment, each organisation has a multitude of employees, who are important for its growth, support and development.

Bruch (2012, p. 10) states that the quality of organisational energy describes how an organisation is using its energy – in which degree its emotional, cognitive and behavioural forces are constructively coordinated with its common central objectives. We differentiate between positive and negative organisational energy.

The characteristics of positive organisational energy are a constructive use of the organisation's potential; people able to channel their emotions, to contemplate, to direct attention, effort and activities toward strengthening the objectives of their organisation. A negative organisational energy indicates a lack of a mutual orientation towards common business objectives and it causes a destructive use of the organisation's potential. When the energy is negative, the prevailing emotions expressed among employees in a company are fear, disappointment and dissatisfaction. Organisational energy is important for the success of an organisation. It depends on the energy of each individual and on the joint energy of all of the participants in the company.

Organisational energy is an extension into which an employee channels a specific type of emotion, such as enthusiasm, knowledge, and passion for work, depending on his/her level of responsibility within the company. Vogel (2011) stresses that good energy within a company does not necessarily result in a job well done, but that a job well done undoubtedly generates good team energy.

The concept of organisational energy is based on the hypothesis that companies (and individuals) differ from one another in the quality and intensity of their energy. The combination of these two dimensions determines the state of the energy within a company (Brečko, 2012c, p. 17).

The Four Organisational Energy Zones

Organisations differ by the intensity and quality of their energy. The combination of these two dimensions defines the state within the organisation, which can be categorised into one of the four categories or states of organisational energy (Bruch and Ghoshal, 2004, pp. 141-151; Bruch and Vogel, 2007, pp. 6-7; Vogel, 2011; St. Gallen, 2011; Brečko, 2012, p. 4):

- In the state of comfortable inertia energy (comfortable energy/comfort zone/conservative energy) organisations are characterised by little liveliness and a relatively high level of satisfaction. With employees exhibiting weak, but positive emotions, such as calmness and satisfaction, these organisations lack the vivacity, alertness and emotional tension necessary for making substantial changes and achieving objectives. Opportunities are passing them by, unnoticed. They are satisfied with what they are doing and creating, which is enough for them. The presence of comfortable energy is most often due to past successes, when the organisation was recognised, successful, and accepted by the environment. Being blinded by the glow of the past successes, the organisation does not realise how consistent and shrivelled it has become. Processes are slow, novelties are introduced to a lesser extent, and the employees do not feel a need for innovations and initiatives. Employees are polite, avoid problems and work at a steady pace.
- The indifferent inertia energy (resigned inertia/resignation zone) is reflected in weak negative emotions of employees, such as indifference, disappointment and regret. The absence of thought, disinterest or emotional deviation from the organisational goals, even

widespread numbness is something which usually characterises the majority of such organisations. Despite the advanced technology and visibility of their brands, they are less productive and operate with limited capacity. There is no interest in what is happening in the organisation; activity has been significantly reduced; cooperation and communication among employees is poor; the prevailing negative emotions are dissatisfaction, disappointment, lack of interest and frustration. The most common cause of this type of energy often lies in consecutive unsuccessful attempts to revive the organisation, introduce innovation and change. On the one hand, due to constant changes, the organisation burns out and because of the exhaustion, especially the emotional exhaustion of employees, reduces its capacity. The source of indifference could also be longer periods of failure and stagnation in the organisation's development. Employees who have already gone through many changes, which they could not influence, think that they are unable to contribute anything, so they lose their focus on the main objectives and orientation. They are indifferent, do not trust in their own competencies, and no longer do they have any hope for a better future.

- A company which is in a state of corrosion (corrosive energy/corrosion zone) has negative internal tension. It is because of this tension that employees are driven by their competitive spirit, which is reflected in very active, alert and intense involvement in the functioning of the company. Thus, the forces of the company are being used in two ways - positively for solving common problems, and destructively within the organisation itself. The employees negatively direct an abundance of energy towards internal problems, such as conflicts, gossiping, rumours and speculations, or other destructive activities, all of which is depriving the organisation of its life force and endurance. In such organisations an aggressive policy is present, effort is being directed towards defeating all of their competitors, relations are governed by the aggressiveness of the executives and employees, only people who love competition are being employed, etc. All of this, however, leads to competitiveness among the employees, and, consequently, the competition among departments within the organisation becomes more severe, which results in a negative response, because their emotions are converted into a destructive energy.
- Companies with a high productive energy (productive energy/productive zone) show strong positive feelings, a high level of attentiveness and activity, focus on the key objectives, a culture of

cooperative searching for solutions, great commitment of employees, enthusiasm and pride in their work. The potentials of these organisations are directed toward the common organisational goals. Organisations are accepting decisive information; they are willing to cooperate; communication and work processes are significantly faster; the common objectives of the organisation become a challenge for its employees, taken on with the utmost vigour and force. Due to the personal excitement at work, they do not lack determination and action, despite great efforts. Their effort is often so immense that employees even exceed the limits of their own competences; however, they do not have a problem with that. Challenges and efforts are dealt with very rapidly and successfully. Organisations are focused on themselves, on their creativity, their products or services and innovation. They do not pay attention to the actions and position of their competitors, because they trust in their own ability and success on the market.

Factors which Create Organisational Energy

For management and executives in the organisation, it is essential that they are familiar with factors which create organisational energy, and with those which are able to destroy it. Qualitative and quantitative empirical research carried out by Bruch and Vogel at the Institute for Leadership and Human Resource Management at the University of St. Gallen, using the Organisational Energy Questionnaire (OEQ) – an instrument for measuring and analysing the energy state in an organisation and the main impact factors, such as leadership abilities and strategic orientation – has shown that the following five factors have the largest impact on organisational energy (Bruch and Vogel, 2007, pp. 7-8):

- Quality leadership: The key to activating organisational energy is quality management at all levels within a company. Managers must be able to motivate employees to invest extraordinary effort by serving as role models, inspiring them, promoting creativity and the strategic development of individuals. Productive energy is highly influenced by the behaviour with which an executive promotes the job performance of a company and its employees, their innovativeness and connectedness.
- Strategic orientation: The next key factor for activating productive energy is a clear strategic orientation of the organisation. A promising long-term vision – a clear image of the common objectives – generates a great deal of power and results in creative tension.

However, the key in promoting a company with a vision is to spread this vision throughout the company. This vision will only achieve its purpose of connecting and activating when the critical mass of employees begins to strive towards it.

- **Belief in success:** The belief of employees in the success of the company and in their ability to cope with challenges, such as changes and transformation, is the deepest reason behind productive energy. If employees do not trust in their ability to successfully deal with changes, either due to a lack of skill or a bad experience, their energy will not be channelled into an initiative for change. On the other hand, if they have a firm belief in their abilities (if they have a strong sense of efficacy), there is a greater probability that they will develop persistence and will be willing to invest effort in the achievement of more demanding objectives over a longer period of time.
- **Commitment:** The next powerful driver of productive organisational energy is collective commitment, i.e. a strong internal sense of duty to achieve common objectives, present in all members of the organisation. They are therefore willing to strive for the achievement of the company's demanding objectives even when problems and delays occur. Collective commitment channels the activated energy into the key efforts of the entire company.
- **Cooperation:** When promoting productive organisational energy, the level of cooperation among units in a company is also important. If employees have a strong sense of connectedness and belonging to the organisation, they are willing to help one another and place their interests second, after the pursuit of the company's common objectives. Thus all of the organisation's forces are directed towards achieving its basic objectives.

Measuring Organisational Energy

Organisational energy is measured by a questionnaire, which consists of various claims (12 - 36 claims), with each of them possessing the characteristics of one of the four states of organisational energy. It has been developed at the Institute for Leadership and Human Resource Management at the University of St. Gallen, where the energy states were converted into a number using the index of organisational energy. This index indicates how strongly the potential of companies has been activated and where the inactivated potential runs out. Highly energetic companies have an index of organisational energy of up to 80. This means that they exploit almost 80 percent of their energy potential.

Organisations with less than 50% of constructive power are usually in one of the three unproductive states (Bruch and Vogel, 2007, p. 7).

All four states of energy are present in a company simultaneously; in order to introduce the necessary changes, a correct proportion must be established among them. To better understand the measurements of organisational energy, Brečko (2012a, p. 6) gives a few directions for interpreting the index of organisational energy:

- The percentage of productive energy should amount to 75 percent or more; ideally to 80 percent.
- Comfortable inertia energy should not be dominant. A percentage of up to 70 percent is very good; however, only if productive energy is at least as high.
- Indifferent inertia energy should not exceed 25 percent. If it does, the organisation has good cause for concern and must thoroughly examine the forces which make people indifferent.
- Corrosive energy should not exceed 20 to 25 percent; if it does, it is time to take a careful look at the organisation's destructive forces.

The index of organisational energy therefore gives a clear signal to organisations regarding when and how to act, and if the time has come to use select measures, which are an integral part of the measurement of organisational energy, to promote the productive energy of the organisation and eliminate elements which lead to other types of energy. All four energy states are intertwined in a company, within every department; their proportions change in a short term as well, since an organisation is always a living organism (Brečko, 2012a, p. 6).

Methodology

Research Purpose

The purpose of the research is to measure and study the prevailing organisational energy in health resorts and spas in Slovenia.

Research Methods and Techniques

Descriptive statistics has been used. A questionnaire on the measurement of organisational energy was prepared as the instrument, using the results of the research on organisational energy in Slovenian organisations, conducted by Brečko (2007, pp. 57-58) and Simenčič (2007, p. 52), since

the Organisational Energy Questionnaire (OEQ) by authors Bruch and Vogel (2007) is not publicly accessible. 24 claims have been developed, each of them containing the characteristics of one of the four states of organisational energy. These claims derive from the descriptions of individual categories of organisational energy: productive energy, comfortable inertia energy, indifferent inertia energy and corrosive energy. The questions were prepared following the model of the Likert-type attitude scale. The scale levels have been arranged from 1 to 5 in a logical continuum ranging from minimum to maximum agreement on attitudes. The data were processed using the SPSS 19.0 statistical software package. The reliability of the attitude scale has been confirmed by Cronbach's Alpha, with the value of 0.841.

Sample

The basic population of the sample consists of 107 presidents and members of management boards, general managers and executives with published e-mail addresses on the websites of 22 health resorts and spas in Slovenia. 48 respondents took part in the research, of which 75% were male and 25% were female. Of these, 6% were presidents of management boards, 8% were members of management boards, 34% were general managers and 52% were executives. 50% were aged from 41 to 50, 25% from 31 to 40, while 13% were either under 30 or from 51 to 60. 62% have been occupying an executive position for under 10 years, 19% from 11 to 20 years, 13% from 21 to 30 years, and 6% from 31 to 40 years. 37% have a bachelor's degree, 19% have a master's degree, specialisation or college degree, and 6% have a short-cycle college degree. 68% of the respondents work from 9 to 10 hours per day, 19% from 11 to 12 hours, and 13% up to 8 hours.

Data Collection Procedure

Data collection took place at the end of February and in the first half of March 2016 with an anonymous online questionnaire.

Results and discussion

Based on 24 claims, each containing the characteristics of one of the four states of organisational energy, we measured the organisational energy which the management believed to be predominant in the health resorts and spas in which they are employed. For each individual category of

organisational energy (productive energy, comfortable inertia energy, indifferent inertia energy and corrosive energy) we offered the respondents six claims, which they rated from 1 to 5, with 1 meaning I strongly disagree, 2 I disagree, 3 Undecided, 4 I agree, and 5 I strongly agree.

Table 1: Results of the Measurement of Organisational Energy (OE)

Claims	Answers					OE STATES
	1	2	3	4	5	
In our company we solve problems.	6%	13%	0%	56%	25%	PRODUCTIVE ENERGY
We solve problems as a team and adopt measures for solving problems.	6%	13%	6%	44%	31%	
The majority of employees identify themselves with our company.	6%	19%	25%	44%	6%	
I clearly inform the employees of our objectives.	6%	0%	0%	69%	25%	
I always excite and motivate the employees.	0%	0%	19%	63%	19%	
I support/demand innovations.	0%	0%	13%	44%	44%	
The relationships among co-workers are very relaxed.	6%	19%	13%	56%	6%	COMFORTABLE INERTIA ENERGY
We do not carry out any measures that would lead towards changes.	44%	31%	6%	13%	6%	
I have noticed that all of the employees are satisfied with the current state and reject changes.	0%	50%	25%	25%	0%	
We do easy work at a slow pace.	38%	50%	6%	6%	0%	
In our company, work is carried out according to the established patterns.	19%	13%	19%	38%	13%	
The employees are overly satisfied with their current assignments.	13%	50%	19%	19%	0%	
There is a lack of motivation to work among co-workers.	19%	25%	25%	25%	6%	INDIFFERENT INERTIA ENERGY
Efficiency is our most important objective.	0%	6%	13%	50%	31%	
There is poor communication among co-workers.	13%	50%	19%	13%	6%	
I notice many frustrations.	0%	44%	25%	19%	13%	
Employees believe that their current job does not hold any future for them.	27%	33%	33%	0%	7%	
Employees are depressed and dissatisfied with the work they do.	13%	56%	13%	6%	13%	
A destructive organisational climate is present among co-workers.	47%	27%	20%	7%	0%	CORROSIVE ENERGY
We are individualists.	31%	31%	13%	25%	0%	
Employees lose themselves in too many work activities.	0%	44%	31%	19%	6%	
Employees often feel exhausted.	0%	25%	25%	44%	6%	
There is a lot of complaining and negativism.	25%	38%	19%	13%	6%	
Rumours often circulate in our company.	6%	19%	6%	44%	25%	

The results of the research, whose claims define productive energy, show that the management controls its executive function relatively well, since an important element for building productive energy is their ability to identify and solve problems. 81% of the respondents agree or strongly agree that they solve problems and 75% of them (strongly) agree that in their health resort/spa they solve problems as a team and adopt measures for solving problems. 82% of the respondents feel that they always excite and motivate the employees, and demand innovations from them, supporting them in the process (88%). 94% of them claim that they inform the employees of their objectives. The results also show that half of the respondents (50%) believe that their employees identify themselves with the organisation in which they are employed. However, as many as one fourth (25%) strongly disagree or disagree with this claim.

Among the claims defining the comfortable inertia energy we can point out the result that well over a half of them (62%) feel that the relationships between them and their co-workers are relaxed. This indicates a relatively good organisational climate and good interrelationships, which are a condition for quality results. Only 19% of the respondents think that their company carries out measures which direct towards changes and notice that one fourth (25%) of the employees is satisfied with the current state and rejects changes. 63% disagree with the claim that the employees are overly satisfied with their current assignments. Likewise, 88% strongly disagree or disagree that they do easy work at a slow pace.

The results of the research, whose claims define indifferent inertia energy, show that less than half of the respondents (44%) disagree or strongly disagree with the claim that there is a lack of motivation to work among co-workers, while less than one third of them (31%) have noticed a lack of motivation to work. They have also established that communication among them is not poor (63%), while 32% think that frustrations do not occur among them. Only 7% of the respondents think that their current job holds future for them; nevertheless, 19% claim that two less desirable features are predominant: dissatisfaction with work and depression among co-workers, which can lead to corrosive energy.

As regards the claims defining corrosive energy, the research shows that a destructive organisational climate is not predominant, since 74% of the respondents categorically deny it or (strongly) disagree with it. They have also stated that they are not individualists (62%); that they are not losing themselves in too many work activities (44%); that there is not much

complaining and negativism present (63%); unfortunately, rumours circulate more often, which has been established by well over two thirds (69%), which may be a sign that comfortable inertia has taken hold. 50% often feel exhausted while working, which can lead to corrosive energy, just as dissatisfaction with work and depression.

82% of the respondents think that good organisational energy does not necessarily result in a job well done, but that a job well done undoubtedly generates good team energy; 88% believe that quality leadership, strategic orientations, belief in success, commitment and cooperation can have a decisive effect on the generation of positive organisational energy. The results indicate that the polled presidents and members of management boards, general managers and executives are aware of the impact of a job well done on their satisfaction and that they are the ones who play an important role in building productive organisational energy, and that likewise important are their ability to lead, motivate, support and devote sufficient attention to the strategic orientations of an individual health resort/spa.

Since the purpose of the research is to measure and study the predominant type of organisational energy in health resorts and spas in Slovenia, the percentages of affirmative answers (I agree and I strongly agree) for each individual category of organisational energy are added up to calculate the organisational energy.

Table 2: Organisational Energy (OE) Index and Shares of OE States in Health Resorts and Spas

OE STATES	OE index (I agree + I strongly agree)	Share of OE states in health resorts and spas* (proportional distribution)
Productive energy	78.30	46.25
Comfortable inertia energy	30.33	17.92
Indifferent inertia energy	31.50	18.61
Corrosive energy	29.16	17.22
Total	169.29	100.00

Source: $OE\ index/169.29 \times 100$

As Table 2 shows, the predominant energy in health resorts and spas is productive energy (46.25%), followed by indifferent inertia energy (18.61%), comfortable inertia energy (17.92%) and corrosive energy (17.22%). Despite the fact that productive energy is predominant in

comparison with other energy levels, the percentage of this energy is low, since it should amount to at least 75%. This means that health resorts and spas are using only 46% of their energy potential. Indifferent inertia energy is too high, even though it does not exceed 25%; it already indicates the need for the administration and management of health resorts and spas to examine all of the factors which make the employees indifferent (lack of motivation, presence of frustrations and dissatisfaction with work). Corrosive energy is not too high, as it does not exceed 25%, which means that there are no distinctly destructive forces in health resorts and spas that would have to be eliminated in order to prevent the employees from negatively directing an abundance of energy towards internal problems (rumours) or other destructive activities (exhaustion), which deprive them of their life force and endurance. The administration and management of health resorts and spas must promote productive organisational energy directed towards the key objectives, and eliminate factors which lead to other types of energy, if it wishes to exhibit strong positive emotions, a high level of attentiveness and activity. This can be achieved with transformational leadership and organisational culture, which will release the potential of the employees, encourage innovativeness, the possibility to choose, and think and work freely.

Conclusion

Organisational energy is not the same as the commitment of employees; however, their commitment is a good indicator. Committed individuals influence the positive energy in a company. Uncommitted individuals, on the other hand, influence the negative organisational energy. When a positive organisational energy is present in a company, it also has an impact on commitment. If the manager and executive are successful, they are able to establish a constructive process of interaction in a company, where the cause and consequence of the commitment of employees, organisational energy and success of the organisation intertwine (Dobravn Verbič, 2008, p. 72).

The task of managers and executives is to preserve an organisational energy that can cope with all of the ups and downs of an organisation, and to create conditions for increasing positive energies. Energy is used and not used up. In order to achieve this, flexible management systems must be established, which are able to adapt to change. Business strategies must be directed towards preserving creative and productive energy.

It is very important that managers and executives are aware of the significance of human resource management, as it provides a competitive advantage to health resorts and spas (Šarotar Žižek, 2008, p. 42), which will in the future be based on (1) employees, managers and executives, who endeavour to maximise the talents of individuals to the utmost, and on (2) how successful they are in developing the correct proportion among all four types of organisational energy in order to achieve change, innovations, progress and satisfaction of employees.

Of key importance for the success of managers is their identification with the organisation in which they are employed. Such successful managers satisfy their own needs and objectives, and, simultaneously, the needs and objectives of the organisation. A successful manager must have a strong need for power (for power that is controlled and directed towards the prosperity of the organisation), i.e. the need to influence people (leave an impression, be powerful and influential).

If the management wishes to develop the knowledge and skills of the employees in health resorts and spas, it will have to work with them in future by motivating them, providing opportunities for developing all of their potential, gaining their trust, and generating an interest in realising their common strategic objectives. It must be aware of the fact that only highly competent employees, who feel well in their workplace, who are satisfied and have the opportunity to develop personally and professionally, would enable the development of productive energy and, consequently, an increase in the quality of the operation of an individual health resort and spa, which is of crucial importance for the satisfaction of their guests.

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HEALTH AND SPA TOURISM IN CROATIA IN FUNCTION OF DEVELOPING ECONOMY OF RURAL AREAS

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Abstract

Health and spa tourism is increasingly finding its place on a demanding tourism market place. However, its survival is questionable. Why is that so? How can it be prevented? What type of spa tourism should be developed in order to remain recognizable and viable in the tourism market? What are the new forms of spa tourism that should be developed? Despite the fact that Croatia has great potentials for further development of spa tourism industry, this is not known enough. Therefore, the main objective of this paper is to examine the above-mentioned dilemma. In addition to the primary objective of strengthening all forms of sustainable spa tourism, the paper will also encourage development of new forms by which Croatia can become more recognizable. The basic hypothesis of this paper will demonstrate the role, position, and importance of spa tourism, and its impact on the economic development of rural areas based on Croatia's experience.

Keywords: *Croatia's spa tourism, selective forms of tourism, tourism product, tourism industry, economy, rural areas.*

Introduction

Problems with a poor supply of tourism content, and a challenging tourism demand are increasingly present in the tourism industry. This imposes the need for continuous work on adapting the tourist offer in order to achieve the best possible results of the tourist economy. Since the beginning of the development of the tourism industry, Croatia has followed tightly a concept of massive development with a poor supply of tourism content, in addition to insufficient facilities and accommodation

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capacities. However, tourism market is changing more and more rapidly. Nowadays, it is not enough to offer ‘the sun and sea’ concept only, yet it is required to provide an additional content which will give the visitors another reason to return.

The state of modern tourism industry leads towards greater diversification of contents and services. Modern trends in tourism allow an individual to find a special place, with special amenities and features that are tailored to him individually. Tourists are no longer looking for ‘the sea and sun’ concept only. They are also looking for an active type of holidays which will allow them to learn more about the country they came to visit. They are also looking for different activities that were previously not available, and which today should be a part of a tourist destination. For this purpose, selective forms of tourism should be developed in order to offer a variety of facilities and to increase the attendance as well as the overall well-being of the country.

Because of the afore-mentioned and described state of Croatia’s tourism industry, it is necessary to discuss the development of selective forms of tourism. Croatia has great potential in the field of health-spa tourism. Resources in Croatia, both natural and human, are of great potential for development of this form of tourism, which could position Croatia high in the world’s tourism industry (Birkić et al., 2012, 39).

This paper seeks to identify the role and position of spa tourism as part of the selective tourism in Croatia. Through the work, we will include all the essential elements that make up the spa tourism (thermal, mineral, biological and climatological elements), its rich tradition, and possibility of further development of this type of tourism in Croatia.

The concept and importance of spa tourism

In defining spa tourism, one has to start from the feature of health tourism. Health tourism is (Ivaničević 2005, 16) defined as “the border area of medicine and tourism, in which economic operators in the field of tourism and health institutions organize the stay of tourists in climate and health resorts primarily for the prevention of diseases, rehabilitation and treatment with the help of natural factors”. The basis of health tourism is made of natural factors or physiological medicine, which make it very different from conventional types of tourism (Kusen & Certinski, 2000, 255). Health tourism is defined by some authors (Kunst & Tomlinson,

2011, 5) as complex medical and touristic activities carried out in natural spas. Medical tourism (Jagysi, 2010, 12) includes trips with purpose of performing certain medical surgeries. Spa tourism can be defined as a tourist trip, during which the tourists for their stay may choose air and a health center, primarily for the prevention of diseases, rehabilitation, and treatment with the help of natural factors.

Nowadays one faces numerous threats and dangers to their physical, psychological and mental health. Population health and the environment in which s/he lives is exposed to various harmful effects. Taking care to maintain and improve the health, quality of life, as well as with a purpose of prevention, treatment, recovery and rehabilitation of various diseases, medicine, kinesiology, and other professions tend to their methods and programs to meet human needs for health and in the fight against various diseases. According to (Ivaničević, 2005), the following are the needs and programs for the promotion of health and a better quality of life:

- Healthy climate and environment
- Healthy diet
- The acquisition of positive and quitting of harmful habits
- Good mental health
- High quality of life
- The good condition of locomotor system
- A health heart and blood vessels
- Active holidays, recreation and sport
- Socializing culture and entertainment
- Spirituality

Spa tourism uses segments of tourist offer, which include professional use of natural healing factors and procedures of physical medicine, and rehabilitation in order to maintain and improve health and improve quality of life for tourists.

Health is extremely strong motive for all types of tourist movements

Issues in this paper are accessed from the viewpoint that the tourism is motivated largely as a result of urbanization. Urbanized areas greatly damage the physical and mental condition of a person. Each escape from the urban environment helps us establish a balance of physical and mental condition. Therefore, we can rightly say that the health tourism functions incorporated in all kinds of tourist movements. It is medically proven that

any change in the environment has a positive effect on a person. It is therefore entirely correct attitude the one which was highlighted by a number of authors (Alfier, 1977, 199; Hitrec, 1998, 2; Kušen, 2006, 177; Vukonić & Čavlek, 2001, 454) stating that the health is one of the oldest, permanent and the strongest motives of tourist movement and that tourism in all its forms is done in the function of health. The positive effects of tourism on the health sphere is confirmed through medical tourism function. This function was known in pre-touristic era, especially in the time of ancient Greece and Rome. The Greeks in ancient times were renowned for their health springs such as Epidaurus and Euboea, while the Romans founded baths and spas where they went to rest and leisure. This motive is strongly influenced by the overall development of tourism and tourism development trends in the world show that this motive in the future will gain even more importance because of the quality of health services are become increasingly interesting to tourists.

Spa tourism using the natural healing factors that keep health and improves the quality of life for tourists

Modern life is the cause of many diseases and illnesses to the human body. People today are increasingly moving away from nature, living and working in inappropriate areas and conditions. Spending less time in nature limits its beneficial effects on health and its possible disease. Annual vacations are an opportunity to stay in nature and surrender oneself with its beneficial effects. Modern tourism is increasingly recognized as the value of natural healing factors (Trdina, 2008, 54), stressing them, promoting and using to offer health and spa tourism.

The basis of the tourist potential which has an effective impact on the health of tourists and that especially encouraged to change the usual environment are natural healing factors. Spa tourism, could be detected as a form of professional and under the supervision of the use of natural medicinal resources and procedures of physical medicine and rehabilitation in order to maintain and improve health and improve quality of life. The rule is rarely used just a natural healing factor. The spa tourism is used by favorable effects of climate, solar radiation, thermal mineral water, lake, sea algae, peloids (marine and freshwater), sand and naphthalene. The user is a tourist hotel, the camp and privately located guest who lives chosen way of life, until the day set aside for the implementation of the above mentioned factors and procedures (Ivanišević, 2005, 16). They are healthy and those with chronic

impairments of the locomotor system, with certain diseases of the respiratory, circulatory and other systems and skin. Through various programs of medical tourism provides users with beneficial effects on health.

The reasons for linking health, disease and tourism lies in the fact that tourists are they healthy and the sick, of all ages, different professions, occupations and worldview. Unfortunately, except in rare cases, natural healing factors are still used in tourism freely without professional supervision and on their own responsibility.

Research methodology

This research is based on primary and secondary sources, and the approach and methods based on the views of domestic and foreign authors. The paper specifically explores the dilemmas that suggest questionable sustainable development of spa tourism. The authors ask, why is this so? How can it be prevented? What kinds of spa tourism should be developed to remain recognizable in the tourism market and a viable? What new forms of spa tourism to develop?

Despite the fact that Croatia has great potentials of spa tourism, it is not sufficiently accepted on this demanding tourist market. Therefore, the main objective of this paper is to examine the said dilemma. The objectives of this paper are first and foremost consideration of priorities for strengthening all previous forms of sustainable spa tourism and encourage the development of new after that Croatia can become recognizable. This will be achieved SWOT analysis, exploring the strengths, opportunities, weaknesses and threats to development. The basic hypothesis of this paper is to prove the role, position and importance of spa tourism, and its impact on the economic development of rural areas on the example of Croatian experience.

In this study to estimate the impact of tourist spending of spa tourism in the economy of rural areas, will be used for input-output analysis performed for the Croatian economy in 2005 made by the (Šutalo et al., 2011). For the purposes of this study used data on actual visitors and overnight stays from the official statistical records of the Croatian.

Evidence for the hypotheses will be carried out on the example of Croatian, basing it on a normal approach and method which is well

known among local and foreign scientists. Time of the research period of the last 5 years on the territory of the continental Croatia where spa tourism is realized and developed.

Results and discussion

Condition and quality of the offers of spa tourism in Croatia

One of the main economic determinants of Croatia is the tourism industry. Although Croatia is the world's most recognizable tourist destination by offering along the coast, the continental part of Croatian has a long tradition of thermal tourism. Croatia also has environmentally safe destinations, with its natural beauty, abundant natural healing factors, and with its human resources, it could become an oasis of health tourism.

A large part of the offer of continental tourism in Croatia relates to the spa. Some of them offer a classic medical services, while the majority's offer is based on wellness as a modern tourist trend. However, while some renewed capacity and its offer to adapt to market requirements, many of them have still not recognized health and spa industry as a motive for vacations of the future. Spas today are one of the most important forms of tourism on the continent.

Spa tourism provides various facilities at the thermal health resorts. The content of spa tourism is based on natural healing factors which combine different kinds of medical, preventive and wellness programs, adjusted to various needs of tourists.

The target groups of users of services of health tourism (Ivanišević, 2003) come throughout the year from neighboring countries with more expensive services, such as Italy, Germany, Austria, France and Switzerland. Also, customers come from neighboring countries where the service is worse, such as Bosnia and Herzegovina and Serbia. During the tourist season, the spa tourism services used by Croatian immigrants and older population of tourists.

The list of places with natural healing factors in Croatia (Ivanišević, 2003, 24; Brusić, 2012, 33), 156 are classified as sites or applications by type of factors as following: climatotherapy, thalassotherapy and balneotherapy. In Croatia, medicine operates 18 medical sites.

In this study we have 10 spas that their services are based on the healing thermal waters and make up the bulk supply of spa tourism in Croatia (Table 1).

Table 1: *Health resort in Croatia that use sources of medicinal and thermal waters*

Number	Location	Name	Medical factor
1.	Bizovac	Bizovačke toplice	Btmv
2.	Daruvar	Daruvarske toplice	Btv
3.	Ivanić Grad	Naftalan	Btmvn
4.	Krapina	Krapinske toplice	Btv
5.	Lipik	Lječilište	Btmv
6.	Livade	Sv. Stijepan	Btmvp
7.	Stubica	Stubičke toplice	Btv
8.	Topusko	Lječilište	Btv
9.	Tuhelj	Tuheljske toplice	Btvp
10.	Varaždin	Varaždinske toplice	Btmp

B- balneotherapy, tv- thermal waters, Tmv- thermo-mineral waters, p-peloids

Source: *As applied by the author (Inanišević, 2003), <https://hr.wikipedia.org/wiki/dodatak:Popis-termalnih.lječilišta-u-hrvatskoj> (24.3.2016.); www.zane.hr/wps/wcm/connect/d6d9cab6.../ZANE+Bilten+0313.pdf (24.3.2016)*

Spa tourism industry in Croatia consists of 10 spas that have a health-related function which is based on the healing of thermal mineral waters. They are mostly located in the continental Croatian territory.

The qualities of the spa are excellent bioclimatic factors and thermal water with sulfur and fluorine, suitable for the treatment of various diseases, such as: spine injuries and diseases of the spine; rheumatism; neurological conditions and diseases; orthopedic diseases and deformities; post-operative conditions and conditions after injuries of the musculoskeletal system; rehabilitation for children 2-14 years and adults.

Furthermore, they are effective for treatment of urological diseases; gynecological diseases; post-traumatic conditions; convalescence; treatment of disorders in the vascular system, circulation and peripheral nervous system; treatment of a wide range of rheumatic complaints; treatment and rehabilitation of bone tissue; traumatic damage caused by road accidents and other injuries; improve the general physical condition

of the disabled and the elderly, treating chronic inflammation and post-operative conditions of female genital organs; treatment of primary and secondary sterility; physical education treatments for athletes.

Further, they are known for treatment of diabetes with neurological or anginous complications; post-operative rehabilitation of coronary infarct patients and surgery patients; treatment of patients with heart surgery and convalescents; treatment of patients suffering from diseases in the peripheral vascular system and surgery patients in the vascular system; treatment of coronary diseases and the like.

For the accommodation of tourists in the 10 analyzed spas in Croatia, 2,449 beds are available.

Table 2: *Number of the building and units offer external and total tourism in the Republic of Croatia in the period from 2010 to 2014*

Year	Objects		Capacity (beds)		%	
	Spa	Total	Spa	Total	Objects	Beds
2010.	10	2.117	2.547	909.951	0,5	0,3
2011.	10	2.189	2.544	934.564	0,5	0,3
2012.	10	2.326	2.510	880.170	0,4	0,3
2013.	10	2.427	2.493	925.773	0,2	0,3
2014.	10	2.428	2.449	977.414	0,2	0,3

Source: *Croatian tourism in numbers (2010, 2012, 2014), Zagreb, MTRH, HT*

Data in Table 2 shows that 10 facilities in spa tourism make up 0.2% of total facilities, and 0.3% of the total capacity of beds in Croatian tourism. The facilities and capacities in total Croatian tourism are small, but very important for continental Croatia and its rural area.

Business aspects of Croatian spa tourism

Given that Croatia's spa tourism industry can offer up to 2,449 beds in 10 spas, in the last 5 years the following is the achieved revenue (Tables 3 and 4).

Table 3: Actual visitors to the spa and the total Croatian tourism in the period 2010-2014 (in thousands)

Year	Number of visitors of spa industry in Croatia	Total number of visitors (tourism, general)	% of spa visitors out of grand total	Spa index	Total index
2010.	28	10.604	0,3	-	-
2011.	27	11.456	0,2	96	108
2012.	26	11.835	0,2	96	103
2013.	31	12.433	0,2	119	105
2014.	34	13.128	0,3	110	106

Source: *Croatian tourism in numbers (2010, 2012, 2014), Zagreb, MTRH, HT*

From the data in Table 2, one can see that the Croatia's spas annually visited by 26 to 34,000 tourists, which in total Croatian tourist traffic consists of 0.3%. One may also notice that the number of visitors to spas experienced robust growth of 19% in 2013, 10% in 2014, growing faster than the total in the Croatian tourism when the same grew 5 and 6%. The situation with overnight stays in Croatian spas is similar (Table 4).

Table 4: *Nights of the spa and the total Croatian tourism in the period 2010-2014*

Year	Number of visitors of spa industry in Croatia	Total number of visitors (tourism, general)	% of spa visitors out of total	Spa index	Total index
2010.	197	56.416	0,3	-	-
2011.	197	60.354	0,3	100	107
2012.	200	62.743	0,3	102	104
2013.	199	64.818	0,3	99	103
2014.	220	66.484	0,3	111	103

Source: *Croatian tourism in numbers (2010, 2012, 2014), Zagreb, MTRH, HT*

The number of tourists and overnight is growing from year to year. In 2014, spa were visited by 34,000 tourists or 10% more than the previous year and realized 220,000 overnight stays, which is 11% more than the previous year. Very interesting data on the use of capacity in the facilities of spa tourism are given in Table 5.

Table 5: *The average number of overnight stays by type of facility and the beds in the spa and the total Croatian tourism in the period from 2010 to 2014*

Year	Percentage of nights spent		Percentage of nights spent (per bed occupancy)	
	Spa tourism	Total tourism	Spa tourism	Total tourism
2010.	7,0	5,3	66	62
2011.	7,3	5,3	66	65
2012.	7,7	5,3	67	71
2013.	6,4	5,2	80	70
2014.	6,5	5,1	88	68

Source: *Croatian tourism in numbers (2010, 2012, 2014), Zagreb, MTRH, HT*

Table 5 shows the average overnight stays at the facility and the bed in spa tourism and comparison with the realization of Croatian tourism in general. In both cases, the objects in spa tourism have performed better compared to the entire tourism in Croatia. In the facilities of spa tourism the average stay of tourists ranged from 6.4 to 7.7 nights while in total Croatian tourism this stay averaged from 5.1 to 5.3 nights. The same can be said of the achieved average overnight stays per bed. The spa tourism is 66-88 nights per bed and the total Croatian tourism on average ranges from 62 to 71 nights per bed.

Finally it should be noted that tourism is one of the most important drivers of economic development in Croatia, which undoubtedly puts it among the key components of the national economy and foreign trade. The role of tourism in the economic system results from its economic functions. Tourism, which from an economic point of view is composed of a number of sectors and activities through tourist spending, causes direct and indirect effects on the economy. In this regard, research (Šutalo et al., 2011) established the direct and indirect effects of tourism in Croatian economy in percentage amounts is 14.6% of total revenues and 14.7% of the total value added. For the realization of direct and indirect effects of tourism in a number of branches and activities in the national and regional economy confirmed by other authors (Frechtling, 1999; Kesar, 2008). The above statement is true for spa tourism to the tourist spending generated effects in a number of branches and activities at the level of the national economy, as well as in local and rural economy.

Spa tourism contributes to the enrichment of the Croatian tourist product, provides employment growth, and it prolongs the tourist season. This carries a full range of other positive socio-economic impacts, both in communities where it is being developed and in the national economy.

Developmental aspects of spa tourism in Croatia

The rating perspective and the development of spa tourism in Croatia is based on the SWOT analysis presented below. This SWOT analysis, were found strength, weaknesses, opportunities, and threats to the development of spa tourism in Croatia.

Table 6: *SWOT analysis of the prospects and development of spa tourism in Croatia*

Strengths	Weaknesses
<p>The number of outstanding geothermal springs and medicinal mud</p> <p>Temperature abundance of geothermal resources</p> <p>climate benefits</p> <p>The beauty, diversity and preservation of the landscape</p> <p>Wealth uninhabited, economic unused areas</p> <p>Year-round operation of health tourism</p> <p>The easy availability of healthy and high quality food</p> <p>Tradition of health tourism in the seaside resort</p> <p>The expertise of the medical staff</p> <p>Environmental preservation destinations</p> <p>The existence of traditional manifestations</p> <p>The hospitality and kindness of the local population</p> <p>There are grounds for the development of small family businesses in tourism</p> <p>High security of the country</p>	<p>The lack of vision of tourism development in continental Croatia</p> <p>The lack of recognizable tourist identity</p> <p>Insufficient perception of health tourism as a driver for the development of continental tourism</p> <p>underdeveloped Croatian</p> <p>Insufficient exploration of geothermal potential (location, temperature, the healing properties)</p> <p>Categorization and equipment of objects in destinations</p> <p>The interweaving of the Ministry of Health and the Ministry of Tourism</p> <p>Lack of modern med-tourism and spa / wellness facilities</p> <p>Poorly developed tourist infrastructure in health tourism destinations</p> <p>Unclear legislation in the sphere of health tourism</p> <p>Insufficient knowledge management of tourism development in Continental Croatian</p> <p>Lack of knowledge for initiating health tourism projects</p> <p>Insufficient system to encourage the development of health tourism offer</p>

Opportunities	Threats
<p>Strong demand for health-resort services</p> <p>Create a unique tourist offer with emphasis on the cultural and natural heritage</p> <p>Easily accessible experiences of other countries in the development of health tourism</p> <p>Compliance with the trends in Europe and the world with quality and program content offers</p> <p>Raising public awareness of the economic potential of health tourism</p> <p>The possibility of the development of EU funds</p> <p>The interest of foreign capital</p> <p>The introduction of European quality standards</p> <p>The relationship of health to other specific forms of tourism</p> <p>Increasing the quality of services</p> <p>Cooperation with other regions- create the continental tourism</p> <p>Create a new recognizable tourism destinations (Continental Croatia)</p>	<p>Low interest holders of public authority for the development of health tourism projects</p> <p>Lack of cooperation between the public and private sectors in the health-tourism projects</p> <p>Investment in health and tourist projects without a vision for the development and management of health-tourism destination</p> <p>Harsh competition already developed health tourism destination in the competitive environment</p> <p>Slow development of tourism infrastructure</p> <p>S relations</p> <p>The lack of cooperation with relevant institutions at regional and national level</p> <p>The higher investment costs and demanding process obtaining investors and operators</p> <p>Lack of money for the restoration of cultural heritage</p> <p>Setting migration of population from the rural areas</p>

Source: *As applied by the author (Birkić, Vinter Marković, 2012, 48) i (Bartoluci, Hendija, 2012, 19), (Institut za turizam Zagreb, 2014, 28)*

Health-related resorts in Croatia have high comparative advantages in attracting more tourists. A very long tradition of spa tourism facilitates the execution of tasks related to this type of tourism. The advantage of the environmental and conservation of the environment which is usually only found in almost all Croatian, but is especially true of spa town where there is no developed industry.

Croatia has a very favorable geographical position thanks to the proximity of health and health resort main European tourist markets. The tourism market is characterized by an aging population, which opens the possibility of directing the offer in that direction. With an aging population, the European tourist market is characterized by the way of life of the working population in terms of noise, stress, lack of movement and

overweight. Thus, an increasing number of active population that suffers the consequences related to this kind of life, but in these environments are constantly warned that the disease can be avoided by prevention. Given the proximity of these markets and the long tradition of Croatian health tourism, our health and health resort with great opportunities for development of various anti-stress and wellness programs, and should continue intensive orientation part of its bid to prevention programs.

Tourist attraction to Croatia is unquestionable as it is indisputable fact that Croatia has top medical staff which is its cornerstone of competitive advantage in the provision of health and spa tourism.

Confirmation that Croatia is an interesting destination for health tourism is provided by the growing interest of foreign agencies that want to bring their insured in Croatia for the implementation of quality medical rehabilitation using natural healing factors.

The main impetus for the further development of health tourism in Croatia are:

- Quality of available thermal waters
- Long tradition in the use of resources
- Good geographical position
- Proximity to the source markets
- Ecological preservation area
- Variety of complementary tourist offer

It is of crucial importance to present a greater valorization of specification and material resources, as a significant development of health spa tourism is not possible without the permanent and target-oriented support in the elimination of a series of regulatory barriers and facilitating the entry of entrepreneurs in investments of this type.

Conclusions and recommendations

Given the presented facts and figures, one may be led to the conclusion that the spa tourism in Croatia is underdeveloped compared to many current and potential competitors, with unquestionable advantages, such as a tourist attraction, favorable climatic and biological conditions, geographical location and top medical and travel when.

Such possibilities offered by natural and human resources should be more and better utilized, and a basic requirement that the situation improves is an appropriate and active approach of all stakeholders of the country with the relevant ministries, tourism workers and businessmen.

Faster and more intensive development in the area of spa tourism contributes to a number of positive effects: opens the scope for a year-round receipt of tourist and achieves greater future of tourism in certain areas in Croatia, reduces unemployment (creating the conditions for new jobs), provides opportunities for launch of various forms of complementary products with this type of tourism, and ultimately contributes to the further development of the national tourism and the economy.

Spa tourism, one of the most significant trends in tourism today, has to take a better place in the overall content of Croatia's tourism industry. Numerous sources of healing thermal waters in the Croatia's inland need adequate infrastructure in order to position themselves in the market as a quality tourist offer. One of the great advantages of such types of tourism industry is that it can remain in business throughout the year.

However, in order to develop this valuable potential in the best way, it is required that certain changes be implemented, mainly to guide the development of the continental area, and thus the spa tourism. Furthermore, a greater flexibility and readiness of institutions in spa tourism is required, as well as of their employees to comply with new trends and transitions to market economy.

Also, an additional effort should be put towards developing complementary types of tourism industry, in addition to the health tourism. It is necessary to adopt adequate legislation (the regulation of certain types of services) that at the moment does not exist, and ultimately, provide favorable financing models due to large investments that are required in arena of health tourism.

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BALNEOLOGICAL VALUES IN FUNCTION OF TOURISM DEVELOPMENT IN THE REPUBLIC OF MACEDONIA

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Abstract

The Republic of Macedonia is characterized by relief and geological structure that allows the presence of significant thermal forms. Their value is based on curiosity, recreational and health component. Related to these values, thermal components of the mineral springs are particularly important which bind spas as tourist centers. Their importance for tourism development in the Republic of Macedonia has crucial characteristics because it is a potential that can successfully promote and be a factor in spatial, economic and social development. The analysis of balneological values determines the place and function of this segment of potential tourism products in relation to tourism development and specific types of tourism activities, through quantitative and qualitative research in this paper. Therefore the projected research is related to the identification of indicators that reflect the balneological characteristics, parameters that determine the level of development and opportunities for quality improvement through the approach of possible development projection.

Keywords: *spas, tourism development, spa tourism, balneological values.*

Introduction

Among the natural resources in the Republic of Macedonia thermal springs have high potential for inclusion in tourist offer because of their special features. They are usually tourist motives that attract tourists with their hydrological characteristics expressed primarily through chemical or

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mineralogical composition and thermal characteristics as well as the abundance of springs that provide minimum requirements for their use. Thus, the dominant role of thermal springs occupy the recreational characteristics. These characteristics are incorporated within the possibilities for their utilization, such as the health benefits through different forms of prevention, therapy and rehabilitation.

On the territory of the Republic of Macedonia, that covers 25,713 km², there are numerous hydrographic resources. Among them are thermal springs with total number of more than 65. Thermal springs are dispersed throughout the country, with great potentials for spa tourism because of the quality of the water (Marinoski, 2005). Possibilities for the development of spa tourism are closely related to those localities that are included in tourist offer with established accommodation and spa facilities. Those spas are: Spa Banjishte, Spa Kosovrasti, Katlanovska Spa, Kumanovska Spa, Kochanska Spa, Spa Kezhovica, Spa Bansko, and Negorska Spa.

The development of spa tourism is connected to the development of tourism in the Republic of Macedonia (Petrevska & Nestoroska, 2015) within the last two periods:

Tourism development after the II World War till the independence. It was a period when the development of tourism in the Republic of Macedonia was within the development of tourism in Socialist Federative Republic of Yugoslavia (SFRJ) as its republic. During the 1960's Macedonian tourism started with an organized development in order to reach better economic effects. The intention was not only many-sided economic development but also presenting our tourist values abroad. Although in the beginning tourism was modestly developed, in time its positive effects have been reflected leading to modernization of tourist services and capacities, defining new ideas towards tourism development, improving service quality scope of arrivals.

An attention was paid to tourism development by using and developing tourist offer's factors – attractive, communicative and receptive. Especially the last one was of a great interest in terms of modernizing the accommodation capacities from the point of their comfort, hygiene, good location, enriched and conceived content of stay which besides food and accommodation offers different activities that contribute to complete fulfillment of tourist's leisure time (swimming pools, playgrounds for

volleyball, handball, basketball, mini golf, tennis, children playgrounds, diving schools, water-skiing, sailing, children and adult animators etc.). Spas were also included in this phase of development and equipped accommodation and service facilities, with main intention to provide the visitors with medical-spa services, and with main focus on medical treatments for health-recovering, pensioners and recreation. Recreation service was the least used and least interested motive to visit the spas.

The share of foreign tourists in spas in the country was very low, because the dominant offer of spas were medical services for domestic visitors as already mentioned.

Tourism development since its independence from 1991. As an independent country the Republic of Macedonia went through a difficult period related with disintegration of SFRJ, the Yugoslav wars, sanctions, blockades, the period of transition and socioeconomic restructuring. This is a period when tourism development was facing many challenges and problems that were related to the happenings in the neighbouring countries during the period 1992-2001, strong competition of neighbouring countries and the region, and high decrease of tourist flows as a result of recommendations of foreign countries to their citizens not to visit this region as a not safe one. A continuous tourists flow decrease expressed by decline of tourist arrivals and tourist nights, both in domestic and foreign visitors, with low changeability without causing any changes was evidenced in spas, too. Even more it was a period when spa tourism experienced very bad conditions for any kind of activities, because of the turbulent political and socio-economic changes that were reflected in almost every economic activity of the country, as well as tourism. Particularly spas were challenged with the situation of neglecting spa capacities. This situation indicates a decreasing tendency in foreign as well as domestic tourist flow which is more expressed compared to foreign. Apart from political situation and instability, other reason for domestic tourist flow decrease was current economic situation that reflects payment abilities of population (Petrevska & Nestoroska,2015).

Balneological values of spas in the Republic of Macedonia

The scope of the research includes classification and differentiation of spa tourist resorts with their content-related features and tourist values. Spas play important role in the overall tourist offer in the Republic of Macedonia, because each of them has specific tourist values. This implies

the question and the need to research and differentiate specific characteristics of spa tourism.

Diversification of mineral springs in the country is very favourable, with an exception of Pelagonija region, where there are pretty cold mineral springs. Spas have a favourable position towards the settlements, because there are one or more urban settlements in the vicinity of each spa. Thermo-mineral areas have very good climate conditions and abundance of vegetation, that makes them very different to urban areas, and many are suitable for recreational activities as well. Also, spas possess attractive anthropogenic values that determine the cultural dimension of these tourism potentials. Considering the possibilities for tourism development, the spas are very different, so they will be analyzed separately.

Spa Banjishte

Spa Banjishte is located at the foothills of the mountain Krchin at an altitude of 870 meters within a mountainous area. In its vicinity is the regional road Skopje - Debar - Ohrid. Physical and chemical characteristics of the water in Spa Banjishte are basic attractive value. It has three springs: New Captage, Upper Pool and Lower Pool. These springs are all different in the abundance of springs, water temperature and the radioactivity of the water. Highest temperature of the water is in the spring Lower Pool with 39.3⁰C. The lowest water temperature is in the spring Upper Pool with 36⁰C, while the New Captage spring has 38.8⁰C.

The abundance of New Captage is 51 l / sec, in the Lower Pool 35 l/sec, and the Upper Pool 5.2 l / sec (Stojmilov, 1971). According to these indicators, the average water temperature is 38⁰C, and the abundance of water about 91 l/s. The water has anions of sulfate, chloride, carbonate, hidroborit and hidroarsenate, cations of calcium, magnesium, sodium, potassium and iron, colloidal dissolved oxides of manganese dioxide and silica, dissolved gases carbon dioxide, hydrogen sulphide ammonia and sulfur dioxide, then the elements lithium, cesium, ribidium and fluorine, and free of hydrogen sulphide gas, carbon dioxide, oxygen and hydrogen.

The spa provides successful treatment of many diseases like: all kinds of subacute and chronic inflammatory rheumatism; degenerative rheumatism of all wrists and rheumatism in the spinal column; all forms of rheumatic diseases (in particular sciatica); all extra-articular rheumatism; muscle

weakness after trauma to joints and bone fractures; partial stiffening of joints (if non-tuberculous origin); conditions after children's paralysis; chronic inflammation of the ovaries and other gynecological diseases; primary and secondary sterility; skin diseases, eczema, psoriasis, fungal skin diseases; chronic stomach disease and regulation of gastric acids; inflammation of the urinary tract; inflammation of the respiratory organs etc. But, except for the treatment, the water is used for recreational, rehabilitation and prevention purposes.

The surrounding area is interwoven with numerous view sights that can be used for observation of the picturesque relief and landscape values in the valley of the river Crni Drim, which allows full restitution. Moreover, Mediterranean influences in the climate of this area and various floral elements are very suitable for hiking. The arrangement of the paths and view sights for such purpose should be a basis in the use of the spa area for more recreational and tourist activities. There are remains from the old spa that was used during the Turkish - Ottoman period and they are complemented with new facilities.

Spa Kosovrasti

Kosovrasti is one of the most attractive spas in the country, due to the hydrological features of the water, the surrounding spa area, traffic connection and local infrastructure. Additionally, this spa is very well equipped for medical and recreational treatments. It is located at the exit of the gorge of the river Radika, or to its western coast. Its location next to the regional road Skopje - Debar - Ohrid indicates its excellent connectivity. The position near the Ohrid tourist area allows a combination of activities with the use of wider geographical area.

This spa is characterized by favourable chemical-mineralogical and thermal features. The water temperature is 48⁰C, with chemical composition of sulfur - carbonate. The amount of water provided by the springs in the spa area is 120 l/sec which is the largest amount compared to the other spa locations, and it is characterized with especially highlighted features.

Chemical - mineralogical features of the mineral water, as well as other hydrological features, are bases for medical treatments of Kosovrasti Spa. Thus, rheumatic diseases can be treated, women's diseases and various skin diseases. Medical treatment features of this spa are very similar to

those of Spa Banjishte, because they are very close to each other. The water in this spa is used for bathing, inhalation, drinking (Marinoski, 2005). Equipped spa complex, enables the use of other types of therapy, mostly medical, with different modern physical methods.

The location of the spa in the gorge of the river Radika and next to Spilje Lake provides opportunities for walks within the spa surrounding area.

In addition, there are excellent conditions for sports-recreational activities in the complex that would enable more activities for the visitors.

Research indicates that this spa was known even in the Roman Period.

Katlanovo Spa

Katlanovo Spa is located in the southeastern part of Skopje valley at the foothills of Crn Vrv (758 meters). The spa is located above the village of Katlanovo in the lower reaches of the river Pcinja, the place where this river has etched its course in Banjski Rid (Marinoski, 2005).

The geographical position of this spa is very favourable. It is located just 2.5 km from the international road E - 4, through which the Northern, Western and Central Europe is connected to the Aegean Sea. This position enables possibility to include this complex in transit tourist flows. The spa is located between three major urban centers in the country, which means that it has high potentials for recreational activities for the residents of the cities of Skopje, Kumanovo and Veles.

In the spa area there are fissures, and all springs are directly or indirectly related to the fissures. Prof. Dr. Alexandar Stojmilov (1969) indicates that "... nowhere in the Balkan peninsula, and possibly in Europe, thermal phenomena are not so accessible to observe such a phenomenon, and nowhere the link between water and fissures is very strong as here ...". Some researchers consider that Katlanovo springs are actually fumaroles. Such particularities express rare attractive tourist component. At the same time it can be used for educational purposes by promoting this phenomena through realization of excursions for students and researchers.

However, tourism development of Katlanovo Spa is based primarily on hydrological, chemical - mineralogical and thermal properties, as well as on the abundance of the springs. This spa is supplied with water from several thermal springs which vary among themselves (table 1).

Table 1: Capacity and water temperature in major thermal springs of Katlanovo Spa

Name of the spring	L / sec	Temperature in °C
New spa spring	1,50	40,5
Spring of thermal fissure	0,50	50,0
Spring Fontana	0,06	38,0
Hot mineral water	0,50	26,0
Cold mineral water	0,02	14,0

Source: Stojmilov, A., "Katlanovo Spa", Macedonian Geographical Association, Skopje, 1969

This means that the scope of water springs is relatively low, which may be a limiting factor in the development of the spa complex. The presentation of the water temperatures in table 1, indicates that these springs are with hyper-thermal features, with relatively low appearance of hypo-thermal and cold water, and with relatively favourable circumstances for the use of these waters. According to the chemical composition of the water it should be noted that springs in Katlanovo Spa can be classified into three groups: sulfur, alkaline and carbonic acid.

Treatment opportunities of numerous diseases are based on the chemical-mineralogical composition and thermal characteristics of water. Among them are the diseases of various types of rheumatism and stomach and intestines diseases, female genital diseases, nerve diseases, chronic kidney and urinary tract, diseases of the blood vessels, skin diseases, diseases of metabolism, and some diseases of the respiratory tract and cardio -vascular system. The therapy includes bathing, drinking, or inhalation, depending on the disease.

The picturesque and wooded gorge of the river Pcinja, where this spa is situated, holds an impressive landscape values. The whole area is forested, with acacia forest, hornbeam, hazel, and oak which is an attraction in this area and enable recreational activities complemented with the aesthetic value in the spa complex. This spa also has a famous tourist - attractive features. The Katlanovo Spa was used by ancient Romans, as it is testified by numerous findings in this area. The Spa was also used during the Turkish –Ottoman Empire for which there is evidence. Such values certainly enrich the tourist offer in this area.

Kumanovo Spa

Kumanovo Spa is very often mentioned in literature (Marinoski, 2005) as Proevska Spa after Proevce village, near which it is located. This spa is located about 4 km east of the city of Kumanovo. It is in proximity to the international road E - 4 and has very good traffic connections. It is situated at an altitude of 305 meters, surrounded by hills and the pine forest, refined areas with parks and greenery, and has accommodation facilities. The spa is very often visited for recreation and medical services, as well as the visits to the area for outdoor recreation.

The water temperature is 30⁰ C, which means that it is hypothermal water. In the chemical - mineralogical composition there are magnesium, calcium, sodium, hydrocarbons, cobalt, zinc and other minerals. The Spa is visited for the treatment of nerve diseases, diseases of the digestive organs, diabetes and others. The olympic swimming pool and other sports facilities provide various activities. Lack of this spa is the quantity of water that is 6 l / sec. This means that opportunities for the development in this regard are limited.

Kocanska Spa

Kocanska Spa is located 6 km west of Kocani, in the village Banja , at an altitude of 340 meters. Thermal springs in Banja are characterized by specific hydrological, chemical - mineralogical and thermal features, and with the abundance of water that rises in this area. The abundance of thermal mineral water is over 65 liters per second.

The water temperature is 64⁰ C, which means that it is a very suitable value for hyper-thermal water. According to the chemical composition this spa belongs to the group of slightly mineralized thermal waters with prevailed hydrocarbons, it is slightly alkaline and with low level of radioactivity. Most of the cations include sodium, potassium, calcium and magnesium, and anions of chloride, sulfate, hydrocarbons, siliciumoksid, aluminum oxide, iron and others. It owns rare minerals, such as lithium, cesium and ribidium. These physical - chemical features of water in Kocani Spa are the basis for treatment of numerous diseases. It is very convenient for healing all the types of rheumatic diseases, diseases of the biliary tract and gall bag, diseases of urinary, gynecological diseases, inflammation of the nerves, diseases of the stomach and duodenum, conditions after injuries to the skeletal system and other ailments.

Moreover, the low radioactivity of the water has positive effects on catarrhal diseases and diseases of the respiratory organs.

Although nowadays this spa is still not used with the full potential, it should be emphasized that it is a spa that dates from the Roman period. During the Ottoman rule in this region, the spa was actively used, also, which indicates that the spa has a long tradition. Near Kocanska Spa, near the village of Dolni Podlog, from a 318 meters deep borehole mineral water with capacity of 95 liters per second and a temperature of 80 °C was discovered which may be the basis for building health spa and recreational facilities.

Kezovica Spa

The Kezovica Spa is situated near the city of Shtip, and it is located on the right bank of the river Bregalnica, just 2 km away from the city at an altitude of 263 meters. The proximity of this city allows the spa site to be used for picnic - recreational purposes. Hydrological values relating to the abundance of the sources, temperature and chemical composition of water, represent properties that include preventive and rehabilitative function of the spa. The total amount of water in the spa was 20 l / sec which is relatively good potential for health - recreational purposes. In addition to the spring, there are six others with a total capacity of 6 liters per second. The water temperature ranges from 57°C to 69 °C, which indicates that it is hyper – thermal water.

Based on these qualities, the water in the spa is used for the treatment of chronic inflammation of the joints, rheumatism, women's diseases, stomach diseases and chronic diseases of respiratory organs. Thermal water from the spa can be used by bathing, drinking and inhalation. There are indications that the spa was used by the Turks in the period of their rule in this area, which points to the long tradition of the spa and in tourism manner, too. However, the potential of this spa is not sufficiently exploited.

Spa Bansko

Bansko Spa is situated at the foothills of Belasitsa Mountain in Bansko at an altitude of 270 meters. The city of Strumica is 12.5 km away. The spa is located in a very picturesque area, from which extends a magnificent view of the Strumica Valley on one side and to the mountain Belasica,

covered with dense forest on the other side. The influence of the Mediterranean climate gives opportunity for higher promotion and inclusion of recreational qualities within the spa offer. Lake Dojran is located near the spa, and it is a very convenient location for combining spa and lake tourism as region's tourism offer.

Traffic communication to the towns of Veles, Stip and Radovis via Strumica and Gevgelija, and Dojran and Berovo enables Spa BANSKO to be an important picnic site in the wider region. The spa is in the vicinity of the cross border Novo Selo to the Republic of Bulgaria, which gives it transit character as well.

Hydrological characteristics of thermal water in the spa area are very interesting with 13 springs differentiated by their chemical - thermal characteristics thermal and differences in the temperature. The highest water capacity has Parilo spring 40 liters per second. The total amount of water in the spa complex is 54 liters per second. The spring Parilo has the highest water temperature. It is 72 °C, which determines BANSKO as a spa with the highest temperature in the country. The highest temperature is curiosity tourist value.

The relatively large amount of water that occurs in this area, and high water temperatures represent a very important potential for the development of spa tourism. Chemical composition of water in BANSKO is very rich and diverse. It is a sodium - sulphate type of water with anions of sulfate, chloride, carbonate, hydroboric, hidroarsenat, and cations of calcium, magnesium, sodium, potassium, and iron, then colloidal dissolved oxides of manganese dioxide, silicium dioxide, aluminum oxide, dissolved carbon dioxide gases and oxygen, trace elements of lithium, cesium, ribidium, fluorine and carbon dioxide, free gases such as oxygen and nitrogen. Also, although in very small amount, spa water is radioactive.

BANSKO Spa is used in the treatment of numerous diseases such as: all types of degenerative rheumatism; gastro-intestinal diseases and disorders; inflammation of the gall bladder and bile bag; diseases of the heart and blood vessels (conditions after a heart attack); traumatic injuries of bones system; hormonal disorders and allergies; essential hypertension; anemia; inflammation of the ovaries and other gynecological diseases; inherited blood disorders; condition after malaria, etc. Spa water can be consumed differently, depending on the treatment need: drinking,

inhalation or for Fango therapy. Based on this chemical - mineralogical composition and thermal characteristics of the water, this spa is very appropriate for recreation, prevention, rehabilitation and medical treatment. The surrounding area is suitable for sports - recreational activities.

Negorska Spa

Negorska Spa is located in Gevgelija Valley, 4 km. north of the town of Gevgelija at an altitude of 60 meters in forested and green area. It has very good transit position because it is near the highway Skopje – Thessalonica. Thermal water in the spa has specific thermal and chemical - mineralogical characteristics. There are more springs in this area, among which particularly important are Ladna Banja, Topla Banja and Nova Kaptazha. The water temperature in these springs varies from 36 °C in Ladna Banja, to 43 °C in Nova Kaptazha. Such temperature indicates that relatively cold water prevails. Chemical composition of the water is composed of anions of sulfate, chloride, carbonate, hydroboric and carbonate, cations of calcium, magnesium, sodium and potassium, colloidal dissolved oxides mangandvooksid, siliciumdioxide and aluminiumdioxide, dissolved gases of hydrogen sulphide, nitrates and oxygen, trace of elements as lithium, cesium, ribidium, fluorine, antimony, free gases such as hydrogen sulphide, oxygen, hydrogen and carbon dioxide. The radioactivity of water is relatively low.

Negorska Spa is the only of all spas in Macedonia that has a thermal mud. In other spas the mud for Fango therapy is artificially created. This gives the spa special importance in recreational curiosity sense. The natural thermal mineral mud is present over a larger area around the spa. Based on such characteristics of water and mud Negorska Spa is visited for a treatment of the following diseases: all kinds of rheumatic and degenerative diseases of the joints; posttraumatic diseases of the locomotor system; postoperative conditions; inflammation and painful conditions of peripheral nerves; inflammation of the female genital organs; diseases of the urinary tract; disorders of the prostate; disorders of the cardiovascular system; various chronic rheumatic diseases; conditions after fractures and operations of bones, joints and soft tissues; some neurological disorders and other diseases. The spa has a modern specific amenities for the treatment of patients.

The proximity of Lake Dojran allows a combination of activities as is the case with spa Bansko. In the vicinity of this area, on the slopes of Mount Kozuf, there is a termomineral spring Smrdлива Voda with high potential for tourism development.

Tourism potentials of spas in the Republic of Macedonia

The abundance of natural and cultural values represents a significant potential for tourist offer in the Republic of Macedonia. Their appropriate inclusion and diversification is essential for the tourist offer creation. Also, very important issues are Macedonian comparative advantages and disadvantages as well, in relation to its competitors, which are mostly the neighboring countries. Many of *natural values* are tourism potentials and motivational factors that contribute to tourist visits to destinations. In tourism development of the Republic of Macedonia, many of the natural values are incorporated in tourist offer: geomorphologic, climate, hydrographical, bio-geographical, and tourist landscape values. Most of tourist geomorphologic value is based on the numbers of prevalent forms and, their heterogeneity is important tourist potential (Marinoski, 1999). From the surface relief forms particularly place have mountains, gorges, canyons and volcanic forms, and from the ground are many caves.

Hydrographical potential for tourism development in Republic of Macedonia is composed of rivers, lakes and spas, among which Ohrid, Prespa and Dojran Lake are the most valorised, as the biggest natural lakes in the country with highest registered volume of tourist and recreational activities (Table, 2). Favourable water temperatures in summer, insolation, and translucency of water enable sunbathing activities, fishing, diving and sport activities. Bio-geographic tourist values represent a symbiosis of flora and fauna and together with other factors have important role for tourism development particularly for hunting/ fishing activities, bird watching, herbs collecting, camping, student educational camps, etc.

Although with high quality mineral water components, Macedonian spa resorts are still not enough valorized for tourism purposes. Their participation in tourism flow within the period 2004-2013 of about 4% is rather unsatisfactory. They do not absorb satisfactory number of visitors that will make them competitive to other tourist destinations. It is mostly related to the lack of appropriate equipment of accommodation capacities, infrastructure and human resources in favour of new orientation of tourist

offer for health care, wellness and selfness tourism. Exceptions are Banjishte and Kosovrasti Spa that can be taken as example for orientation to modern spa offer of Macedonian Spas. The higher concentration of spa resorts in Macedonia in Southwest Region, Eastern Region and Skopje Region gives opportunities for creation of complex tourist offer with selective forms of tourism that can enrich the existing offer (Petrevska, & Nestoroska, 2015).

Table 2: *Distribution of tourism flows by tourist places, 2004-2013*

Year	Skopje	Spas	Mountain places	Other Tourist places	Other places	Total
2004	94,672	19,030	42,282	255,833	53,198	465,015
2005	107,997	21,293	43,371	271,402	65,643	509,706
2006	108,635	19,680	40,089	264,305	66,764	499,473
2007	119,634	20,280	33,216	279,385	83,158	536,212
2008	134,051	22,965	43,165	305,793	99,346	605,320
2009	127,266	21,369	52,484	283,430	103,221	587,770
2010	126,327	28,574	71,457	263,278	96,605	586,241
2011	141,386	27,441	71,309	279,695	127,737	647,568
2012	152,412	27,430	68,809	280,375	134,607	663,633
2013	168,623	28,405	68,745	300,540	135,481	701,794

Source: *State Statistical Office of Republic of Macedonia, 2005, 2008, 2012*

Spas are valuable potential in the country with great possibilities for improved tourism development, but yet the participation of spa facilities in total accommodation capacities is very low with only 1.73%, and stagnation for longer period (table 3). As shown in table 3, hotels have the most remarkable participation in the structure of total capacities in Macedonia. The number of beds in hotels in 2013 was 14,724 representing 20.95% of total bed capacities. The presence of eight spas (Banjiste, Kosovrsti, Katlanovska Banja, Kumanovska Banja, Kocanska Banja, Kezovica, Bansko and Negorska Banja) is characterized with high quality composition of mineral waters, not only in national but also in international frames. Findings from such analysis (Nestoroska, 2007) indicate that their potential still is not sufficiently exploited, and just a small segment of visitors go because of recreation in which the number of foreign visitors is minor.

Table 3: *Accommodation capacities by types of accommodation facilities, 2009-2013*

Number of rooms					
	2009	2010	2011	2012	2013
TOTAL	69,561	69,102	69,737	70,287	70,297
Hotels, total	11,307	12,374	13,317	13,884	14,724
Hotels*****	1,288	1,251	1,488	1,680	1,740
Hotels *****	2,748	3,150	3,715	3,833	4,170
Hotels ***	1,507	2,072	3,474	3,730	3,806
Hotels **	3,264	3,565	2,393	2,684	3,092
Hotels *	2,500	2,336	2,247	1,957	1,916
Boarding houses, total	75	71	71	115	109
Boarding houses **	17	17	17	17	17
Boarding houses *	58	54	54	98	92
Motels, total	359	406	371	670	673
Motels*****	-	-	-	59	59
Motels***	-	-	-	109	177
Motels**	304	362	327	344	279
Motels*	55	44	44	158	158
Overnight lodging houses	163	195	184	195	238
Spas	1,091	1,217	1,217	1,217	1,217
Mountain lodges and houses	60	60	60	44	41
Workers' vacation facilities	4,501	4,056	3,996	3,993	3,851
Children and youth vacation facilities	7,272	6,668	6,668	6,674	6,596
Youth hotels	48	48	48	48	48
Camps	8,726	8,971	8,971	9,011	9,011
Houses, vacation apartments and rooms for rent, total	25,134	26,132	26,132	26,232	26,032
Temporary lodging facilities	632	1,537	1,692	1,584	1,371
Sleeping cars	1,680	384	384	384	384
Uncategorized accommodation establishments	8,513	6,983	6,626	6,236	6,002

Source: *State Statistical Office of Republic of Macedonia, 2014*

The reason for this situation is because accommodation capacities are not equipped good enough to meet the visitors' needs in recreational meaning. Instead of this most of them still work as rehabilitation centers and there are only few spas that meet needs for recreation not only for rehabilitation (e.g. Spa Bansko and Kosovrasti). According to the balneological features of spas in the Republic of Macedonia, and

geographical position in areas with excellent climatic conditions, their future development should be considered towards new concept of offer with the main aim to attract visitors not only for medical treatments and posttraumatic and disease recovery, but also for recreation and health-care tourism. There is broad scope of services that can be provided within the packages for health-care tourism, ranging between health treatments (medical examinations, vitamin treatments, special diets, acupuncture, and hydrotherapeutic treatments) to relaxation treatments, wellness and selfness (exercise treatments, beauty treatments, spa treatments, sauna packages, cellulite packages, etc.).

Current situation in spa resorts is related to the conditions of the amenities and human resources, as main milestones for their appropriate inclusion in tourist offer creation. Nowadays spa tourism in the Republic of Macedonia is facing a major milestone with taking activities for improved development of spa facilities and adjustment to tourist demand for this type of tourism. The practiced concept in previous development showed that spas are not only for medical treatments, but even more for recreation along with wellness, selfness, and health-care activities.

Conclusion

The existence of spas in the Republic of Macedonia is closely related to the prospects of spa tourism development. High quality of thermal springs with the level of temperature, and chemical- mineralogical features are great opportunities for future development. Special attention should be taken to further improvement, maintaining and modernization of the existing accommodation and recreation facilities, with emphasis on the quality of their content (interior design in accordance with space ergonomics, food quality, animation activities, sports and spa activities and entertaining) and staff (professionalism, job positioning, and responsibility).

According to the research, the Republic of Macedonia has great potentials and opportunities to improve and develop spa tourism, because thermal and chemical - mineralogical characteristics of waters are with high quality that makes them attractive to visitors.

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THE TOURISM POTENTIAL OF THE NORTH CAUCASUS: THE FORMATION, CHARACTERISTICS AND DEVELOPMENT PROSPECTS

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Abstract

The article dwells on the North Caucasus region at the south of Russia, its unique geographical location that determined the diversity of natural, climate and ethnographic resources. Considering this background the authors analyze promotion of extreme hiking and ecotourism in the region using the routes developed in the 1930s in the USSR as a base. Hundreds of ethnic communities of the North Caucasus, each of which has its peculiar mental and psychological features, are considered in terms of resource potential for folklore and ethnographic tourism development. The tourist destinations are regarded using the national idea on regional recreation systems instead of common cluster-based approach. The authors emphasize indistinctive types of tourism for this region that have got traction only under conditions of current economic crisis and peculiarities of Russia geopolitical situation. In the end, the authors conclude on the importance of the North Caucasus region for the world tourism.

Keywords: *tourism potential, North Caucasus, tourist heritage, tourist development, tourist infrastructure*

Introduction

The North Caucasus is a geographical area (a part of Caucasus geographical region) located in the south of Russia between the Black and the Caspian Seas. Its conventional boundary passes across the Kuma–Manych Depression that had connected these seas in ancient times. The

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southern boundary passes along the summits of the Greater Caucasus and separates the territories of Georgia, the Republic of Abkhazia, the Republic of South Ossetia and the Republic of Azerbaijan.

As for administrative and territorial division, the area is split into 9 regions. These include both Russian-speaking entities formed by Cossacks either voluntarily settled or exiled to this territory and national republics, where mostly indigenous Caucasian people live.

Nowadays Russia possesses 258,3 thousand km² of the North Caucasus area (1,5% of the whole territory). This is one of the most rich recreation areas of the country. The diversity of natural, climate, balneological, ethnographic and other tourist resources promotes development of various types of tourism (Aleksandrov & Gevondyan, 2015).

Since ancient times, this region have been attracting the interest of different states and civilizations. Several directions of the Great Silk Route passed across this area. It was also a place of numerous grave mounds and burial grounds that contained unique artifacts. Megalithic ruins as ancient as Stonehenge were found there. Numerous migrations over the centuries made the ethnic map of the region on of the most confusing in the world. Only the Balkan Peninsula situated at the interface between Islamic and Christian civilizations can be considered as an analogue.

Before studying the tourist heritage and existing modern tourist destinations of the region it is necessary to describe the administrative entities comprising it. This inductive approach (starting from the particular features of the regions before going to its general description) we let us to make the judgements on the current condition of tourist industry and prospects for the further development in conclusion.

Qualitative features

Stavropol Krai. In the late 18th century the main part of the southern border of the Russian Empire - the Azov-Mozdok defense line was constructed there. The settlements of Volga and Khopyor Cossacks were established in the border areas. At the same time in the east the Kuma river valley was occupied by the Nogai tribes, Turkic-speaking people, whose main occupation was distant-pasture cattle tending. Geographic location of Stavropol Krai determined the diversity of landscape and

geographical belts – from the Stavropol highland and Strizhhament mountain in the west (max. 850 m) to the Terek–Kuma lowland in the east (less than 100 m). This difference in altitude leads to diversity of climate zones and floral belts – starting from the mild one to the semi desert. In the south of the region, where the shoots of the Caucasus begins locates the most famous Russian balneotherapeutic health resort – Caucasian Spas (Polyakova, 2015).

Thus, the area of the region can be provisionally divided into three zones:

1. the west – the regional center Stavropol city is located there. It can offer a big variety of architectural monuments. There are also thermal springs in the neighborhood of Kazminka village, a number of farms and guesthouses designed mainly for weekend break of Stavropol dwellers.
2. the south – where the health resort of Caucasian Spas with well developed net of medical and recreational centers is situated. There are also many places related to world-renowned Russian poets. The unique geological features of this area provide a certain level of so-called medicinal radiation emanated from Beschtaunite magmatic rock. That is the factor that gives the local climate special medicinal features.
3. the east is an area of nomadic Nogai peoples and traditional wine production in the Kuma river valley. Currently the viticulture traditions are revived due to the famous brandy producer in Praskoveya. There lives a unique ethnic community of Nekrasov Cossacks returned to Russia from Turkey in 1960s. Nowadays there is an ethnic and cultural complex of Nekrasov Cossacks.

It is interesting to mention that the total area of Stavropol Krai is bigger than the one of the Netherland. Considering rather vivid ethnic composition, one can see the wide range of tourist resources. All these factors create strong potential for tourism development.

Krasnodar Krai. Throughout history, this territory belonged to indigeneous Cherkes people and their ancestors – the Zygians, the Cercetae, the Maeotians, the Shapsugs and others. After expansion of Russia to this area it became home for the Kuban Cossack Host named after the Kuban River, the main waterway of this region. The references to the Kuban River can be found in writings of the Scythians, the Sarmatians, the early Slavs, the Greeks and the Romans.

The region has a vast coastline along the Black Sea. That results in the diversity of climate zones – from temperate one to subtropics. Uniqueness of regional climate is one of the reasons of the developed viticulture in this area of the North Caucasus. Nowadays Krasnodar Krai offers tourists the largest number of wine routes in Russia. Currently the wine map of the area consists of 14 wine route, each of which includes different activities: training workshops, degustation and winemaking.

The other important feature of this area is unique archaeological and cultural heritage – dolmen megalithic monuments at the coast of the Black Sea. Together with the natural heritage they create huge variety of cultural and ecological routes.

It is obvious that access to the sea and prolific climate made this region the most popular one among the Russians for having beach-related rest.

The center of Winter Olympic Games 2014, Sochi city region is also located in the region. The infrastructure facilities constructed for the Games attract additional tourist flows to Rosa Khutor ski resort and extreme park, seaside complexes in Adler and Central Sochi (Too Far, Too Fast: Sochi, Tourism and Conflict in the Caucasus Europe Report, 2014).

The Republic of Adygeya. Until fairly recently this region was an area of a single folk located inside Krasnodar Krai. The native people there are the Circassians including the Adyghe people. Provisionally the area of the region can be divided into three types: lowlands, piedmont plain and highlands. The last one is occupied with the Lago-Naki plateau by 90%. The latter is famous for its alpine meadows and numerous hiking routes developed back in the 1920-s. One of the most popular routes is the Route №30 – as a family route of low difficulty level to the seaside through the mountains. Its duration varies from 20 to 5 days depending on the passes and pathways chosen.

Uniqueness of natural heritage of the plateau creates microclimate of highland Switzerland in some of its parts. Mountain rivers with pure mineral water and beautiful landscapes become a perfect base for health tourism.

The region is also popular for water tourism organized on the Belaya river, the main Republic's waterway. Teams from America, Africa,

Western Europe and Russia arrive to Adygeya annually to take part in rafting, catamaran and kayaking competitions (Shadova et al., 2015). At the same time event tourism gain popularity. The region becomes a venue for the fest of amateur song named “Pervotsvet” and the festival of bard song “Azish-tau”.

The Karachay-Cherkess Republic. Currently the tourist areas of the Republic are the most popular ones for weekend breaks among the population of the North Caucasus region. There are such ski resorts as Dombai and Arkhiz. The average altitude of the mountains is about 3-4 thousand meters and this means the resorts are located in highlands with all year round snowpack and partially glaciated slopes.

The bigger part of the Caucasus state wildlife biosphere reserve named after Kh.G. Shaposhnikov is located in the region. This is the largest and the oldest specially protected natural area in the North Caucasus. Many types of endemic plants and animals are represented there. There is also an artificially rebred species of Caucasus wisent that was killed off in the early 20th century (Ataev & Bratkov, 2011).

The region is famous for the opportunities for alpine climbing since 1894. The national mountaineering competitions are held there. The great variety of natural resources promotes ecotourism development. Unique ethnic and subethnic indigenous groups create opportunities for ethnographic and cultural tourism.

Hiking routes of the region also attract many tourists each year. The most popular one is №25 developed in Soviet times. It goes from Arkhyz to Krasnaya Polyana, Adler and Ritsa Lake in Abkhazia (Starostenko, 2011).

Unorganized camping starts to gain popularity again. According to surveys organized by researchers from the North Caucasus Federal University in 2013, the main reference group for this type of activity are the dwellers of Russian largest city regions of Moscow and Saint-Petersburg. The most famous destinations are the Gonachkhir, Makhar, Alibek and Amnauz gorges. The lack of tourist infrastructure as well as internet and cell phone signal coverage are the main factors determining the choice of destination for resting from everyday life. That is the reason of keeping such places in the North Caucasus.

One of the aspects for tourism development in the region is unique climate resources of Teberda resort. On «The list of Russian resorts including reasoning their unique natural therapeutic factors» approved by the Ministry of Public Health of the Russian Federation Teberda resort is under № 1.4 out of 18. It is reasoned as “especially beneficial for active pulmonary tuberculosis treatment”. The official recognition of the area was preceded by empirical studies and experience accumulation, which proved the beneficial features of the local climate. Nowadays there is a tuberculosis sanatorium with 350 bed spaces.

The Kabardino-Balkar Republic. During the Soviet times different ethnoses of Abkhazo-Adyghean language group (the Circassians or the Adyghe), the Kabardians, the Balkars (a Turkic people) formed the population of the region. Cultural diversity of all these ethnic groups is a basis for unique cultural heritage of the region. Syncretic traditions and customs established sustainable anthropogenic system that has just started forming, but at the same time is a reason for multiple interethnic conflicts affecting the tourism development in the region (Matveeva & Savin, 2012).

Nevertheless, due to Elbrus (the highest mountain in Europe) location in the Republic it attracts about 260 thousand tourists annually. Ski resort and vast opportunities for mountain climbing make this place good for various types of tourists.

Lately the adventure sports like hang-gliding and paragliding gain increasing popularity. One of the reason is a unique mountain hang-gliding and paragliding center Cheghem located on the border with Georgia on Zinka mountain sides. Its peculiar feature is combination of weather conditions of diverse complexity within 3-5 meters from take-off. Now this place is a venue for various national sports events (Baragunova & Kaloeva, 2014).

The heritage of the Soviet times includes sanatoria. The main city Nalchik is a balneo-mud and climatic health resort. There are more than 10 springs of mineral water in this city.

The Republic of North Ossetia-Alania. The Republic of North Ossetia-Alania is an area of indigenous Caucasian people - the Ossetians. Despite the accession to the Russian Empire in the 18th century, this Republic has kept its national and cultural identity and is one of the regions in the

North Caucasus that almost avoided integration. The most obvious example is religious views of the local population. The highest percentage of pagans (29%) in the Russian Federation lives in this region. Thus, neither Christianity, nor Islam could not become the official religion of the area.

The main types of tourism in the region are cultural, natural and ecotourism, which are usually combined in mixed tours. Natural heritage of the area includes beautiful mountain gorges– the Tseyskoye, the Fiagdonskoye, the Karmadonskoye and the Dargavskoye ones and unique deep karst lakes (Kurskiev, 2012). There are also springs of sulphide, sodium-chloride and thermal carbon types of water as well as therapeutic mud sources, but they are underused (Isachenko & Chizhova, 2012).

Cultural heritage of the republic includes:

1. necropoleis - semi-underground and underground stone crypts and family vaults (14th – 18th centuries) located in blocks and related to cult of dead ancestors honored by the locals until the present;
2. ancestral towers as the prevailing type of cultural monuments. The towers are located almost in each village in mountain area of the region.

One of the main factors for tourism development in the region is Kazbek mountain (5033 meters), one of the most splendid and lofty European mountains. Kazbek is located at the border between Russia and Georgia, but the most challenging climbing route threads along the northern (Russian) slopes. The routes to the summit are a good example of integration of tourist heritage of all the regions of the North Caucasus region.

The Republic of Dagestan. The Republic of Dagestan is located in the north-east of the Caucasus along the Caspian Sea coast. In world history this area is known as “Albania” or “Caucasian Albania”. This is the most multiethnic region of the Russian Federation. Peoples of Dagestan speak languages that belong to 4 main linguistic groups. Uniqueness of cultural heritage creates inimitable local flavour that is one of a kind on the Earth.

Among the main tourism activities offered by this region are:

1. resort therapy and beach-related rest at the seaside. There are such balnearies as “Talghi” (uses sulphide high concentrated water containing hydrogen sulphide), «Kayakent» (hydrothermal therapeutic

- muds), «Caspiy» (thermal and mineral water), «Akhty» (mineral water from five alkaline saline springs) (Dzhamaludinova, (2013);
2. Islamic religious pilgrimage. There is one of the main natural Islamic sacred places in the region - Shalbuzdag mountain. The sphere of religious tourism that serves tourist from other Russian regions, Middle Asia and East grows rapidly over recent years. There are also the oldest mosques in the world - Dzhuma Mosque in Derbent, Central Dzhuma Mosque in Makhachkala, Karakure Mosque and others (Alexseev Mikhail, 2009);
 3. mountain and ecological tourism. The region offers a vast diversity of natural resources for alpinism, trekking, rafting and camping. The Karadakh gorge, Khala-Khelyi and Kazenoy-Am lakes, Bogoskiy, Nukatlsky, Butnushuer — Korkagel ranges are one of a kind because of their beauty and splendor;
 4. cultural tourism. There are such ancient cultural monument as Derbent – the oldest “gates of the Caucasus” and Naryn-kala fortress; Midzhakh village – the Museum of the Lezgians; Makhachkala – the largest cultural center of the Dagestan peoples; Gunib village – the essential place of the Caucasian War, ancient Persian baths, etc.

The Republic of Ingushetia. This is the smallest region of the Russian Federation. It is located on the northern sides of the Greater Caucasus and the adjoining smaller mountain chains – the Terek Range, the Sunja Range and the Skalisty Range. The area of the region is historical habitat of indigenous Caucasian people named Ghalghai or the Ingush (Yampolskaya & Ivanov, 2015).

Nowadays tourism development in the region is considered to be a promising project for future decades. In many ways, the reason is geopolitical uncertainty and activity of political Islamic groups that prevent pro-Russia trends among the Ingush people. On the one hand, this leads to relative “underdevelopment” of regional recreation sphere. On the other hand, it promote conservation of local natural heritage as opposite to popular North Caucasus resorts (such as those in the Karachay-Cherkess Republic).

Thus, saying about lack of organized tourist flows to the Republic it is necessary to highlight the following promising groups of resources important for tourism development:

1. natural heritage. This includes the area of Dzhejrahsko-Assinsky State Historical, Architectural and Natural Open-air Museum,

- beautiful mountain gorges (Dzheirakh, Galgaiche, Armkhi, Guloi-Khi and Targimskoy hollow), waterfalls (Lyazgghisky and Furtougsky), holy Mat-Loam (Stolovaya) mountain and others;
2. ski resorts. Currently there is only one open recreational resort named Armkhi situated on the northern and southern sides of the Skalisty Range. The complex includes two hotels, a cable railway, a cycle route, a swimming pool and an adventure park;
 3. cultural heritage. Among this kind of resources the first place belongs to the ruins of medieval towns and towers (Vovnushky, Erzi, Furtoug, Anghety, Magoi-Dzhel, Gul, Verkhny Pui, Kyazi, Lyalakh, Khani, etc.) There is also the oldest church in the Russian Federation built in the 18th century – Tkhaba Erdy.

The largest regional cities of Magas and Nazran also attract tourist attention, but the lack of tourist infrastructure reduces it to some isolated cases. Annual number of tourists arriving to the Republic does not exceed 2000 people (The North Caucasus: The Challenges of Integration (I), Ethnicity and Conflict Crisis Group Europe Report, 2012).

The Chechen Republic. The region is located in the east of the North Caucasus in the Terek and Sunzha rivers valleys. This is a habitat of indigenous Chechen people. Among the Russians, this republic is mainly connected with the Caucasian wars, the first and the second Chechen wars. This fact has unfavorable impact on tourist and recreational image of the region. Nevertheless, over recent years the tourist flows to this area increases. Largely the reason is the policy of Ramzan Kadyrov, the head of the Republic. Large investments and public outreach in the region promote both tourist infrastructure development and relation to tourism as a main source of income for local (Melvin, 2007).

The following groups of tourist resources of the region can become a base for sustainable tourism development in the region:

1. monuments of natural and cultural heritage located in Argun State Architectural and Natural Reserve Museum (150 towers, more than 20 religious buildings, more than 200 military towers of Early Middle-Ages, 150 ruins of castles and fortresses, dozens of megalithic ruins, 2600 ruins of ancient military and guard towers, about 150 underground and aboveground crypts) (Betilgiriev & Gayrbekov, 2011);
2. modern ethnographic and ethno-confessional monuments. These include the Akhmad Kadyrov Mosque named “The Heart of

Chechnya” in Grozny, Dondi-Yurt museum complex – reconstructed medieval Chechen village in Urus-Martan and one of the largest medieval necropolis in the Caucasian region named «Tsoi Pede”, an elaborate cemetery in the Malkhistin gorge;

3. balneological resources. There are outlets of Sulphur springs in the region. In Soviet times there was nation-wide spa resort. In 2014 the resort was reopened in Sernovodskaya village.

Quantitative characteristic

Facts and figures. Now that we have seen all the qualitative characteristics of the tourist potential capacity of the North Caucasus, let us study the qualitative indicators. Despite the rich natural and cultural heritage of this area, such important indices as the level of social and economic development and standard of living in the regions under research are the lowest ones among the all 85 territorial entities of the Russian Federation. This is supported by the data of independent sociologic agencies like RIA rating (RiaRating – national rating agency, 2015) and national rating (National tourist rating, 2015) (Figure 1).

Figure 1: *The main indicators of the level of development of North Caucasus regions: A) the level of social and economic development of a region; B) standard of living*

A)



B)



Source: (according to RiaRating – national rating agency, 2015 and National tourist rating, 2015)

All the regions on the schematic map are ranked by the four main indicators of standard of living and level of economic development. The lowest value gets the highest position in the rating and those with the highest values are the most underdeveloped regions of the country.

Figure 2: The level of tourist attractiveness of North Caucasus regions in 2015



Source: (according to RiaRating – national rating agency, 2015 and National tourist rating, 2015)

According to the map the most favorable conditions are in Krasnodar Krai, while the Karachay-Cherkess Republic, the most promising region for tourism development, is ranked very low. Another important indicator is tourist attractiveness. It includes the level of tourist business development, income from tourist services, popularity of the region among Russians and foreigners, environmental setting and many other factors (National tourist rating, 2015) (Figure 2).

As a result, Krasnodar Krai the most tourist attractive region in the North Caucasus. The eastern regions and the Republic of Adygeya are much less attractive.

Thus, when analyzing the current condition of tourist and recreative industry of the North Caucasus, one should also consider such independent data despite the information on tourism in the region found in Internet speaks for positive results in regional tourism development.

Prospects of tourism development in the North Caucasus

The Strategy of social and economic development of North Caucasus federal district up to 2025 involves development of tourist cluster in the region (“Development of North Caucasian Federal District”, 2010). Thus, in 2010 joint stock company «Resorts of the North Caucasus» was established by the decree of the Russian Government. It operates on the principles of public and private partnership as a managing company for this project. As a part of the project the agreements on establishing special economic zones in the Russian regions included in tourist cluster were issued (Project of tourist cluster managed by stock company, 2014). Thus, 7 special tourist economic zones in Southern and North Caucasus Federal Districts were created. The following resorts are currently under construction: Arkhyz - in the Karachay-Cherkess Republic, Mamison - in the Republic of North Ossetia-Alania, Elbrus-Bezenghi – in the Kabardino-Balkar Republic, Armkhi and Tsori – in Dagestan, Lagonaki – in Krasnodar Krai and the Republic of Adygeya (Krasnodar Krai and the Republic of Adygeya, 2011).

№1. “Arkhyz” year-round tourism and recreation complex

This point of the tourist cluster is located in Zelenchuk area of the Karachay-Cherkess Republic. One of the longest cable-railways at Russian ski resorts is constructed in Arkhyz complex. The gondola lift

equipped with 8-seat gondolas carries 2400 persons per hour. A chairlift and a cable-railway for children also operates there. The slopes are equipped with systems of artificial snowing and illumination. Since season 2015/2016 after one more cable-railway and three ski trails were put into operation the capacity of all lifts in Arkhyz complex has reached 6600 persons per hour, the length of trails is about 14,5 km. Long-term Arkhyz complex development program includes building five tourist villages. In addition to the existing “Romatik” village “Lunnaya Polyana”, “Pkhia”, “Dukka” and “Dukka-2000” will be built. All of them will be connected by the common infrastructure and tourist offer designed for all types of tourists. According to the development program, Arkhyz will include 58 lifts and 137 ski trails of diverse complexity (Shebzukhova et al., 2014). 60% of them will be green and blue trails for beginners. The volume of estimated tourist flow by 2020 is 445 thousand people.

№2. “Elbrus-Bezengi” year-round tourism and recreation complex

The complex is planned to be built on the territories of Chereksky, Chegemsky, Zolsky and Elbrus areas of the Kabardino-Balkar Republic. Modernization of the resort was started in 2014. The first efforts in ski trails renovation for season 2014-2015 resulted in steep increase of tourist flow. In winter season 2014-2015 140 thousand ski passes were sold. It is more than throughout 2014. According to the survey conducted by JSC “KSK” among the tourists of the Elbrus resorts, 94% of respondents would like to come back next year.

One million rubles was allocated in 2015 for the resort modernization. This money was used for the third funicular line construction. Elbrus cable railway will be the most high-altitude and will bring people to the highest European ski resort. It will also be equipped according to the needs of disable people.

№3. “Veduchi” year-round tourism and recreation complex

This complex is located in Itum-Kalinsky area of the Chechen Republic, in the Argun River valley. One of the problems of Veduchi construction was bombs left in this area after the war. Within the first six months of 2010 the sappers have cleared up 200 ha. For now 500 ha more are demined. The program involves construction of 19 trails of total length equal to 32 km; 8 cable railways (one of them is child lift, a lift for

children training); hotel complex for 500 persons, servicemen's living accommodation, chalet village, service facilities including ski training center, rental centers, restaurants and cafes.

The final planned capacity of the resort will be 4,8 thousand persons per day. One of the features of Veduchi resort will be the most long trails for 12,5 km. Due to it the resort will achieve top-10 best European resorts with the longest ski trails.

№4. “Mamison” year-round tourism and recreation complex

The resort locates in the Mamison gorge in the Republic of North Ossetia-Alania. Mamison is situated 102 km from Vladikavkaz international airport and 85 km from Vladikavkaz railway station. The resort area is more than 84 thousand ha. The surface area of the slopes is up to 19,5 mln m². The elevation change is 2042-4038 meters above sea level.

Mamison resort is able to change economic situation in the region. The main problem of land use planning and management there is landscape and total absence of tourist infrastructure. Its uniqueness lies in quantity and quality of natural mountain trails, a rather rare phenomenon in the rest of the world. Such natural trails remain open longer due to glaciers. They can prolong ski season up to 2 months. Zaramag glacier can keep trails open even in summer.

№5. “Tsori and Armkhi” Year-round tourism and recreation complex

Armkhi resort locates in Dzheyrakhsy and Sunzhensky areas of the Republic of Ingushetia, on the Skalisty and Tsei-Loamsky Ranges. According to the program 4 trails of total length equal to 11 km and 4 lifts will be built there. Armkhi locates on the south and north sides of the Skalisty Range, its maximal altitude is 3 km. Currently the elevation change is 300 m, by the end of construction it will be equal to 1,5 km.

The key element of the resort is Tsori ski complex. Approximately, in 10 years it should reach its European competitors (Italian, Austrian and Swiss resorts) by the level of equipment and variety of tourist services. The plan is to build there 57,4 km of trails, 12 lifts, a ski and biathlon center including a shooting zone and a stadium, an extreme park and an ice palace. Between the two resorts, at an altitude of 1700 meters an 18-hectare golf course will be constructed. All the neighboring airports and

railway stations will be renovated and enlarged. The distance between the resorts is 45 km. There is an asphalt road for 10 km, 20 km of gravel road and 15 km more are under construction.

№6. “Lago-Naki” year-round tourism and recreation complex

This ski resort will be built on the Lagonaksky highland , a part of the Western Caucasus located in the Apsheron area of Krasnodar Krai and the Republic of Adygeya. The program of mountain climate resort development consists of 2 parts: winter adventure sports and tourism; tourism in off-season time and in summer.

The key idea of the ski resort construction project is a theme park with sections for different types of visitors. Each of these sections will offers some specific activities: ski trails, snowboard park (including freeride trails for athlete training, competitions and other sport events), ski trails for children, toboggan area, paths for snowshoeing, skating and curling rink.

Implementation of the first project stage is planned for 2013-2019. The targeted capacity of the resort after the first building phase completion is 7000 persons including hotel complex for 1 thousand persons. The infrastructure of the first phase will comprise 14 funiculars and 35 ski trails of the total length equal to 50 km. The resort will create 2 thousand jobs in tourist infrastructure. In total 4 thousand people will be employed.

№7. “Matlas” year-round tourism and recreation complex

The resort is located in the Khunzakh area in Dagestan, 180 km from Makhachkala international airport (Erkenova, 2015). There is a new aerodrome for regional and private flights 10 km from the resort. Investing in the resort is considered to be a priority for the near future. The resort will become a base for an ethnic and nature museum, a ski center. The resort capacity will be 18500 persons per day. After the first building phase is completed the capacity of tourist accommodation establishments will be 6 800 persons. The plan is to construct 25 ski trails of various complexity.

Moreover, Matlas has strong balneological potential. There are dozens of mineral springs. This water is beneficial for kidney disease and intestine issue treatment.

Conclusion

As the result of our analysis, we should note reach natural and cultural heritage of the North Caucasian region that can form a unique offer on the world tourist market. Nevertheless, the existing unsolved problems lead to low internal demand and adverse demand on the international tourist market. Among such problems are:

- lack of tourist infrastructure in many regions where unique tourist attractions locate. Significant funds are allocated for these needs from the federal budget, but corruption at all the levels of government prevents appropriate use of this money;
- language and cultural barrier is one of the main obstacles for tourism development. The majority of population considers ethnic identity and usual mode of life to be more important than laws of hospitality necessary for creating reputation of any resort. Ignorance of English (in some cases even of Russian) among the locals creates more obstacles for foreign tourists arriving to the North Caucasus;
- managerial imbalance in designing region development strategies. In most cases, they are developed by the national government and sent to the regions. The problem is that the Government has no actual data on the current situation in these regions. That leads to “detachment” of region development strategies from real life;
- modern geopolitical situation: location of the North Caucasian region on the borders between Russia, Abkhazia, South Ossetia and Georgia and Azerbaijan. For now, it does not create any real geopolitical threat, but there is still a shadow of the Chechen wars, the Ossetian conflict and other incidents of the 20th and 21st centuries.

Solving these urgent problems together with implementation of the Development Strategies will result in better living of the local population and will make the North Caucasus an attractive resort for both Russian and international tourists.

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HOTELS AND SOCIAL MEDIA – CASE STUDY OF SERBIA

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Abstract

Considering the impact of Social Media on hotel business performance, the aim of this study is to identify ways of presenting hotels from Serbia with special reference to spa hotels. The research has been conducted on a sample of 331 categorized hotels in Serbia and it includes content analysis of the major Social Media portals such as TripAdvisor, Facebook, Twitter, YouTube, and Instagram. Significant differences in applied appearance strategies of these hotels have been found. These differences become apparent when a group of town, mountain and spa hotels and hotels of different official categories are compared. Regarding the segment of spa hotels, the participation of those who are represented on Instagram is less than 45%, on Facebook less than 24%, on YouTube less than 12%, TripAdvisor less than 11%, compared to the average established on a sample of all hotels in Serbia. A passive approach to managing online spa hotel image is also registered. At the level of Serbia, hotel management responded to 28% of published reviews on TripAdvisor, while that percentage is lower for spa hotels and it is 22%.

Keywords: *Social Media, hotels, spa, online image, managing.*

Introduction

The rapid development of the Internet and the possibilities it offers in terms of information distribution have enabled the creation of online platforms whose contents are created by users themselves. Such portals are often called social media. Social media are defined as a “set of online tools open for public membership that support idea sharing, creating and editing content, and building relationships through interaction and collaboration” (Mount & Martinez, 2014, p.126). Xiang and Gretzel

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(2010) have identified five basic types of social media, and those are virtual communities, review websites, social networks, blogs and portals for sharing multimedia content. As some of the most important representatives of certain types of social media, we can name Facebook, Twitter, Instagram, YouTube, Pinterest, and TripAdvisor, the most important review website in hotel industry. According to Duggan et al. (2015), Facebook is the most popular social network, on which 58% of all adult citizens of the United States have an account, while this participation is 21% on Instagram, and 19% on Twitter. Duggan et al. further state that, not only does a large number of people have accounts on social networks that they use for different forms of communication, but they do that very often. Leung et al. (2015) note that 70% of the companies in the United States have a Facebook page, 46% are represented on Twitter, and 25% use YouTube. They also state that 75% of hotels use social media for marketing purposes.

On the Internet, there is a large number of portals that enable users of different products and/or services to share their experiences related to the purchase and consumption of these products and services. According data available at TripAdvisor, there are about 320 million reviews; 997 thousand accommodations were presented and rated by guests. YouTube is a portal for the exchange of video content and according to the data presented on that portal it has over a billion users, which is almost a third of the total number of the Internet users in the world.

Based on the data presented, it can be unambiguously concluded that social media are a reality that should not be and cannot be ignored without consequences. This paper aims to provide answers to the question of how hotels from Serbia are presented on social media. What social media do Serbian hoteliers use in order to communicate with customers? The paper also aims to draw attention to possible differences in the presentation of hotels from different types of tourist destinations. Given the importance of the portal TripAdvisor on the contemporary market, the analysis specifically focuses on contents that present hotels from Serbia on this portal and determines whether and to what extent hotel management reacts to published reviews.

Literature review

The contents on social media where users share their opinions and attitudes about products and services after their consummation are also

called eWOM – electronic word of mouth, while these portals are called eWOM portals (Hennig-Thurau & Walsh, 2003; Goldsmith & Horowitz, 2006; Litvin et al., 2008; Bronner & De Hoog, 2010; Purnawirawan et al., 2012). One of the most commonly quoted definitions of eWOM in literature is the one provided by Hennig-Thurau et al. (2004) “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet” (p.39). Numerous studies indicate that review websites are the most important form of eWOM in the hotel industry (Hennig-Thurau et al., 2004; Blal & Sturman, 2014). Yan et al. (2016) have identified two forms of eWOM, online reviews provided by e-commerce websites, which is called EC-eWOM, and eWOM on social media, which is called SM-eWOM.

Sun et al. (2006) state that eWOM communication, in comparison with the classic promotion by word of mouth (WOM), is significantly more influential because of “speed, convenience, one-to-many reach, and its absence of face-to-face human pressure” (p. 1106). Bearing in mind that eWOM stays on the Internet portals over a long period of time during which users can access these contents, Duan et al. (2008) state that eWOM exceeds time limits. King et al. (2014) add that eWOM works in such a manner that the participants in fact communicate with a network of people who belong to a virtual community whose members share some common interests and emphasize that the members of this virtual community usually do not know one another. Bachleda and Berrada-Fathi (2016) state that the strength of connections between users on different social media differs, because the most frequently accessed contents on review websites are reviews written by complete strangers, while in case of social networks, those are sometimes people with whom we have relatively strong connections.

Litvin et al. (2008) state that eWOM is very important for the hotel industry because the offer is intangible, the purchase is perceived by consumers as high-risk purchase, the demand is often characterized by a pronounced seasonality, the competition is intense. Even in such conditions, many hoteliers have not taken any action aimed at managing their social media image, and it provides an opportunity for the creation of competitive advantage for those who do it adequately.

Although, in literature, one can find articles whose topic is eWOM and tourism, Dijkmans et al. (2015) state that, so far the topic of social media

and hotel industry has not been given special importance in literature. Reviewing available scientific papers, Cantallops and Salvi (2014) have identified two main lines of research: the papers that explore the motivations that drive consumers to publish, via social media, comments about their experiences regarding consumption of goods and services, and the papers that analyze the influence of eWOM both from the perspective of corporations and consumers.

Zhang and Vasquez (2014) state that the rapid development of the Internet and eWOM portals has changed the way of communication and led to the fact that, while searching for information regarding products and services, consumers are less oriented to expert sources, and more oriented to the “non-specialist” sources.

On the basis of what information can the consumer compare insufficiently known hotel products? The modern consumer will search for information on the Internet, and during the search, will consult a variety of sources. According to Google, around 80% of people, when planning a vacation, consult online sources (Filieri et al., 2015). Liu and Park (2015) state the research results of Vlachos (2012), according to whom, 87% of passengers in international tourist traffic use the Internet when planning their travels, and 43% of them read comments posted by other users. The conclusion is stated that social media, especially review websites, are extremely important in the purchase of intangible products and services of whose quality we cannot be assured before the consumption of the product. In essence, the hotel product is such a product.

Given the sources of content on social media, a question of credibility of information regarding products and services can be raised. In the media, there are reports claiming that certain hotel managers praise their hotels online and encourage their employees to do the same or that they even write negative comments about competitors' accommodations (Filieri et al., 2015), posing as hotel guests. It is stated that some hoteliers offered money to users to remove the published content that did not suit them (Sharkey, 2009).

The influence of eWOM on sales has been a subject to a large number of studies (Zhu & Zhang, 2010). Studies referring hotel business have also been carried out (Cantallops & Salvi, 2014; Kim et al., 2015). In Serbia, this kind of research has been conducted by Čačić and Mašić (2013). The

research results confirm the existence of a link between the online image of a hotel and its business results.

Bearing in mind the undoubted influence of the content with which the hotel is presented on social media on business performance, it is clear that this business segment cannot be ignored by hotel management. Thus Zhang and Vasquez (2014) state that the increase in the number of online reviews of products and services has led to an increase in the number of responses by the company. They state that such reactions of management to online reviews are called in literature “webcare”, “online reputation management”, and when responding to negative reviews, it is part of a process called “service recovery”.

The importance of responding to online hotel reviews has been a subject of a large number of studies (Zhang & Vasquez, 2014; Kim et al., 2015; Casalo et al., 2015; Sparks et al., 2016 etc.). The results suggest the confirmation of the need for providing responses by the hotel management to reviews published online, although there are studies whose results suggest that responses by the hotel management may have an adverse effect on consumers (Mauri & Minazzi, 2013), i.e. a negative effect on their behavior and intentions relating to the purchase of hotel products. They explain this by stating that consumers can perceive the management response as a form of promotion and consider it less credible because it comes from a source that is not independent from the hotel. Yet Mauri and Minazzi emphasize that it is not a question of whether hotel management should give a response, but “how” and “where.”

A large number of authors analyze the way in which hotel managers give response to online reviews, and some suggest what elements should be included in the response in order for it to be more effective (Min et al., 2015; Sparks et al. 2016) and, on the basis of research carried out, they propose the online review management (ORM) strategy elements (Nguyen & Coudounaris, 2015).

Baka (2016) states the results of research conducted by Barsky and Frame in 2009, indicating that, in that year, 85% of the analyzed hotels did not have a developed strategy for monitoring and responding to online reviews, and that only 7% of hotels responded to online reviews, although 71% of people consider management responses significant. Čačić and Mašić (2013) state that, based on a sample of Serbian hotels, management responses have been found in 11.5% of the hotels. It is observed that the

number online reviews to which a response was found has been growing. Thus, Mašić (2015) notes that in 2011, on a sample of Belgrade hotels on TripAdvisor portal, a response was found only to every 29th review, while in 2014 a response was found to around 39% of hotel reviews. Mašić indicates that the willingness of hotel management to provide a response to online reviews is associated with the hotel category. Therefore, in the segment of 5* hotels, the response has been found to around 42.5% of the comments, 4*-29%, 3*-14.2%, 2*-3.4%, while in the segment of 1* hotels, management responses have not been found.

Global hotel corporations recognize the importance of social media in today's market. Thus, *Hyatt Hotels & Resorts* corporation invests significant resources to improve the online image. They have a team of employees who in a very short period of time, give responses to comments on social media (Glusac, 2015). In the market of Serbia, there is a small number of hotels under the control of global hotel corporations (Barjaktarović & Mašić, 2014), so it is harder to provide a transfer of knowledge and technology to local hotel corporations.

TripAdvisor is one of the most popular review websites in the field of tourism and hospitality (Xiang & Gretzel, 2010), and it allows its users, on the one hand, to review a hotel service, and on the other hand, to access a truly vast number of hotel service reviews posted by users from around the world.

In order to rate a hotel service on TripAdvisor portal, users have to register. Given that, when writing hotel service reviews, TripAdvisor does not require any proof that the user has indeed been a hotel guest, it raises doubts. Thus Ayeh et al. (2013) convey the report of a very influential medium, according to which TripAdvisor contains about 27,000 reviews that, in legal terms, can be characterized as libelous. Mašić et al. (2014) have conducted a study on a sample of all categorized hotels in Belgrade, which aimed to assess the credibility of the reviews of Belgrade hotels on TripAdvisor. The credibility of reviews has been estimated by the comparison of the average traveler rating on TripAdvisor with the average traveler rating found on the online booking systems of Booking.com, Hotels.com, Expedia.com, Venere.com, HRS.com, and Orbitz.com. Unlike on TripAdvisor, on these portals, before being able to publish a review, it is first necessary to prove that the user has indeed been a guest of the hotel, and this is performed by making a hotel reservation through this online mediator or even by a hotel confirmation

that the portal user has used their services. The results of this study indicate that there is no significant difference between the average traveler rating of the hotel service quality on the same sample of hotels on TripAdvisor and the said online booking systems.

Baka (2016) states that the hoteliers initially rejected TripAdvisor, but they have realized that, as she states, it has opened a Pandora's box, and now they are trying to understand in what way TripAdvisor influences their business and what it is that they can and should do in everyday business activities regarding the content on TripAdvisor.

TripAdvisor allows hotel management to take over the hotel account. Controlling the hotel account on TripAdvisor gives them a possibility of uploading selected photos, videos, and what is particularly important in today's market, to give response to each review.

A study conducted by Zhang and Vasquez (2014) leads to the conclusion that the responses to the comments of hotel guests on TripAdvisor portal are often patterned, and that, in most cases, they consist of a number of elements that are repeated in the responses. Sparks et al. (2016) have analyzed management responses on TripAdvisor portal and their influence on consumer attitudes. The results suggest that the use of the communication style that they call "human voice," instead of patterned responses, as well as timeliness of response giving by the management, lead consumers to draw more favorable conclusions regarding the hotel.

Facebook has gained a dominant position in the market and it is by far the most popular social network (Mich & Baggio, 2015). Leung et al. (2015) report the results of Stelzner's research (2011), according to which Facebook and Twitter are the two most used social networks by marketers. Yet, despite the vast global distribution and popularity of Facebook, Goodrich and de Mooij (2014) state that there are significant differences in the penetration of Facebook among active Internet users in different countries, and state that, at the same time, the penetration in the U.S. was 68%, while in Russia, it was 10%, and in China only 1%. They further point out that in some countries there are local websites similar to Facebook with more active users. As an example, they state that renren.com is such a website in China, mixi.jp in Japan, and vkontakte.ru in Russia.

The influence of the social network Facebook on consumer behavior in hotel management has been a subject of several researches. The research conducted by Ladhari and Michaud (2015) can be singled out. They have investigated the influence of comments posted on Facebook on the intentions of consumers and their choice of hotel. The results of their study suggest that there is a connection between the comments available on Facebook and consumers' intentions, attitudes, and confidence.

Given the influence of Facebook it is of great importance for the hotel to be presented by relevant contents on this social network. In this way, the hotel opens a modern channel of communication with consumers. Since Facebook offers the possibility of promoting its users' pages, the hotel can address precisely defined target segments of consumers at minimum cost. In this way, it is possible to provide an additional sales volume and revenue to justify the investment in this promotion channel. Recently, Facebook has offered a widget that allows booking hotel services directly from Facebook (Baka, 2016).

Twitter allows its users to publish short messages with a maximum length of 140 characters, as well as multimedia content, links, and so on. Hotel guests can publish their experiences via Twitter related to the use of hotel services regardless of whether the hotel has a Twitter account. Therefore, the question is not whether the hotel should monitor Twitter contents, but in what way (Taylor et al., 2015).

For the hotel, Twitter becomes not only a significant promotional, but also a communication channel. Thus, Dan Moriarty, the Director of Digital Strategy at Hyatt Hotels & Resorts, states that messages on Twitter, for a certain group of hotel guests, substitute phone calls to the front office. He states that this segment of consumers does not want to call the front office and wait for an answer, but instead posts tweets on the hotel page and continues doing their tasks (Glusac, 2015).

Taylor et al. (2015) have conducted a study that included a comparative analysis of the use of Twitter on the segment of the middle class hotels and luxury hotels. The results of their study suggest that the consumers in the segment of the hotel guests of luxury hotels significantly more frequently use Twitter. They further conclude that, although at the moment, the guests of middle class hotels do not expect the hotel to have a Twitter account and to follow the tweets of its guests, the evident growth in popularity of Twitter will, in the near future, lead to a need for

these hotels to take active part in social media in order to meet the needs of their consumers.

Research methodology

The initial step in conducting the research was to identify the categorized hotels in Serbia. The list of categorized hotels in Serbia with the cut-off date – November 2015, was taken from the competent Ministry website. The analyzed set consists of 331 hotels with a total of 17,438 accommodation units – 15,664 rooms and 1,774 suites.

For each of these hotels, searches on the social media Facebook, Twitter, Instagram, and YouTube have been performed in order to determine whether the hotel is presented on them and in what way. At the same time, for each individual hotel, a search on TripAdvisor portal has been performed for the period until the end of 2015 in order to determine the number of hotels in Serbia presented and reviewed on this portal, as well as the total number of published reviews. Simultaneously, the reviews to which the management of Serbian hotels gave a response have been identified.

The hotels were then grouped into those located in towns, spas and mountain resorts, and we compared the obtained data of the analyzed parameters in order to determine whether significant differences between hotels from different groups can be found.

The results and analysis

On TripAdvisor portal, 270 hotels from Serbia are presented, which is 81.6% of the total number of hotels from the analyzed sample.

Table 1: *Presentation of Serbian hotels on TripAdvisor*

	All hotels	Hotels in:		
		towns	mountain resorts	spa resorts
Hotels presented (in %)	81.6%	84.4%	73.7%	72.4%
Average number of reviews	48.2	55.7	20.8	14.8
Percentage of reviews with management response	28%	29.3%	4.6%	22.3%

Source: *Own research*

If we group the hotels based on their location, we can notice that the participation of spa hotels presented on TripAdvisor portal in the total number of hotels in the group is the lowest.

From the data presented in Table 1, it can be seen that, not only are the spa hotels presented in a lower percentage on the portal TripAdvisor, but they have a significantly lower number of reviews compared to the average for the entire Serbia. The difference is even more significant if the spa and town hotels are compared. The hotels located in towns, on average, have almost four times as many published reviews.

The differences can be at least partially explained by different structure of guests. Foreign tourists are the ones who more often, compared to tourists from Serbia and the region, use TripAdvisor portal for publishing their experiences regarding the purchase of hotel products. Throughout the entire period observed, the structure of tourists' nights of foreign tourists in Serbia shows a rather uneven distribution in such a way that the percentage of foreign tourists' nights in urban centers, primarily Belgrade and Novi Sad, by far exceeds the percentages in other places. To illustrate this, we can mention that, in 2014, 61.4% of the total number of foreign tourists' nights in Serbia was found in Belgrade and Novi Sad, while in spas, this percentage was only 9.3% (Statistical Yearbook of Serbia 2015, p. 343). Also, in domestic tourists, we can notice differences in their characteristics by types of tourism products. Thus, some studies point out significant differences between the typical consumers of tourism services in towns, spas and mountain resorts in Serbia. It is stated that the dominant guests in spas are older than 50 who, on average, prefer complementary forms of accommodation. When they choose a hotel accommodation, they prefer three-star hotels. They belong to the lower and middle class (Tourism Development Strategy of Serbia – the first phase report, 2005, p. 21). It can be expected that the consumers who belong to a demographic segment of older people, with a low or middle income level, are on average less prone to accepting modern information technology, on which social media is based.

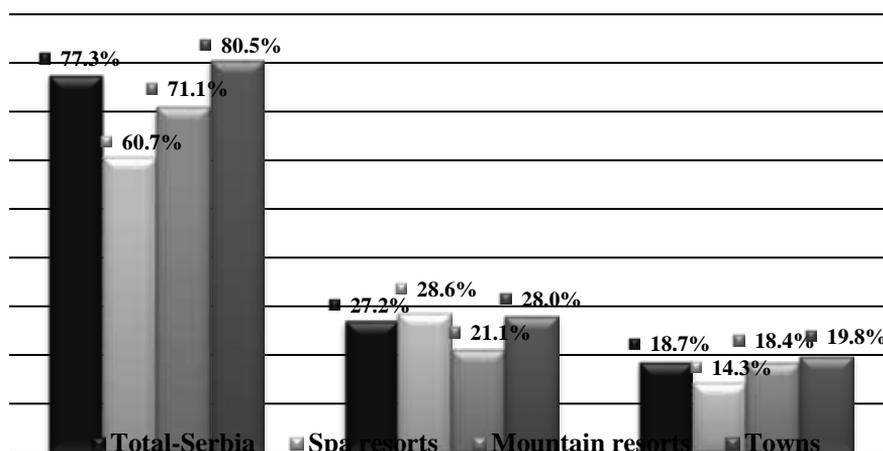
Throughout the paper, we have emphasized the importance given, in scientific and professional literature, to hotel management responses to reviews published on TripAdvisor portal.

On the sample of hotels located in spas, a significantly lower tendency of the hotel management to give a response in relation to the average for the

entire Serbia has been found (Table 1). In this way, the chance to influence the creation of a better online image is missed, because the response essentially is not addressed only to the person who wrote the review, but also to all those who are interested in the hotel on TripAdvisor.

The situation becomes even more alarming if we do not observe the percentage of reviews to which a response has been given, but the percentage of the hotels whose management use the possibility to give a response whatsoever. On the sample of spa hotels, that option is used by only about 7.1% of the hotels, which is significantly lower than the average for Serbia, which is 20.8%.

Chart 1: *Hotels in Serbia on social networks*



Source: *Own research*

The data presented (Chart 1) show that Facebook is by far the social network which is most widely used for communication with consumers by local hoteliers in all types of destinations. The spa hotels use the possibilities offered by Facebook and Instagram to a lesser extent than the average for all hotels in Serbia, while the use of Twitter is slightly more frequent in relation to the average found for the hotels from the whole country.

However, the fact that a hotel has an account on some of these social networks does not have to imply anything. Namely, hotels may have inactive pages that serve no purpose. Therefore, it is also important to

determine the way in which hotels are presented on social networks. This will be done for a group of spa hotels.

On Facebook, there are official and unofficial pages of spa hotels. The largest number of pages has uploaded photos that present the hotel offer, however, on some the pages, there is a very small number of them or they are not systematized. Promotional offers, at the time of the research, were available on only two pages. Contact information and the link to the official website of the hotel were provided on the pages in most cases. The number of “likes” ranged from 30 to 9,000 per page, the number of check-ins ranged from zero to 18,502. The “book now” option was available on the page of only 4 hotels. Also, only 4 pages had the “very responsive to messages” mark, which implies that the employees reply to the questions asked on the page in a very short time, usually within an hour. The stated data suggest that the spa hotels insufficiently use the possibilities that Facebook offers related to the creation of modern sales, promotional, and communication channels.

On Twitter, 27.59% of the spa hotels had their page. The total number of followers on all pages was only 540. This was the audience which would see the posts of these hotels, and which could later continue to share them through retweets. A total of 1,648 tweets of hoteliers was found. In the analysis of this information, it is necessary to know that 1,327 tweets were found on only one hotel page, and 321 on all others. The link to the official website of the hotel was present on all pages. The offer of promotional packages via Twitter was found in only 4 spa hotels, and replies to guests’ questions were found in 3 hotels.

It can also be said for Instagram that it is an untapped potential for the promotion of spa hotels. Apart from the fact that only 14.29% of the spa hotels had the official page, most of those who formally had one practically did not use it. The total number of posts for all spa hotels was 40, and they were followed by a total of only 473 people. The published photos, in the case of the largest number of hotels, did not adequately present their offer. The total number of “likes” for the published photos was 804, and a total of only 13 comments was found.

On YouTube 67.86% of the spa hotels were presented, which is less than the average for all hotels in Serbia, which amounts to 74.62%. The spa hotels were more frequently presented through unofficial accounts. Namely, only 25% of the spa hotels were presented through official

accounts, and 35,733 views were found on those accounts. It should be noted that the number of views varies considerably among the hotels, ranging from 55 up to 21.917.

Conclusion

Modern technologies in hotel industry have resulted in a significant change in the way of communication between hotels and their customers, and among customers themselves. Hotel guests no longer depend on expert resources in terms of information about the quality of hotel services, and on travel agents, and the recommendations of their relatives and friends are no longer the main sources of information. They now have at their disposal a range of virtual online communities whose members are connected with a particular common interest. On these social media, hotel guests can find a multitude of impressions, opinions, views and recommendations of hotel guests regarding the consumption of the hotel product. In this manner, the intangible hotel service can gain tangible elements, and a certain experience of the product is being formed in potential hotel guests, even though they have not consumed it.

Many hotel companies initially ignored these contents, not understanding that it was not a passing fad, but a crucial change in the mode of communication that has resulted in a change in the behavior of hotel guests and attitudes regarding hotel products. Over time, the management of a large number of hotels began to understand the significance of these portals and started to develop strategies to improve their online image. Monitoring social media contents and adequately responding to them, as well as using their significant promotional, communication, and sales potentials are becoming part of the job description of employees in hotels. This leads to the emergence of new staff profiles in hotels (Kosar et al., 2014).

Hoteliers in Serbia started to use the given opportunities relatively late. Thus, the first management responses to reviews on TripAdvisor were found as late as in 2011, while it happened much earlier in countries where tourism was more developed. The same situation has been found regarding the use of the social media Facebook, Twitter, Instagram and YouTube.

If we group the hotels in Serbia based on their location, we come to the conclusion that the potential of social media uses the management of

town hotels to the fullest extent, primarily those in Belgrade and Novi Sad. In the segment of spa hotels, below-average values have been found, observing any of the analyzed indicators.

The previous conclusions have been drawn solely on the basis of quantitative analysis of the representation of the spa hotels and their management responses on social media. The results are even worse when analyzing the contents and the way in which the management of spa hotels uses the possibilities offered by social media. The results of this study suggest that, in a large number of cases, the social media pages are not used as communication, sales, and promotional channels adequately.

It can be concluded that, as part of activities to improve the overall image of Serbian spas, it is necessary to take serious actions to improve their online image. This segment can no longer be neglected without significant consequences on the hotel business performance.

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TOURISM AS A FACTOR OF RURAL DEVELOPMENT OF TEMNIĆ MICROREGION

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Abstract

The research presented in this paper focuses on tourism as an important determinant of diversification of the rural economy in Temnić microregion and its development in a socially, economically and environmentally sustainable manner. Starting from the geographical situation and considering the existing resource base of the microregion, the paper aims to analyze the tourism potential of this area and point to the importance of developing the most relevant tourism products that contribute to rural development. The analysis of the most important aspects of the observed problems was carried out by applying qualitative, quantitative and SWOT analysis, while a survey was conducted in order to get the positions of the key stakeholders on the impact of tourism on the development of rural areas. According to the research results the villages in Temnić microregion have significant resources for sustainable tourism development, however, efficient rural development models are needed in order to promote the distinctive identity and cultural and traditional values of the villages, as well as to improve the competitiveness of the rural economy.

Keywords: *sustainable tourism, rural development, Temnić microregion (Rasina District: Town of Kruševac - 18 villages, Municipality of Trstenik - 4 villages and Municipality of Varvarin - 20 villages; and Pomoravlje District: Municipality of Paraćin - 3 villages).*

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Introduction

Tourism has a significant effect on the economic, social and functional structure of rural areas, since it creates conditions which instigate diversification and revitalization of the rural economy. However, to precisely specify its role in terms of development is not an easy task bearing in mind that tourism depends on the spatial, economic, social, cultural, environmental, institutional and other similar factors. This is also confirmed by a number of theoretical and empirical studies (Ploeg et al., 2000; Pejanović & Vujović, 2008; Todorović & Štetić, 2009; Cozac, 2012; Vujičić et al., 2012a, 2012b and 2015; Ristić, 2013; Streimikiene & Bilan, 2015).

In modern economies, the role of tourism is becoming increasingly important in pursuance of macroeconomic objectives (Petković et al., 2011), especially concerning employment, development of underdeveloped areas, positive effect on the balance of payments and GDP, better living standard, more balanced regional development and etc. If we look at the EU, we see that tourism directly contributes 3.7% to GDP and 5% to employment. In addition, if we consider the activities that are indirectly related to tourism, then this contribution increases to 9.9% concerning the GDP and 11.4% concerning the employment (WTTC, 2016a). In Serbia, tourism directly contributes 2.2% to GDP; if we take into account the indirect contribution, this ratio increases to 6.4%. As far as employment is concerned, the share of tourism in total employment is 2.2%, however, if we take into account the indirect contribution of tourism industry, this ratio amounts to 5.5% (WTTC, 2016b). The competitiveness of Serbian tourism and its market position are not favorable in comparison to the 141 tourist country in the world. Overall assessment of the competitiveness of Serbia is 3.34 measured on a scale from 1 to 7, which puts the country on the 95th place on the ranking list (WEF, 2015, pp. 292-293). Therefore, it is necessary to introduce some changes to the economic policy of the country and put focus on the development of tourism. The subject of the research in this paper is tourism as an important determinant of diversification and sustainable development of Temnić microregion. In accordance with the defined research objectives, the aim of this paper is to analyze tourism potential of this microregion and draw attention to the opportunities for development of tourism products that would best contribute to the rural development. Bearing in mind the defined subject and objectives of the research, we start with the following hypothesis: Rural areas belonging to Temnić

microregion have significant resources for sustainable development, however, tourism does not generate expected economic effects due to the lack of integrated strategies and models for its sustainable contribution to the revitalization of rural communities.

Research methodology

In order to examine the most important aspects of the integral development of tourism and other components of rural economy of Temnić microregion, qualitative, quantitative and SWOT analysis were used, as well as a survey research. In accordance with the specific nature of the research objectives, the authors used descriptive method, the method of analysis and synthesis, comparative research and analogical method. The method of verification was used to test the initial hypothesis. The research in this paper also builds on the official statistical publications, as well as earlier research findings in the relevant scientific field.

Research findings

Temnić microregion – geographic location and macroeconomic indicators

Temnić microregion belongs to the statistical region of Šumadija and Western Serbia and includes: Pomoravlje District (Municipality of Paraćin with 3 villages) and Rasina District (Town of Kruševac with 18 villages, Municipality of Varvarin with 20 villages and Municipality of Trstenik with 4 villages). Šumadija and Western Serbia region covers an area of 26,493 km² and is made up of 2,112 settlements. Total population in this region is 1,987,799 inhabitants and population density is 75 people per 1 km². There are 1,935 cadastral municipalities, 1,582 registered local community offices and 611 municipal branch offices (SORS, 2015a, p.18). The share of this region in the GDP of the Republic of Serbia is 18.9% (SORS, 2015b, p. 146). 72.1% of the total number of persons employed work for some legal entity – business organizations, firms, institutes, cooperatives and the like (more precisely 21.5% work in manufacturing industry, 7.5% in trade industry, 4.2% in transportation sector, 3% in construction, 9.4% in healthcare industry and 9.1% in education), while 27.9% work in the private sector. Unemployed first-time job seekers account for 37%. Average net salary per employee in Šumadija and Western Serbia statistical region compared to the national

average and according to data from 2014 is 84.2% , i.e. Pomoravlje District 81.5% (Paraćin 85.1%) and Rasina District 78.5% (Varvarin 77.3%, Kruševac 82.3% and Trstenik 76%) (SORS, 2015a, pp. 162-163 and 169-174).

Table 1: Key macroeconomic indicators of Šumadija and Western Serbia Region – Districts of Pomoravlje and Rasina

	Šumadija and Western Serbia Region	Pomoravlje District	Rasina District
Total area (km²)	26,493	2,614	2,668
Number of settlements	2,112	191	296
Total population	1,987,799	208,603	234,990
Density/km²	75	80	88
Number of cadastral municipalities	1,935	190	286
Persons employed at some legal entity (%)	72.1	74.9	73.7
0 Manufacturing industry (%)	21.5	20.2	25.5
1 Trade (%)	7.6	7.5	6.6
2 Transportation (%)	4.2	4.9	3.8
3 Healthcare industry (%)	9.4	11.6	9.2
4 Education (%)	9.1	9.5	9.1
5 Entrepreneurs and their employees (%)	27.9	25.1	26.3

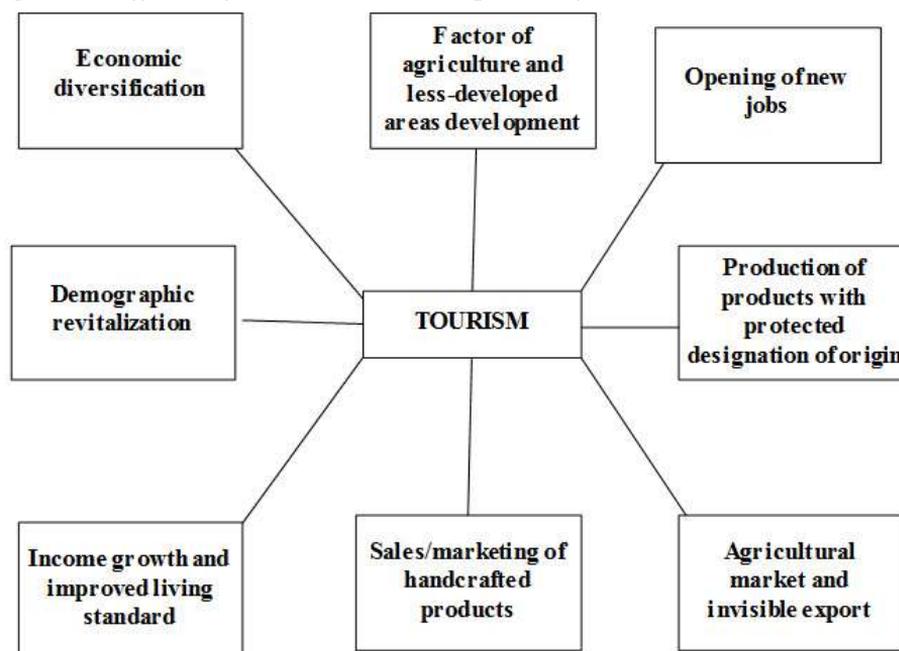
Source: based on the data published by SORS, 2015a, pp.19,164-170.

Pomoravlje District covers an area of 2,614 km². It has 191 settlements populated by 208,603 persons. Population density is 80 people per 1km². There are 190 cadastral municipalities, 203 registered local community offices and 91 municipal branch offices. 74.9% of the total number of persons employed work for some legal entity (20.2% people work in manufacturing industry, 7.5% in trade industry, 4.9% in transportation sector, 2.7% in mining industry, 11.6% in health industry and 9.5% in education) while 25.1% of people work in the private sector. Unemployed first-time job seekers account for 38.6% (SORS, 2015a, pp. 19, 164-165 and 170). Rasina district covers an area of 2,668 km². The number of settlements is 296. Total population is 234,990, while population density is 88 people per 1km². There are 286 cadastral municipalities, 215 registered local community offices and 74 municipal branch offices. Of the total number of employees, 73.7% are employed in some legal entity (25.5% in manufacturing industry, 6.6% in trade industry, 3.8% in transportation sector, 9.2% in health industry, 9.1% in education and

4.4% work in the government administration), while 26.3% work in the private sector. Unemployed first-time job seekers account for 33.8% (SORS, 2015a, pp.19, 164-165 and 170).

Revitalization of rural areas through implementation of integrated rural development and multifunctional agriculture concepts contributes to diversification of economic activities in villages, rural landscape preservation, protection and improvement of the environment and reaffirmation of traditional cultural values of the rural areas, which is the basis for the development of rural tourism. Thus, tourism with its development opportunities is increasingly becoming a major factor in the development of rural areas.

Figure 1: *Effects of tourism on development of rural areas*



Source: *The authors, 2016.*

Due to the diverse tourism resources and development opportunities which are characteristic of the villages in this microregion, various types of tourism can be developed. However, this calls for strengthening of the local government capacities, i.e., development of programmes and projects that would support establishment and implementation of a system of decentralized support to rural development through building of local partnerships and cooperation at all levels (Vujičić et al., 2013, p. 114).

Town of Kruševac – main characteristics of rural settlements, tourism infrastructure and products

The administrative unit town of Kruševac covers an area of 854 km² and consists of 101 settlements. Total population is 125,853, while population density is 147 people per 1 km². There are 92 cadastral municipalities, 55 registered local community offices and 21 municipal branch offices. 73.7% of the total number of persons employed work for some legal entity (25.5% in manufacturing industry, 6.6% in trade industry, 3.8% in transportation sector, 11.6% in healthcare industry, 9.1% in education and 5.2% in the government administration), while 26.3% work in the private sector. Unemployed first-time job seekers account for 33.6% (SORS, 2015a, pp. 19, 164 - 170).

Table 2: Main characteristics of rural settlements – Town of Kruševac

	KUKLJIN	JASIKA	BELA VODA	GAVEZ	ŠANAC	V.KRUŠE-VICA
Socioeconomic structure						
Population	1,535	1,784	1,217	119	978	722
No. of households	455	554	311	37	267	202
Total no. of holdings	334	263	259	30	205	135
No. of registered holdings	89	42	148	9	34	42
No. of holdings that use advisory service	46	31	67	P	6	30
No. of holdings engaged in tourism	P	P	P	P	P	P
Economic structure	insufficiently diversified rural economy					
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art; old slav sacred trees; patron saint's day(s); old watermills					
Main development objectives/models	environmental protection; diversification of economic activities; tourism; LAG(s) development; complementarity, recovery and reconstruction models					

	KONJUH	BRAJKO-VAC	KRVA-VICA	ŠAŠI-LOVAC	LJUBA-VA	KAME-NARE
Socioeconomic structure						
Population	1,014	319	808	373	499	443
No. of households	273	81	203	96	114	106
Total no. of holdings	288	83	188	89	123	94
No. of registered holdings	155	43	70	33	66	67
No. of holdings that use advisory service	94	7	6	P	21	29
No. of holdings engaged in tourism	P	P	P	P	P	P
Economic structure	underdeveloped; Konjuh: back in 1974 received award for development					
Cultural/historical heritage, sights	Konjuh: First Championship of Wit, 1995 the funniest nationality: "Konjuh too can play that game"; Gerasim Vujić Folk Ensemble; churches; cultural and artistic events; sports events; traditional art and folk creativity					
Main development objectives/models	diversification of economic activities; tourism; LAG(s) development; environmental protection; recovery, reconstruction and accelerated development models					

	PADEŽ	VRATA-RE	LAZA-REVAC	KOMO-RANE	SRNJE	GLABA-RE
Socioeconomic structure						
Population	758	419	558	125	792	364
No. of households	206	115	140	33	242	95
Total no. of holdings	186	107	154	28	136	91
No. of registered holdings	114	61	113	12	26	73
No. of holdings that use advisory service	81	11	99	P	P	11
No. of holdings engaged in tourism	P	P	P	P	P	P
Economic structure	underdiversified					
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity					
Main development objectives/models	diversification of economic activities; tourism; LAG(s) development; recovery and reconstruction models					

Source: *The authors, based on data published by SORS, 2014a, 2014b and 2015c.*

In accordance with the Law on Official Statistics and the Law on Personal Data Protection of the Republic of Serbia, certain data contained in the tables regarding settlements with three or less than three agricultural holdings are marked with a capital letter P.

SWOT analysis of the rural settlements indicates that their main comparative strengths are as follows: favorable climate, preserved rural landscape, rich flora and fauna, local people fostering progress and development, tourism resources and the like. However, main weaknesses arise from the present status of development of the village economy, decrease in the number of inhabitants and households, poor diversification of activities, lack of funds, insufficient accommodation and service capacities. Most threats relate to the technological and administrative lag compared to international standards, soil erosion, environmental pollution, poor networking, etc. Opportunities to be explored include development of an institutional framework for rural development, better use of finances provided by various development funds, development of tourism products, organic farming and locally grown produce, establishment of LAGs (local action groups), entrepreneurship development and setting up of SMEs (small and medium-sized enterprises). All things considered, the SWOT analysis of the rural settlements belonging to the administrative unit the town of Kruševac indicates that there are fewer weaknesses than strengths in terms of an integrated rural development and tourism development. Identified weaknesses can be significantly mitigated in the long term period through national development programmes, local initiatives and

development of the destination's tourism value chain. Opportunities to be exploited refer to the development of all different forms of tourism, higher investments, increase in production of healthy foods and more intensive development of households engaged in tourism.

Tourism offer - Thanks to the rich cultural and social life, literary and artistic works, as well as beautiful nature and landscapes, Kruševac has sufficient resources for the development of education-based tourism, religious tourism, wine tourism, sports and recreation tourism, event tourism, rural tourism, hunting tourism and health tourism. The Archaeological Park Lazar's Town preserves the remains of a medieval town built by Duke Lazar in 1371 as the capital city of medieval Serbia and it includes: Lazarica church, Kruševac Public Museum, the Monument dedicated to Duke Lazar, Dožon Tower (Defense Tower), Duke's Palace, Milić of Mačva Gallery, a Mosaic Room, the Monument dedicated to the Battle of Kosovo Heroes, the Monument dedicated to the warriors fallen in the Balkan wars and WW I (1912-1918), St. George's Church, the sculpture "Mother Serbia and Mother Greece" and Memorial park "Slobodište". Kruševac region is also famous for its religious heritage, especially St. Roman Monastery, *Monastery of the Intercession of the Theotokos* and Naupara Monastery. As far as the thermal and mineral water resources are concerned, the most important is Ribarska Banja (Ribare Spa). Mountain Jastrebac is also significant natural resource. Among rural settlements, Bela Voda village stands out due to its location, i.e. this village is situated in the natural area of exceptional importance and surrounded by vast forests and fields ideal for relaxation and recreation. Bela Voda village is also famous for its sandstone, as well as a mineral spring Belovodski kiseljak. This village fosters its distinctive stonework-carving tradition, hence, sculptors' colony is regularly organized here, as well as cultural and artistic event Bela Voda Rosette. There is a drinking fountain in the village centre erected by Prince Aleksandar Karađorđević in 1847 and a church built in 1938 in memory of the late King Alexander II Karađorđević. One household in the village is engaged in rural tourism. Another village with important tourism resources is Kukljin village with its ship mill. It is believed that this watermill is the last watermill of this type in Europe. Kukljin is a village where craft of wickerwork is preserved and fostered. As for the resources of other villages, one can confidently say that all villages in this area are famous for their healthy foods production, excellent cheese and traditionally made cream. Rural tourism provides a variety experiences to guests from urban centers (home cooked food, fishing, hunting, horseback

riding, walks in woodland, herb harvesting, chestnut picking, mushroom picking, wild berry picking, visiting natural springs, visiting historical and religious sites, cycling and etc.), with the possibility of visiting local wineries and tasting of their excellent wines. Wine tourism is rapidly developing in this region, as an important segment of the rural economy development. There are many small and several large wineries that organize guided tours to their wineries and *wine tasting and also provide accommodation*. In addition, traditional celebrations and wine festivals are organized annually (Vinovdan - Wine Day) and Župska berba (Harvesting of Grape wines in Župa), is developing wine tourism as an important tourism product in rural areas. As far as other tourism development opportunities are concerned, there are also sufficient resources for the development of religious and health tourism in this region (Sustainable Development Strategy of Kruševac, 2010, pp. 36-40).

Accommodation capacity - Based on the data of the survey conducted by the Tourism Organization (TO) of Kruševac, there are 8 hotels with approximately 1,700 beds and several B&Bs with a total of 460 beds. In terms of star rating and the average size of this hospitality facilities, there is one three star hotel, and the rest are hotels and B&Bs with two-star rating. Rural households that provide accommodation and hospitality services have a total accommodation capacity of 680 beds. However, some of these households are not on the territory of Temnić microregion.

Overnight stays – According to the data provided by Tourism Organization (TO) of Kruševac, the number of arrivals and overnight stays is decreasing from year to year.

Table 3: *Arrivals and overnight stays*

Year	Number of tourists	Overnight stays
2012	27,295	100,657
2013	26,199	93,137
2014	21,962	85,699
2015	21,828	82,127

Source: *The authors' survey, based on data of the TO of Kruševac, 2016.*

Trstenik Municipality – main characteristics of rural settlements, tourism infrastructure and products

Trstenik Municipality covers an area of 448 km², consists of 51 settlements and has 41,381 inhabitants. Population density is 92 people per 1 km². In addition, this municipality has 49 cadastral municipalities, 36 registered local community offices and 19 municipal branch offices.

76.8 % of the total number of persons employed work for some legal entity (40.6% work in manufacturing industry, 5.0% in trade industry, 1.8% in transportation sector, 5.8% in health industry, 7.9% in education and 3.1% in the government administration) while 23.2% are entrepreneurs and their employees. Unemployed first-time job seekers account for 38.5% (SORS, 2015a, pp. 19, 164 - 170).

Table 4: *Main characteristics of rural settlements – Trstenik Municipality*

	SELIŠTE	VELIKA DRENOVA	STRAGARI	MILUTO-VAC
Socioeconomic structure				
Population	857	2,363	570	1,592
No. of households	228	708	168	468
Total no. of holdings	193	452	119	415
No. of registered holdings	111	193	75	285
No. of holdings that use advisory service	47	156	20	213
No. of holdings engaged in tourism	P	P	P	P
Economic structure	insufficiently diversified rural economy			
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity			
Main development objectives/models	environmental protection; diversification of economic activities; competitive agriculture; tourism; setting up of SME(s); LAG(s) development; opening of new jobs; complementarity/accelerated development models			

Source: *The authors, based on data published by SORS, 2014a, 2014b and 2015c.*

If we look at the findings of the SWOT analysis of the rural settlements belonging to this administrative unit, we see that the preserved rural landscape, rich flora and fauna, cultural and historical heritage, hardworking and hospitable locals make main comparative strengths. The main weaknesses are the result of the current status of rural development, population decline, poor diversification of activities, underdeveloped infrastructure and inadequate utilization of tourism resources. As far as the threats are concerned, these are mainly related to inadequate rural development policy, environmental pollution, migrations from villages to towns and cities, underdeveloped entrepreneurship and the like. Opportunities to be explored concern revival of customs, traditional crafts and cultural values, development of products with protected designation of origin, establishment of LAGs, entrepreneurship development and setting up of SMEs and more efficient utilization of development financing.

Tourism offer – In Trstenik and its surrounding villages, tradition is often intertwined with the modern way of life. Traditional Serbian architecture

(Moravian style), watermills, old crafts and a multitude of different customs and traditions make this area particularly attractive to tourists.

Exceptionally beautiful traditional costumes can be seen in a traditional costume workshop in the village Stragari, as well as in the local museum, at folklore events and sometimes on fairs and gatherings. Trstenik is also famous for its kilims. Villages Medveđa, Velika Drenova and Milutovac are famous for their grafting techniques. Herb harvesting, mushroom and forest fruits picking are just some of the activities offered to visitors and rural tourists. In terms of natural resources, this region is characterized by gorges and valleys, rivers and streams, numerous springs and rich flora. Mineral water Velučki kiseljak (Mivela) comes from a source in this region.

Most famous sites in this area are: early Neolithic sites of Blagotin in Poljna village and Šljivik in Stragari village (4500-4000 B.C), medieval settlement Grabovac known as Jerinin grad (The Town of Despotess Jerina), Monastery Ljubostinja, Monastery Velučje, St. Petka's Church, Holy Trinity Church and St. Gabriel the Archangel Church. As far as events are concerned, the most visited ones are: Days of Wine and Winegrowers, Spring Day Hike, Jefimija's Days, Ibar - Morava River Regatta, Cabbage Festival, International Art Colony and Hunting, Fishing and Rural Tourism Fair. The proximity of Vrnjci Spa, breathtaking landscapes, monasteries, historical and archaeological sites, wineries, healthy foods and numerous events and festivals make excellent development opportunities, however, they are not sufficiently exploited in terms of boosting tourism offer (TO of Trstenik, 2016; Municipality of Trstenik, 2009).

Accommodation capacity - According to the survey of Tourism Organization (TO) there are no hotels in Trstenik. However, there is one B&B and one pupils' dormitory (which is also used as a hostel in summer months) and also there are 19 beds available in 5 uncategorized households which offer accommodation. In the villages that do not belong to the territory of Temnić microregion (Brezovica, Bresno Polje, Jasikovica i Mala Drenova) rural tourism is significant part of income generation and villagers invest in ethno-villages, accommodation facilities, restaurants, an outdoor swimming pool, a "mini" zoo, wineries, traditional clay ovens for bread making, mattress stuffed with corn shucks and many other amenities and services that attract tourists (TO of Trstenik, 2016).

Overnight stays – Based on the data provided by the TO, there is an increase in the number of tourist arrivals starting from 2013, in addition, since 2014 the number of overnight stays has also been increasing.

Table 5: Arrivals and overnight stays

Year	Number of tourists	Overnight stays
2011	1,557	3,849
2012	1,070	2,224
2013	1,123	1,611
2014	1,174	1,870

Source: The authors survey, based on data of the TO of Trstenik, 2016.

Varvarin Municipality - main characteristics of rural settlements, tourism infrastructure and products

Varvarin Municipality covers an area of 249 km² and it includes 21 settlements. Total population is 17,349, while population density is 70 people per 1 km². There are 21 cadastral municipalities, 21 registered local community offices and 6 municipal branch offices. 52.9% of the total number of persons employed work for some legal entity (7.5% work in manufacturing industry, 4.5% in trade industry, 1.4% in transportation sector, 7.4% in health industry, 15.1% in education and 4.6% in the government administration) while 47.1% work in the private sector. Unemployed first-time job seekers account for 29.5% (SORS, 2015a, pp. 19, 164 - 170).

Table 6: Main characteristics of rural settlements–Varvarin Municipality

	BOŠNJANE	MASKA-RE	VARVARIN VILLAGE	BAČINA	ZALOGO-VAC
Socioeconomic structure					
Population	1,713	499	1,587	2,022	742
No. of households	530	172	457	637	199
Total no. of holdings	350	124	291	416	178
No. of registered holdings	152	63	161	208	93
No. of holdings that use advisory service	81	26	5	54	79
No. of holdings engaged in tourism	P	P	P	P	P
Economic structure	unbalanced development – from underdeveloped village economies to highly populated villages with diversified economic activities				
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity				
Main development objectives/models	environmental protection; diversification of economic activities; tourism; LAG(s) development; complementarity, recovery and reconstruction models				

	MARE-NOVO	CERNICA	GORNJI KATUN	DONJI KATUN	OBREŽ
Socioeconomic structure					
Population	386	186	1,357	914	3,062
No. of households	100	64	388	275	861
Total no. of holdings	99	64	275	200	690
No. of registered holdings	72	39	143	120	230
No. of holdings that use advisory service	20	29	62	107	66
No. of hold. eng. in tourism	P	P	P	P	P
Economic structure	unbalanced development – from underdeveloped village economies to highly populated villages with diversified economic activities				
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity				
Main development objectives/models	diversification of economic activities; tourism; LAG(s) development; environmental protection; accelerated development models				

	KARANO-VAC	M.KRUŠE-VICA	GORNJI KRČIN	DONJI KRČIN	PAJKO-VAC
Socioeconomic structure					
Population	290	244	213	279	136
No. of households	111	73	57	107	50
Total no. of holdings	107	71	50	75	31
No. of registered holdings	53	45	38	24	16
No. of holdings that use advisory service	5	8	37	22	II
No. of holdings engaged in tourism	II	II	II	II	II
Economic structure	underdiversified				
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity				
Main development objectives/models	diversification of economic activities; tourism; self-organization; environmental protection; recovery and reconstruction models				

	SUVAJA	IZBENICA	ORAŠJE	TOLJE-VAC	PARCANE
Socioeconomic structure					
Population	105	494	626	498	444
No. of households	42	151	192	171	127
Total no. of holdings	-	74	139	134	122
No. of registered holdings	-	32	68	64	90
No. of holdings that use advisory service	-	P	11	18	35
No. of holdings engaged in tourism	P	P	P	P	P
Economic structure	insufficiently diversified				
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity				
Main development objectives/models	diversification of economic activities; tourism; environmental protection; consolidation, recovery and reconstruction models				

Source: *The authors, based on data published by SORS, 2014a, 2014b and 2015c.*

Based on the findings of the SWOT analysis of rural settlements, we can say that the main comparative strengths are the following: favorable geographical position, mineral springs, good potential for strengthening of the tertiary sector, superb air quality, excellent water and soil quality, the willingness of local authorities and stakeholders to address environmental problems, cultural and historical values, traditional architecture, sufficient resources for development of eco-, recreational and weekend tourism. Main weaknesses arise from poor self-organization, unfavorable demographic structure, insufficient diversification of processing capacities, there is no official tourism organization, shabby hospitality facilities, insufficient promotional activities and advertising and etc. Most threats relate to the risk of flooding and erosion, poor road infrastructure, depopulation of villages, inefficient use of resources and deficient measures and mechanisms to protect the cultural and historical heritage. Opportunities to be explored include development of the manufacturing sector, integrated water management, infrastructure modernization, development of eco- and ethno tourism, rural tourism, sports and recreational tourism, organic food production, repair and construction of walking and hiking trails and implementation of the tourism development strategy.

Tourism offer - This region is characterized by favorable conditions for fruit and wine-growing, as well as cattle breeding, forestry, hunting tourism and excursion tourism. Exploitation of natural mineral water is an important economic activity in the village of Orašje, while the villages Varvarin, Obrež, Bačina, Bošnjane, Donji Katun and Gornji Katun diversified their economy and are engaged in several activities. As for the other villages in this municipality, they are predominantly engaged in agricultural production. Some parts of this municipality are particularly favorable for the development of certain types of tourism: the valley of Velika Morava river and Varvarin are suitable for development of sports and recreation tourism (especially water sports), fishing tourism, eco-tourism, transit and excursion tourism; Juhor Mountain is favorable for development of hiking and excursion tourism, walking and horseback riding, mountain biking, eco- and hunting tourism; the hilly landscape of Gornji Temnić is ideal for development of rural, excursion, eco- and ethno tourism, as well as transit tourism. Agritourism, rural tourism, cultural and religious tourism, as well as sightseeing tourism can significantly contribute to the economic development of this municipality (Municipal assembly Varvarin, 2008).

Accommodation capacity, tourist arrivals and overnight stays – Since the PC Sports and Recreation Centre Temnić-Varvarin does not have any information on accommodation capacities in Varvarin and since there is no official tourism organization, according to the data provided by municipality administration, there is one hotel in this municipality – Hotel Plaža off the coast of the Morava River, however, after unsuccessful privatization this hotel was closed down. There is one B&B facility – Prenočište Varvarin which offers 4 accommodation units, each containing 4-5 beds. Although there are no official data, approximately 3-4 households in every village offer accommodation (2-3 beds per household); however there are some households with larger accommodation capacities. Based on unofficial information, it is estimated that the total number of overnight stays in the village households engaged in rural tourism ranges from 20-100 overnight stays per year. In terms of the official data provided by the Statistical Office of RS (2015a) no arrivals or overnight stays were recorded in Varvarin municipality.

Municipality of Paraćin - main characteristics of rural settlements, tourism infrastructure and products

Municipality of Paraćin covers an area of 542 km² and consists of 35 settlements. Total population is 52,860, while population density is 98 people per 1 km². There are 36 cadastral municipalities, 41 registered local community offices and 21 municipal branch offices. 70.7% of the total number of persons employed work for some legal entity (22.2% in manufacturing industry, 10.1% in trade industry, 8.2% in transportation sector, 8.3% in healthcare industry, 8.7% in education and 3% in the government administration), while 29.3% of people work in the private sector. Unemployed first-time job seekers account for 34.1% (SORS, 2015a, pp. 19, 164 - 170).

SWOT analysis of the rural settlements indicates that main comparative strengths in this municipality are as follows: natural resources, cultural and historical heritage, healthy foods and traditional cuisine, sufficient resources for rural tourism development and friendly and hospitable locals. Main weaknesses arise from the underdeveloped entrepreneurship, depopulation, inefficient use of natural resources, lack of funds and the like. Threats mostly relate to the lack of programmes to keep the young people from leaving the villages, environmental pollution, lack of investments and etc. Opportunities to be explored include more efficient

use of funds provided by various rural development funds, establishment and operation of LAGs, entrepreneurship development and setting up of SMEs.

Table 7: Main characteristics of rural settlements – Paraćin Municipality

	SVOJNOVO	POTOČAC	RAŠEVICA
Socioeconomic structure			
Population	1,233	1,096	994
No. of households	380	377	376
Total no. of holdings	215	164	186
No. of registered holdings	84	63	81
No. of holdings that use advisory service	18	29	32
No. of holdings engaged in tourism	P	P	P
Economic structure	insufficiently diversified rural economy		
Cultural/historical heritage, sights	churches; cultural and artistic events; sports events; traditional art and folk creativity		
Main development objectives/models	environmental protection; diversification of activities; complementarity/accelerated development models		

Source: *The authors, based on data published by SORS, 2014a, 2014b and 2015c.*

Tourism offer - Paraćin Municipality is rich in natural, cultural and historical resources for tourism development. The most famous vacation and picnic areas on the territory of Paraćin are Grza and Sisevac. Church of the Holy Trinity, Monastery of the Intercession of the Theotokos, St. Petka's Monastery, St. Sisoje's Monastery, Zabrega Monastery and St. Nikola's monastery are the most beautiful examples of the religious heritage and architecture in this municipality. Numerous events and festivals are also regularly organized: Days of Wine, Art Fest, International Chess Festival, Summer Sports Festival, Winter Sports Festival, Culture Days, Motorcycle Rally, Celebration of St. Marina the Great Martyr, several art colonies, Days of Culture in Svojnovo, Ethnic Festival, Kids Carnival, Mini-Tini Festival, Jeep Rally, Trade Fair and Photographic Contest (TO of Paraćin, 2016).

Accommodation capacity - Based on the data of the survey conducted by the Tourism Organization of Paraćin in 2016, the following accommodation facilities received the best ratings from the guests: Orbis Design Hotel & Spa with 24 luxury rooms and suites, Hotel Petrus with 20 standard rooms, 18 comfort rooms, 2 deluxe rooms and 2 suites, Hotel Koliba in Grza with its restaurant with a maximum seating capacity of 700 people, 33 rooms and suites with over 100 beds, Motel Aqua - Ethnic Palace with 2 rooms and 4 suits in Serbia ethnic style, Motel Tito, Villa Modex with 3 suits and 7 rooms with accommodation capacity of 19

beds, Hostel Mir with 10 beds in 5 rooms and Resort Complex Sisevac Spa with 35 beds. There are no registered rural households engaged in tourism in this municipality.

Overnight stays – Based on the data published by the Statistical Office RS (2015a, 256), the number of tourist arrivals in 2014 was 5,477, of which 2,735 were made by domestic tourists and 2,742 by foreign ones. Number of overnight stays was 7,434, of which 3,756 were made by domestic and 3,678 by foreign tourists.

Conclusion

On the grounds of the geographical situation and the existing resource base, Temnić is by all means a region abundant natural, cultural and historical resources which are an excellent basis for tourism development. Taking into account the mentioned resources, attractions and attributes of Temnić microregion, competitive positioning on the market should be based on the richness of natural resources and cultural values, distinctive destinations, traditional way of life in rural areas, diversified offer of cultural and entertainment events, attractive festivals and special interest tourism. Therefore, tourism in function of economic development and better living standard of rural population should be based on the principles of sustainable development and conservation of natural resources. In this way, ethnological, environmental, gastronomic and cultural values should be included in tourism offer, matched with the specific characteristics of Temnić microregion, as well as specificities of each village, and supported by appropriate marketing and promotional activities.

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CONCEPT OF STRATEGIC POSTULATES AS BASIS FOR DEVELOPMENT OF DESTINATIONS – KOTOR CASE STUDY

Ivo P. Županović¹

Abstract

To a certain tourist destination, had an adequate and sustainable tourism development, it is necessary to establish a strategic foundation on which will be based. In presented paper we will observed tourist destination Kotor, which as one of the main priorities in the Strategic Development Plan of the city from 2013 to 2017 has just drafting the tourism development strategy, however, that until this moment did not draft. Therefore will be offered certain prerogatives, in which it stated that the strategy should be based. Namely, we will discuss model of redesigning receptive factors, namely hotel capacity, adequate the involvement of the hostel and diffuse hotels. In addition, in the domain of receptive factors will be presented to redressing the quality standards at the level restaurant services. Afterwards, the focus will be on the optimal incorporation of anthropogenic factors, and cultural events in overall tourist offer, but also their promotion, primarily in the domain of better utilization of Kotor ramparts. Special the emphasis will be on the updated routing recreation, as well as better channeling of cruise tourists to the consumers of cultural tourist attractions, on the basis of a benchmark with neighboring Dubrovnik. In terms of financial sustainability of cultural events, as one of the key concepts we will present fundraising model. In order of sustainability and extension of integrated tourist product, will be defined infrastructural and educational preconditions for the development of sports tourism.

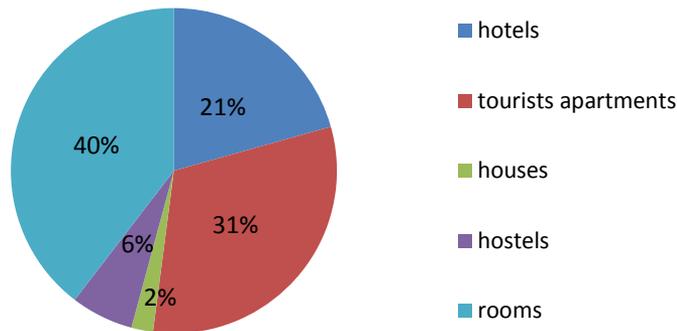
Keywords: *tourism development strategies, integrated tourist product, receptive factors, anthropogenic factors, cultural tourism, sports tourism.*

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Introduction

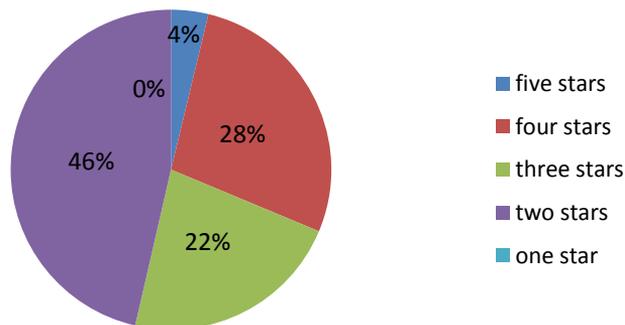
The total accommodation capacity of hotels participates with 20.6%, and capacities in the room and in tourist apartments cover 71%. Involvement of five stars hotel in total accommodation capacity is 0.7%, while the share of hotel facilities with four stars is 5.6%. So, this is an undesirable dispersion of accommodation in these baseline studies will be addressed by improving the basic or hotel, and complementary accommodation facilities. Actual accommodation structure dictates following dispersion of emissive markets. Also, it dictates that Kotor participates with only 3.8% or arrivals and 3% of overnights in total Montenegro structure.

Graph 1: *Percentage dispersion of total accommodation capacities on the Kotor level*



Source: *Annual report of Tourism organization of Kotor*

Graph 2: *Percentage dispersion of total hotel capacities on Kotor destination level*



Source: *Annual report of Tourism organization of Kotor for 2013.*

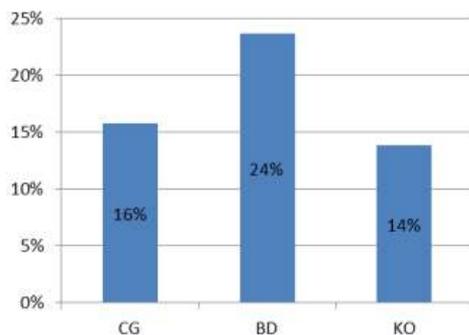
Potentially, the study location L 16 is provided for the construction of hotel facilities such as: the hotel complex "Fjord" site area 15.020m², with 230 beds provided; the hotel complex "URC" site area 7.640m², with a planned 130 beds; hotel (T1-1) as a function of nautical tourism garni or "boutique" hotels (max. 30 beds, on the basis of gross floor area and the area under the facility, the authors estimate). If the exercise of the listed building of hotel capacity, it will participate with 25.6% of the total accommodation capacity (1, 588 beds potentially related to the hotel capacity in relation to the total potential number of accommodation capacity of 6,195 beds).

It should be emphasized that the construction of the hotel capacity significantly and allows the multiplicative effects on the state budget, and the budget for local government.

What we need is to insist that there are certain incentives for tourist apartments and rooms that are properly categorized, converted to the appropriate hotel accommodation, primarily in family hotels and villas hotels. Namely, it not should not be forgotten that the tax and any other fees are significantly higher in the domain of hotel capacity in relation to accommodation, more precisely in relation with the tourist apartments.

It should be noted that the capacity utilization level of Kotor 13.6%, which is lower than the national level of 15.8% and the benchmark with Budva 23.7%.

Graph 3: *Capacity utilization at the level of tourist destinations Kotor and benchmark results with the data at the level of Montenegro and Budva*



Source: *Author's research*

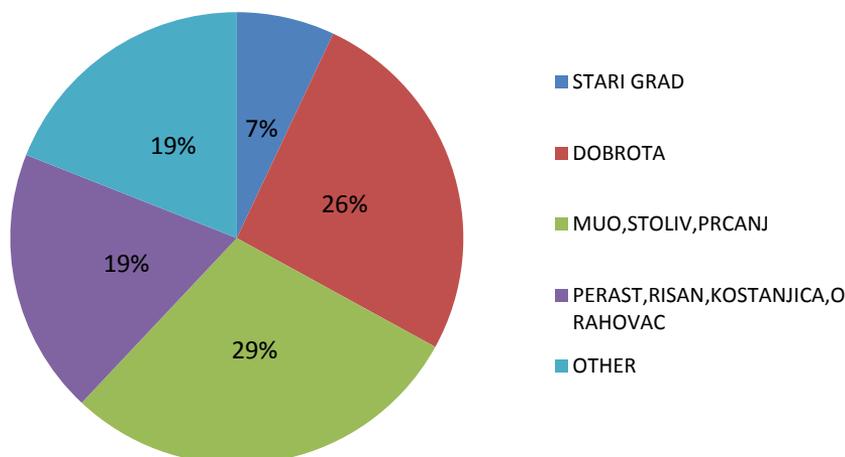
Also, it should be noted that comparing the data in terms of tourist density should be noted that the destination Kotor significantly less saturated in the domain of units in relation to the seaside of Montenegro, and slightly above average at the national level. Mentioned is very important in space carrying capacity sense, but not to forget that carrying capacity refers to the destination: physical, psychological, biological and social capacity, it is important to consider that these capacities are changing over time (Črnjar, M. & Črnjar, K., 2009: 43). Thus, there is space for further development primarily basic accommodation facilities and the realm of strategic measures proposed by the author, and have already produced results in certain destinations, observed in the domain of improving current accommodations in terms of conversion of private accommodation are (Horwath Consulting, 2007):

What in the author's opinion, in accordance with the powers that her proposed version of the Law on Tourism Organizations provides (Article 5 of the Draft Law on Amendments to the Law on Tourism organization, items 16, 17 and 23), the possibility that each hotel submits data on its profitability, which allows the application of the basic postulates of hotel yield management, which might indicate the particular hotel sustainability in financial terms, but also in terms of their participation unit per unit in terms of relevance to the destination.

Restructuring of private accommodation proposed implementation of diffused hotel and hostels integrated concept

At this point in private accommodation at the level of tourist destination Kotor is 73% of total capacities. Accordingly as a necessity and necessity arises fact that the overall supply of these accommodations should be further integrated, but also reduces the cost of promotion and distribution. As one of the models that have emerged as the dominant model represents a diffuse hotel. By definition, diffuse hotel is a functional unit in which it is obliged to provide accommodation and breakfast, and can provide catering and other services. Diffuse hotel must be predominantly urban, historical, and rural-urban structures and buildings, furnishings and equipped with a traditional way.

Graph 4: *Basis areas for diffuse hotel forming*



Source: *Author's internal research*

Author emphasizes the following benefits:

- Adequate and affordable adaptable capacity during off peak season, which allows an extension and the ability to offer consumers a tourist stay more days (instead of a few hours during the day) when it comes to folk festivals and other cultural and entertainment attraction;
- The full performance on the global market, which also reduces the cost of promotion and distribution.

Therefore, we propose:

- Establishment of a diffuse hotel in the area of the Old Town, primarily due to its geographical compactness and light integration. Also, one should bear in mind that in the Old Town and the smallest percentage representation of private accommodation, which further implies necessity of their close cooperation and integration.
- The formation of diffuse hotel in the inner center of Dobrota, given the high prevalence of these capacities and the attractiveness of the destination (easy connection to other catering establishments such as restaurants, cafés.
- The formation of diffuse hotel at Perast, Stoliv and Muo, where the recommended organization of joint transport for guests diffuse hotel, due to the relative inaccessibility of this part of destinations.
- The formation of diffuse hotel at Perast, due to the compactness of the destination (the other guests must be designed so that it is interested in

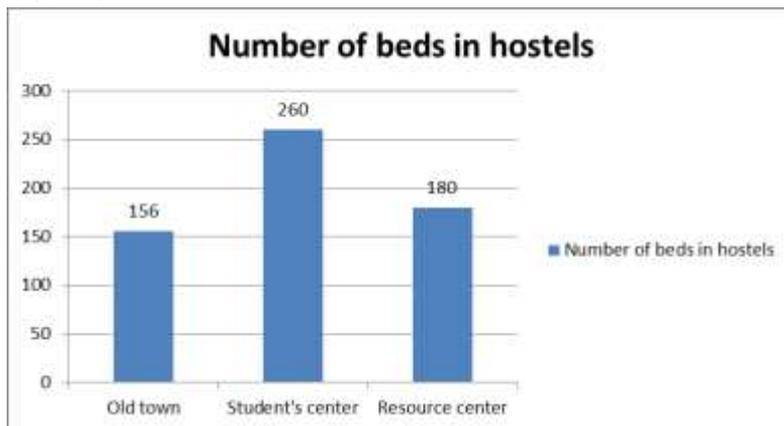
cultural tourism due to the clearly defined intentions and offers Perast in this section).

- To make this concept come to life required a certain incentives, and on which the right size in order to give an example of the municipality of Dubrovnik and Croatia as macro destination.

On the basis of the last update in September 2014, the detailed capacity structure in hostels (total 596 beds) looks like this:

4. OLD TOWN – 47 beds;
5. OLD TOWN – 2– 30 beds;
6. HOSTEL "PALACO DRUŠKO"(11 beds);
7. MONTENEGRO HOSTEL 53 beds;
8. YOUTH HOSTEL "SPASIĆ MAŠERA" (260 beds);
9. RESOURCE CENTER 180 beds;
10. HOSTEL "CENTRUM" – OLD TOWN 15 beds

Graph 5: *Percentage dispersion of total hotel capacities on Kotor destination level*



Source: *Author's research*

Pro et contra regarding the development of hotel business in Kotor:

Pro:

- The reason for the expansion of the hostel in the world, as well as the increase in their numbers, a growing number of young passengers traveling more and all are better consumers. The emphasis is not on the travel requirements of the accommodation part but on shared, social amenities that allow them to meet other people and landscapes, learn, relax and entertain.

- One of the future market niches is "flash packer" newly created trend that appeared along with low-cost flights. It is mostly tourists with hand baggage who have more money available for spending and in his nose and laptop bag along with other devices of modern times.
- Hostels have a significantly lower price than a hotel in the Old Town. Then have more common areas and an increased level of socialization, as well as the opportunity to socialize with the other guests, which is optimal if the market niche guests gravitate to the Old Town.
- Hostels are an important part of the infrastructure receptive if the weight of the extension of the season and the max involvement program of cultural and folk festival in the total tourist offer.

Contra:

- The largest number of beds in accommodation facilities in the dorms and Resource Centre, which are not classical, but makeshift hostels, and this is not their primary purpose. It is necessary the permanent transformation of the listed capacity to fully serve the purposes and development destination accommodation.
- Lack of integrity and lack of hostel network, and therefore difficult hostel promotion and distribution of products.

Proposed measures for the development of hostel business in Kotor:

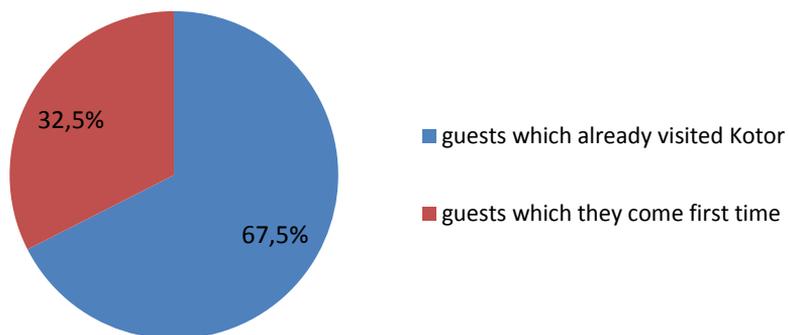
- Distribution hostel of products and marketing at this moment exists a significant quantum of websites through which one can get information on hostels worldwide. These sites are also booking system and which operate on a very simple principle.
- Reservation system: When booking is charged through the card, a deposit of 10 per cent, which is also the broker fee.
- Reservation is electronically delivered to the hostel and the collected amount shall be deducted from the total price at the end of the stay. That system of reservations is a kind of system of advertising, almost the only "marketing" that the greatest number of our hostel there.

In this context, recommended the creation of a network of hostel associations or at the level of Kotor, their joint appearance, which significantly reduces the cost of distribution and marketing. For example, through the creation of a joint website, which would allow significantly easier to finance it. In addition, it is very important use of social media and digital marketing.

Restructuring of F&B capacities and quality offer

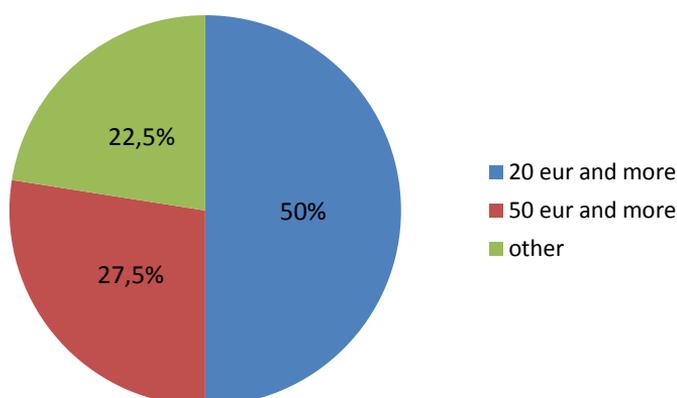
It should be noted that the key missing input the number of seating areas at the level of tourist destinations Kotor, as well as turnover in restaurants at tourist destinations Kotor, as the above data can be found at the local level, but not at the level of MONSTAT's research. Strategic Priority No. 2 and No. 2 measure within the Strategic Development Plan of the Municipality of Kotor 2013 – 2017 defined that the total crushing debts should be focused on the cruise guests. It should be noted that these are mainly tourists from countries where there is an optimal discretionary income, such as visitors from the United States (22%), Great Britain (21%), Canada (11%), Germany (8%) and Australia (3%), while in other countries (35%) This included tourists from France, Belgium, Spain, Russia, Scotland, the Netherlands, Japan, therefore, also guests with optimal discretionary income. As for age, 42.5 percent are older than 60 years, 36.75% between 40-60 years, 16.75% of 25-40 years and four percent of tourists have up to 25 years, so dominated by senior guests. According to the latest research of Kotor retained an average of six hours (59.5%), and most activities during the six-hour stay as independent sightseeing (16%), drinks at restaurants (15%), food in restaurants (11.5%), organized tours and sightseeing (8.5%), visits to museums and exhibitions (8.5%), stay on the beach (2%), which indicates that almost a third of their spending channeled to the F&B sector. In addition to the consumption of cruise guests, should not be ignored nor consumption of guests, length of stay as well as the frequency of arrival of guests staying in the receptive accommodation facilities

Graph 6: *Frequency of tourism consumers coming*



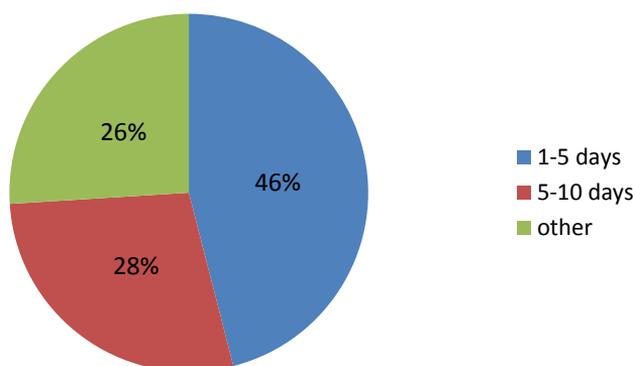
Source: *Annual report of Tourism organization of Kotor for 2013.*

Graph 7: *Average daily consumption of tourist consumers accommodated in hotels and private capacities*



Source: Annual report of Tourism organization of Kotor for 2013.

Graph 8: *Length of stay guests at tourism destinations Kotor*



Source: Annual report of Tourism organization of Kotor for 2013.

So on the basis of the parameters presented in the frequency domain arrivals, average daily spending and length of stay of guests staying in the receptive capacity of Kotor, we can infer that there is a potential that the consumption of specified consumers towards a crushing sector.

However, what does exactly measure profitability restaurants is the application of yield management parameters in this segment. To define this information at the destination level, we must have the relevant unit level data of each object. However, what is essential in measuring the financial performance of the establishment of quality systems in F[^]B

regarding hygienic-sanitary safety and preservation of foods (HACCP) and other standards of healthy eating. Application of this standard is widespread in the world and in countries of the European Union since 2004 is binding (Council Directive ~ Council Directive 93/43 / EEC)(Barjaktarović, 2013: 112).

The task of this system is to provide security through the application of security standards that allow consumers greater satisfaction, cost reduction, building the reputation of the manufacturer/supplier of services (hotel, restaurant, airline, etc.) and insurance profits. HACCP system is based on the following principles (Barjaktarović, 2013: 113):

1. Risk analysis refers to the analysis of the product in terms of determining the defect.
2. Determination of critical control points (CCPs) in the production or processing of food refers to the identification of critical points in the process, starting from the procurement, storage over to the production process and the provision of services.
3. Determination of critical limits for each of the critical points for food safety ~ refers to the extreme upper and lower values of the physical, biological, or hygienic parameters that are specific parameters for the risk and security at critical control point;
4. Establish a system for monitoring critical control points ~ is conducted through tests and monitoring by persons who are trained and know their role;
5. Establish corrective measures of control and surveillance in these critical points;
6. Establish procedures for verification to affirm the effectiveness of the HACCP system;
7. Determination documentation for storage and tracking of data and identification verification system. To demonstrate the effectiveness of the HACCP system is necessary documentation to set standards and procedures for producers and distributors of food and the organizations that issue certificates.

After that defines the rules on quality which is the basic document which provide guarantees that the quality management introduced in order to maintain the quality of improvement. Rulebook includes (Kosar & Rašeta, 2005: 75):

Scope and field of application of quality management systems in the organization: description of the structure of the organization; the

responsibilities, powers and reciprocal links or calls to them (job descriptions, organizational charts); documented procedures for quality management system; description of interaction. Then, the standard OHSAS 18001 is the norm for assessing health and safety at work, which together with OHSAS 18002 is the basis for management system mentioned. Implementation of OHSAS 18001 provides (Nineimer, 2005: 296-299): setting goals related to the health or safety of employees and guests; ensuring the availability and enforceability of legal and other regulations OHSAS; establish documented procedures and other necessary documentation; permanent monitoring, control, review and improvement OHSAS protection policy and objectives.

The author suggests that the level and with the help of the city administration and the Tourism Organization of Kotor establish a coordinating body that will have the authority to allow restaurateurs who meet all quality standards to carry a separate brand, for example, entitled Kotor culinary quality. That body would have to set up the following parameters for qualitative monitoring restaurateurs: ordinance on the criteria and procedure for award of said indicia; establishing quantitative criteria for scoring and ranking restaurateurs.

Cultural resources as a basis for sustainable development of tourism

Measures to incorporate cultural content within an integrated tourism product are as follows: to create a positive environment that will encourage initiatives to develop cultural tourism products, to establish a system of organization and mechanisms of intersectoral cooperation, raise the level of knowledge and skills necessary for the development of quality tourism products, to raise the level of interpretation, equipment and quality of cultural tourism products, improve the system of information flow, promotion and distribution of cultural tourism products.

On level of tourist destination Kotor, the priority should be the cultural and historical heritage and cultural events. The fact that the threat of cultural property in the urban core of Kotor talks about the necessity of expulsion to the forefront of product development and integrated product basing on it. The main motive for initiating travel codes of consumers of tourism services is to introduce unfamiliar cultures and traditions. All theses may form the basis for the "so-called built attractive" on the site of Kotor (Swarbroke et al., 2003: 63).

The author agrees with the estimates set out in the Program for the Development of Culture Municipality of Kotor 2013-2017, which states as a priority to revitalize the 'single fortification system with walls 4.5 km long, that completely surround the city, should be that capital investment in which will participate and Kotor municipality and the state of Montenegro, which will then start investing in other aspects of tourism in the municipality of Kotor. And then it (according to the plan) should be partially reconstructed walls and involve them in the tourist offer, so that earnings from these projects funded by further their reconstruction (or building a cable car lifts, revitalization of facilities, innovative lighting, etc.) (Opština Kotor, 2013: 85).

As for the development of these fortifications Lalošević states the following dilemma moments obstacles or strategic solutions and suggestions (Lalošević, 2003: 29):

- The basic question is whether the main building at the top of the mountain Sveti Ivan-Kastel be linked with the city by cable car, or need to establish an access road on the side of the cavers, where it would be relatively easy to start work on the revitalization of the rest of the fortress of the existing ramps and stairs.
- A series of interconnected tourist points would correspond to the old towers, bastions and facilities for a garrison. Beside sightseeing fortress on the hill, there would be more easily and more frequently, and the variant for mass visits to low and coastal parts of the crew.
- It is important to emphasize that part of Kotor fortifications in the mountains are not carried out by research works, neither by revitalization project. The author in terms of market positioning, particularly insisting that take full advantage of the market segment of cruise tourists (as is suggested in the program of development of culture of the municipality of Kotor 2013-2017, Kotor, 2013, page 85) .Namely, if we take the official data related to tourist destination Dubrovnik shows that almost main part of tourists from cruise ships focus on a tour of the ramparts (considerably less than the length of Kotor 1.9km) while in the case of Kotor 1/6 of total.

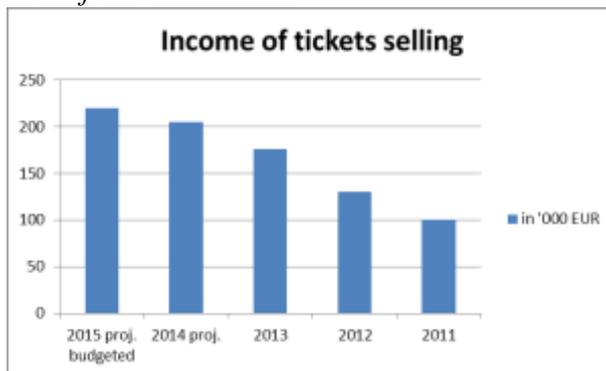
Table 1: *Passengers traffic in Port Gruz 2000-2010.*

Year	Domestic traffic	International traffic	Cruise	Total
2000	253,871	39,555	61,591	355,017
2001	284,608	51,296	95,031	430,935
2002	361,693	57,244	114,196	533,133
2003	420,810	62,419	259,704	742,933
2004	427,000	70,000	270,000	767
2005	450,000	80,000	300,000	830
2006	460,000	85,000	366,000	911
2007	440,000	85,000	436,000	961
2008	470,000	75,000	530,000	1.075.000
2009	513,000	93,000	587,000	1.193.000
2010	535,000	96,000	590,000	1.221.000

Source: *Horwath HTL, Strategija razvoja turizma Dubrovačko-neretvanske županije, Dubrovnik, 2011., page 99.* Note: in the same document states that the port in the city realizes more cca. 200.000 tourists from cruise ships.

On the other hand, states that in 2010, 760,000 tickets were sold at a price of 70 kuna (approx. 9 million EUR) and the Ston Walls - 70,000 tickets, which corresponds with the number of cruise passengers. Therefore, it is undeniable improvement of infrastructure and transport accessibility, but it is also necessary to establish better market communication in order to absorb the aforementioned guests, regardless of revenue on this basis has the obvious and serious progression.

Graph 9: *Revenue from ticket sales*



Source: *Author's research*

In the above context, Vuleković administration emphasizes that the historical cultural attractions, but also the type of event has long existed, but the mechanisms of communication with the tourism sector underdeveloped and used (Vuleković, 2009: 136). The author agrees with the next statement mentioned that the authors' because of the evident lack of connection two great resources, culture and tourism, can destroy the basic substance-Therefore, the author strongly advocates the involvement of the summer theater program in terms of the overall program, which is presented to the participants of the tour of the ramparts, especially given its capacity of 1, 500 seats. So insist on linking program tour immovable cultural heritage and cultural events that take place within the object itself on fortifications. In addition, the author believes that the maximum should be valorized route on the ramparts of the citadel over the summer stage to Gurdić (to achieve a certain agreement with the hotel "Cattaro" slightly to invest in the arrangement of the track).

In addition, the author advocates the introduction of cultural and thematic routes when it comes to visiting fortress. Themed routes must be based on the following assumptions (Matić et al., 2015: 15-24):

- on market research that identified the target market and its needs - it needs to be done in order to understand the trends and changes in the markets. Accordingly, it is important to conduct an analysis of the market, both the city and the fortress (situation analysis, research tourists, local residents and managers of cultural points, the analysis of the business sector, research the Internet to tourist and cultural offer of the fortress, etc.
- Determine the number of service providers on the route, which is critical to the success of a route due to the fact that they are the ones who create the experience for visitors. The important thing is that the mix of products is diverse and that all sectors are equally represented, because visitors are expected diversity of experience.
- It should establish a clear brand identity trails and then promoted in accordance with the identified target groups.
- Marketing of routes is achieved by creating cultural itineraries themed routes, pricing, sales and promotion of the city as well as a team of educated and professional people and visibility (physical evidence of the existence of the route).
- Precisely define the type of administration and operational structure (outlets, institutions, specially trained tour guides, etc.).

- Finally, the author supports the idea of creating a museum of fortifications, because nowhere are integrally presented or available to citizens and tourists, information about Kotor fortifications.

Prerogatives for sport tourism development

According to the Strategic Development Plan for Kotor municipality has 3.511 m² closed and 90,272 m² of outdoor sports' surfaces. According to the current standard of 0.5 m² indoor and outdoor sports 3,0m² area per capita, the municipality of Kotor should have 1.474 m² closed and 68,841 m² of outdoor sports surfaces. This means that Kotor fully meets the standard for open areas intended for sports and recreation, and the evident lack of closed spaces, or need additional 7, 963 m² of these areas. What Kotor at this point is no sports infrastructure of the aforementioned categories VI and VII, which are covered and outdoor complexes of norms which meet the criteria stipulated conditions for holding competitions of international rank narrower, as well as objects whose level of equipment meets the requirements for the maintenance of international competitions high-profile, and the development of exclusive sports facilities such as golf courses, but also the necessary communication factors for the evaluation of the maximum part of the hinterland.

The proposed measures with regard to the creation of the necessary infrastructural preconditions for the development of sports tourism: (Municipality Kotor, 2013: 42-43) complete reconstruction of the indoor swimming pool (estimated investment value of 1.2 mil. euro); construction of a sports hall, whose construction is in progress (estimated investment value 8.8 mil.euro); securing the preconditions for the development of infrastructure-golf Implementation of elaborating a location for the construction of the golf course and tourist complex in Glavatičići (estimated value administrative activities 55,000 euro); securing the preconditions and the development of communication factors for the maximum valorization of the hinterland and the development of winter and excursion tourism is becoming the construction of the cable car Kotor - Cetinje, the estimated value of the investment 46 mil. euro, of which envisaged participation Kotor Municipality of 750,000 euro).

The management of sports facilities within the overall destination management, as well as their involvement in the integrated tourism offer, as well as the management of sports events at the tourist destination, then

promotional activities on this basis, and tourism purposes raises the necessity to classic study programs in tourism management on educational institutions at universities in the Bay of Kotor (Faculty of tourism and Hotel management in Kotor, Faculty of Herceg Novi, who owns a studio program for tourism and Hotel management) join a study program in sports management.

Conclusion

Kotor requires significant improvement of accommodations, as well as evolving the standards in restaurants. Also, involvement of new accommodation facilities such as hostels and diffused hotels is required. Apart of that, better connections cruising and cultural tourism is needed, as well as the creation prerogatives for the development of sports tourism. It must be considered two aspects: the construction of sports infrastructure and improvement of programs at colleges.

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THE TOURISM DEVELOPMENT IN THE BAY OF KOTOR

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Abstract

Since the opening of the first hotel at the beginning of the nineteenth century, tourism in the Bay of Kotor has been intensively developed and its development impacted on the economic and spatial development of the Bay. Cultural-historical, natural and anthropogenic factors of the Bay of Kotor influenced the development of tourism. This work will analyze the tourist offer due to periods and factors that directly or indirectly impact the tourism development. The paper identifies three general stages in the tourism development of the Bay of Kotor: early beginnings of development until World War II, period of intensive development from the World War II to the nineties and the period from the nineties until today. The "Master Plan" strategy for tourism development by 2020 is analyzed in separate part. It defines the guidelines for development with a focus on the high category of hotel capacities in the Bay of Kotor. In addition to tourism development, the work also provides an overview of the natural, cultural and historic resources. Finally, the paper gives suggestions for future tourism development.

Keywords: *The Bay of Kotor, tourism, development, hotels*

Introduction

Throughout history, Boka Kotorska Bay has been attracting the curiosity of different kind of people: travel writers, and later a large number of tourists. There are many reasons for this curiosity. Mainly it is due to Boka Kotorska attractive relief characteristics, ethnological composition and special characteristics of settlements and small towns in the Mediterranean, cultural-historical monuments and recently variety of hotel facilities and private accommodation. The Bay relief

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looks mostly like a fjord. The first mention of the village and the forts Risan and Queen Teuta was 3500 years ago (Pasinović, 1996).

A few centuries back a large number of settlements were mostly only at high elevations above the sea, but with the arrival of Maritime Affairs in the Bay of Kotor in the 17th century, settlements were starting to be built along the coast. It can be said that the first tourist movement to Boka Kotorska is linked to noble families from Kotor, Tivat, Perast and Prčanj and their habits to go to the summerhouses. First organized tourist movement in the Bay of Kotor happened with the opening of the railway Zelenika - Belgrade in 1901.

First accommodation facility in Boka Kotorska was built in Zelenika in 1902 (Magyar 1996), and that's pension was called "Plaza". It is interesting that the hotel opening was initiated by the recommendation of doctors to the then owner Antal Hungarians to stay in Boka Kotorska bay, which can be directly connected with the beginnings of health tourism in the Bay. This is followed by the opening of many other restaurants in the Bay of Kotor, which will be discussed in this paper.

Periods of tourism development in Boka Kotorska bay

The same as in other parts of Montenegro , the development of tourism in Boka Kotorska bay is divided into several periods: a) Tourism development in the first half of the twentieth century; b) Tourism development in the second half of the twentieth century until 1990; c) Tourism development since 2000 until today

a) Development of tourism in the Bay of Kotor in the first half of the twentieth century

Except the above-mentioned rail (Pasinović, 1996), the development of tourism in this period was influenced by a number of positive and negative factors and events, such as: automotive way through the Bay built in the early twentieth century; the collapse of Austro-Hungarian monarchy and the end of the First World War; long duration of travelling from Rijeka to Kotor, on average more than 40 hours, and from Belgrade to Zelenike 28 hours; establishing of the steamship society "Boka" in 1920, with lines through the Bay and along the Montenegrin coast; increasing capacity and modernization of

commercial passenger fleet in the period 1931-1938, a special procurement broad "Queen Mary" and "Princess Olga" and at the beginning of round trips per Mediterranean; the opening of the airport in Podgorica in 1930; the opening of the bus lines "Jadran ekspres" from Munich-Cetinje in 1930 and opening of several lines in the region. In Boka Kotorska bay the first accommodation facilities were mentioned in the year 1856 as the private (households) rent accommodations.

From that period until the mid-twentieth century several hotels and restaurants were opened (Pasinović, 2002) such as the hotel "Boka" in Herceg Novi with 50 beds in 1908 and hotel in "Slavija" as the first one in Kotor in 1923. In 1930 several towns were already mentioned as tourist destination (Herceg Novi, Zelenika, Tivat, Kotor and Risan) with a total of 233 rooms. According to the data from 1939, the number of rooms in the Bay was over 1200 and the number of seating places in restaurants over 4,000.

Although early beginnings were very important, the period after the Second World War brought excellent conditions for the opening of a large number of resorts and intensive tourism development.

b) Tourism development in the second half of the twentieth century until 1990

In the beginning of 1950s tourism was under a strong influence of measures of general economic and tourism policy, both on macro and micro plan, with the aim to achieve various purposes of tourism – healthcare, recreational, as well as social. In accordance with that policy, main accommodation facilities were still labour force, youth and children resorts. In 1950, majority of them were located in the area of Municipality of Herceg Novi – 17, followed by Kotor – 8 and Tivat – 5.

The largest circulation of tourists was in these resorts, and although the data were not always accurately registered, the few most significant ones stand out (Pasinović, 2002):

- Hotel "Slavija" in Kotor began to achieve its commercial purpose in 1951
- In the early 50's several resorts – camps for young people opened by diverse institutions (such as A.P. Vojvodina in Prčanj,

Municipality of Belgrade in Kotor, resort for children with disabilities in Boka, etc.)

- In 1953 Boka Kotorska District (Boka and Budva) was “a true tourist district of Montenegro“, with over 40% of overnights in hotels and lodgings.
- In 1959 the building of first hotel facilities in Boka began. Thus, after construction works started with the help of volunteer actions in 1957 and failing to obtain funds of the Investment Bank in Belgrade, in 1958, thanks to emergency funds from other sources, hotel “Mimoza“ in Tivat was finished.
- The period from 1960-1970 is characterized by most intense building of hotels and other sorts of accommodation facilities with commercial purpose. In the beginning of this period, the Parliament of Socialist Republic of Montenegro adopted a Resolution on Tourism Improvement, which resulted in more favourable economic environment for tourism and hospitality and building of accommodation facilities.
- The beginning of this period is characterized by the first foreign investment in tourism and hospitality facilities (1962), when funds donated by Club “Mediterranee” from Paris finished “St. Marko” resort at the island Stradioti in Tivat.
- Due to low accumulative and reproductive capability, tourism and hospitality industry began to increasingly lose competitive ability at the international market. Building of tourism and hospitality was not adequately followed by building of other receptive capacities, especially infrastructure, which increasingly limited further development of tourism and hospitality facilities
- There was an increasing need for education of high-level tourism and hospitality staff, which is why in 1965 a Tourism department was established at the then Higher Maritime School in Kotor. Students who graduated from this department acquired the title of economist in tourism.

Other half of this period (1966-1970) is characterized by intensive building of hotel capacities (Herceg Novi and Kotor), whereby Tivat recorded growth of 33%, while in the end of the period (1970), Budva surpassed Boka in total capacities by 8%, and in hotel capacities by as much as 69%.

Structure of accommodation facilities in Herceg Novi, Tivat and Kotor, according to their type and purpose and compared to Budva, was extremely unfavourable given that Boka accounts for 2.5 more times in accommodation capacities than Budva, and in other complementary capacities for 69%.

It is obvious that they had put an emphasis of physical and significantly less on financial results of the tourist traffic, to be manifested through data that put the Municipality of Budva, with tourism as its predominant activity, on the very top of developed municipalities in SFR Yugoslavia.

In the beginning of period 1970-1980, Boka accounted for 2.06% in accommodation facilities of Montenegro compared to 12 years before. That also represents a beginning of a relative decline of its part in accommodation capacities of Montenegro as a consequence of involvement of new types of tourism, but also as a decreased intensity of investments in this type of tourism.

From January 1st 1972 the hotel "Slavija" in Kotor worked as a part of newly integrated company "Oceania Tourist Commerce", which was part of the "Budućnost" until then. On August 18th 1972, according to the contract signed between "Oceania Tourist Commerce" and Federal Secretariat for National Defense, "Oceania Tourist Commerce" bought land of the Yugoslav People's Army in Vrmac with the area of 110.000m², Trojica – Vrmac road with the area of 5.747 m², water tanks, retaining walls fences and air network, all that for only 3.5 million Yugoslavian dinars. Handover record was made on September 29th 1972 according to which "Oceania Tourist Commerce" acquired the ownership over the land and facilities.

This period of intensive tourism and economic development was suddenly interrupted at April 15th 1978 when at 7.20 a.m. devastating earthquake caused enormous damage to tourism and hospitality industry, infrastructure and monumental heritage, with a direct impact on tourism. Hotel and tourism companies suffered significant material damages, while some of them lost their facilities, such as "Vrmac" in Prčanj, while facilities in "Lalovina" stopped working.

According to estimations, damage to tourism and hospitality in Montenegro caused by the earthquake in 1979 amounted to 7.890.000.00 Yugoslavian dinars (Pasinović, 2002).

The beginning of the period 1980-1990 is characterized by demolition of hotel facilities heavily damaged during the earthquake - „Fjord“ in Kotor, “Slavija” in Kotor and „Orjen“ lodging in Risan, as well as by beginning of rehabilitation of the damaged ones. The first ones were monumental units of Kotor and Perast (hotel “Vardar” in Kotor and villa “Perast” in Perast) and hotel “Pine” in Tivat. By the end of the 80s, tourist traffic in Boka has reached its peak, which enabled its relatively high part in Republic’s turnover – over 1/3.

Period after 1990 is characterized by a drastic fall of the living standard that significantly reduced the number of domestic tourists, while unstable political situation closed international market. Overall tourist turnover in Boka Kotorska in 1998 was 169.149 domestic and 15.689 foreign visitors who in total achieved 1.788.601 overnight.

The largest number of foreign visitors was from some countries of the former Yugoslavia. One type of tourism – nautical, showed that the war is a greater threat to tourism than a natural disaster – earthquake, since in 1991 not a single passenger ship sailed into the Bay, comparing to the 1970 when there were 320 of them.

c) Tourism development since 2000 until today

Shortly after 2000 there was a great stagnation in opening of new hotel capacities in the area of Boka Kotorska, which was not the case in the rest of Montenegro with the largest building expansion being in Budva.

This period is also characterized by a series of strategic documents by the Government of Montenegro and its ministries, such as Master Plan of Development of Montenegro in 2001 (and its revision in 2008). In accordance with the Plan, Montenegro is divided into several clusters, Boka Kotorska being among them, by which future development of the mentioned clusters is clearly defined:

Picture 1: Tourism clusters in Montenegro



Source: Ministry of Tourism

Cluster 1. Area from Luštica to Ulcinj, with main destinations Budva and Boka

Cluster 2. Ulcinj with Ada Bojana, Velika plaža and Valdanos with numerous bays

Cluster 3. Boka Kotorska Bay

Cluster 4. Old Royal Capital Cetinje and the Lake of Skadar

Cluster 5. Mountain areas of Bjelasica, Komovi and Prokletije with two national parks, monasteries and mosques

Cluster 6. Mountain area of Durmitor and Sinjajevina with Tara Canyon and the National Park

According to the Master Plan of Development of Montenegro from 2001, building of large number of small boutique hotels with 4 and 5 stars for high-discerning guests is planned in Boka Kotorska, with an emphasis on development of gastronomy.

Table 1: Vision of development of tourism of Boka Kotorska

Features: Unique nature, culture, small town environment	
BOKA KOTORSKA	ENVIRONMENT: peaceful, expensive, exclusive
- HERCEG NOVI	Small well-tended hotels, guesthouses, restaurants, wine bars, cafes, dancing and bathing terraces in the bay, parks, biking and hiking routes, trails for walking, casino, fitness, health, marines, boat rides, field trips, museums, music, folklore, galleries etc. Congresses, sessions, incentives.
- KOTOR	
- PERAST	
Features: Pebble beaches & bays, younger public, lively vacations	
ROCKY coast	ENVIRONMENT: family, sports, natural
- TIVAT	Large and small hotels, private accommodation and camping, fast food restaurants, beer gardens, discoteques, trending sports, diving, water skiing, sports events and street fairs, theme park Stari Bar. Public, but clean beaches.
- BUDVA	
- SUTOMORE	
- BAR	

Source: *Master Plan, 2001.*

In that period, Government of Montenegro adopted another act that favours the development of Boka Kotorska, and that is the Strategy of Regional Development, where Montenegro's regions are classified according to geographic features to northern, central and coastal region (Government of Montenegro, 2001):

- *Northern region* consists of municipalities: Andrijevica, Berane, Bijelo Polje, Mojkovac, Kolašin, Plav, Pljevlja, Plužine, Rožaje, Šavnik and Žabljak.
- In the *Central region* there are Podgorica – largest town and capital of Montenegro, municipality of Danilovgrad, municipality of Nikšić and Old Royal Capital Cetinje.
- *Coastal region* has a coastline of 293 km. This region is interesting for tourist for its Mediterranean spirit. Towns have stone pavements, numerous festivities and carnivals, beaches famous for its beauty, and there are also botanic gardens with various plants. This region of Montenegro becomes center of numerous events and manifestations during summer.

Picture 2: Map of Montenegro (Horwath, 2011)



Source: According to data of the Ministry of Sustainable Development and Tourism

Table 2: Structure of hotel capacities in Boka Kotorska

No	Name of the Hotel	Category	Number of rooms	No of apartment	No of beds
KOTOR					
26			408	114	1190
1	Small hotel "Forza Mare "	5*****	10		20
2	Hotel "Vardar"	4****	18	6	48
3	Hotel "Splendido"	4**** Historic hotel	40	3	86
4	Small hotel "Cattaro"	4****	17	3	43
5	Small hotel "Palazzo Radomiri"	4****	4	6	24
6	Small hotel "Conte"	4**** Historic hotel		8	22
7	Small hotel "Vila Prčanj"	4****	3	4	20
8	Garni hotel " Vila Duomo "	4****	0	13	33
9	Small hotel "Astoria"	4****	0	9	18
10	Small hotel "Per Astra"	4****	5	6	22
11	Boutique hotel "Hippocampus"	4****	2	5	14
12	Small hotel "Monte Cristo"	4****	7	1	22
13	Small hotel "Casa Del Mare-Amfora" Orahovac	4****		10	25

14	Garni hotel "Stone Bridge" Gornji Morinj	3***		9	28
15	Garni hotel " Vila Galathea "	3***	6	1	15
16	Small hotel "Marija"	3***	17		43
17	Small hotel "Bokeljski dvori" - Prčanj	3***	7		15
18	Garni hotel "Vila Panonija"	3***	4	3	14
19	Small hotel "Sind"	3***	12	4	32
20	Small hotel "Galia" - Prčanj - Glavati	3***	12		20
21	Guesthouse "Pana"	3***	10	1	29
22	Small hotel "Admiral M"	3***	8		16
23	Small hotel "Aruba"Lastva Grbaljska	3***	11	9	44
24	Hotel "Teuta" - Risan	2**	120	3	306
25	Apart hotel "Vila Kostanjica"	2**		7	14
26	Hotel "Vrmac", Prčanj	1*	95	3	217
TIVAT					
18			733	138	1961
1	Small hotel " Perper "	4****		9	18
2	Small hotel " Montenegrino "	4****	10		20
3	Small hotel"Primavera"	4****	3	6	18
4	Small hotel "Carrubba" Tivat	4****	5	2	14
5	Small hotel "Vila Royal"	3***	6	6	24
6	Hotel "Palma"	3***	114	8	279
7	Aparthotel "Samardžić"	3***		16	56
8	Small hotel "Anderba" Krašići	3***	9		18
9	Small hotel "Vizantija"	3***	3	9	26
10	Small hotel "San"	3***	3	16	38
11	Hotel "Magnolija"	3***	5	55	110
12	Hotel "Pine"	2**	26		66
13	Hotel "Aurora"	2**	26	3	67
14	Hotel "Plavi horizont" Out of service-destroyed facility		330		660
15	Hotel "Kamelija"	2**	97	6	340
16	Small hotel "Splendido MB"	2**	13		33
17	Hotel "Mimoza" Tivat	2**	70	2	135
18	Guesthouse "Lovćen" - Lepetane	1*	13		39
HERCEG NOVI					
37			1853	255	4661
1	Hotel Xanadu	4****	33	6	91
2	Hotel "Hunguest hotel Sun Resort	4****	137	92	457
3	Small hotel RR - Meljine	4****	17		47
4	Hotel "Perla" Herceg Novi	4****	16	9	50
5	Small hotel "Casa del Mare"	4****	6	2	16
6	Small hotel "Regina" Bijela	4****	16	3	37
7	Hotel Delfin - Bijela	4****	115	8	248
8	Garni hotel "Art Media" Žanjice, Herceg Novi	4****		14	28
9	Small hotel Vila Aleksandar	3***	16		36
10	Small hotel "Jadranska straža" - Bijela	3***	9	2	22
11	Hotel "Anastazija" Bijela	3***	10	1	24
12	Hotel Plaža - Blok "A"	3***	136	8	288
13	Hotel "Azzurro" Bijela	3***	21		42
14	Hotel "Novi" - Igalo	3***	28	2	60
15	Aparthotel "Kukoljac"	3***	3	22	50
16	Small hotel "Max" - Baošići	3*** plus	19	1	50
17	Small hotel "Aurora"	3***	8		27
18	Small hotel "Milena"	3***	25		50
19	Garni hotel "Bokeška noć " Savina	3***	7	3	21
20	Small hotel "Fiammanti" Djenovići	3***	9	2	22

21	Hotel "Rivijera" Njivice	3*** plus	178	12	380
22	Garni hotel "Vila Margot"	3***	16	4	44
23	Garni hotel "M"	3***	12	12	48
24	Hotel "Adria sport"	3***	35		70
25	Motel "Ellena" Sutorina Igalo	3***	16		41
26	Hotel "Vojvodina"	2**	103	9	340
27	Small hotel "Kapri"	2**	17	2	43
28	Hotel Tamaris	2**	134	10	334
29	Hotel Igalo	2**	263	7	531
30	Hotel "Lighthouse" Igalo	2**	118	12	371
31	Hotel "Centar Igalo" Igalo	2**	253	4	577
32	Small hotel Vila Mireli	2**	19		39
33	Motel "Pavlović"	2**		8	16
34	Small hotel "Palace"	2**	8		24
35	Pansion "Mimoza"	2**	14		28
36	Small hotel Oaza - Meljine	1*	22		58
37	Pansion "Agroseme" - Igalo	1*	14		51

Source: *Ministry of tourism*

Horwath hotel industry survey together with other evidence are showing that the development of the hotel is not in accordance with the master plan, among other things because it is dominated by hotels of lower category.

Crusing tourism in Boka Bay

Montenegro is a part of very attractive zone for the development of cruising tourism having in mind that, after Caribbean, Mediterranean region is second most visited region in the world. Apart from that, Dubrovnik – one of the most important transit ports of the cruising tourism in Mediterranean - is nearby. All this caused dynamic growth of cruising tourism in Montenegro (i.e. Port of Kotor, which has a 100% turnover from cruising in Montenegro). In 2000, only 5 cruisers visited Port of Kotor, while in 2013 there were 409 of them. According to Monstat data, number of cruisers doubled in the period 2007-2013, while the number of passengers was more than five times larger, which means that, apart from larger number of ships, there is also an increase of their average size. Number of cruisers grew in average by 14.25%, while the number of passengers grew by 45.45% per year. Boka Kotorska is among the most beautiful bays in the world. It is unique in the Mediterranean and destined for high-quality individual tourism. Its cultural potential and landscape beauties are extremely favourable for different types of tourism: sea and sports tourism - all sorts of regattas, paddling competition training in the winter, diving, hiking, climbing etc., nautical tourism, healthcare and cultural tourism. By building a planned marina, region will appear as an exciting lighthouse project. Other first-class

development potentials are Župa near Tivat, military land in Kumbor, St. Marko and Island of Flowers (Ostrvo cvijeća), healing mud in the bay near Igalo, and especially Luštica Peninsula. However, for achieving tourism purpose of those potentials, there are still significant obstacles: dangerous, extremely disrupting road traffic in Herceg Novi as well as around the bay, shipyards and industrial ports located in the bay (Zelenika, Risan), untreated water that impacts the quality of the sea water.

Market positioning of cluster Boka Kotorska bay

Table 3: *Boka Bay in the future – Goal of new positioning:*

Vision:	Top quality offer of the hotel industry and experience in historic Mediterranean environment
Orientation:	The region is exclusively oriented towards tourist demands and needs in accordance with Regional concept of development of Boka Kotorska. From Herceg Novi, Kotor, Tivat and Budva in extension of season will be involved both hinterland and Luštica peninsula with cycling and hiking tracks.
Focal points:	Focal points are healthcare with light fitness activities, demanding but also challenging types of sports such as sailing, diving, competitive paddling, Alpine cycling, climbing, cultural programs, events and festivals.
Standards:	Top quality hotel industry and small family hotels of 3-5 stars quality to form a backbone of tourist offer

Source: *Faculty for business and Tourism*

Table 4: *Projection of development of hotels in Boka Kotorska in 2020*

Projection of development of hotel facilities 2020				
Standard	Herceg Novi	Kotor	Tivat	Total
5 *****	2000	500	500	3000
4 *****	6500	2500	3000	12000
3 ***	4500	3500	2500	10500
2 **	2000	500	500	3000
1 *				
Total	15000	7000	6500	28500

Source: *Faculty for Business and Tourism*

New Spatial Plan for Coastal Area of Montenegro (Government of Montenegro, 2015) encompassed strategic aspects of tourism development as well. The projection of accommodation capacities development is indicated in Table 5.

Table 5: *Projection of development of accommodation capacities of the coastal area of Montenegro according to Spatial Plan*

Type of accommodation	Herceg Novi		Kotor		Tivat		Total	
	2020	2030	2020	2030	2020	2030	2020	2030
Hotels	6247	7531	2440	3097	5219	6568	13906	17196
Resorts	6991	9987	3577	5110	7345	10492	17913	25589
Overall basic	13238	17518	6017	8207	12564	17060	31819	42785
Camps	385	385	82	82	14	14	481	481
Private accommodation	27431	25791	7498	7050	5251	4937	40180	37778
Rest	2462	2462	367	367	108	108	2937	2937
Overall complementary	30278	28638	7947	7499	5373	5059	43598	41196
TOTAL	43516	46156	13964	15706	17937	22119	75417	83981

Source: *Research Faculty for Business and Tourism*

Analysis of the development strategies and initiated projects has shown that there are certain strategic inconsistencies. Both Master Plans of tourism development emphasize sustainable development, controlled and ambient construction and minimizing to excluding of building of residential facilities.

On the other hand, listed mega-investment projects prefer large agglomerations with multiple purposes and highlight the residential component. This implies much larger construction work on the coastline compared to the sustainability limit outlined in Master Plans for tourism development. Special Purpose Spatial Plan for the Coastal Zone, although significantly reduced construction planned zone, still supports projects of multiple purpose with residential feature by which, actually, supports obstruction of sustainable development of tourism of the Master Plan 2007-2008.

Table 6: *Overview of mega residential projects for the area of Boka Kotorska*

Project	Planned content	Investor
Porto Montenegro	Multiple purpose (tourism + residence) Mega marine, hotel, villas, condo hotel	Adriatic Marinas D.O.O Brand Regent Hotels, 600 million EUR
Luštica Bay	Multiple purpose (tourism + residence) + golf courses, 275 residential villas, 271 house, 1.158 housing units, 8 hotels with total of 1.260 rooms, golf, wellness, marine...	LUŠTICA DEVELOPMENT Unknown brand 1,100 million EUR
Kumbor, One&Only Resort, Kumbor / working title	Tourism (T2) + multiple purpose (tourism + residence) + nautical tourism	Azmont Investments Brand One&Only, 500 million EUR
St. Marko Island	Luxurious highest-class resort (6 stars) with 93.000 m ² of facilities, out of which 240 private mansions, apartments and luxurious houses, hotel	Metropol Group, brand Banyan Tree Hotels and Resorts, 450 million Euros, suspended
Plavi Horizonti	Hotel complex with 170 luxurious 5-star apartments and supporting commercial facilities, spa center, beach bar, restaurants, sports grounds...	Qatari Diar 250 million Euros

Source: *Personal analysis*

Conclusion

Bearing in mind natural, cultural and anthropogenic values of Boka Kotorska bay it is not surprising that this region was a pioneer in many areas of Montenegrin tourism development such as opening of first leisure hotel, establishing first tourist excursions, holding the first tourism private-public conference and even establishment of the first Montenegrin tourism faculty.

But, despite the undisputable potential, the tourism of Boka Kotorska bay nowadays is burdened with insufficient and inappropriate accommodation structure, huge seasonality and relatively modest tourism infrastructure.

Therefore, although Boka had better start positions, other regions in Montenegro, such as Budva region, have overcome Boka in tourism development since early 70's.

One of the main reasons of this discrepancy between potential and the actual development can be found in the era of mass tourism where different tourist destinations have been developed and promoted while Boka Kotorska is predetermined for development of specific tourism demand such as nautical, cultural, health, sport, incentive, congress and special interest tours.

Boka Kotorska, UNESCO heritage, is a unique region and has been considered as one of the most beautiful Mediterranean destinations. But preconditions for further development are adequate planning and implementation, together with investments in hotel, tourist and traffic infrastructure – investments, as discussed in the paper, that have preceded each successful era in Boka Kotorska tourism development.

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THE ALTERNATIVE TOURISM IN THE REPUBLIC OF MACEDONIA – THE CASE OF MUNICIPALITY OF KRATOVO

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Abstract

Alternative tourism as a tourist offer versus conventional tourism begins modestly, to spread also in the Republic of Macedonia. The Republic of Macedonia has 4300 archeological localities, over 1000 churches and monasteries, 27 monasteries with opportunities for monastery tourism, over 50 lakes, 16 mountains with peaks over 2000 meters above sea level, 230 buildings with Ottoman architecture and 43 towers and bastions, localities with endemic flora and fauna and many other rarities present only at this part of the world. Municipality of Kratovo has the following localities and opportunities for alternative tourism: "Kameni kukli (Stone dolls)", "The Golden town", "Golemo gradishte", "Cocev kamen (Tsotsev stone)", rock art, two pinetrees from the XIV century, 7 bridges and 13 towers built in the Middle century, three churches: "St. John the Baptist" (1836), "Saint Nicholas the Wonderworker" (1848) and "St. George of Kratovo", dedicated to the young Christian from Kratovo, who was proclaimed as saint in the 16th century and in 1515 at the age of 18, was burned in Sofia for his unbeaten faith in Christ. 11 230 hectares or 31% of the total territory of the municipality are over 1000 meters above the sea level, which, among other things can be used for mountain tourism. In Kratovo's households and restaurants, special dishes specific for this region are prepared "Kratovski pastrmajki".

Keywords: *Macedonia, Kratovo, alternative tourism.*

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Introduction

Tourism as a phenomenon of modern times, is taking more and more important place in national economies. It's a form of exploitation of resources, primarily natural ones. Conventional (mass) tourism is characterized by a visit of a larger group of people in one place and that visit lasts more than 24 hours. Accommodation capacity expressed in number of hotel rooms, with one, two, three, four or five stars in the country, is in average of (2010-2014) 6,427 units, with a total capacity of 13,968 beds (SSO, 2015a). We don't have precise data, but we assume that, about half of these facilities are located by the Macedonian lake gem - Lake Ohrid. The average number of tourists in the past five years is 666,977, from which, 47% are domestic tourist. The total number of overnight stays was 2,139,600, which means that, every tourist in the country remained an average of 3.2 nights. 17.7% of domestic tourists, stayed in hotels of all classes. We can assume that, if only two thousand beds are used, in Ohrid, for a period of 150 days tourist season, there are around 300,000 tourists. The realization of mass tourism, among other means, investment of large amount of funds for construction of hotels and other infrastructure facilities, intended only for tourists.

Macedonia has 4,300 archaeological sites, over 1,000 churches and monasteries, 27 monasteries with opportunities for monastery tourism, over 50 lakes, 16 mountain peaks over 2,000 meters above sea level, 230 facilities with Ottoman architecture and 43 towers and ramparts, localities with endemic flora and fauna and many other rarities present only in this part of the world.

In the second half of 20th century, as a reaction to mass tourism, alternative tourism has emerged. Alternative tourism involves residence of individuals or small groups of people, primarily in rural areas, that use the homes of local people and infrastructure, without damage to households and the environment. Alternative tourism include the following forms of tourism: rural, agricultural (farm), Eno (wine), culinary, spa, adventure, archaeological, religious (monastery), speleological, mountain, ski, bike, conference and cave tourism, visit of sites of historical and cultural heritage, visiting sites of natural significance, the remains of alien (foreign) culture and burial sites, ethnographic museums, exhibition of local handicrafts, visiting festivals of traditional music, vintage teas, berries and so on. Alternative tourism,

as tourist offer opposed to mass tourism, begins modestly, to spread in the Republic of Macedonia. For us, especially important is agritourism.

The main purpose of this paper is, to explore the capacity for development of alternative tourism in the municipality of Kratovo, Macedonia. It also aims to determine the organization and production of "kratovska pastrmajka", and the cost structure.

Data source and method of operation

For realization of our target, we studied numerous literatures that refer to the city of Kratovo and Municipality of Kratovo. We used data from the State Statistical Office of Macedonia, mainly for the past 5 years. From the Food and Veterinary Agency, we used data for the number of livestock in the Municipality of Kratovo. We determinate the organization for preparation and structure cost of pastrmajki, using the method of interviewing 5 restaurant owners in Kratovo. In determining the costs, local prices of inputs in 2015 are used.

Research Results and Discussion

History of the town and Municipality of Kratovo

Kratovo, according to archaeological evidence is one of the oldest cities in the Balkans. It is spread in the slopes of an extinct volcano - crater in Osogovo Mountains, according to which it bears the name - Kratovo. The specificity of the city is that, the houses are stationed in tiers. It seems that, it is the only example in our country.

In the Byzantine Empire period, the town was named Koritos or Koriton. For the existence of Kratovo, is talked as back as the VI century BC, and such evidence is Homeric epic "Iliad" where is mentioned, as well as numerous coins (found in Kratovo) from the time of Adolion the Paionian, king who ruled from 315 to 285 BC. Roman period aslo left many archeological traces in Kratovo, when the city (Kratishkara) is located within the Roman province of Dardania, whose capital was Scupi, present day Skopje. At the time of the rule of Stefan Nemanja (1113 - 1199), the town was annexed to Serbia.

Kratovo, through the centuries of history, especially is mentioned in the time of one of the most famous rulers of Serbia, Stefan Uros IV Dusan (1308 - King 1331-1345, king from 1346 to 1355), which in 1346 in

(https://mk.wikipedia.org/wiki/Општина_Кратово). According to number of inhabitants, 27 villages are small villages (1 to 300 inhabitants) and 3 are medium size villages (300 to 800 inhabitants) and the town of Kratovo belongs to a group of small towns (up to 10,000 inhabitants).

Capacities for development of alternative tourism in Municipality of Kratovo

Agricultural land in the municipality of Kratovo, according to Panov (1998) is 22 492,9 ha, of which 47.5% covers arable land and forests 31.5% of the total area of the municipality. While non arable land (roads, streams, rocks, etc.) covers 2 230,4 ha. The largest volume of agricultural land (64.1%) are in the area of 500 to 1000 meters above sea level. Then follows the territory of the mountainous part (over 1000 meters) from the municipality, with 19.4% and finally the plain (below 500 m) part. The majority (60.5%) of pastures are in the second height group and the smaller part in the first (15.8%) area.

The town has a special atmosphere, which creates cafes, complemented by the landscape and the abundance of old buildings, that make this place a potential magnet for tourists seeking traditional home or guest house accommodation and food, away from large cities and traditional holiday resorts. The town has many old streets and shops, which by its appearance and atmosphere attract people. Each village has its own specificities. Kratovo Municipality has a relatively large number of sites and opportunities for archaeological, religious and cultural tourism. On the first place, we would set the site "Stone dolls" in the village of Kuklica (eastern part of the municipality), which date back up to 10 million years, and is formed by tectonic erosion (Figure 2). Close to the village Konjuh (western part of the municipality), is located the site "Golden City" or City of Warriors of V century A.D. Dating back from the VI century A.D, is the site "Great Gradiste" and next to it, the church "St. John the Baptist", built in 1955 on foundations of religious building, built in the VI century A.D. And today (2016), close to the church, there are remains of old collective tomb and temple, "rotunda", made of green volcanic rock. This archaeological site is located in the western part of the municipality, between the villages Dimonci and Konjuh. Also, in the western part of the municipality, in the village of Shopsko Rudari is located Cocev Rock - a volcanic rock which in prehistoric times was used as a megalithic observatory.

Figure 2: *Stone dolls, v. Kuklica*



Source: *Peshevski D., 2015.*

According to Emmanuel Anati from Italy statements, director of World records for rock art and the French academician Jean Claude, Macedonia is a country with the largest number of this kind of rock art in the world. The net engravings (which were first discovered in the town Las Mazil-France), in Macedonia, they were discovered in Pelagonia region, in Slavishko Pole (municipality of Rankovci) and in the villages Topolovikj, Gorno Kratovo and Trnovec (Kratovo).

Figures 3 and 4: *Cocev Kamen*



Source: *Peshevski D., 2015.*

Almost in the center of Kratovo, before the arrival of the Ottomans, the Saxons (Germanic tribe), which in Kratovo came for exploitation of mineral wealth, in 1354 planted five trees Black Pine (*Pinus nigra*), of which, one pine caught fire hit by lightning in 1918, one was cut in 1948 to make the first looms for carpet factory, which was put into operation in the same year, one in 1950 was cut for expansion of the street on the western entrance to the city and the two exists even today (Figure 5). Determination is made by phytobiologist Gisela Nirschl-Braun and it was determined that these pines belong to the type *Pin Pignon syn. Pinus pinea* (www.8ka.com.mk/spisanie/ostanati-napisi).

Figure 5: *Black pine*



Source: *Peshevski D., 2016.*

In the Stara Musala district and near to Radin Bridge (east of downtown), there is one tree chestnut (*Castanea sativa*), 750 years old (Figure 6). Another attraction, even older than the pines and chestnut, exists in the village Krialtica. It is an oak tree (*Quercus Macedonica A.DC.*), even 950 years old (Figure 7).

Kratovo is known as the town of bridges and towers. Across the town, several rivers flow: Manceva River, Tabachka River and River Babakarina, which merge in the downtown and form Kratovska River. In purpose of communication of people and craft-trade development, in the

Middle Ages were built 14, and today still exists 5 bridges: Grofchanski, Charshiski, Orshinski, Arbulichki and Radin Bridge.

Figure 6 and 7: *Old chestnut / Old oak*



Source: *Peshevski D., 2015.*

Figure 8: *Bridges in Kratovo*



Source: *Peshevski D., 2016.*

At that time, 13 towers were built, and today there are only 6 exist (Clock Tower, Simicheva tower, Emin-begova tower, Zlatkova tower, Krsteva tower and Haji-Kostova tower), which are connected with underground tunnels. The entrance in one of the tunnels is under Grofchanski Bridge and the exit is at Radin Bridge.

In the municipality of Kratovo, almost every settlement built at different times, its own church, dedicated to various saints. The town has three churches: "St. John the Baptist" (1836), "St. Nicholas the Miracle Worker" (1848) and "St. George of Kratovo" (1925) dedicated to young Christian from Kratovo (George of Kratovo, 1497-1515), who was burnt alive in Sofia, because of his faith in Christ (Figure 9).

Figure 9: *St. George of Kratovo*



Source: *Peshevski D., 2015.*

Possibilities for development of agrotourism in Municipality of Kratovo

Population (SSO, 2005), although small in numbers (3516 inhabitants), from rural part of the municipality, most of the food for themselves and

livestock, is preparing in their household in specific ways, using traditional instruments, tools and equipment. For example, some residents, bread wheat are grinding in a mill. Also in the mill, they grind barley, rye, oats and corn for animal feed. During the stay of tourists in these families, may, with prior instructions, to enable them to carry out works on the grinding of grain, i.e. to practice authentic agrotourism.

Then, mould the dough for bread or some kind of pasta, is done manually in a wooden tray, in which then is stored as baked bread or mould on a wooden table, and baking is done brick oven, which from the outside is walled with stone (Figure 10) or “podnica” under baking lid (Figure 11). And these tourists will be classified as authentic agrotourists.

Figure 10 and 11: *Brick oven / “Podnica”*



Source: *Peshevski D., 2015.*

Red pepper and salt (mild or hot), some residents of rural areas, prepare themselves in a hand mills (Figure 12), but before that, peppers are baked in the oven (after baking bread) or on the stove with wood . With these mills, population of rural areas make “bungur” (crushed wheat).

Most of the milk, either cow or sheep, is processed in the households. Processing is domestic, because the daily quantities are small due to the fact that, the number of milking cattle is small. According to data from the Food and Veterinary Agency (AHV, 2015), the number of milking cattle in 2015 was: 2 173 dairy cows, 4 949 dairy sheep and 1 741 dairy goats. The total quantity of milk would be 5 060 463 liters (our calculations), from which, 92% is cow milk, sheep 5.2% and the rest is goat milk. This milk is mainly processed in cow, sheep and goat cheese.

Then in yogurt, from all types of livestock. As a specific dairy product is considered, “mukjenica” (Buttermilk). This type of dairy product requires a specific wooden bowl - butinj.

Figure 12: *Hand mill*



Source: *Peshevski D., 2015.*

Next opportunity for authentic tourism in Kratovo is the *brandy*. The brandy in Kratovo and its region is produced (boiled), mainly from plums and grapes. For the production of plum brandy, most used is plum - janka (dzhanarika), and the plum - stanley and apples. The number of plum trees in the last five years has the average of 37 870, from which, 95.1% are fertile trees (SSO, 2015b). With an average yield of 13 kg/tree in the municipality, 462 tons of plums are produced. The total number of fertile apple trees is 18 736. Total apple production has an amount of 263 tons, or 14 kg/tree. Grape production in Kratovo in the past five years has an amount of approximately 2 078.4 tons, of which, 179 000 liters of wine was produced. The maximum amount was in 2011 (397 000 liters) and a minimum in 2014, only 25 000 liters. Fermentation of raw materials for brandy (plum, apple or grape), takes place in wooden barrels. Once fermentation is completed (20-28 days), plum or apple marc is placed in stills for boiling and from the grapes after fermentation (10-15 days), first wine is poured, then brandy is distilling. Plum brandy, to reduce the methyl alcohol, is boiled again. In the region of Kratovo, grape brandy is not boiled again. For making brandy from any raw material in rural areas of the municipality Kratovo, mainly concrete cauldron is used.

The brandy traditionally is kept in wooden barrels. The total production of brandy (average 2010-2014), is amounted to 385 644 liters with 40% alcohol, from which, 78.8% grape, plum 14.4% and 6.8% apple brandy.

Related to wine growing, municipality can organize wine tourism too. For example, if, at the same consumption of wine has in Kratovo and in the country (1.79 l/capita) over 2014 (SSO, 2015c), tourists may be offered with 7 800 liters of wine. At the same consumption of wine (1.79 l/capita), Kratovo region can be visited by 4 375 tourists during the year. The wine is stored in wooden barrels in cellars and tourists will be offered directly from the cask, into gourds.

The population in the municipality, besides other regular activities, harvest tea plants - yarrow, thyme, St. John's wort (kantaron), etc. and berries: rosehip, cornels, blackthorn, blueberries and edible mushrooms.

Visits to other facilities for alternative tourism (archaeological, cultural, religious, mountain biking etc), directly can be increased through realization of agrotouristic opportunities, and vice versa.

Selected food product, by definition belongs to the group of traditional food. Definition of traditional food is influenced by certain elements, related to human factor (Barham, 2003; Dixon, 1999). The term traditional food itself, leads to a long history (time), then it made habit of local population, i.e. it is transmitted from "generation to generation". However, the amount of supply of traditional food market largely depends on the size of the production area. The offer depends also on the efficiency and the very short distribution channel from farms to the local market (Alkon, 2008). It seems that the local availability of products to consumers is a key element of the offer. Although, consumers may be offered agricultural food products manufactured outside the point of sale. As a traditional food can be considered food that is, produced in households or in craft stores, but should be made according to traditional recipes.

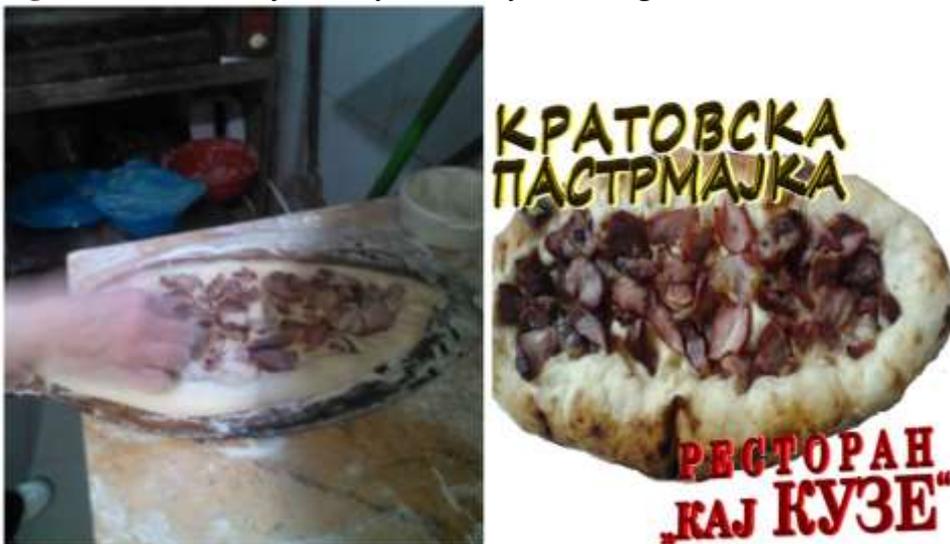
Organization and economics of production of “Kratovo pastrmajki”

Kratovo pastrmajki are produced in two stages. Such mode of production is dictated by the fact that, dried meat is used. Kratovo region is one of the few areas where pork is dried (smoked). Until recently, the meat was

dried on the home attic. Today, this method of drying meat is abandoned. Now the meat is dried in metal smokehouses.

Drying the meat. Pork, which is used in preparation of “pastrmajki”, is prepared in a specific way. The 50 kilos of pork without bones, is cut into pieces with a length of about 30 to 50 cm and a thickness of about 8 to 10 cm. Sea salt is put on all sides. In addition, for 100 kg of meat, 2.5 kg of salt is used. Thus, salted meat is placed in a wooden barrels, pressed to expel the air, which would allow anaerobic medium. The meat here stand for 10 to 15 days without interventions on it. Then, the meat is removed from the wooden barrels and is placed on a metal rod or attaches to metal hooks in a smokehouse. The meat in the smokehouse is dried for 3 to 4 days. Drying is with fire from beech wood without its bark, in a way that drying last for 2 to 3 hours in the morning, then the fire goes out, and at night, for 2 to 3 hours is dried again. During the night, the meat is cooling down, and the next day, the same procedure is repeated. The next one to two days, depending on the water content in meat and intensity of the fire, procedure from the first day is repeated. For that amount of meat, one horse load of beech trees is consumed.

Figure 13: “Pastrmajka”, before and after baking



Source: *Peshevski D., 2015.*

Preparing the dough and making “pastrmajki”. The dough is prepared also in a specific way. Of white wheat flour type 400, one kilogram is separated. 1.5 liters of warm water, yeast - cube (40 g) and a small

tablespoon of salt (15 g) are mixed with the flour. Raw materials are hand mixed for creation of the dough. Then, dough is fermenting 35 to 40 minutes. After that, dough is kneading and it's divided into four pieces. Again, dough pieces are left to ferment for 30 to 35 minutes. Upon this time, the pieces are divided in half again on a wooden shovel, and the dough is stretched into an elliptical shape. Previously cut dried meat into thin slices, is placed on the dough in an amount of 200 g.

Then the dough is baked 4.5 to 5 minutes in an oven at 300 to 350 °C. Once the “pastrmajkata” been removed from the oven, its edge is coated over with melted fat, not to harden. Then “pastrmajka” is served.

If the consumer requests, pieces of pork are mixed with small pieces (20-30 g) of mutton meat (“pastrma”), which is salty and dried, with specific aroma and flavor. According to some, this meat “pastrma” have heavy smell, thus, the majority of consumers do not consume such “pastrmajki”. But anyway, this product is named because of such meat. It is unknown since when preparation of “pastrmajki” began in Kratovo, but certainly, initially was used only mutton and later that was combined with dried pork.

Table 1: Structure costs in production of pastramajki

Type of cost	Unit	Quantity	Price (MKD)	Value (MKD*)		Portion (%)
				Total	By 1 piece	
Work labor	h	0.8	62.500	50.00	6.250	5.55
Flour	kg	1	24.000	24.00	3.000	2.66
Water	l	1.5	0.021	0.03	0.004	0.00
Yeast	kg	0.04	62.000	2.48	0.310	0.28
Salt	kg	0.015	7.000	0.11	0.013	0.01
Meat	kg	1.6	498.560	797.70	99.710	88.48
Electricity	kWh	1.09	19.440	21.19	2.650	2.35
Amortization (Damping)				6.00	0.750	0.67
Total				901.51	112.687	100.00

*61.5 MKD = 1 EUR

Source: Calculation of the authors based on data from surveys

Based on the technological process and materials used in the drying of pork in metal smokehouse, we found that the total cost for one kilogram of dried meat is amounted to 498.56 MKD/kg (Table 1). In this process, from 50 kg of raw pork boneless meat, 32.5 kilograms of dried meat in

average is gotten. This means that during drying, which takes an average of 15 hours, the main raw material (meat) lost 35% of its weight. That loss, as it is also called *kalo*, is mainly due to water evaporation.

In the cost structure of drying the pork in metal smokehouse, dominant place (almost 88%), have the raw meat. Also, meat takes the dominant place in the cost structure during the process of preparation of “pastrmajki”. But here, the share of costs of dried meat is over 90% in total.

Second place with almost 6%, takes the human labor. Within 0.8 hours, a worker produces 8 “pastrmajki”, which means, during the working day, 90 to 100 “pastrmajki” can be produced and offered to consumers (tourists).

Pork fat, which is used for softening the edges of “pastrmajki”, when calculating the total cost, is not taken into account, because of the small amount.

Conclusion

It seems that, Republic of Macedonia is one of the few countries in the world where, on its small territory, there is a relatively large number of natural rarities, archaeological sites, churches, monasteries, endemic plant and animal species, traditional food, etc.

In the municipality of Kratovo, there is a great opportunity for development of alternative tourism, ranging from archaeological, religious, ethnic, mountain biking, gastronomic, rural and agrotourism.

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RURAL TOURISM IN THE FUNCTION OF DEVELOPMENT OF RURAL AREAS - THE CASE OF MUNICIPALITY OF LAKTAŠI

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Abstract

The paper deals with problems of rural development and its importance for rural areas. The aim of research was to, starting from general statements about role and significance of rural development, on the case of one municipality (the Municipality of Laktaši) determine what conditions and possibilities it has for development of rural tourism. Data were collected from primary and secondary sources and analyzed by a combination of several scientific research methods (analyses, synthesis, household survey, SWOT analyse, comparison). By mapping natural and atrophogenic resources in the municipality it was found that it has a lot of attractions that can bring tourists to rural areas and keep them from several hours to several days (natural beauty, archaeological sites, religious buildings, hunting, fishing, thermal water, autochthonous products, handicrafts, etc.). Despite that, the number of providers and beneficiaries of rural tourism services are limited. The conclusion is that conditions and opportunities for rural tourism in Laktaši are above the current scope of their valorisation. Sample survey of 95 rural households has confirmed that 2/3 of rural households have an idea what rural tourism means, and 1/5 (19%) of them would like to deal with rural tourism. These households have a surplus of accommodation capacities and unemployed labour force which could be engaged to provide rural tourism services.

Keywords: *Municipality of Laktaši, development, tourism, rural tourism.*

Acknowledgements: Some data from household survey that were collected for the need of preparation master work of Darija Vojnović "Rural tourism – chance for diversification of rural household income within the area of Municipality of Laktaši" are included in this paper.

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Introduction

Rural areas in Bosnia and Herzegovina are facing new challenges. One is how to keep rural population, especially members of the younger generations, who are getting educated, mainly for non-agricultural professions, and look for their perspective in urban areas. The second is low or no profitability of agricultural production, especially after introduction of the principle of free trade. The third is the conflict between need of giving increased attention to the environment protection and further intensification of agricultural production as a source of its efficiency. For all these challenges one of the solutions is rural tourism as a primary or complementary activity that will address one part of the rural population. In addition to the conditions and motivations of rural population for dealing with rural tourism it is necessary to simultaneously entertain and educate the local urban population to spent part of their free time and income consuming those services. One of the locations that have conditions for development of rural tourism, from both points of view, supply and demand, certainly is the area of Municipality of Laktaši in the northwest part of the Republic of Srpska and Bosnia and Herzegovina.

The concept and importance of rural tourism

Rural tourism is interpreted in different ways, there is no universally accepted definition of rural tourism and for the same term different names are often used: rural tourism, village tourism, agrotourism. The definition of rural tourism varies from country to country depending of national legislation. According to the definition of the Council of Europe, rural tourism can be defined as "tourism in rural areas with all the activities that take place in them" (Ljutić, 2013). The most significant characteristics of rural tourism are that there are very quiet surroundings, absence of noise, the natural environment, communication with local residents, homemade food, learning about working habits of farmers. OECD (1994) briefly defined rural tourism as "tourism which takes place in the countryside" and bit wider as "complex multi-faceted activity: it is not just farm-based tourism. It includes farm-based holidays but also comprises special interest nature holidays and ecotourism, walking, climbing and riding holidays, adventure, sport and health tourism, hunting and angling, educational travel, arts and heritage tourism, and, in some areas, ethnic tourism". According to Aref and Gill (2009) "any form of tourism that showcases the rural life, art, culture and heritage at rural locations, thereby benefiting the local community economically and socially as well

as enabling interaction between the tourists and the locals for a more enriching tourism experience can be termed as rural tourism".

Lane (1994) lists the following characteristic of rural tourism: located in rural areas; functionally rural – built upon the rural world's special features of small-scale enterprise, open space, contact with nature and the natural world, heritage, "traditional" societies and "traditional" practices; rural in scale – both in terms of buildings and settlements – and, therefore, usually small scale; traditional in character, growing slowly and organically, and connected with local families.

The term of rural tourism itself is linked with rural space, so that the geographical area in which that type of tourism is manifested depends on the definition of rural areas. Generally, rural tourism is going on in rural areas. A large number of experts agree about the fact that rural tourism is significant for rural areas, because it ensures them economic growth and development, making extra cash income, adding value to agricultural products, employment (Keane, 2004; Birovljev and Štavljanin, 2011; Dahsper, 2014). Cvijanović and Vukovic (2014) noticed "that rural tourism is often associated with other forms of tourism that have a dominant impact on tourist visits to the certain destinations (winter resorts, spa canthers, etc.)".

Micro-economic approach to the study of the importance and place of rural tourism in local development, among others, have been researched and written about it by Arion et al. (2011) on the example of Tarnava Mare Area in Romania; Garau (2015) on the example of Marmilla in Sardinia, Italy; Vidić (2003) on the example of Valjevo region, Babić (2007) on the example of Petrovac na Mlavi, and Ilić (2007) on the example of Municipality of Kosijerić in Serbia; Čejvanović and Đurić (2011) on the example of Brčko Distrikt, and Gemaljević and Račić (2010) on the example of Banja Luka in Bosnia and Herzegovina; Babić (2010) on the example of Orahovica in Croatia.

Rural tourism, in particular on the rural households, has a great development potential, and it is at the very beginning in Bosnia and Herzegovina. When studying rural tourism, special attention should be paid to the interdependences and connections of rural tourism and agriculture because rural tourism is one of proven ways to add value to agricultural products and facilitate their easier marketing.

Tourism is a direct consumer of agricultural products and thereby in practice encourages development of agricultural production. On the other side primary role of agriculture is to secure enough food, necessary for satisfying nutritional needs of not only local population but also tourists (Mirjanić at al., 2011).

Material and Method

During the study the conditions and possibilities for the development of rural tourism for the case study one of the municipalities in Bosnia and Herzegovina, Municipality of Laktaši was selected. Rural areas in the Municipality of Laktaši abound significant natural, human and other development resources, but still villages lagging behind the development in urban areas. It is logical that, in that case, the rural tourism is a potential driver of rural development, which can change the socio-economic picture of rural areas in that municipality.

In accordance with the defined subject of the research, the objectives were determined as follows: to explore possibilities for development of rural tourism in the Municipality of Laktaši; to point out problems of rural tourism development and to confirm that rural tourism is a good opportunity for diversification of income of the rural population. The first research hypothesis is: the rural population on the territory of Municipality of Laktaši has conditions and interest in rural tourism. In situation when only a small number of rural households in the Municipality of Laktaši currently provides rural tourism services, there is an important issue if there were more households with the conditions and wish to deal with such activities. Confirmation of this hypothesis was tested by surveying a sample of rural households and interpretation of its results.

The second research hypothesis is that the local community, entities and state authorities don't encourage enough the development of rural tourism. By analyzing the structure of the budgets of ministries in the Republic of Srpska responsible for the support of tourism and rural tourism and Municipality of Laktaši, it was examined whether there were planed and used funds to support rural tourism. The attitude about this hypothesis was obtained from a number of rural households that where the subject of the survey.

For the selecting and determining sample size, first, the available data about surface and population of settlements in the Municipality of

Laktraši were systematized, the average population density for each settlement and their classifying to urban and rural areas calculated, by applying OECD marginal criteria of population density. Villages with a population density of less than 150 inhabitants per km² were classified as rural area, and they consist a basic set (52.6% of the territory of the municipality, 20,467 inhabitants and 6,472 households) out of which surveyed households were selected. The sample size (n=95) was determined with a confidence level of 95%, and the sample included 1.47% units of the basic set. The sample was stratified and only rural households were represented. In the sample, households from all villages were selected, and their number in the sample was proportional to the number of households in each village which constitute the basic sample (quoted sample). Further selection of surveyed households in each village was carried out by random selection.

Results of research

The research results are presented through: overview of socio-economic characteristics of the analysed Municipality of Laktraši; review of the state of rural tourism in the same municipality; view of rural households attitudes toward rural tourism; presentation of incentives for development of rural tourism; SWOT analysis and review of possible directions for the rural tourism development.

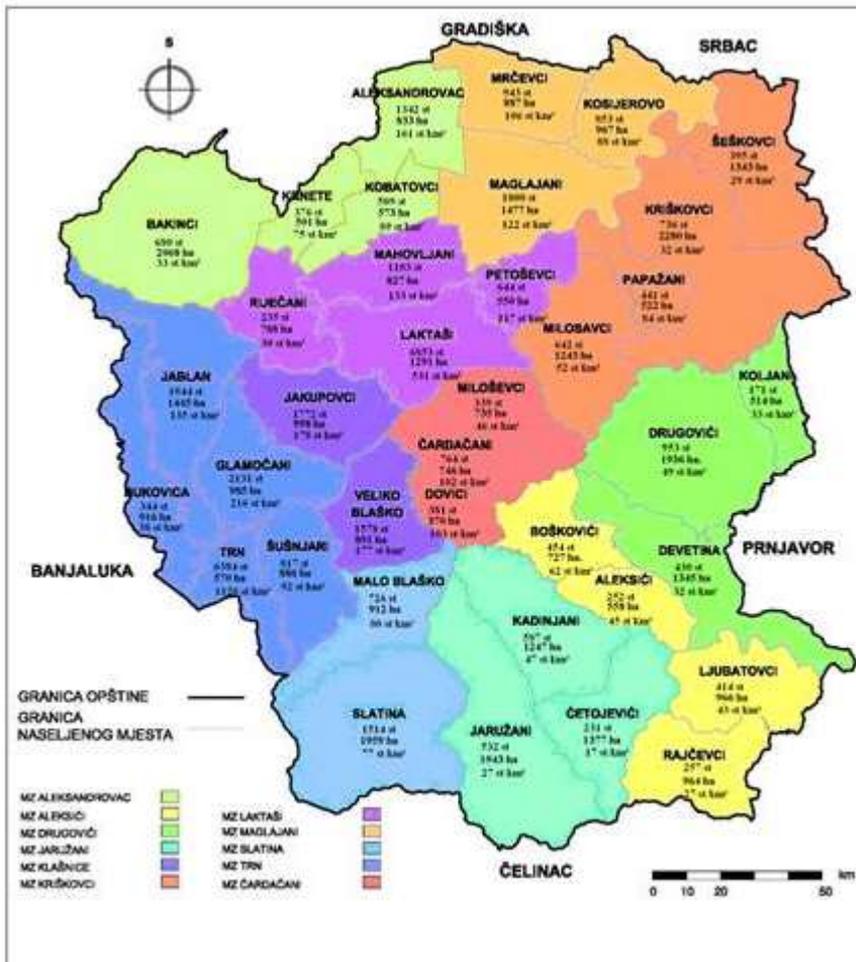
Socio-economic characteristics of Municipality of Laktaši

Municipality of Laktaši is located in the northwest Bosnia and Herzegovina; administratively belong to the Republic of Srpska. The total area of the municipality is 391.4 km², and in the municipality, according to the census in 2014, lives 36,848 residents (RZS RS, 2013). The rural tourism is one of the priorities for the future development of the Municipality of Laktaši. The real basis for the development of rural tourism in the municipality is: nature, culture, people and geostrategic position.

When it comes to traffic infrastructure, we can say that the municipality has a solid traffic network. All main, regional and local roads are asphalted along their entire length. Thanks to the favourable geostrategic position and existing traffic infrastructure, Municipality of Laktaši is well connected with neighbouring municipalities and wider surroundings.

Great importance for the Municipality of Laktaši has an international airport Banja Luka, which is only 3 km away from municipal centre.

Map 1: Territory of the Municipality of Laktaši



Source: Action plan or sustainable energy development of Municipality of Laktaši (2012).

Rural tourism in the Municipality of Laktaši

According to Vaško et al. (2011), the natural resources are recognized as a source of generating wealth in many economic theories. When talking about the development opportunities in Bosnia and Herzegovina, intensification of agriculture production is very often emphasized as its great potential. Recently, more and more attention is given to the concern

for the preservation of nature, and thus the rational and responsible use of natural resources. Therefore, the focus gradually shifted from utilization of natural resources for intensive agricultural production to the utilization for any other activities which create alternative income, including agro and rural tourism.

The Municipality of Laktaši has a good transport infrastructure and links with other cities and regions, which their commitment to tourists visiting the municipality, it has a favourable climate and natural diversity that is good motive to attract tourists to come and engage in various recreational activities designed (walking, running, cycling, etc.), there are springs of mineral water (spas), some of which are located in rural areas. Tourists who visit spas can be accommodated in the facilities of health centres, but also in the houses of rural households around spas in neighbourhood. Also, rich in cultural and historical monuments, which are mainly in the rural areas of the municipality, and they are reason for tourists to come and look them.

In addition to the variety of natural resources, the Municipality of Laktaši has interesting archaeological sites from the Palaeolithic, Roman and Byzantine periods, which are located mainly in rural parts of municipality, which may be interesting to tourists. There are also religious buildings, among them there is the wooden church in Blaško from the XVII century. During the year there are number of cultural events in both urban and rural areas in the municipality such as: Laktaši's summer, Days of Slovenians, Strawberry days, Days of wine tasting, Days of grain and Days of maize fields. In order to promote and improve tourism offer in 2004, the Tourist organization of Municipality of Laktaši was established. Overall, in the Municipality of Laktaši there are natural, historical, infrastructural, anthropogenic, manifestations and other preconditions for rural tourism, which were previously described in this chapter. However, rural tourism is underdeveloped and for provision of rural tourism services, only three rural households are formally registered.

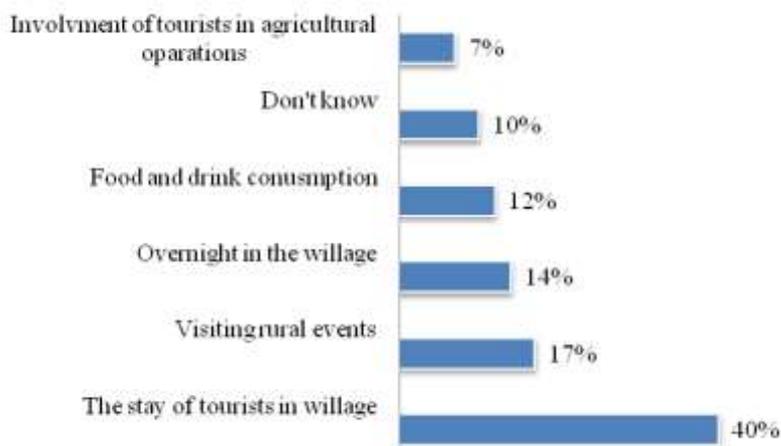
The attitudes of rural households toward rural tourism

In the year of 2014, the number of 95 respondents were surveyed, 47 men and 48 women, members of rural families, of different age, selected proportionally from all rural areas of the municipality of Laktaši. The main share of the respondents were in age group between 30 and 45 (30%), followed by those in age group over 60 years (29%). When it

comes to level of education, most respondents had the secondary education (47%), followed by primary school (24%), and the lowest number was persons with a university education (29%). More than two thirds of surveyed households were involved in some kind of agriculture production, 29% were engaged in some of a non-agricultural activity. Below, there are some of the results based on processing the survey data.

On the survey question - are you familiar with a term of rural tourism, 76% answered yes, while 24% said no. This answer indicates that 3/4 residents of rural areas in the municipality have heard about rural tourism, which make them easier for afterwards trainings in this topic and thinking themselves to start dealing with some aspect of this type of tourism. Being asked what rural tourism means to them, results were shown in the following chart.

Chart 1: *The meaning of rural tourism for rural population*



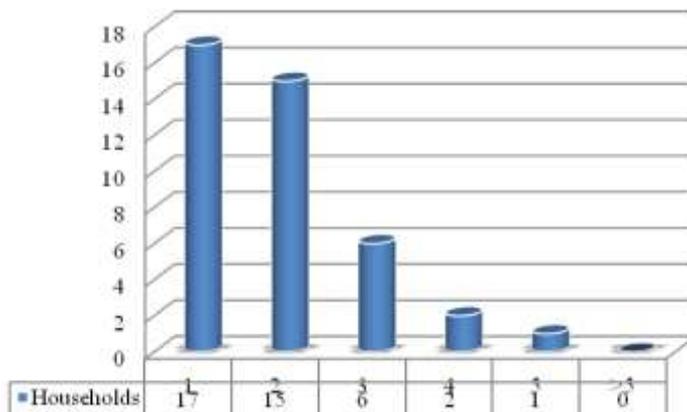
Source: *Data processing by authors based on data from the survey.*

It is encouraging that there is a small number of those who don't have their own perception of the meaning of rural tourism, and most of them properly identified rural tourism with some of the forms of rural tourism.

Out of the total 95 surveyed households, 18 confirmed that their household wanted to deal with rural tourism in the future. Starting with the assumption of representativeness of the sample for the whole rural area of the municipality, it came out that 19% of total rural households wanted to deal with rural tourism, and in relation to the total number of

rural households it could be even 1,226 households. Slightly less than half of the surveyed households (43%) has a surplus of rooms, indicating a significant potential for provision of accommodation, without the need of major investment in fulfilment the initial conditions.

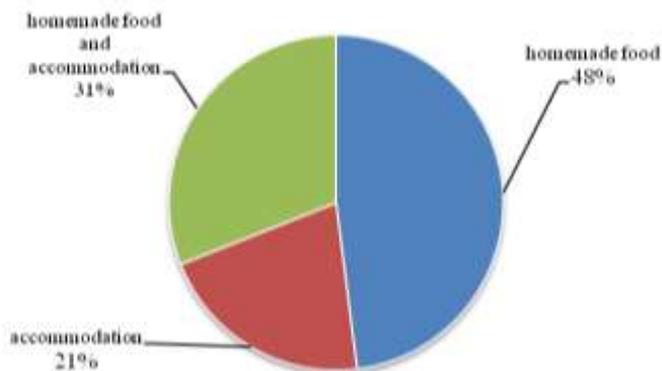
Chart 2: *Number of free rooms*



Source: *Data processing by authors based on data from the survey.*

A third of rural households interested in providing tourist services is ready to offer full service of accommodation and food (full or half board), one half of them is ready to offer less demanding type, i.e. accommodation only, and 21% food only, which is most suitable to daily visitors from surrounding cities, and with good promotion, to transient tourists who need short breaks on longer journeys.

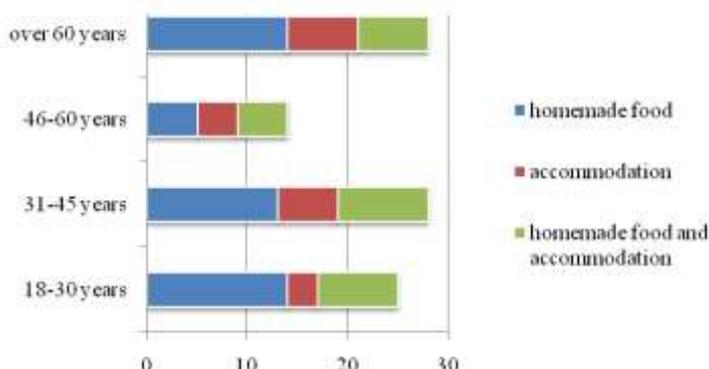
Chart 3: *Preferences for certain types of rural tourism*



Source: *Data processing by authors based on data from the survey.*

There are participants of different age categories among the total number of surveyed who are willing to offer some types of tourist products on their households, as seen on the graph 4. The lowest interest in the rural tourism services was shown by people aged between 46 and 60 years. The largest interest for additional income from tourism services is shown by older than 60 years.

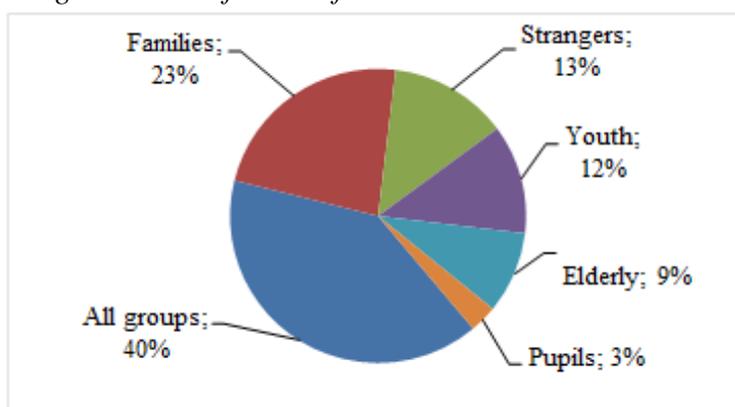
Chart 4: Preferences for certain types of rural tourism by age group



Source: Data processing by authors based on data from the survey.

The largest number of households responded that they would, if they got engaged in rural tourism, their tourist products would be directed toward all target groups (40%), i.e. 23% to families, 13% to foreigners, 12% to youth, 9% to elderly and 3% to pupils, which is shown in the chart 5.

Chart 5: Segmentation of users of rural tourism services



Source: Data processing by authors based on data from the survey.

Incentives for development of rural tourism

Ministry of agriculture, forestry and water management of the Republic of Srpska within its measures for support of rural development encourages the development of tourism activities in the rural areas. This type of incentives is implemented in the framework of rural development policy. In the period 2010-12 some funds were allocated for that purpose, and afterwards, due to reduced agricultural budget, those allocations stopped. Having in mind that in the period of five years the amount of EUR 200,000 was allocated for entire Republic of Srpska for rural tourism (out of which Municipality of Laktaši did not withdraw any amount), the conclusion is that these funds are insufficient for any serious promotion and development of this type of tourism.

Table 1: *Financial support to the development of rural tourism (in EUR)*

	2010	2011	2012	2013	2014	Total
Ministry of agriculture, forestry and water management of the Republic of Srpska						
Total RS	87,099	94,720	19,043	0	0	200,862
Ministry of trade and tourism of the Republic of Srpska						
Support to programs for tourism development - total RS	n/a	n/a	2,586,06 2	1,455,22 3	1,185,16 5	5,226,45 1
Support to programs for rural tourism development - total RS	n/a	n/a	36,730	31,368	0	68.098

Source: *Data processing by authors based on data obtained on request from the aforementioned institutions.*

Ministry of trade and tourism of the Republic of Srpska was something more generous in terms of incentives for the development of tourism, which is understandable considering its mission and title, but the incentives for development of rural tourism were a minor and at the level of three years, it amounted EUR 68,000 for entire the Republic of Srpska, out of which the Municipality of Laktraši used EUR 5,000.

In the period from 2012 to 2014, a total of EUR 42,000 was allocated in the budget of Municipality of Laktaši for organization of various cultural,

entertainment and other events and EUR 20,000 for other programme activities, which can be partly considered as a support to development of the rural tourism. In the same period there were no allocations directed only to rural tourism at municipal level.

Bringing together funding from three sources by which support to development of the rural tourism was financed in the period 2010-14 conclusion is that allocations for these purposes were inadequate. In one, in tourism and all other aspects, developed municipality, as it is the Municipality of Laktaši, for rural tourism development, less than 1 EUR per capita was allocated annually.

And according to the results of the sample survey data it was found that the local government doesn't provide enough assistance for the development of rural tourism because 88% of respondents stated their opinion that local authority doesn't provide any kind of support in dealing with rural tourism activities, while 12% of them consider that it provides some kind of support.

The majority of respondents (95%) believe that the tourist organization does not do enough to promote rural tourism, while only 5% said the opposite.

SWOT analysis of the situation and the possibilities of rural tourism development

The main competitive advantages of Municipality of Laktraši for rural tourism are: nature (relief, diverse climate, preserved environment) and human resources (education, motivation and hospitality). The main weaknesses for the rural development in the Municipality of Laktaši are:

- unfavourable economic and political situation (global and local);
- lack of vision and quality programmes for development of rural tourism and
- insufficient financial and organizational support.

Table 2: *SWOT analysis of the situation and possibilities of development of rural tourism in the Municipality of Laktaši*

Strengths	Weaknesses
<p>protected natural environment; wide variety of natural resources; the reach cultural-historical heritage; hospitality; convenient geographical location; reliable traffic infrastructure; favourable climate; regular organized cultural, traditional and agricultural manifestations; spas (spa Slatina and spa Laktaši); rich flora and fauna; existence of municipal touristic organization; educated rural population.</p>	<p>lack of vision of tourism development at the local level; absence of quality programs for rural tourism development: lack of managerial knowledge and skills among providers of touristic services; limited organized offer of accommodation in villages; weak cooperation private and public sector; lack of standardisation and categorisation in tourism; modest promotional activities; insufficient touristic signalization; lack of education of employees in tourism.</p>
Opportunities	Treats
<p>space for development of new touristic products in a field of health, sport and rural tourism; more comprehensive valuation cultural and historical values and organizing offers in the field of religious and event tourism; development of tourism in rural households; increasing demand for rural tourism; demand for autochthonous products; access to pre-accession EU funds.</p>	<p>long-term consequences of extreme natural disasters; economic crises and decreased purchase power of (local and foreign) tourists; bad political image of B&H as a touristic destination; insufficient financial and other support to development of tourism, especially rural tourism; increased interest of tourists for foreign and weak interest for domestic touristic destinations.</p>

Possible directions for the provision of rural tourism

Rural tourism includes all tourist services, activities and types of tourism in the rural areas, which are dominated by natural environment, countryside, small settlements and villages, agriculture and forestry and agricultural holdings.

Visiting and exploring non degraded nature, and at the same time introducing the culture and tradition in the Municipality of Laktraši gives opportunity for exercising the following forms of rural tourism (which overlap and cross with some other forms of tourism):

- Tourism at rural households – rural households that give tourists the possibility of staying on farms and enjoy in nature;
- Fishing and hunting – Vrbas river and many of its tributaries: Bukovica,
- Klačnička rijeka, Turjanica, Vukešnica, Osorna etc. and slopes of the mountains of Crni Vrh and Kozara;
- Spa tourism – spas Slatina and Laktraši provide the possibilities of combining health services in premises of health centres and household accommodation;
- Cultural and historical tourism – archaeological sites Zidine - Jelića gaj,
- Brdašće - Laktaši, Gradina - Šušnjari, Kamena kugla in Slatina, Early Byzantine Lost City „Balkis“ from IV century;
- Religious tourism – wooden Church Malo Blaško, Church of Virgin Mary
- in Maglajani, Italian Parish Church of St. Francis of Assisi in Mahovljani,
- Ukrainian Church in Devetina, the Temple of the Holy Virgin and others;
- Events and manifestations in rural areas – Strawberry days, "Laktaši's summer", Days of grain and Days of maize fields, etc.;
- Mountain tourism – mountain slopes of Crni vrh and Kozara which abound in fresh and clean air, where visitors can enjoy and stay in summer and in the winter;
- Recreation – cycling, hiking, running or camping in nature.

Conclusion

The Municipality of Laktraši has very favourable conditions for rural tourism development, in terms of preserved nature, biodiversity, favourable climate and topography.

The rural tourism represents potential for development of rural areas in Municipality of Laktraši in a manner that it is economically, ecologically and socially acceptable or sustainable. Sustainable rural development contributes to poverty reduction, rational use of natural resources,

reducing the depopulation of rural areas and contributes to improving the quality of life of the rural population in these areas.

By analyzing secondary data sources and collecting opinions of rural household representatives, we come to conclusion that rural population on the territory of Municipality of Laktaši has conditions and interest to be involved in the rural tourism activities.

In the past period the local, entities and state authorities haven't stimulated the development of rural tourism enough by assigning financial and other incentives.

The importance of the rural tourism for the development of the rural areas in Municipality of Laktaši is reflected in: temporary or permanent employment of the members of rural households; increasing the incomes of rural households from this activity; valorisation of rural areas and values through their inclusion in the tourist offer; development of undeveloped areas, remote from urban part of the municipality; placement of surplus of local products (meat, milk, fruit, vegetable and other non processed or processed agricultural products) from rural households to tourists; placement of handicraft products (embroidery, the crochet, knitting...), and consequently return of old forgotten crafts and preservation of tradition; creating opportunities for the return of population to the abandoned rural farms and their revitalization.

In order to use the existing potentials for the development of rural tourism in the Municipality of Laktaši, it is necessary:

- To carry out the identification of households of those interested to engage in rural tourism activity.
- To organize trainings, both for the holders of tourist activities (representatives of local authorities, tourism and non-governmental organizations) as well as for providers of the rural tourist services.
- Special attention should be paid to the training of women in rural communities, as they are in greater extent the potential leaders of the development of rural tourism at the rural households (for example: food preparation or making crafts and other homemade products) and are more often unemployed members of the family who have free time for additional work.
- To do categorisation of facilities for rural tourism, establish s databases and to register households that offers those services.

- To perform an adequate promotion of rural tourism services, single (web) and a common, through the local tourism organization, participating on the fairs, presenting in electronic media and alike.
- To organize offer of related services of rural tourism, with the assistance of governmental and nongovernmental organizations, and to respond to the demand of the modern tourist market in an adequate way (e.g. a special offer for hunters, cyclists, beneficiaries of spa services, accommodation for group visits, etc.).
- To provide financial support for rural households that wish to be engaged in providing services of rural tourism, as well as for the building and improving joint tourist infrastructure and for the promotional activities.

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DEVELOPMENT OF TOURIST POTENTIAL AS A CHANCE FOR SERBIAN ECONOMY – EXAMPLE OF NATIONAL PARK DJERDAP

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Abstract

Tourism is nowadays a booming economic activity. As such, it represents a particular challenge for countries that see the provision and export of tourist services as one of the most important opportunities for accelerating economic growth. The natural resources of our country and its favorable geographical position can be a precious asset for attracting tourists and meaningful involvement of investors in this area. The intensification of investment activities in the field of tourism in Serbia offers many advantages, such as: (1) the building of new modern capacities and modernization of existing tourist facilities; (2) the use of modern information technology and participation in global distribution systems; (3) innovative promotional activities and the application of modern concepts of marketing and management in tourism; (4) and improvements in the quality of complex tourist services in accordance with the requirements of the world market. The authors pay special attention to the possibilities of developing areas of tourist potential, particularly at the Djerdap National Park, which is a national asset of great importance from the standpoint of the future development of tourism and overall economic activity in our country.

Keywords: *Tourism, National Park Djerdap, economic growth*

Introduction

Serbia belongs to the group of countries that are faced with numerous economic problems, and the development of tourism as an important economic activity can contribute to overcoming them. The comparative

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advantages of our country, which are reflected in the availability of natural resources and favourable geographical position, represent a significant advantage for attracting tourists and intensifying investment activities in the field of tourism.

Djerdap National Park is a significant and complex tourist value of Serbia. Natural resources, archaeological sites, medieval religious buildings, population and settlements, indicate significant attributes of touristic and investment attractiveness of the national park. However, a large navigable river, a vast artificial lake, the mountain ranges of the Carpathians, composite gorge with four constrictions and three tectonic-erosive enlargement, national park with a number of reserves, the existing tourist and catering facilities, border crossings with Romania and other benefits, are not economically valorized.

In this sense, the paper pays special attention to the possibilities of development of tourism and investment potential of this national park, with the biggest surface and national treasure of great importance, as far as the development opportunities of the domestic economy are concerned.

The development of tourism in the function of economic recovery and strengthening the investment activity of the domestic economy

Tourism, as an economic activity, at the present time is experiencing strong growth. In this sense, it represents a particular challenge for countries in the provision and export of tourist services, that is the countries which see one of the most important opportunities for accelerating economic growth (Djuric & Djuric, 2005, 240). The geographical location of the land and its natural resources are important factors that affect the pace of economic development of a country.

The Republic of Serbia has very favourable geographical position. Favourable natural geographic and traffic position of the Republic of Serbia is an advantage for the development and efficient functioning of river, land and air transport and a prerequisite to attract significant transit traffic. The proximity of current and future EU members from South East Europe, geostrategic position and infrastructure links of the Republic of Serbia with the countries of the region (the Balkans), sub-regions (South East Europe) and the EU represent a real advantage for faster political and economic integration of the Republic of Serbia into the geo-economic and regional integration. In addition to geographical location, natural

resources also play an important role in the economic development of most modern world countries.

The importance of natural resources to the country economy is conditioned by the level of its economic and technological development, the characteristics of the economic structure, and the economy provided by a particular region in the international division of labour (Djuric et al., 2012, 222).

Natural resources of our country and favourable geographical position represent a significant advantage for attracting tourists and intensifying investment activities in the touristic field. Strengthening investment activities in Serbia recreation area includes many benefits such as:

- construction of new modern capacity and modernization of existing tourist facilities,
- application of modern information technologies and participation in global distribution systems,
- innovation of promoting activities, affirmation of modern concepts of marketing and management in tourism, and raising the quality of complex tourist services in accordance with the requirements and criteria of the world market.

In the context of strengthening economic activity in the tourism field, we emphasize the importance of the investment role. Given that investments represent an important means of economic recovery and further development of the Serbian economy, encouraging investment strategy should become the backbone of its economic and development policies. With this goal, it is essential to define priority branches and areas for investments and determine the most desirable form of investment. The national strategy of encouraging investments should be required to identify the type of investment and economic areas to be developed.

The comparative advantages of our country condition commercial branches which should develop in the framework of which the best investments can be realized. The main direction of the strategy to attract capital must, therefore, be directed towards those areas of the economy that can take advantage of our strengths best, the most important of which are the following (Djuric, 2006, 284):

- geographical and strategic location,
- eligibility and low labour costs,

- size and connectivity of the domestic market with other markets,
- natural resources and others.

When it comes to the most important groups of investors that can be expected in the Serbian tourism industry, in addition to domestic investors, the attention should definitely be directed towards current traditional European partners. Investors from Russia, China and other non-European countries also represent an investment opportunity in the future.

Former socialist countries also represent important potential investors, not only for geographical proximity, but also because these countries already have significant experience with its functioning market economy. In this context, special importance is given to the countries of the former members of the common state - Yugoslavia.

Reduction of political tensions and economic subjects' numerous connections which have not so long functioned within the framework of the single economic space, provide opportunities for more active economic integration and significant investment commitment.

Mobilization of Serbian citizens' working abroad capital and economic potential can also constitute an important source of financing for the development needs of our tourism industry. It is certain that, in order to achieve good results, we must abandon long-term assumptions that patriotic initiative of our citizens abroad will be the main motive for their investments. In this sense, what is very important here is the role of the state in terms of investment and the creation of an adequate institutional environment (Djuric et al., 2011, 299).

Investors highly value the existence of political and economic stability of the host country of foreign investment, which, among other things, is reflected in the safety of guaranteed property rights, stability and predictability of legal regulations and government policies, the reliability of the judiciary, etc (Djuric, 2004, 397). To achieve success in this area, what should be created is a stable institutional environment, which in addition to more efficient operation of diplomatic and consular missions abroad, can animate the Serbian Diaspora for more intensive business activities in the Republic of Serbia.

In order to attract tourists and investments in the tourism industry, it is necessary to implement and significantly more aggressive strategy of promoting Serbia as an attractive location for the tourist development.

Bearing in mind the fact that the present role of the state in attracting capital conditions completely changed, it must continuously make efforts for the promotion of tourist potentials of the country and raising the level of services to potential investors. To this end, the state through its mechanisms must undertake promotional activities with the main task to:

- provide a complete package of services for potential investors, which provides an analysis of our business environment, as well as the analysis and review of the situation in specific sectors of our economy;
- provide different instruction and materials that facilitate the process of establishing touristic enterprises in Serbia;
- provide the possibility to organize meetings between interested investors with local authorities and others.

Djerdap National Park is a significant and complex tourist value of Serbia. Valorization of economic and natural resources, archaeological sites, medieval religious buildings, population and settlements indicate significant attributes of tourist and investing attractiveness, which enable year-round tourism with rich and diverse content. In this context, our work is particularly focused on the possibilities of development of tourism and investment potential of this national park, the surface of which is the largest one, which is a national treasure of great importance, as far as the future development of tourism, investment and overall economic activity in our country are concerned.

Tourist, geographic and traffic-geographical position

Djerdap National park is located in the North-East of Republic of Serbia and includes a part of the area Djerdap gorge (Iron Gate) in the middle of the Danube. (Article 4, paragraph 2) According to the original proposal, the surface of this National Park was 82,000 acres, but later determining the boundaries of the national park, it is reduced to 63,786.48 hectares, which has some negative implications for the development of tourism.

The national park has a favourable position because it passes through the main route, named "Djerdap highway" that runs from Belgrade, via Pozarevac, Veliko Gradiste and Donji Milanovac, to Kladovo and

Negotin. The favourable location of the park, according to the traffic direction mentioned above, has a special tourist value, because it is one of our country's route links with Romania.

Another route running alongside the Park on the south side is the road that goes from Pozarevac, through Kucevo and Majdanpek for Kladovo and tourist attraction of this area is smaller, which is caused by moving away from Djerdap lake.

The Danube and Djerdap Lake constitute a specific part of a pan-European road and water corridors 7. Corridor 7 is the only European corridor which basically has a river stream or waterway Danube, the length of which is 2857 km. This corridor is part of a unique trans-European times the Danube-Main-Rhine total length of 3505 km. In connection with this corridor, it should be noted that in our territory there is the most important river middle-Danube transit hub, towards which waterways of eastern Hungary (Tisa), western Romania (Bega) and former Yugoslav territories (Sava and Drava) naturally gravitate. The waterway Rhine-Main-Danube axis can become a significant future economic development of Europe (Spasojevic & Susic, 2005). However, the traffic potential of the corridors, especially downstream of Budapest, is not utilized to its greatest extent, although the navigation on the Danube and Djerdap Lake is an interesting travel experience. Possibilities of dating archaeological sites, medieval fortresses and modern cities in the coastal zone, which guarantee a rich content of tourist travel.

Djerdap lake can be said to have a favourable position towards the South-East province of Vojvodina, Belgrade, North-East and central Serbia, while a position of Djerdap to Belgrade is favourable, especially because in addition to road and rail transport, it can be used as the Danube waterway. A very convenient location Djerdap Lake is of interest according to a series of natural and anthropogenic tourist motives. It favours the development of many types of tourist movements, ensuring the rich content of stay. Djerdap Lake is located in one of the longest and most attractive gorges in Europe.

Natural Resources

“With its natural and created values, Djerdap National Park is imposed as a separate and complete tourist entity. The first and fundamental group of tourist motives is related to the Iron Gate, with its morphological and

hydrographic characteristics. The second group of motives derives from the attractiveness of the Djerdap landscapes, based not on topography diversity and hydrographic features, but also on a wide range of combining different elements of the flora and vegetation forms. The third group of motives has a very solid base in the cultural and historical heritage, and especially in some more recent origin created values (objects hydropower and navigation system "Djerdap"). For this group of motives are adjacent to certain ethnographic specificity (Petrovo village) with appropriate forms of economic activity (fishing, livestock) and folklore characteristics. A special group of tourist motives in the Djerdap National Park are protected and provided for the protection of natural objects - nature reserves and monuments of nature" (Stankovic, 2002).

Geomorphological characteristics

In geomorphologic terms of the National Park "Djerdap", two geomorphologic entities can be singled out. The first makes the Djerdap gorge as part of the Danube valley, and the other highland hills on the right side of the Danube, which constitute a powerful bastion of the river to the south.

Djerdap gorge, one of the longest in Europe (100 km), extends between the city and the fortress Golubacki Romanian village Guravoj as the most upstream points, to the town of Sip, as well as the most downstream location. Since it belongs to the type of break-through gorges, which are very rare in the topology of the Earth, it is a composite, making it especially attractive. In the sector of the Danube Djerdap gorge there are four narrowed gorges: Golubacka or upper cliffs, Gorge Gospodjin vir, Veliki and Mali kazan and Sipska gorge; and three tectonic-erosive extensions: Ljubkovska basin, Donjemilanovacka basin and Orsavka basin.

Downstream from Donjemilanovacka Basin, the Danube enters the most interesting part of the gorge - the Large and Small cauldron, narrow parts of the valley, the steep cliffs reminiscent of intense tectonic activity in this area. Veliki and Mali kazan are mutually separated with the expansion of the Romanian village Dubova, which further increases the complexity of the morphological space and makes it more attractive touristically speaking. The coastal belt of the Great and Little cauldron is easily accessible from vessels, rather than the road, and must make efforts

to better connect most attractive touristic parts of Djerdap with the nearby roads, in order to achieve a longer stay of tourists.

Djerdap gorge ends at Sipska narrowing on this sector, with the island Crkviste. There were favorable conditions for the rearrangement of the Danube and the construction of hydropower and navigable system, where artificial lake Djerdap I ends (Stankovic, 1975, 134). In the island Marul, the hydroelectric power plant Djerdap II" was built, along with a lock.

Great geomorphological diversity of the Djerdap Gorge provides the development of tourism in some of its parts and there are enough locations for the construction of tourist facilities. They can be divided into ones close to the shore of Lake Djerdap, sightseeing (the forward slopes, sharp promontories and leveled terraces which offer an amazing view of the wide expanse of lakes and coastal zone) and special (caused by natural and anthropogenic motives such as caves, springs, archaeological sites, forest stands, crossroads ...).

The gazebo decoration can be possible in the narrow parts of the Djerdap gorge, which would be accessible from the lake and the mainland, and extensions in basin, where there is enough space and sunny exposure for the construction of reception capacities, sports fields, parking lots, docks and marinas.

Smaller forms and objects of topography are typical of National Park "Djerdap". It is a fluvial and karst forms, such as river valleys Brnjica, Dobra, Boljetinska River, Porec river, Buttercup and other flows. Some of these river valleys are thoroughly investigated and due to natural and tourist values proposed for protection. The appearance of sinkholes, dry valleys, caves contributes to the diversity of topography and tourist attractiveness of the national park.

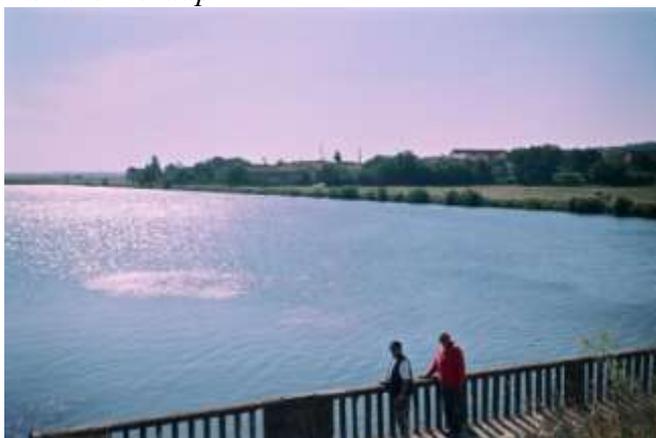
The hydrological characteristics

The biggest hydrological value of the national park "Iron Gate" is an artificial lake created by damming the Danube for the production of electricity and improved conditions of navigation and changed the appearance of the landscape. After damming the Danube in the Djerdap gorge and the creation of the artificial lake, tourist values of the area were increased to equalizing thermal water regime, improved navigation conditions, smaller amplitudes water level, improving predisposition for

sailing and fishing, road connection with Romania, the proclamation of a national park and more (<http://www.sgd.org.rs/publikacije/zemlja%Djerdapa.pdf>).

In places where the water has sunk lower stakes of Danube's former tributaries' riverbeds and meadows, the popular bays were formed, suitable for decorating the marina for nautical tourism as well as building and equipping checkpoints for fishing and hunting in the surrounding terrain. The largest bay of this kind was built in Porec river valley, the width of 1 km. It retracts 7 km along the Porec river valley. Smaller bays were created at the mouths of the Pesaca, the Ribnica, the Zatica and Suva Reka.

Picture 1: *The lake Đerdap*



Source: <https://sr.wikipedia.org/sr/>

According to the average monthly temperatures of water, swimming in the lake Đerdap is possible in June, July, August and September, when the water temperature is above 18° C. During the winter, ice can occur on Đerdap Lake (Stankovic, 1985, 1).

Anthropogenic Resources

Anthropogenic touristic values of those objects, events and happenings in space that can bind the attention of tourists a shape impressions, are divided into archaeological, architectural, ethnographic - artistic and touristic events. The result is material and spiritual culture of the society in space and time.

Anthropogenic tourist values cause the short-stay tourists, whereas the visit to some anthropogenic tourist values and organization of relevant events is often not time-dependent so that the tourist trade can take place throughout the year and be used for extending the tourist season.

The archaeological site of the fortress

The National Park "Djerdap" was inhabited from the Neolithic period which is proved by numerous archaeological sites and to the continuity of life is maintained until today.

The first archaeological excavations on the terrace of the Danube at Lepenski vir just assumed the wealth of findings. In 1967, under the farmers 'and herders' villages from the period from 5300 to 4 BC to 800 AD, traces of the material culture of world importance were discovered. Lepenski Vir is a cultural monument of exceptional importance, under the protection of the Republic of Serbia. At the archaeological site Lepenski Vir and the kind of prehistoric open-air museum, examples of jewelry and tools made of bone and stone, and carved stone plaques with symbols and signs that probably the basic mankind Vinca's letter were discovered.

In the area of the Iron Gate a few settlements from the time of Lepenski Vir and subsequent centuries were discovered. Their further scientific procession is pending, as well as finding opportunities to the tourist offer, which is already done with Lepenski vir. After the construction of the access road and the completion of the items on the open space and the museum, the culture of Lepenski vir will receive even greater tourist importance, while the national park "Djerdap" will become a kind of element originally offered cultural tourism trends.

Golubac city was built on a rocky slope of a hill, a branch of Homolje Mountain, while ramparts of the city follow the configuration of the terrain. The nine massive towers 25 meters high are connected by a wall and arranged in such a way to defend the city both from the land and water.

Fetislam fortress is located on the banks of the Danube and west of Kladovo. It consists of little and big forts. The small fort, made of the upper and riverside area, was constructed in 1524 as the starting point for the Turkish conquer cities Severina and Transylvania.

Picture 2: *Golubac city*



Source: <http://www.npdjerdap.org/kultura/golubacka-tvrđjava/>

The richness and diversity of cultural and historical monuments of national park "Djerdap" make it unique in our country. However, a great part of it is not equipped for tourist visits. In addition to Lepenski vir, there are no tourist-info offices.

Ethnographic tourism value

Ethnographic tourist values contribute to the enrichment of tourist stay contents and achieve higher economic and non-economic effects of tourism.

Valorization of ethnographic tourism resources can be done individually and in groups. This may be a manifestation of different forms of organization of folk customs, festivities, games and music (concerts, festivals, competitions), presentations of folk handicrafts and the brainchild of the galleries and museums and in environments with authentic ethnological characteristics (primarily in various rural areas and villages).

Special tourist attractions are folk customs of the local population, which have, due to poor communication and poor mixing, retained many archaic features. Annual holidays such as St. George's, St. Peter's ... when you get to a certain place where residents from the environment gather in national costumes, with old coin necklaces for women and girls, these are the kind of events with rich musical, poetic and artistic creativity. The particularly interesting ceremonies are "duhovske rusalje" (women who fall into a

trance), various types of commemorations (the cult of the deceased holds a special place in the religion of these areas, such as providing “daca” for life, various kinds of necromancy at cemeteries...) and “priveg” (ritual burning of village fires in which all the village residents take part).

Tourist events

In addition to other anthropogenic tourist values, various events attract the attention of tourists, which have a long and varied tradition. They can be: political, artistic, sporting, cultural and entertainment. The most visited ones are sports competitions, concerts, village meetings and events that do not require a high level of visitors' culture and information (Stankovic, 2008, page 206). Events in the tourist areas are of particular importance because they contribute to enriching the content of visitors' stay and to the increase in daily and total guests' spending.

We can single out a few events: Ethno festival of Eastern Serbia (held in July in Kladovo); The Djerdap Regatta Tekija - Kusjak; Folklore festival "Lilac fest"; Pop Music Festival "TIN" (held in July in Donji Milanovac); Danube Day; Porecki cauldron; Djerdap Cup sailing (held in August in Donji Milanovac).

The main forms of tourism

National park "Djerdap" with its natural and anthropogenic tourist motives, existing transport connections with sources of tourist demand, receptive facilities on its territory and in neighbouring countries, provides favourable conditions for many forms of tourist movements throughout the year.

Nautical tourism. This form of tourism is conditioned by the existence of large Djerdap Lake. Nautical tourism means the navigation on smaller and larger facilities in order to rest, leisure and visit tourist attractions, the Danube has a long and rich tradition. Given the increasingly favourable conditions for navigation on the Iron Gate, it is possible to expect an increase in traffic. Although the Danube runs a length of 588 km through Serbia, our country is one of those Danube countries which has excellent conditions for river nautical tourism.

One-day trips. Tours are components of an integrated tourism product and the number and variety of organized tours offered in the tourist destination as an indicator of development of these destinations.

Tourist movements dealing with one-day trips towards the national park "Djerdap" are more developed than some other forms of tourist traffic and especially in May, June, September and October (visit hydroelectric dams "Djerdap" and archeological settlements Lepenski vir). One-day trip tourism in Djerdap should not be limited to meeting only two or three buildings and sites, as Djerdap offers considerably more. One-day or weekend arrivals of Romanians in Kladovo across the Djerdap border crossing were intensified after the entry of Romania into the European Union.

Excursion tourism. Excursion tourism group travel usually involves the pre-planned and organized ROADMAP travel.

There are tremendous opportunities for the development of excursion tourism, a county provides excellent conditions for educational school trips, where the history of this district can be recounted during a visit over anthropogenic tourist values.

Stationary tourism. Donji Milanovac, Tekija and Kladovo provide the most appropriate conditions for a longer stay in the National Park Djerdap, because in these neighborhoods there are modern tourist and catering facilities. The center of tourism after the construction of the hotel "Lepenski vir" becomes Donji Milanovac, because it can meet the needs of many tourists, regardless of their primary commitment.

In recent years, recorded in groups of tourists from Germany, Austria and Greece, and conquer the markets of these countries is still pending. With this in mind, the home manager is required to develop skills in cross-cultural work environment. Cultural understanding and knowledge of cultural diversity at the present time becomes a basic prerequisite for successful business. Cultural sensitivity entails awareness and a sincere concern about the culture of other individuals, and requires the ability to understand the people who live in other societies. (Djuric & Djuric, 2010, 378-379) In this sense, investing in education and creation of competent personnel is becoming an important prerequisite for economic and social development. Investing in building and human resources training, in

modern conditions, is becoming a key competitive advantage (Djuric et al., 2013, 761).

Event tourism. This form of tourist movement is closely linked to the motives of the same name - manifestations, and it can have a cultural and recreational feature. The basis for the development of event tourism in the territory of the national park "Iron Gate" is enough. Tourist events can be highlighted with a sports and cultural content (regatta competitions in rowing and swimming and sports competitions on land surfaces).

Fishing and hunting. Hunting achieved many positive effects: significant financial income (certain portion of foreign exchange from foreign hunters and game meat exports), encouragement of the development of other economic sectors (catering etc.), improvement of the wild game and, from an ecological point of view, it provides the protection of endangered species of wildlife, improving the socio-economic status of the population and suppress unfavorable demographic trends (providing services in rural households money as additional income may increase their total revenue and retention on the property). Hunting requires special organization of the hunters' accepts, guidance services, inspection and maintenance of hunting grounds, but it can be also a rich source of income. The same applies for the development of fishing tourism in the Djerdap lake and its mountain tributaries. Along with hunting, specific gastronomic specialties can be developed in the national restaurants, which can affect the level of daily and overall spending tourists. Fishing tourism can have a significant impact on the increase of tourist traffic in the National Park. A large waterscape of the Danube and Danube Lake has abounds in populations of diverse species of fish (sturgeon, perch, catfish, carp, pike, bream, etc.).

Conclusion

Djerdap National Park is a significant and complex tourist value of Serbia. Valorization of natural resources, archaeological sites, medieval religious buildings, population and settlements, indicate significant tourist attractiveness attributes that allow year-round tourism of rich and diverse content of stay. Large navigable river, a vast artificial lake, mountain ranges of the Carpathians, composite Gorge with four constrictions and three tectonic-erosive enlargement, national park with a number of reserves, the existing tourist and catering facilities, crossing at the border with Romania and other benefits, are not touristic valorized.

Djerdap National Park and its immediate surroundings highlight the numerous cultural and historical monuments. Archaeological sites, medieval and modern facilities, clearly point to a long continuity of life in this area, which favours the tourism value because it allows content rich stay.

In the national park "Iron Gate", different forms of tourism may develop. Most of them are mutually complementary, affecting a higher degree of utilization of capacities and achieving better economic effects. Further efforts to strengthen the development of tourism and investment activities in this area must be committed to the better transportation infrastructure, particularly water transport on the Danube, as the basis for development of nautical and cruise tourism. It is necessary to construct facilities for youth tourism by utilizing the nature of schools and, more than ever, to develop sports and cultural manifestation and event tourism.

Tourist development must precede and it must spatially and temporally follow the protection of natural and anthropogenic resources. It must be based on the principles of the active protection concept of the environment and the sustainable development concept, which is based on the protection of such predecessors' development of tourism and other activities in the national park.

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REGIONAL DEVELOPMENT TOPLICA DISTRICT WITH THE FOCUS ON TOURISM

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Abstract

Regional development of Toplica district can largely be supported by the development of tourism as an economic activity. In recent years there has been an increase in number of tourists -but insufficiently - so as to significantly contribute to the development of the District. Tourism potential is emphasized by a large number of healing water sources that are not sufficiently exploited. Insufficient development of infrastructure facilities, a small number of hotels, sports and recreational facilities, keep this District still backward compared to larger centers, such as the mountains of Kopaonik, Zlatibor, Tara, Stara Planina. Regional development of the entire Toplica district should move forward in the direction of putting all together of all the advantages and potential of the observed District, which requires additional investments into infrastructure, economy, other accommodation facilities and else.

Keywords: *regional development, tourism, tourist potential.*

Introduction

Regional development represents an indicator of the commercial and economic power of a particular country. Each national economy should base its economic and commercial development on equal opportunities and the reduction of regional disproportions.

Regional development strategy should be based on research and comprehensive approach by national governments, aimed at detecting strengths and potentials of underdeveloped regions. Regional underdevelopment is not primarily the characteristic of only economic

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and socially underdeveloped countries, but also of so called “developed countries” that have not paid significance attention to this problem.

One of the typical examples of regional underdevelopment and its impact on the socio-economic life is certainly the Republic of Serbia. Looking through the centuries and history, the area of the present-day country has been marked by major events such as wars, disintegration and the formation of new states, the great migration of peoples and interethnic intolerance, which largely determined the pathway of further economic progress and development.

The problem of the regional underdevelopment of Serbia and its southern regions affects the overall development of the country and its economy, which has been re-confirmed for decades through abundance and disappearance of villages south of Belgrade. Migration of young people from countryside to the city, leaving households, undeveloped infrastructure, devastated and regressive agriculture, lack of employment opportunities, represent only a part of factors that will determine the future of Serbian villages and State.

After World War II the former Yugoslav leadership has chosen industrialization as the primary method of regional development of Serbia, which led to the fact that Serbia in late eighties belonged to the group of medium developed countries. The events of the last two decades of the twentieth century led to economic collapse and discontinuing the regional development of Serbia.

After democratic changes, the commencement of transition process aimed to increase production, employment, new forms of organization, new markets and new investments.

The success of the implemented transition is best reflected through regional underdevelopment, unsuccessful privatization of factories and the present state of the economy in certain regions.

The wealth of natural resources make Toplica district suitable for the implementation of development strategies in the field of tourism, investment of funds into spas for treatment and rehabilitation, organic agriculture and promotion of traditional crafts. Toplica district is located in the basin of river Toplica, bounded on all sides by mountains Kopaonik, Radan and Jastrebac. The nearby city of Niš, as a regional

center, makes this area suitable for investment in all areas of the economy, also including tourism.

The subject of the research is the determination of the observed area's regional development and utilization of natural resources, expressed through the tourism sector and offer of tourist conveniences.

The aim of the research is to determine the link between tourism as an economic activity and its impact on the regional development of the observed region.

The historical and normative methods have been used for the purposes of research, as well as the professional literature in the field of regional development, economy of tourism, sociology and encyclopedias.

Research results

Traces of medieval history are recognized in the area Kosanica and Gornje Toplice. This area is rich in rarities, interesting sites, myths, legends, and other values. Many of them have not been explored yet, enlightened in details, nor their importance determined.

These are the foundations of Serbian spirituality from the era of Nemanja's endowment - holy temples of St. Nicholas and St. Virgin, then church monasteries' areas and church forts.

Some are being in traces, some in ruins, while some have been restored. In these homes of spirituality, in a beautiful natural surroundings, monastery brotherhoods have found their gateways with the task to preserve spiritual and national self-recognition, carrying out their sacred mission in the sound of silence of centuries.

Sanctuaries exist, or have existed almost in each of the 90 settlements in Kosanica and Gornja Toplica areas.

In this region, Nemanjići conceived Serbian spirituality and culture, *inter alia*, by raising temples older than Monastery Hilandar and Cathedral NOTRE DAME DE PARIS.

Kuršumljija municipality is located in the central part of the southern Serbia, and city Kuršumljija is located at the confluence of rivers Kosanica

and Banjska into river Toplica, 65 km southwest of Niš. The municipality outreaches an area of 952 km² and has about 20,000 inhabitants.

Kuršumlja was known in Roman times, and was called AD FINES. In the Byzantine era it was titled TOPLICE and used to be a seat of the Toplica Episcopacy. It was first mentioned in written documents in the years 1019/20.

In the medieval times it was the first capital of STEFAN NEMANJA. Between 1159 and 1168, he built here his first two monasteries, St. Nicholas and St. Virgin, upon which the place has been called BELE CRKVE (*translation note – „white churches“*).

At the beginning of the Turkish rule, the city was called KURSHUMLI-KILISE, later KURSHUMLIJE and finally, after the liberation from the Turks in 1878, KURŠUMLIJA.

St. Nicholas monastery, the endowment of Stefan Nemanja from the 12th century, by the date of construction is older than monastery Hilandar 32 years and from NOTRE DAME DE PARIS, 92 years. It represents the establishment of famous the *Raška Architectural School*. Therefore, this area is called Kosanica Holy Mountain, Kosanica Athos, since it possess so many sacred places as the Holy Mountain Athos.

Nemanja constructed St. Nicholas monastery on a flat plateau (viewpoint) over the confluence of river Banjska to Toplica and endowed it to his son Sava, who, at this place, has blessed the first follower after obtaining autocephaly of Serbian Orthodox Church in 1219.

It used to be a large monastic complex and the seat of Toplica Diocese and Metropolitanate. The architecture is considered a prototype of Raška Architectural School.

It was destroyed after the Austro-Hungarian-Turkish wars (1668-1690). Nemanja's places of worship, with towers and domes, both buildings constructed in by that time named, city Toplice, one of the most important centers of young Raška, were covered with lead plates (legend says that they were cast on Kopaonik, in smelters in villages MRČE and ŠTAVA, in Lukovo area, in the middle age, region known by ores and miners). Towers and domes gleamed in the sun and were seen afar off. Two magnificent temples (near the St. Nicholas church) the Prefect's Palace

was settled, built of timber and surrounded with wooden fence, called by people Bele Crkve, and later the village next to them named the same.

Today's settlement Kuršumlija, named for the fact that in the late 15th and early 16th century, settled Turks stripped lead roof from worship temples and made bullets (*translators note: bullet – “kuršum“- by that time in Turkish language*).

In Mikuljano (Gornje), where today stands the church of St. Healers Cosmas and Damian, according to some sources, there was a monastery hospital, which start of construction was emphasized by Sava Nemanjić. Church's building has been renovated with further regulation to be continued.

Holy Mother's Monastery (*Petkovača*) in Kuršumlija is the oldest endowment of Stefan Nemanja. It is located near the confluence of river Kosanica into river Toplica, not far from the fragments of the Byzantine basilica, built on a foundation of Early Byzantine temple, dated in 5th or 6th century.

The building itself is the single nave with trefoil base (characteristic of churches in Constantinople and Holy Mountain Athos) and with stone iconostasis. The monastery church is now in ruins, and since 1979 it is under state protection as a cultural monument of exceptional importance. The monastery is located 800 meters downstream from St. Nicholas monastery. Nemanja endowed it to his wife Anna, who managed it for some time. In the vicinity of the Monastery, there were palaces of Turkish Sultan Murad the Second's wife MARA, the daughter of Serbian duke DESPOT ĐURAĐ BRANKOVIĆ, who has been taking care of the monastery for some time. Locals call this monastery PETKOVAČA, and thousands of them gather every year on Good Friday to pray to God, and lean table with fasting food. In the World War I, Kuršumlija became known after the Second “iron” regiment and Toplica Uprising in 1917. The ninety settlements are located in the municipality of Kuršumlija, situated on the slopes of mountains Kopaonik, Sokolovica and Prepolac. One can find there an old hotel, now a restaurant, “Europe”, built in 1892, in which, according to some authors, the writer Branislav Nušić wrote his novel “Suspicious person” (*Serbian - “Sumnjivo lice”*). In the vicinity there is the St. Trinity church, built in 1902. Important cultural and historical monuments in the city are: The Memorial Ossuary to fallen partisans in the Second World War, Monument to the national hero

Drinka Pavlović, Memorial - Panel to dr Theodore William Melgård (1888-1920), a Danish doctor, volunteer in the Serbian army in the World War I. Within municipality, in other tourist areas there are: St. Mina church in village Štava, St. George church in Lukovo spa, Lazarica Church and St. Petka church in Prolom spa, and the Monument to 17th Serbian Brigade, also in Prolom spa. The archaeological site of the late antique basilica is an important cultural and historical monument from the Byzantine period, built during the reign of Emperor Justinian (527-565). It is located next to the road Niš - Pristine, about 300 meters from the crossroad's turn to Kuršumljia. However, one of the biggest attractions is Pločnik, a Neolithic archeological site 7500 years old. It is believed that Pločnik is the cradle of metallurgy in Europe, because there has been found 47 copper tools, statue of Venus, which proves that it is about Vinča people, who shared and spread the same culture. Forested areas that are rich in forest fruits and medicinal plants, interspersed with flowery meadows, glades, streams and rivers, flora and fauna in very vivid attractive landscapes of picturesque nature, are perfect for the development of rural tourism. Starting with the natural features, and with the traditional hospitality of this place, lately create conditions for the improvement of rural tourism and improvement of offer for tourists in the countryside. Toplica district is located in the south of Serbia and occupies an area of 2,231 km². In its ranks are the municipalities of Prokuplje, Blace, Kuršumljia and Žitorađa. According to the last census, conducted in 2011, the total population was 91,754. The area is named after the river Toplica and part of the South Morava basin. In the river basin there are hot springs: Lukovo spa, Prolom spa, Kuršumljia spa and others. According to historical data, Romans used the healing potential of said baths, too. Toplica District possesses abundant natural rarities that can be "magnet" for domestic and foreign tourists. The most famous tourist cities, and at the same time the potential drivers of regional development are Lukovo spa, Prolom spa, Kuršumljia spa and Đavolja varoš (*transl. Devil's Town*). The synthesis of all these peculiarities of the observed area leads to a conclusion that tourism can be a driver of economic and regional development. However, to use the tourism potential in order to advance the regional prosperity, comprehensive analysis should be conducted and a comprehensive and long-term development strategy developed. In particular, the success of the adopted strategy largely depends on the successful connection of all socio-economic activities, which are of a dominant influence in the observed region. Based on the specifics of particular region, in economic science the following terms are met: developed, underdeveloped regions, deprived regions and

depression. Toplica district, with all its characteristics, is one of the underdeveloped areas, primarily due to unfavorable economic structure, unsuccessful privatization, the high share of agriculture in the total population, low national income, migration from village to town. Emphasized is the rapid development of spas in the direction of tourist destinations, and implementation of modern technical and technological solutions in the construction of accommodation, entertainment, sports, recreational and other spas' facilities, with use of contemporary medical approaches, aimed at preserving the general health of visitors, bringing spas closer to younger visitors, successful business people, managers and all those who lead an active life. Thanks to the chemical composition, temperature, radioactivity and other properties of thermal mineral springs in Serbia, our spas can be used in the treatment and prevention of a wide range of diseases and ailments. Serbia is a country that is rich in mineral and thermal springs, many of which have been turned into spas and health resorts. Particularly notable is the health by the aid of thermal water or balneotherapy. The more and more are present tourist movements, including spas' tourism, not for treatment but in order to preserve and improve the overall physical, spiritual and mental health of visitors. This concept is aimed at such a lifestyle of the individual as to affect the general wellbeing of the body with a healthy lifestyle, while achieving balanced intercourse with the environment. Local communities have become aware of the importance of spa tourism and include it into the offer of spas through the provision of accommodation and food. Spas captured an insight into the needs of modern guests and placing a greater aspect of the entertainment programs, which should attract not only high-paying guests, but also younger people who seek an active holiday. The Serbian spas give accommodation to around 17% of the total number of tourists and achieve about 31% of the total number of overnight stays in the Republic of Serbia. The largest number of tourists in spas are domestic tourists and they make even 90% of all visitors to our spas. This means that spas have their place within the tourism product of Serbia and that their situation may continue to improve by the modernization of services and content therein. This is particularly important within an approach to foreign guests, by offering quality services, which leads to the need to build image and repositioning of our spas on the European tourist market. Our spas can contribute to the promotion and development of cultural tourism, which affects the overall emotional, mental and cognitive development of the individual. Spas also encourage business tourism through individual business trips, conferences, conventions and meetings, exhibitions and fairs, incentive travels, outdoor events and like.

One of the possibilities to improve the economic and social situation of this district is to invest into tourism. The wealth of natural resources makes this area very interesting to domestic and foreign tourists. Toplica district has huge unexploited potential of natural and human resources. In particular, the success of the adopted strategy largely depends on the successful connection of all socio-economic activities, which have a dominant influence in the observed region.

Table 1: *Tourist arrivals and overnight stays for the region of Southern and Eastern Serbia*

Year	Arrivals	Overnight Stays	Arrivals		Overnight Stays	
			domestic	foreign	domestic	Foreign
2010	352,553	1,314,707	274,400	78,153	1,185,410	129,297
2011	362,049	1,350,521	285,500	76,549	1,217,103	133,418
2012	353,706	1,315,434	275,073	78,633	1,163,491	151,943
2013	334,809	1,106,177	251,673	83,136	957,431	148,746
2014	329,529	995,948	233,013	96,516	805,322	190,626

Source: *BINational Bureau of Statistics Serbia*

In the area of the Municipality of Kuršumljija there are: Prolom spa, Lukovo spa and Kuršumljija spa. **PROLOM SPA** is located at 23 km southeast of Kuršumljija, on the slopes Sokolovica and Radan mountain, at an altitude of 550 to 668 meters. According to some balneological healing waters features (26-31,5 °C) it represents an European and possibly the World rarity. In the hotel "Radan" and annexes there are 440 beds and 700 seats in the restaurant, and in private accommodation there are over 290 registered beds, and in a private restaurant with accommodation "Gurman" - 21 beds and 320 seats. Coffee bar has 150, and "Etno Krčma" 120 seats. Capacity for medical treatment and rehabilitation of the hotel "Radan" is 1,500 patients per day. Prolom spa is enriched by "prolom" water that belongs to the group of highly low in minerals waters (pH 8.8.9,2). Thanks to its unique characteristics, *Prolom Water* aids in the treatment of following: kidneys and urinary tract diseases, disease of the digestive system, while in combination with balneotherapy in Prolom spa, it helps in the treatment of skin diseases and rheumatism. By kidney and urinary tract disease, *Prolom Water* is especially helpful in the treatment of: chronic kidney infections, urinary tract and prostate, stone and sand in the kidney and urinary tract, conditions after urinary system surgery. *Prolom Water* is a gift of nature and best to drink it in the morning, two to three cups, because in that way it comes faster from the stomach into the small intestine and kidneys. One

should drink thirty minutes before lunch and dinner 0.5 liters of *Prolom Water*, and between meals as much as it pleases an individual, but the total intake of water during the day should be between 2.5 and 3 l. As for recreation contents, the Spa has an indoor pool, gym, three sports' courts and six marked "paths of health". In Prolom spa, there are two temples: St. Petka church and St. Lazarus worship temple, latter having in the courtyard the famous curled prunes, still being a vivid, interesting among local people. Prolom spa is one of the youngest balneological centers in Serbia. The present name is derived from the village Prolom, which probably had a homestead known as the Banja and Bačija. Land around the hot springs were named "banja or banjsko" (*transl. – „spa or „from the spa“*). (Stanković, 2009). The seat of the spa is located in Kuršumlija, in one of the most underdeveloped municipalities in southern Serbia. Prolom spa operates within Planinka Joint Stock Company, which also owns a factory for water bottling. The beneficial properties of *Prolom Water* make this spa distinctive in Serbia and in the region. *Prolom Water* is used for drinking, bathing, and in combination with medicinal mud, medical methods and means, for the treatment of kidney and urinary tract, female genital organs, skin, digestive tract, articular rheumatism and ... Maćejka (1998). Given the Prolom spa's potential for tourism, it should be used as a driver of regional development through investments into accommodation facilities and infrastructure, extension of the offer range, employment, connecting local food producers with restaurants and thus stopping further weakening of the economy of southern Serbia.

Table 2: *Tourist and overnight stays in Prolom spa*

Year	Tourists	Overnight Stays	Year	Tourists	Overnight Stays
1965	5,108	49,745	1995	12,392	111,182
1970	8,129	86,120	2000	8,496	66,724
1975	9,087	99,140	2005	12,074	80,341
1980	9,905	105,630	2012*	16,712	76,788
1985	9,120	100,233	2013*	12,831	60,655
1990	15,188	145,636	2014*	11,731	58,756

Source: *Dr Stevan M. Stanković (2009): Serbian spas, Institute for School Books, Beograd, page 215*

Source:* *Statistical Office of the Republic of Serbia*

The largest accommodation capacity has Radan hotel, which was put into operation in 1968. In addition to the hotel, a large number of tourists can be accommodated in private households. For a large number of

households this is the only form of income, especially during summer months, which in addition to accommodation offer a variety of gourmet cuisine, thus complementing touristic offer. However, underdeveloped infrastructure, lack of accommodation capacity, the modest offer of tourist programs, make this area inaccessible to a large number of "potential" tourists. For a tourist destination to be interesting and accessible for tourists, it should had developed road network, to be connected with major regional centers, improve service quality, complete the range, determine the target groups of tourists, and perform promotional activities via television and the Internet. This year the Government of the Republic of Serbia adopted a decision to encourage the development of domestic tourism, through the distribution of free vouchers for incentive use of accommodation services and catering facilities in the period of at least five nights, outside the municipality or city of residence of vouchers' beneficiaries (<http://mtt.gov.rs/vauceri-za-odmor-u-srbiji/>). This decision contributed for a large number of domestic tourists to spend their money in their own country, which had a positive effect on the economy of the whole country, as well as certain regions. When talking about tourism, its impact on the overall socio-economic development should be noted. Tourism has an impact on the domestic product, national income, balance of payments, employment and living standards, faster development of underdeveloped areas, etc. According to English author Medlik, (1966), for determining the economic importance of tourism in a certain area, it is necessary to take into account the influence of certain groups of factors (Unković, 1995).

- Tourist activity (climate conditions, cultural and historical heritage, natural beauty);
- Accessibility (distance of tourist demand sources, road networks and the like);
- Tourist offer (accommodation, conditions of supply, entertainment, public transport);
- Organization of tourism and political improvements

LUKOVO SPA is located on the eastern slopes of Kopaonik and located 36 km west of Kuršumljica. It is known for its 37 mineral springs of thermal mineral waters, yielding more than 100 liters per second, temperature of 35 to 69.5 degrees Celsius. Spa has on its disposal the hotel "Kopaonik" with 160 beds and 160 seats in the restaurant and 80 beds in private accommodation. Medical - rehabilitation capacity of the hotel "Kopaonik" counts 500 patients per day. As for recreation, spa has an indoor swimming pool, ski slope with a lift, a sports hall, two sports

courts and six marked "paths of health". Lukovo spa's water aids in the treatment of: chronic inflammation - rheumatism, degenerative spinal diseases and conditions after injuries to the bone-joint system. **Lukovo spa** is located in the valley of river Štavska, which with the river Trebinjska, represents the branch of river Lukovo, whose basin is settled on the southern slopes of Kopaonik, which further belongs to the basin of the upper part of river Toplica. The altitude of the spa is 700 m, and this is one of the highest spas in Serbia (Stanković, 2009). Spa has a large number of natural springs used for the treatment of rheumatic, gynecological and skin diseases.

Table 3: *Tourist arrivals and overnight stays in Lukovo Spa*

Year	Arrivals	Overnight Stays	Arrivals		Overnight Stays	
			domestic	foreign	domestic	foreign
2011	12,535	74,704	12,185	350	73,014	1,690
2012	11,173	74,564	10,618	555	72,027	2,537
2013	11,318	72,564	10,719	599	69,516	3,048
2014	-	70,000*	-	-	-	-

Source: *Statistical Office of the Republic of Serbia*

* *According to the estimations of Lukovo Spa directors*

KURŠUMLIJA SPA is located southwest of Kopaonik. The distance from Kuršumljia is 11 kilometers. The altitude is about 450 m. Its medicinal properties are suitable for the treatment of anemia, treatment of injuries, diseases of the respiratory system, diabetes. Negligence towards the natural abundance made the water spill out, there is small occupancy of accommodation facilities (hotel "Žubor" and villa "Jugoslavija"), the pump regulating the level of mineral water is out of operation. The vicinity of the mountain Kopaonik, gives to this beautiful spa a chance for the development and restoration. The accent is given to connectiong of these two tourist centers that might impact the regional dvelopment of Toplica district. According to the variety of healing waters (25-68⁰C), this spa enters among few the most respected spas in Europe. At the Spa there is the Institute for the Prevention of Disability "Žubor" with 301 beds and 250 seats in the restaurant and 80 in the buffet "Plaža", 26 beds in Villa "Milica" with a restaurant "Prepolac" with 150 seats, which has been used by "Zvezdara Tours", Belgrade, and 25 beds of the Red Cross Rest Home for Children. The spa-rehabilitation capacity of "Žubor" is 2,000 patients per day. As for recreation, spa has two closed and one open Olympic size swimming pool, soccer field, four sports courts and four marked "paths of

health". Indications: musculoskeletal system diseases, gynecological and neurological diseases. The city has 30 restaurants and coffee rooms of different capacities and offers. One of them is on Samokov, the hill above the town (528 m altitude), famous resort of Kuršumlija citizens. It is named "Samokovo" and has 200 seats. At the bypass of Toplica highway motel there are three motels: "Rudare" in Rudar (60 beds and 268 seats in the restaurant), "Rado" in Kastrat (19 beds and 300 seats) and "Stara Vrba" in Pepeljevac (14 beds and 145 seats). It is evident that, due to lack of investment, devastated economy, poverty and neglect of the tourism potential, Kuršumlija spa and whole Toplica district has been brought to the brink of "collapse". **DEVIL'S TOWN** is a monument of nature of a scary name, but of unrealistic beauty and being the symbol of Toplica district (Bosnić, 2009).

This natural monument is located on the slopes of mountains Radan, and makes this area richer for another tourist spot. In the last ten years the number of tourists significantly increased, visiting this monument of nature. Local self government has built an access road and illuminated the entire complex, and thus enabled visits by night. The promotion of this monument of nature and thus attracting a huge number of foreign tourists is viable through the cooperation between local self government and tourist agencies. This location is characterized by a large number of legends and stories about the origin of uncommon rocks, which can be used for the presentation to tourists and thus make very interesting visit. The most famous natural rarity in the municipality of Kuršumlija is **DEVIL'S TOWN**, located on the slope of Radan mountain, and represents a unique example in the world of erosion on forest land.

As a rare and unique natural monument, Devil's Town has been nominated for one of the world's natural wonders in our country, Europe and in the World. Natural Monument "Devil's Town" is located in the south of Serbia, 89 km southwest of Niš, 27 km southeast of Kuršumlija. It is composed of two, rare in the world, natural phenomena: clay figures, as specific forms of relief which stay in the area very attractive, and the two springs of strongly acidic water with high mineralization. The attractiveness of the phenomenon complements natural environment depicting a rather crude, almost mystical, and in the wider environment colorful and gentle, as well as the remains of the old church and several Sas pit mines.

Figure 1: *Devil's Town*



Source: *sr.wikipedia.org*

“Devil's Town” is a natural wonder that has not been made by human hands, and yet we want from an inner urge to bring closer to ourselves and people around us this natural treasure we have been are graced by, which has been gifted to us to inspire and upraise, to remind our consciousness of the thought of how to preserve the nature in which we live and in which only we can be what we are, i.e. the most perfect living organism. But this is, after all, the greatest wonder of nature on the Globus! This natural phenomenon in the village Đake, municipality Kuršumlija, consists of 202 figures resulting from erosion, of different shapes and sizes, ranging between 2 to 15 meters and a width of 0.5 to 3 meters, with stone caps on the top, a result of a specific erosive process that lasts for centuries. Figures are forming, growing, changing, shortening, disappearing and reappearing. The surface layer is composed of marl, one meter thick. In the middle there is a yellowish clay, and figure layer is covered with stone slabs alike an umbrella, which protects the loose base from destruction. On the other side, in the depths of the rivers, by washing and sedimentation formed are new figures. In Europe, there are similar phenomena, but “figures” in Devil's Town are of a larger size and significantly more stable, so this is the most famous natural monument of its kind in Europe. Many compare this phenomenon with the “Garden of the Gods” in Colorado - USA. This amazing wonder of nature enchants, but also frights by beauty and strength. Here the path meanders like wounded hinge and around it, the aged hornbeam trees and stumps fallen asleep, which resemble the terrifying creatures. Plateau of Đake region is flanked by boulders, being cut through thunders and mountain whirlwinds. Long ago, eighty families lived in this area, and now only few. Here, there is an abundance of wild pear trees, dog berries,

wild blackberries, plums, rosehips, juniper berries, boletus, chanterelle, with none to collect them. In Devil's Town in 1977, the first International colony of art photography in our country has been founded, which is still active and whose leaders are Velisav Milenković, Živojin Miljković and, by that time the Mayor of Kuršumljija, Božur Petrović. Photo - colony as a unique event brings together photo-artists from the country and abroad, who, with the camera-eye, contribute to the affirmation of art photography and popularization of the unique phenomenon of nature - Devil's Town, organizing exhibitions of art photography created in this colony around the World (Russia, Bulgaria, Italy, France, Hungary, China, America, Austria, etc.). This valuable site was placed under state protection in 1959, and 1995 declared the natural good of exceptional importance by the Decree of the Government of the Republic of Serbia, and placed in the first category of protection. The total protected area of Devil's Town is 67 ha. As a strange natural phenomenon it influenced the imagination of people deriving many legends about its origin. Within the protected area there are two water springs with unusual characteristics. One is situated in the "Devil's ravine", a second "Red spring" by the hiking trail in the middle of the protected areas, with lesser mineralization. These waters are very rare in the world, some of which are used in spa treatments. While people believe in the healing power of "Devil's Water", the doctors still do not recommend it, because it has not been studied enough. International Art Colony "BELE CRKVE" in Kuršumljija was founded in 1995, bringing together academic painters from Serbia and abroad (Russia, Slovakia, Ukraine, Belarus ...), who on their canvases evoke the motive of colorful landscapes of Gornja Toplica and Kosanica. There are many of those who come to see the Devil's Town, and then immediately ask how to get to the Caričin grad ("Empress's Town") which is 31 kilometers away, but there is no road. Caričin grad was one of the largest and most important Byzantine cities in the Balkans. It was built in the sixth century by Byzantine Emperor Justinian, in gratitude to the area where he was born.

The site lies on a plateau of 42,000 m². The town used to be an important administrative and military center, the seat of newly established archbishopric of IVSTIANA PRIMA that has jurisdiction over north ILLYRIAN, by which the right of rule of THESSALONIKI has been bounded to south parts of the province. It was surrounded by ramparts, and on the highest placed acropolis has been built while the public life was flowing on the circle forum of the town. Under *Petrova gora*, there is the biggest mystery of this area UPHILL/DOWNHILL LANE. It is said

that this is the place where car with stopped engine, being downhill, alone returns uphill. Most of people regard this as a secret of a magnetic field, situated inside the hill. This also explain a fact of fallen German planes during World War II. „Devil's Town“, preserved in own natural milieu, must be made available to coming generations who will enjoy its preserved beauties. Tourism of protected areas waives the economy of scale and directs itself to quality, and at the same time emphasizes the important form of the tourism – ECO TOURISM. In this area, tourists are offered the preserved environment as the top tourist impression, where the tourist in this case is not the sole observer and occupant of protected space, but active participant in the protection and preservation of the same. The increasing pollution of general natural resources such as air and water, soil, noise pollution in urban lifestyle and increasing stress with population due to aggregated daily life pressures in working environment, immensely influenced tourists' need to turn back to preserved environment and preserved attractive areas. The bond of tourists' increased interest to protected areas should be sought in the primeval bond between man and nature and his desire to re-establish to some extent the lost contact thereof. Preserved and protected nature in combination with rural experience should be a pearl of tourism. During the tourist valorization and exploitation of protected parts of nature, it is necessary to be guided by the principles of sustainable development. Current global trends that imply the convergence of man and nature, raised awareness of the need to preserve nature and the increasing lack of quality of natural spaces, present an opportunity to introduce our protected areas on domestic and international tourism markets. It should be added that the development of rural tourism with primary agricultural production is tracing the way to the development of tourism in rural areas. Remote rural areas affected by intense emptying and dying villages, require very intensive sustainable and subside rates. All forms of rural tourism according to the length of stay can be divided into: the excursions and stay. Basic attractiveness of rural tourism and rural areas are: proximity to nature, that is the preservation of natural features, then preserved the tradition of the villages (material and spiritual culture), hospitality and family atmosphere. Visitors of these tourist areas are mostly residents of large cities, who desire to experience a different life from the gloomy everyday life. Appropriately constructed rest houses in nature, characterized by peace and serenity are genuine oasis for people from highly urbanized industrial centers. It should be noted that agriculture occupies an important place in the structural and spatial development of rural areas, and consequently the certain forms of

tourism. In the developing process of tourism, agriculture appears as a supplier of food, raw materials and labor, as well as a motive of tourist movements. Rural tourism is becoming a factor stimulating development in agricultural production, which enables an increase in employment in rural areas, but also increasing scope and structure of agricultural production. Tourism as a consumer of agricultural products encompasses different categories of users: tourists, passers-by, hotel guests', out of restaurants consumption, weekenders, foreign tourists and others. For high standard consumers it is no longer enough for food to be of a good quality, but also to be produced in naturally healthy conditions, without the use of chemicals, which includes a specific geographical origin. Modern tourists are of an adventurous spirit and have shown a growing interest in holidays based on natural, cultural and gastronomy activities. On the other hand, agricultural production with an increase in placements of certain agricultural products to the tourist market, would have achieved significant progress in economic and organizational production process that must adapt to the new market setting (Todorović, Štetić, 2009). In addition, the countries with developed economy and industry have their agricultural land more polluted and are thus oriented on imports of organic products from the countries of Southeast Europe, which indicates the possibility for our involvement in trade flows. Mass tourism provokes the saturation within tourist demand, resulting in a need for new tourism products and experiences, new ways of spending leisure time, or for quality experiences that mass tourism can no longer offer. Creating tourist destinations in the regions that possess certain qualities should interest more and more challenging tourist demand. The tourist offer should have its own unique values that will be valorized through tourist movements. In this area there is a need for more widespread development of tourism, and at present it is difficult to achieve the desired result, taking into consideration given economic effects. Special forms of tourism represent the future of tourism development in Serbia, which will provide a more stable and sustainable development of tourism and also cover the so far neglected potential and facilities, which will result in providing the balanced territorial development of tourism and bring benefit, both to tourists and tourism workers and local community. Certainly, there are particular characteristics of specific forms of tourism which distinguish from the classic forms of mass tourism. According to the definition given by Todorovic and Štetić under “specific forms of tourism involves the organization of specific forms of rest, recreational experiences, and long experience of specific content driven by individuals or specific groups”. It is often pointed out that the special forms of tourism are sustainable forms

thereof, which unlike mass tourism, involve fewer participants being responsible towards the environment and the like. The development of specific forms of tourism requires a space that allows the development of tourism trends, and also as an important factor one should pinpoint human resources (people) who should be able to manage the development of specific tourism forms. This should include technical and technological level of capacity equipment within area to suit the requirements of certain forms of tourism. Travel demand has priority over the offer, since specific requirements on the demand side are one of the main factors for the development of specific forms of tourism and at the same time the driving force, or the encouragement of originating and diversification of the tourist offer of special forms of tourism. The very important is the impact of high-technology on the behavior and consumers' choice. On the one hand tourists become more informed, able to travel and meet their wants and needs becoming more diverse, and therefore demands that are placed before the offer in the context of specific forms of tourism are becoming increasingly complex and numerous. Tourists from these spheres act as a visible individuals who want to fulfill their desires, or their life. Specific features and characteristics of the so-called "tourists nouveau" are: looking for experience, rich in money but poor in spare time, flexible in the use of their vacations, enjoyment during the trip, the astute, aware of the quality, individualists, want to feel the positive interaction with the physical and social environment, expressing a desire for self-improvement, expressing a critical attitude, they are less loyal to specific brands, looking for value for money and not only low prices of the offer, they possess a social and environmental responsibility, looking for an authentic travel experience, the participants rather than consumers, and want to choose which experience to achieve. These are the general characteristics of demand in the context of specific forms of tourism. General characteristics listed, mostly address the complexity of the overall demand in the market of special forms of tourism and the way tourists express their desire and access to their achievement. Tourist offer must be aware of these characteristics and be able to create products that would take into consideration the existing trends in tourism demand side. One cannot speak about the tourist offer as a single system, but as a temporally and spatially related group of entities that should establish mutual communication and communication with the authorities responsible for the development of tourism within the destination, all in order to identify more closely own interest in the implementation of the adopted tourism development plans. When creating a special tourism product it is vital to properly estimate internal capabilities and features of

the destination itself. Precisely, uniqueness, authenticity and local factors are elements that specific tourism product must meet. The hotel's facilities are adapted to the specific requirements of demand through the processes of standardization and specialization. The standardization is more or less standard and commonly present worldwide, for example: coastal, mountain, spa, city, transit, sports, business and other hotels. Those hotels start from certain principles of the appearance on the market, offering its guests a unique and authentic experience, and most of them facing the contact with nature and approach to human nature. The performance on the tourism market depends on positioning strategy that is crucial in the marketing approach and communication with the selected segments. Positioning means communicating destinations with consumers aimed at creating the image or name in the minds of selected segments and thus enhancing a superior position compared to the competition. In the end it can be said that the tourism and forms of movement within, is subject to constant changes that are affected by the overall environment.

Conclusion

Regional development of Toplica district can be launched out from the tourism sector, mainly due to the wealth of natural resources. Insufficient utilization of tourism potential, human resources, agricultural production, retains this district economically depressed. Due to reduced economic activity, failed privatization of large conglomerates, a small scale of investments, non-performed regionalization, make this area one of the most deprived regions of Serbia.

Tourism as an economic activity has not been the focus of national development strategy for decades since development has been directed towards other activities. However, in order to successfully develop a region near the tourist attractions, road infrastructure, trade and services sector should be developed. The potential of Toplica district lies in connecting spa tourism and food and local specialties production by local population, leading to increased employment. Toplica area consists of largely agricultural population, hence it can place its products into the nearest tourist spot.

Promotion of tourism facilities greatly contributes to increasing the number of tourists by presenting all features and characteristics of the area. Toplica district has a rich historical tradition, a large number of churches and monasteries which enhances the treasure of this region. The

proximity of “Constantine the Great” Airport in Niš make Toplica easily accessible to foreign tourists, but it takes a lot of money and time investment to accelerate the development of this region.

Citing all the characteristics and features, it can be concluded that tourism can and should be the engine of development and progress of Toplica district.

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MUSIC SUMMER FESTIVALS AS PROMOTERS OF THE SPA CULTURAL TOURISM: FESTIVAL OF CLASSICAL MUSIC VRNJCI

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Abstract

This paper is dedicated to the music summer festivals, a hallmark of the local community and the holder of the economic development of the region and the society, from ancient times to the present day. Special emphasis is placed on the International Festival of classical music "Vrnjci", held in Belimarković mansion in July, organized by the Homeland Museum – Castle of Culture of Vrnjačka Banja. A dramatic development of high technologies brought forth a new era based on conceptual creativity. Leisure time is prolonged, while tourism as one of the activities of spending leisure time is changing from passive to active. The cultural sector is becoming an important partner in the economic development of countries and cultural tourism is gaining in importance. Festival tourism in this country must be supported by the wider community and the state because the quality of cultural events makes us an equal competitor on the global tourism market.

Keywords: *cultural tourism, festivals, art, music, local self governments.*

Cultural Tourism

The middle of the nineteenth and the twentieth centuries can be called the period of tourism, since Stendhal popularized this term in France with his book "Memoirs of a tourist" (1838) and Englishman Thomas Cook opened his travel agency in 1841. Modern tourism experienced its first expansion between 1850 and 1870, enabled by the major railways networking in Europe - European network tripled between 1870 and 1914

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- and the improvement of maritime traffic between Europe and America - in 1870 it was a ten-day trip, in 1890 it became a six-day only. In the same period the first organized Cook Travel Agency was established, which led several tours from England to Paris during 1861 and 1862; in 1866 the first journey through Italy for the American middle class was organized, and then a visit to the World Exhibition in Paris in 1867, followed by the first trip around the world in 1872 (Šobe&Marten, 2014, p. 37).

Tourism and culture have always functioned together in Europe, as Europe is an important destination for those attracted to its rich cultural and historical heritage. If the concept of cultural tourism unites in itself the concepts of culture and tourism, culture and cultural heritage contribute to the attractiveness of certain tourist destinations, and they are so often a prerequisite for a tour selection. Travel can be inspired by the tangible (movable and immovable) and intangible cultural heritage. Even in ancient times the Roman tourists went to see the cities of ancient civilizations, Egypt and Greece, while the medieval tourists, mostly pilgrims, accompanied the Road to Santiago, a pilgrimage to one of the world's largest religious centers of that time, Santiago de Compostela in the north of Spain, thus setting a base of today's cultural itineraries. The origin of the word "tourism" is linked to the Grand Tour, which was formed in Britain in the seventeenth century. The Grand Tour is defined as "visits to some cities and towns in western Europe, dedicated, but not limited to, the objectives of education and pleasure" (Richards, 1996, p. 11). Most of these tourists were aristocrats for whom a trip to continental Europe was actually a finale of their classical education. Usually they travelled with a tutor, and would spend two or three years travelling through France, Italy, Germany, Switzerland and the Netherlands, visiting cities that are related to the classical culture. Thus our Dositej Obradović travelled, not only passing through in Europe, but staying to study the customs and learn languages. At the end of the 18th century, this type of tourism gave way to tourism of the new middle class, which had other requirements, views and objectives of travelling through countries. Today's cultural tourism combines all aspects of historical cultural tourism and the conditions of the contemporary world.

After the Grand Tour in Italy, which was reserved for English aristocrats before 1789, travel and vacations in Europe remain one of the main motives of going abroad of the wealthy elite, but also of the middle class. Trips are usually linked to specific places and events (World Fair), the

sacred places (Mecca), or sites of cultural heritage (Bayreuth, Verona). Travel across Europe at the beginning of the 20th century has a role to educate and familiarize tourists with the latest developments and progress, to strengthen the friendly relations between the countries as well as to develop cosmopolitan values that encourage political understanding through cultural tolerance (Đukić Dojčinović, 2005). Cultural tourism is becoming the basis for the expansion of cultural diplomacy.

Nowadays nearly one billion people go on international tourist travels every year, and more than half of them are travelling to countries offering extremely rich and well-organized cultural heritage. The economic potential of cultural tourism is estimated to be over 500 billion US dollars. Statistics show (Travel Industry Association, TIA) that the market of cultural tourism increased by 10% (from 1996 to 2000) and now accounts for 40% of all tourism developments. In the USA, cultural tourism accounts for 14% of all tourist activities. According to the European Association for Tourism, Leisure and Education (ATLAS, 2007), from 1997 to 2007, the percentage of tourists going on cultural vacations increased from 17% to over 30%. Cultural tourism is the most represented and valued in countries that are serious about the preservation of their own cultural heritage: revenues in France, Italy, Spain and the United Kingdom from cultural tourists, who have the primary objective of exploring the cultural heritage and cultural achievements, account for more than a third of total income earned from tourism.

Festival Tourism

Festival tourism is one of the segments of cultural tourism, which developed rapidly thanks to the growing mobility of world population and the development of high technologies, therefore the information is now available to everyone (Vićentijević, 2015). The term festival comes from the word feast (lat. festum - a great celebration with music, or occasional cultural feast) and refers to specific forms of celebration. It has been used for hundreds of years, from the ancient Greek Olympics to the opera festival in Verona today. The best-known form of cultural tourism in the ancient times was the visit to the biggest festival of the ancient world, the Olympics, where a large part of the known ancient world gathered. In ancient Greece, large public celebrations, games and competitions took place periodically, mainly outdoors, which reaffirmed and renewed ties with the archetypal Gea, personification of the Earth, the foremother of all, the creator of Earth and the universe, the Titans and the Olympic

Zeus, the oldest and most powerful deity of the Greek Pantheon. Competitions took place in the area of physical abilities, but also in the spiritual sphere: in music, poetry, drama, etc. Athletic and equestrian contests most likely originate from the funeral ceremony to honor the dead heroes, whose tombs and their surroundings were under their protection. Homer's description of the funeral of Patroclus at Troy (Iliad) is the oldest in Europe. The custom is older than the Hellenic cult of the gods of Olympus, and can be traced to the Minoan Crete (Isaković, 2010). Great Games (Olympic, Pythian, Nemean, Isthmian) became traditional in the seventh and sixth centuries BC. After that period the number of games multiplied, and in addition to athletic competitions also included musical competitions. Music in ancient Greece occupied a special place in the education of the youth. They considered it a gift of gods, and believed that in music lies a suggestive power that can develop a person's determination, courage, virility, hard work, but can also inspire laziness, idleness and general deterioration. Young people must be educated to good, positive music to the benefit of the whole society. Plato formulated it this way: As the country has better music, better will be the state. Every child in the schools of Athens was taught reading, writing, arithmetic and playing the lyre (Alberti, 1974, p.100). The music was a means for achieving educational and political goals.

Today festivals are very important events in cities or entire regions, as events that are designed to attract more viewers in a short period of time. Festivals can extend the tourist season or peak of the season or else introduce "new season" in the life of the community, strengthen the team spirit and a sense of pride in belonging, cooperation, thus complementing cultural traditions, etc. A characteristic that defines a specific event or festival is its transience (Isaković, 2015). This suggests that it would be difficult to induce and maintain the same sense of excitement if the events or the event would be held more frequently, because it is defined as a "special event that marks the ceremony and ritual a particular moment in time, in order to meet the special and specific needs" (Čolic&Biljanovski, 2002). Since their inception, festivals are places of celebration and festivities, but also a way of reaffirming the community and culture through diverse artistic contents.

Festivals are also an important form of diffusion of culture, since creation and creative goals are chosen and often valued with awards, achieving insight into the artistic merits in the area, city or region in a given period (Dragičević Šešić&Stojković, 2007). With a festive character and

constant adaption to the contemporary social and market trends, festivals are becoming increasingly popular and much more visited, because they incorporate various forms of art, entertainment, sports, crafts and other creative activities. Attractions such as opera in the open air (Verona) and concerts in different locations (Granada, Ljubljana) contribute to the cultural offer of a city or a region and celebrate its identity (Mermer i zvuci- Arandjelovac, Etno-Fest - Zlatibor, Mokranjac - Negotin).

Festivals are composed of individual projects, performances, and can be centered around one idea, concept, or organized freely. It is important for festivals to determine the identity of the original profile, because it is only then that the festival has a future (Janković, 2016). However, without some specific concepts, some of the festivals survive for many years, but only with a big budget or donor subsidies. However, a festival is not intended to be a generator of the deficit in culture, but to become locally and globally involved in the economic, tourist and cultural policy of the community, with the intention of appealing to the local population, which, as a rule, does not participate often in the festival's events (Isaković, 2015). So, in addition to (re) affirmation of the cultural values of this type of tourism, a significant financial effect must be achieved which certainly makes a positive impact on the local economy. Tourists are spending more, and therefore income is higher, where cultural treasures are rich. This means a direct revenue for the local economy, indirect spending through revenues from other businesses (restaurants, hotels), directly and indirectly affecting employment, etc. (Wiesand& Söndermann 2013).

Festivals in Serbia

The expansion of festival events in Serbia began after the Second World War, and the most important and most prominent theatre festivals (Bitef, Sterija Theatre), film (Fest) classical music (Bemus, Mermer i zvuci), folklore and folk creativity (Dragačevo) were established from the mid '50s to the early '70s of the last century. A new wave of expansion began in the late nineties, the largest number of different cultural and artistic events have been established since 2000, after the change of the political system and the growth and strengthening of the non-profit sector. In the Agenda of cultural events (ZAPROKUL, Agenda, 2013) available on the website of the Institute for the Study of Cultural Development, there are data on 845 cultural events in Serbia, more than a half, 454 of them, resulting from 2000-2011. By comparison, in the previous twelve-year period, from 1988-1999 almost three times a smaller number of events

were launched, 162. Their character and reputation are different, the size of the audience ranges from only about a hundred to over a hundred thousand, their founders are public institutions, non-profit and private organizations. Some festivals, especially those facing the popular art genres, are of those in which the elite part of the culture and complex art forms are introduced, and that does not make a profit, often offering totally free events (Gnjatović, 2012). Some festivals neglected their cultural and educational role for profit and become highly profitable festivals of subculture (Lukić-Krstanović, 2006).

International Festival of Classical Music Vrnjci in Vrnjacka Banja

In addition to classical music concerts that are held in the Belimarković Manor in Vrnjacka Banja, during the summer, in July, the International Festival of Classical Music Vrnjci is held now traditionally. The producer is the Homeland Museum – Castle of Culture, the Cultural Center of Vrnjačka Banja, under the auspices of the municipality of Vrnjačka Banja (Castle of Culture is a business unit of the Cultural Centre of Vrnjačka Spa, and as part of it operates as a museum). The author of the project is a senior curator Jelena Borović - Dimić. The international festival of classical music is held in the most representative and, with the Vrnjačka church building, the oldest building in Banja. The Belimarković Manor was built in 1888-1894 and hosts the Vrnjci museum. The Manor represents the cultural monument of great value for the Republic of Serbia. It is located above the Spa park, which is in itself a monument of nature, so that participants and visitors have a very special experience. The concert hall has a one-half Steinway piano, and 150 seats for the audience.

The idea to organize such a festival evolved during the International Music Academy held 10th-24th July 2001 in Vrnjačka Banja, which resulted from the master classes of violin and violoncello, held in 1997 and 1998, initiated by parents of the students of the music school. The lecturer was a prominent professor Stefan Kamilarov from Vienna. Master classes and series of concerts were held by professors of the Faculty of Music in Vienna and Belgrade and their students. A substantial support to the organization was provided by the Embassy of the Republic of Austria, the Ministry of Culture of the Republic of Serbia, the Municipality of Vrnjačka Banja, many parents of young musicians and by sponsors. Working and playing in one place, the professors and students from the most reputable music academies in the world, soloists and the

best students from this country were happy that they were given a location in Serbia which was a perennial necessity: the best young artists from the country can now check their achievements through the work with the great musicians of today and their peers from all over the world (Borović-Dimić, 2015). The artistic director of the Festival is our famous guitarist Uroš Dojčinović. This event is the only festival dedicated to the classical music in the Raška and Morava regions. Festival received a prestigious Muzika Klasika award for the best festival of classical music of local importance in 2015.

The Concept of the Festival

The programme of music workshops is held from 8am – 7pm each day, following by concerts, lectures, video screenings and the opening of exhibitions at 8 pm. Access to all concerts, video screenings, exhibitions, listening to archival audio recordings, lectures and presentations of the festival is free to the public. It is planned that the festival should be followed by the local media (press, radio and television) and journalists and critics are the guests of the festival. The festival consists of several segments:

- Part of the seminar programme includes master classes of solo singing, violin, guitar, violoncello and flute for students of music schools, academies and for post-graduate students; classes are conducted by the leading domestic and foreign distinguished professors.
- Concert programmes include solo and chamber concerts of master class participants, visiting professors at seminars, and concerts by guest artists who come just to appear at the Festival.
- Video art screenings of musical films consist of feature films dedicated to the historical development of the art of playing performed by the greatest masters of classical music, as well as famous compositions and concert performances.
- Listening to the audio archive of the oldest archive footage of guitar and violin, with the possibility of contemporary remastering. High technology has brought democratization in the use and experience of art. By using modern technology, art and music become accessible to the general population, which makes the mission of electronic art more efficient and more pronounced as the presence in everyday life (Isaković, 2014c, p. 620).
- Musicological thematic exhibitions.

- Lectures and presentations in the field of musicology.
- Composing a work dedicated to Vrnjačka Banja (in 2011 a music publication, the Album of compositions dedicated to Vrnjačka Banja was released).

The first festival was held from 14th to 27th July 2002, co-organized with the musical society "Petar Toškov" from Belgrade. Thus the International Festival of music Vrnjci was established as a permanent event in the field of culture, for the purpose of enriching the cultural, educational and tourist offer of Vrnjačka Banja and Serbia. Still the emphasis was on master classes, concerts and workshops of participants. In cooperation with the Faculty of Music in Belgrade, the Music Academy at Cetinje, the Academy of Arts in Novi Sad, the University of Music and Performing Arts in Vienna and the Music School "Stevan Mokranjac" in Kraljevo and Vrnjačka Banja there were two master violin courses (Leonid Peisahov from Skopje and Jasna Maksimović from the Faculty of Music Art, Belgrade). A flute master class was led by Ljubiša Jovanović, and chamber music was taught by pianist Aleksandar Toškov (artistic director of the festival) and a violoncellist Zdenko Suša. Piano accompanists were Meri Bojić-Radojčić and Darinka Paunović. Fourteen concerts were performed by professors and students, and there was also a psychological workshop for combating fear of playing in public for musicians, led by Gordana Ačić and exhibition on the world famous violinist Henryk Szeryng prepared by Siniša Iljoski. The programme was attended by approximately 1, 500 visitors.

The Year 2003

The Second International Music Festival Vrnjci took place from 12th July to 3rd August 2003, with three master courses (violin - Leonid Peisahov from Macedonia, the Spanish classical guitar school – Carles Pons i Altes from Spain, and classic guitar – Uros Dojčinović from Serbia). In cooperation with the British edition Tecla and the director of the edition, a musicologist dr Brian Jeffrey, the audience and the participants of summer courses were presented, for the first time in Serbia, with complete musical work of Fernando Sor, including newly discovered works of this great classic composer. During the festival six hours of feature films were shown, dedicated to the historical development of the art of playing the guitar, as well as works of the greatest composers and masters of this instrument. The audience was also presented with the first audio recordings of the guitarists in 1908 and composers who specially

composed for the guitar, also outstanding performers on this instrument. There were twelve concerts, of both solo and chamber music, performed by professors and students.

The Year 2004

The Third International Festival of Classical Music Vrnjci opened on 11th July 2004 with two guests from the United States – a famous guitarists Gregory Newton and David Grimes, who presented the music of Africa, America and Asia. Gregory Newton is the president of the American Guitar Association and a member of the Board of Directors of the Guitar Foundation of America. David Grimes is a director of guitar studies at the University of California and president of the guitar Foundation of America, as well as the chief editor of the magazine Soundboard. That same evening the exhibition Abstract musical images by the Swedish novelist, poet and painter of the Serbian origin, Lazar Dimitrijević, who is an honorary member of the Italian Academy of Sciences, Literature and Arts, was opened. The concert with works of Antonio Vivaldi for guitar, accompanied by Serbian string quartet Arko, was performed by the excellent Spanish guitarist Eduardo Pascual, founder and president of the European Association of Hispanic music. Recitals were held by the famous Russian guitarist Mikhail Goldort, as well as our artist Uros Dojčinović, who is the artistic director of the Festival. The role of guitarist and artistic director of the festival belongs to the category in the general education process known as the teaching artist (artist- lecturer) and is defined as an active professional artist with additional skills, curiosity and sensitivity for training, which can be incorporated into a wide range of educational practices through the arts. Artists – teachers are mainly multidisciplinary products of the world of art and science, who work and teach in both spheres. The power of the artist – lecturer lies in creative and innovative responses to specific goals, opportunities, challenges, without reliance on a narrow set of curricula (Isaković, 2014b, p. 743).

Videos devoted to the historical development of the art of playing the guitar, about activities of the masters of this instrument Eliot Fisk and Aaron Shearer, as well as films about Julian Bream and art of playing the piano, were presented. The festival was also attended by a guest from the UK, professor Brian Jeffrey, a doctor of musicology and director and owner of Tecla reputable publishing house of the famous works for classical guitar. The world premiere of the Grand Concert Trio by

Francesco Molino for guitar, violin and viola was performed by Uroš Dojčinović, Jelena Rokvić (Serbia) and Ralf Dumler (Germany). One of the curiosities of the Festival was the concert of the soprano Dragana Radivojević of ten Seguidillas by Fernando Sor, accompanied by guitar. The Serbian string quartet Arko and Dumky Trio from Vienna marked the centenary of the death of Antonín Dvořák. The author's evening presented a Russian guitarist, composer and teacher Oleg Kiselev, who played his compositions for guitar. Young violinists from Serbia studied with the famous Italian violin pedagogue Giovanni Antonioni, a professor of the University of Santa Lucia in Rome, whose participation at the Festival was enabled by the Italian Cultural Centre in Belgrade, and pianists have attended a master class with Jovanka Banjac, lecturer at the University of Music and Performing Arts in Vienna. A guitar master class was led by Uros Dojčinović, whereas a professor at the Academy of Arts in Novi Sad Živojin Velimirović led a master class of chamber music. In this part of the programme the Danubius quintet was introduced to the audience. The best graduates of master classes of guitar, violin and piano performed concerts at the Festival.

After this festival, due to the lack of understanding of the significance of this event for Vrnjačka Banja by the local administration, the festival was postponed until 2009. During that period, in 2003 and 2005, successful concerts by harpsichordist Smiljka Isaković were held, on a copy of the Flemish instrument of the 17th century Ruckers, with a wide historical range of music for harpsichord. The festival continued to function in 2009, in the same organizational framework as the previous festival – it established a continuity with previous festivals, the duration was reduced to ten days, and it was planned to be enriched with exhibition programmes in the field of cultural heritage.

The Year 2009

The Fourth Festival was held from 15th to 25th July 2009, under the auspices of the municipality of Vrnjačka Banja and the Ministry of Economy and Regional Development of the Republic of Serbia. The artistic director of the festival was Uros Dojčinović, guitarist and publicist.

The Festival guests were Irina Haralampiev (soprano, Bulgaria), George Nouis, guitarist, teacher, composer from Greece, Leonid Peisahov – violinist and instructor from Canada, Bence Charanko, mediator violinist

from Hungary, Čedomir Nikolić, pianist, violinist Jelena Rokvić, double bassist Ljubinko Lazić, pianists Katarina Hadži-Antić Tatić and Bojana Sovilj, violoncellist and violist Ladislav Mezei and Nemanja Marjanović, all from Serbia. The Festival was followed by a journalist specialized for classical guitar (Classical guitar magazine) from England, Paul Fowles who was sent by his editorial team to attend and report on this event. Another guest was Mr Ilija Iljoski, Second Secretary of the Embassy of Bulgaria – at the opening ceremony he read a letter of support to the Festival by the Ambassador of the Bulgarian Embassy in Belgrade Georgi Dimitrov. Informally visiting was Alexander Mikhailov, programme manager of the Council of Europe for strengthening local self-government in Serbia. Nine concerts were held, and a film evening was dedicated to one of the world's greatest flamenco guitarists, Paco de Lucia. There were three master classes: guitar (George Nouis), violin (Leonid Peisahov assisted by Jelena Rokvić) and double bass master class (Ljubinko Lazić).

A permanent participation of the musicologist and music critic such as Gordana Krajačić is of great importance for the music festival, because music and ballet reviews are very important, not only as an evaluation of the specific musical event, but also as a kind of chronicle of trends, ascents and/or declining of the musical life of a city, region or country. Also, they serve as a chronicle of the artistic development of the particular individual artists (Isaković, 2013, p. 488).

All these years the Festival has worked to establish international cooperation and to build good relations with diplomatic missions in Serbia, which enabled work with the world's biggest artists, educators, publishers who in turn worked hard to promote the name of the Republic of Serbia and the Spa.

The Year 2015

After ten years, Festival became a hallmark of the region. Marking the tenth anniversary of the Festival (20-30th July), Milan Vraneš, Advisor of the Ministry of Foreign Affairs of the Republic of Serbia, Živorad Ajdačić, Secretary General of the Cultural and Educational Community of Serbia and Prof. Dr. Aleksandra Vraneš, project manager of the project Education and Culture in the Great War, dean of the Faculty of Philology, University of Belgrade, gave support. Ms and Mr Vraneš, and Mr Ajdačić addressed the audience with appropriate words, emphasizing the importance of this event for the culture of Vrnjačka Banja and Serbia. The

Festival was opened by the string quartet Romance, a guest of the programme was Uroš Dojčinović.

After that, an exhibition of watercolors Music of the colours by a violinist Živojin Velimirović was shown. On 21th July the guest from Italy, Aksel Bock, a vihuelist, guitarist, composer, teacher, performer, composer and conductor in many countries, performed solo and chamber music. He is the author of dozens of works as well as the curricula for early music and different contemporary styles. On July 22nd a concert was presented, as a musical tribute to Jovan Jovičić, doyen of Serbian gitaristics (Uroš Dojčinović). Special guests of the evening were: his daughter Dubravka Jovičić, Dean of the Faculty of Music in Belgrade and Dragan Nešić, a builder of instruments and one of the leading Serbian masters in making plucked string instruments, particularly specialized in concert guitars. He presented Gordana Krajačić's book Musical impressions. On the fourth festival evening on July 23rd a concert was held by a Serbian chamber trio Artium (Marijana Radosavljević - soprano, Milan Rakić - clarinet and Anita Zdravković - piano), whose repertoire include both original works, written for this ensemble and arrangements from the widest world repertoire.

Marking the anniversary of 150 years from the death of Cornelius Stanković, the first Serbian educated composer, melographer, conductor and pianist, on the 24th of July the lecture was held by Gordana Krajačić, a famous Serbian musicologist and music writer, author of numerous papers and articles in periodicals, specialized magazines and daily newspapers and magazines. The concert was held on July 25th by the Hungarian duo (coloratura soprano Silvia Nagy and guitarist and pedagogue Zsolt Varga). July 26th marked the anniversary of the Great War with the lecture Serbian music in the Great War, which was illustrated with the music of the era: Kreće se ladja francuska, Tamo daleko and Marš na Drinu with the exhibition of the same name. The Ukrainian duo Musica Rutenica (Jeanne Goncharenko, soprano and Konstantin Tchetchenya, lute) performed on 27th July. Jeanne Goncharenko is an artistic director of the vocal group Alitea specialized in performing choral music of the Renaissance and Baroque periods, and lecturer at the Institute of Fine Arts of the Pedagogical University in Kiev. Konstantin Tchetchenya holds the title of Meritorious Artist of Ukraine, as a multi-instrumentalist, composer and teacher, expert on the Ukrainian baroque music. He is also professor at the National Institute of Arts Dragomanov of the Pedagogical University in Kiev, president of the

Association of Ukraninian guitarists and author of several collections of works for guitar and lute. With his ensemble for early music he visited Ukraine, Europe and the United States. The musical film evening on 28th July, was enabled by one of the world's most famous publishing houses, Mel Bay Productions, whose directors, William and Colin Bay, a few years ago were the guests of the festival. The recording of the concert by the guitar quartet Los Angeles (Andrew York, John Dearman, William Kanengiser, Scott Tennant), whose virtuosity visitors could see and hear in the movie, was performed in the famous Sheldon concert hall in St. Louis in Missouri in March 2005 and awarded the Grammy Award. The Japanese - Serbian duo (violinist and pianist Megumi Tesimo and Ljiljana Arsenović) held a concert on July 29th. On July 30rd, instead of the Bulgarian sextet who could not come, a guitarist Nenad Stefanović was introduced to the audience.

The festival had a series of accompanying events and exhibitions. A promotional showcase for the cultural heritage of the Spa – Vrnjačka Banja on old postcards, was held by the Regional Museum of the Spa, as a selection from collections of old postcards where the history of the Spa, its ambience and the atmosphere between the two world wars, was shown. The promotion of natural and cultural heritage of the Republic of Serbia was represented by an exhibition named Old and missing fruit of Serbia, from the Natural History Museum in Belgrade. Visits to all programmes were free, which allowed for the presence of a large number of audience of all social categories. The programmes were visited by a total of 1, 083 visitors. Thus one of the goals of the festival art music was fulfilled, to make high artistic quality performers in the classical music available to the general public, contributing to the culture and cultural tourism offer of Vrnjačka Banja.

Conclusion

Festivals Tourism represents a global phenomenon that is gaining in importance in cultural tourism. It is becoming a profitable factor, because it attracts a large number of tourists with minimum investment. A regular cultural offer, seasonal cultural programmes in Serbia, except Belgrade, is reduced to a modest productions with insufficient funds and relatively skilled and motivated staff, who are daily struggling with financial problems, inadequate facilities and disinterested audience. Festivals, as well as sporadic events that by their concept do not imply, however, and do not allow the regularity of events on an annual basis, nor are dedicated

to the long-term cultural and educational objectives, have enough predisposition for the development of cultural needs and the formation of tastes of their visitors. Most of the events that take place in smaller towns as presentation and promotion of culture in these areas, have their audience, but then they are mostly folklore and folk creativity and the products of popular culture (Lazarević, 2010). Without a clear cultural policy, strategic plans of local governments to strengthen cultural institutions and establish elements of their implementation, it is difficult to find a way out of the vicious circle, break free of our habits, change the situation in culture for the better and go forward. Investing in culture involves the provision of natural and human resources for artists and cultural institutions, in order to achieve, in return, certain counter services - generally improving the image of the city, country or region. Who wants to influence the world must offer to the society something with healing and positive attributes, such as culture and art, which contribute to the vitality and mental health of the society in finding the sense of identity and the meaning of life in turbulent times (Isaković, 2014a, p. 325).

That is why the launching and endurance of the International Festival of classical music Vrnjci in Vrnjačka Banja is so valuable. Since its inception until now it was guided by the requirements of high artistic and highly professional realizations of classical music programmes. One of the objectives of the project, to make art music available to the general public and desirable by high artistic quality music and performers, contribute to raising the cultural and the cultural tourism offers of the Spa. This festival, the only event dedicated to classical music in Raška and Morava regions, brings a distinct advantage in favor of cultural tourism in the region, offering a unique experience for tourists. Good attendance at concerts and accompanying educational programmes is a proof that audiences are eager for real artistic values.

Festival tourism in our country has not been evaluated in a proper manner, especially in the field of non-profit performing arts. The high quality of the programme of the festival Vrnjci needs support because of Serbia's candidacy to join the European Union, whose future lies, among other things, in the development of culture and art. All these years the Festival has worked to establish international cooperation and has kept building good relations with diplomatic missions, enabling meetings and workshops with the world's greatest artists, educators, publishers, who worked hard to promote the name of the Republic of Serbia and the Spa. We hope that there comes a time when such an event will be supported by

all the relevant factors in Serbia, because only by the quality of the offer in cultural tourism we present ourselves as equal partners in the global world market.

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THE ROLE OF MODERN EVENT-BASED TOURISM INDUSTRY IN THE TOURISM DEVELOPMENT IN THE REPUBLIC OF SERBIA

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Abstract

In recent years event tourism has gained more attention and become more important. Event tourism is considered to be far beyond the tourism as an economic activity, which is indicated by the fact that there are more than a million different tourism events in the world every year, with more than 400 million of visitors and annual revenue of over \$2.5 billion. Tourism Development Strategy of Serbia identifies events as one of the main products for achieving competitiveness, development and commercial effects in the tourism market, in the fastest possible way. Considering the size of population, Serbia has the largest number of events in the world. They represent a significant source of revenue for the State, as well as for tourism, hotel industry, hospitality, food production, transport and so on. Hence, modern event-based tourism industry directly and indirectly brings profit to everyone involved in the process of events realization.

Keywords: *tourism, events, tourism industry, destination, visitor.*

Introduction

Event tourism is a form of tourism that can contribute to increasing the volume of tourist demand, especially against natural and anthropogenic values of a tourist site or region. Namely, people's need for entertainment, leisure, recreation, getting to know new landscapes, habits, customs, making acquaintances with a change in their living and working environment, also affected the need for organizing diverse, attractive events, as a part of the tourist offer of a certain area (Bjeljac & Štrbac,

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2004). Dynamic and growing event sector has had an important role in human societies since ancient times. People have always felt the need to celebrate certain dates with various kinds of ceremonies and celebrations. The need for celebration is of vital importance for expressing the human spirit, perhaps even more important than the physical need for food, clothing and shelter (Goldblatt, 1990). At the time when country was mostly agricultural, when even 90% of the population lived from agriculture, the so-called "village fairs" or fairs were very well-known. They were the places where young and old people used to gather and where families went. It used to be the only way for people to gather in large numbers, to socialize and meet. It was an event not to be missed, whereby they did not have programs and did not have the tourist character in today's meaning.

An event, as a conscious and economically oriented human activity, occurred very long time ago with the emergence of ancient civilizations. But, considering that events include a broad basis, their occurrence does not relate to the same time period. The first forms date back to ancient times, i.e. six hundred years BC, when the king of China (Sui Jangdi) hosted a one-month celebration for the people in his palace, where he gathered 30.000 entertainers who entertained all present; or in the second century BC, where the emperors of ancient Rome hosted gladiatorial games and other spectacles in order to gain support of the people. They probably occurred even before the advent of money, but their development undoubtedly followed the establishment and acceptance of the general equivalent, since the intangible character and ideological basis of events were not particularly favorable for in-kind exchange (Andrejević & Grubor, 2007). It cannot be said with certainty which event occurred first in economic terms. What is quite certain is that the economic occurrence of events dates back from the beginning of socially organized human life, but the economic study of events, and particularly their management aspects, is of recent date. The development of events in economic terms helped solve employment problems of modern labor force, and it also reflected on the economic growth, primarily of developed market economies. In parallel with the development of contemporary events, their economic role and importance have been increasingly emphasized; thus, the events are a special offer within the service economy.

Today, the organization of events and conventions is an activity in which 100 billion dollars are in circulation and which employs about 1.5 million

people. The event segment has a high average annual growth rate of about 6%, achieved primarily due to business events. About a million of various tourism events are held in the world, and according to the data even 57% pleasure travels are related to a specific event. It is believed that event tourism, with its significance, has surpassed tourism as an economic activity and it is studied as a separate industry (event industry) that represents the connection between tourism and events. Also, it is increasingly studied on a number of universities in the world as a specific scientific and education field. In fact, the study of events is in the near or distant relation to studies of business (economics), arts and sports, recreation, tourism and hospitality, leisure, and event management stands out as the most common teaching subject (Getz, 2000). This is a relatively new area of management theory application, and event management is one of the youngest scientific disciplines within the business economy.

Events are composed of a large number of services with different characteristics that represent experiences. Thus, an event can be viewed as a set of individual experiences, which, using the synergistic effect, provide a higher level of overall event experience. Donald Getz and Joe Goldblatt emphasize that they represent the possibility for rest, social and cultural experience that differs from everyday activities and experiences (Berridge, 2007). They also represent one of the most exciting and fastest growing phenomena related to leisure, business and tourism. At the same time, they are clearly open to the public, with a central theme and limited by the opening and closing day. They are distributed all over the world and are an attraction for both residents as well as for tourists and often serve as an association for a city. They actually represent a gathering of people, usually for a few hours or days for the purpose of satisfying certain needs, celebration, sales, learning or some other reason. They have become an indispensable segment of diverse and quality tourist offer of a country, region or site, especially if they are traditional and offer a rich and eventful program in the fields of culture, economy, arts, sports or entertainment. In addition, they have a great economic significance for hotels, restaurants and the overall non-accommodation spending in the city in which they are being held for employment of people, investing in infrastructure development, and improving the quality of the environment. The destination in which the events are implemented has numerous benefits that can be divided according to the following principle: new offer, new employment, new revenues, new season, and new perspectives for the domestic population.

The impact of event tourism

The event tourism has a significant impact on all spheres of life, due to which the effects caused by it can be roughly divided into economic, socio-cultural, environmental, psychological and socio-political. To some extent, it is in line with the sustainable tourism designed to improve the living conditions of a certain community, while meeting the needs of tourists and maintaining the quality of the environment (Pavlović et al., 2009). *Economic effects* have a positive and a negative side. Direct positive economic effects in tourism are reflected in the size of revenues arising from the tourist offer as a result of the volume of visitors, spending, price increase and the like. They are achieved through increased employment and increased capital inflow through investments in tourism. Indirect economic effects can be observed through the effects arising from the publicity achieved by the event for the site or the region as a tourist destination as a whole or for specific entities that are the tourist offer holders (Koprivica, 2008). *The socio-cultural* impacts of events are reflected primarily through the impact on the lives of the local population (family life, habits and traditions that are subject to changes, before, during and after holding of the event) and changes in tradition or religious principles. Namely, visitors come from different socio-cultural environments with different moral, cultural, religious and political beliefs, which is typical for tourism in general. These contacts lead to insight into, mixing, and sometimes adopting the values of other cultures. Therefore, the positive socio-cultural impacts are: expanding experiences, tradition revitalization, building local or national pride, affirmation of community groups, increased community participation, introduction of new ideas, expanding cultural perspectives. This aspect is probably the most difficult to understand, assess and predict as it relates to people and their behavior (Koprivica, 2008). The occurrence of adverse effects is also possible, such as the commercialization of culture, religion and art, changes of traditional moral and social values system, increase of crime and the like. But if events are properly managed, a negative impact on social life can be prevented. A positive example is English football where successful visitor management strategies have been taken with the intention to protect the football reputation, image and future. Today, English football is a proof that the behavior of visitors can be modified with careful planning that can occur as an evolutionary process. It is more difficult to statistically measure the socio-cultural effects of events in relation to the economic effects, but they are equally important for the long-term development and image of a destination. Events also have their

environmental aspects, the positive impacts of which are educational and have practical achievements such as renovation of buildings of anthropogenic heritage and spatial planning, while the negative effects appear as large crowds, thereby threatening the environment. When considering the relationship of events and the environment, the negative effects, environmental degradation due to a variety of accumulated waste, large crowd, noise and the like, are usually emphasized. The negative impact of tourism includes the pressure on the environment, habitat biodiversity, waste generation and pollution. Unsustainable tourism can cause the same forms of pollution as any other industry (Pavlović et al., 2009). The number of events that encourage the development of environmental awareness is growing in the world, but unfortunately they are not equally distributed in all countries. In numerous countries, as is the case in Serbia, the economic profit is still a high priority. In such cases, the goal is to generate as much money as possible to improve the life situation at a given destination through the highest possible number of visits and spending.

Numerous political reasons for holding events should also be mentioned. The ancient Romans, who managed to affirm their own ideology by organizing circuses and gladiatorial combats using the slogan "bread and circuses", were also aware of this. The English Kingdom, which constantly organizes popular and highly visited events such as the coronation of Elizabeth II, the weddings of Prince Charles and Princess Diana, and recently Kate Middleton and Prince William, then Diamond Jubilee of the reign of the Queen and the like, is particularly aware of this fact, which significantly affects the British economy. *The psychological aspect* of the impact of events can be viewed through the impact on the local population and a venue. Positive psychological effects are reflected through the positive experience of the site by various tourist groups, through the rise of enthusiasm and community spirit, as well as through increased social awareness. Incomprehension of the local population and tourists, a defensive posture and lack of interest of the local population can also occur. One of the key factors of success of any event is the support of local community and understanding of the effects that events make. However, there has been almost no research on event effects on the local community. As the economic effects are considered to be the main reason for organizing events, they are in the focus of research. Research shows that the events, as well as other forms of tourism, promote the growth of prices of products and services at a destination, which negatively affects the standard of the local population, crowd at the

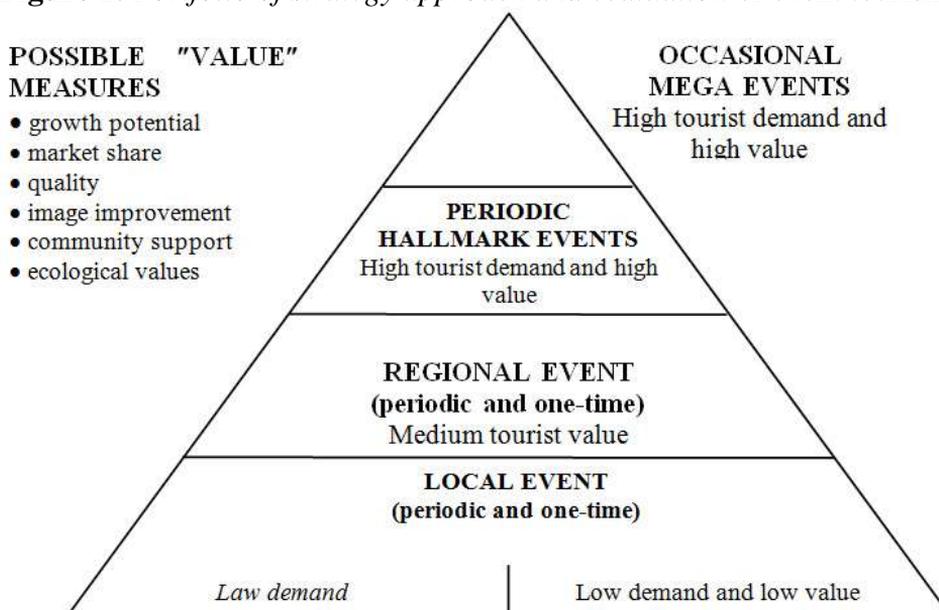
destination, traffic jams and parking problems. It was repeatedly concluded that increased traffic jams and pressure on local services were key issues arising as a consequence of tourism development. However, it was not determined whether the event organizers shared the opinion of local communities. An instrument for measuring perceptions of festival and event effects on the local community from the perspective of organizers, tested using the factor analysis, was proposed. The research results showed that from the perspective of organizers, the events created more benefits than costs for the local community, and one of the reasons was the fact that the events were short in duration, only a few days, due to which they could not cause larger and long-term social problems. On the other hand, the organizers emphasize the benefits from events in order to gain support from local communities, without which there are no successfully organized events (Dragičević, 2012). A similar instrument was developed exclusively for measuring the perception of the local population on social effects of festivals. Then the effects were grouped into two categories: benefits and costs, as well as measuring expectations and importance of each individual element for the local population. Although the instrument was designed for festivals, it could also be applied to other types of events, as suggested by the author.

Classification and typology of events

Using events in numerous areas, and by a large number of organizations and people has led to the fact that the events are characterized by a large number of classifications and divisions. The basic division of events is into planned and unplanned. The planned events are subject of event management study and they require setting up, management, executors and specific time duration, while the unplanned events consist of accidents, natural disasters, forced reactions and the like. The division of events can be made on the basis of different criteria. If their size and volume are taken as the criterion, it is possible to distinguish three types of events. Mega events are the biggest events and they are directed towards the international market (Rollins & Delamere, 2007).

In fact, these are the events which, with their volume and size, affect the overall economic activity of the host country and are globally covered by the media. In economic terms, they are strongly reflected on tourism and economic infrastructure of the host country and help build the organizers' image and media prestige (Andrejević & Grubor, 2007).

Figure 1: *Portfolio of strategy approach and evaluation of event tourism*



Source: (Getz, 2008, p.403)

These include the Olympic Games, FIFA World Cup, UEFA Champions League and the like, i.e. mainly sports mega events that can overcome the economic crisis due to the fans' emotional attachment (e.g. UEFA Champions League), which affects the increase in economic and trade activity, thereby achieving significant revenues. Therefore, mega events have at least one million visitors, the capital costs of their setting up and execution exceed 500 million dollars, and the interest of the public and the mass media is such that their prominence must be ensured.

Hallmark events are events with a distinctive program quality, indicating the event destination, facilities or event organization. They have a particular importance and attractiveness for participants and visitors, draw great attention of the public, contribute to image building, maintain and revitalize the tradition and enable the achievement of competitive advantage to organizers (Carnival in Rio, Tour de France, Oktoberfest in Munich, Wimbledon). Events like this have a strong impact on the economy and tourism of the host country. As events of distinctive program quality, i.e. holding authenticity, they have a slightly higher number of types compared to mega events, since the eligibility of organizers affects the achievement and reaching of hallmark standards in setting up and execution of these events. Major events are of large volume

with pronounced public interest and media coverage. They attract a large number of visitors, and enable the achievement of good economic results to organizers. They are usually sports-oriented, with an international reputation and defined competition structure (Formula One Grand Prix). This means that they attract great public interest and therefore are very well covered by the media.

We should also mention a very important destination division according to the demand, which is measured by the trend of the number of attracted tourists and the value in meeting other tourist objectives such as media attention, image improvement, development and sustainability. There is a model for describing the event portfolio that illustrates how different types of events have a different value and tourist demand. Local tourism events with a low tourist demand and low value are usually small and organized occasionally or only once. Regional events have a medium tourist demand and value and they can be periodic or one-time. Periodic hallmark events have a high tourist demand and value, while occasional mega events, also with a high tourist demand and value, are at the very top of the pyramid.

Tourism events in Serbia

Viewed in terms of population, our country has the largest number of events in the world. Numerous specialized publications tend to write them down, classify and present their calendars. Their diversity, spatial distribution and presence throughout the year constitute a very rich event offer. They are a significant source of income not only for the State, but also for tourism, hotel industry, hospitality, transport, food production, national handicraft, private initiatives, etc. Therefore, they bring profits to all those who are indirectly (by living in the place where it is held) or directly (participation in organization, providing services to visitors) involved in their implementation (Delić, 2010). They are held during the whole year and in all parts of the country. Also, they are the mirror of the life our people, displaying national kitchen, national costumes, the spirit of games, competitions and the like. Events as tourism products are important for Serbia for three key reasons (Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, 2006):

1. there is a big global market potential of this product;
2. Serbia, as a country of events and festivals for its own pleasure, can make good use of this product to build a general image as well as guest loyalty; and

3. Serbia has several relevant events which, with better organization and greater investments in marketing, in terms of market volume and internal economy, can become respectable events destination on the European map of events.

There is a large number of events (over 2,000) organized in Serbia today, the largest number of which is of local and regional character. The most frequent age structure of visitors ranges from 18 to 25 years for individual visits and from 25 to 55 years for group visits. The main motive for arrival of tourists is to visit the event itself, while secondary motives are the event attractiveness, gastronomy and night life. The average time of stay is 1-2 days. The number of tourism events is rapidly growing and the number of participants is increasing.

The oldest tourism event in our country is the Carnival of Flowers in Bela Crkva, which was first held in 1852, and it has been continuously (with minor interruptions due to wars) held since 1911. The first Smederevo Autumn was held in 1888, as well as the first event of grape and wine exhibition in Smederevo at the pier. The first wine exhibition in Vršac was held back in 1875, and Vidovdan Ceremonies in Kruševac in 1904. Also, one of the oldest tourism events on the territory of Serbia was Dužijanica, held from 1911 until the beginning of World War II as a public celebration with dual character: it was a ritual that preserved the traditional folklore and culture and agrarian ritual of administrative and agrarian type (Bjeljac, 2010). Over time the events have become a distinctive product that attracts an increasing number of domestic and foreign guests. The authentic ambience, pleasant atmosphere, entertainment and recreation leave impressions on visitors which they carry home. In this way, they contribute to spread positive impressions on Serbia, which results in an increased number of guests, representing a significant resource and potential of the country. This is confirmed by research showing that events are on the second place as the reason for the arrival of foreign tourists. The first place is occupied by business trips. Analyses conducted in Vrnjačka Banja show that important motives for arrival of the respondents are enjoying the spa ambience and cultural and entertainment facilities (Žarevac et al., 2013b).

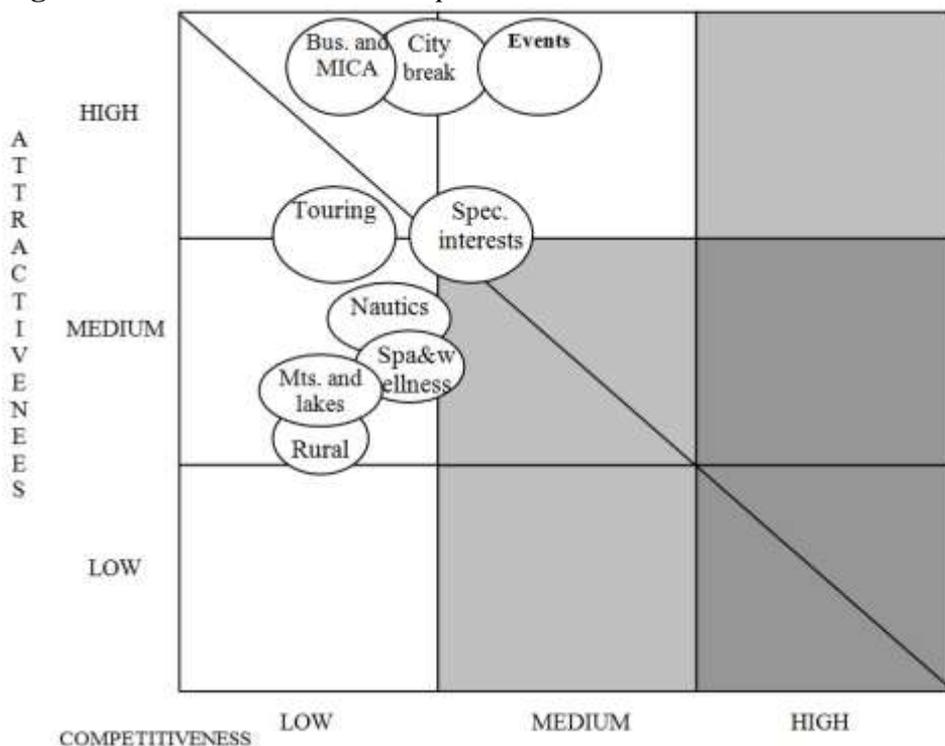
During the preparation of the tourism development strategy of the Republic of Serbia, it was established that nine tourism products had potential for further development and investments. The study showed that

five prominent tourism products can achieve success in a short period of time, these being:

- City break;
- Touring;
- Business tourism and MICE;
- Events; and
- Special interests.

The goal is to quickly launch these products on domestic and international markets, develop and commercialize them in the short term. It is known that no sites, landmarks or events by themselves are tourism resources. They become tourism resources only when the tourist system marks, establishes and raises them to the status of an attraction (Popescu, 2009).

Figure 2: *Attractiveness and competitiveness matrix*



Source: *Ministry of Trade, Tourism and Telecommunications Republic of Serbia (2006)*

It is necessary to ensure the promotion and sale of the so-called "quick win" products by building awareness of Serbia as a tourist destination,

and to simultaneously ensure creating awareness of other strategic resources and attractions, on which the other internationally relevant products would then be financed (Ministry of Trade, Tourism and Telecommunications, Republic of Serbia, 2006). In the course of drafting legislation in rural tourism, certain problems occurred related to the specificities of rural tourism and rural households as well as animating receptive agencies (Žarevac & Lakićević, 2013).

Table 1: *Key success factors and assessment of the current status of the "Events" product*

Grade	1	2	3	4	5
Availability for the purposes of the "Events" product development (air, roads, rivers)					
The offer of cultural and sports activities (facilities)					
Cultural and sports events organized in Serbia					
Diversity and quality of events organized in Serbia					
Attractiveness of the existing events in Serbia					
The offer of accommodation and hospitality facilities with the appropriate service level					
Diversity of the overall offer/packages associated with the "Events" product					
Specialized companies offering complementary services and/or activities					
Internationally recognized events in Serbia					
The level of awareness abroad about the events in Serbia					
Commercialization system of the "Events" product					
The quality and quantity of tourist information concentrated on the "Events" product (brochures, catalogues, guides and the like)					
Services and products related to the so-called night life					
Serbia's image associated with the "Events" product					

Source: *Ministry of Trade, Tourism and Telecommunications, Republic of Serbia (2006)*

The rank of priorities and development of Serbia's tourism products is presented in the attractiveness and competitiveness matrix. It can be clearly seen in the matrix that the events are rated as the most attractive offer of Serbia, and also as those with the highest competitiveness in the choosy global market of offers. Given the growing importance of this tourism product in the world, i.e. the trends in the development of demand, which increasingly indicate an increase in interest for learning

about other cultures, customs and traditions of certain regions, Serbia must emphasize hospitality, openness and an inclination to having fun.

In this way, in the short term and without major financial investments, it is possible to achieve success and attract a significant number of foreign visitors. The Table 1 shows that cultural and sport events, diversity and quality of events and services and products associated with the so-called night life have got the highest grade at this tourism product. Thereby, the average grade is 1.9, which indicates the necessity of a lot more effort and hard work on all the key success factors presented.

In Serbia, there are several events of great international importance such as: Carnival Of Vrnjci, Belgrade Tourism Fair, Construction Fair, Guča Trumpet Festival, Exit in Novi Sad, Nišville Jazz Festival, Belgrade Beer Fest, Serbian Open, etc., which indicates that Serbia is on the right track in developing this sub-segment. The cultural and entertainment program in Vrnjci Spa started to develop at the end of the fifties. However, the real boom occurred in last thirty years of the past century, starting with the establishment of a complex cultural event, Vrnjci Cultural Ceremonies (Žarevac et al., 2013a).

The analysis of this product has led to the information that the events, in addition to attracting the citizens of Serbia, represent a real attraction for the foreign residents in Serbia, the citizens of other Balkan countries and the EU citizens. Also, a research conducted in Vrnjačka Banja showed that the majority of respondents would prefer to visit Carnival Of Vrnjci, Beer Fest and Love Fest, while there was considerably less interest for the Festival of Film Scripts, sports events, scientific and educational events and Festival of Flowers and Horticulture (Žarevac et al., 2013a).

Key success factors and competitiveness level

Determining competitiveness in tourism is a complex and multidimensional concept, taking into account a variety of elements and levels from which it can be observed. Some of the researchers have at one time initiated numerous controversies, as well as changes in tourism marketing and tourist destination management (Ritchie & Crouch, 2003).

Table 2: Analysis of Serbia's competitive environment

Country	Position on the GCI list for 2011	Position on the TTCI list for 2011	Direct income from tourism in billions of dollars of national GDP	Capital investments in tourism in billions of dollars	Ranking on the ICCA list	Emissive markets
Austria	18	4	16.006	3.725	14	Germany, Switzerland, Italy, Slovenia, Hungary
Greece	83	29	15.79	7.473	28	Russia, EU, ex-SFRY
Hungary	52	38	8.843	0.952	27	Germany, Austria, Italy
Czech	36	31	4.731	1.77	30	Germany, Great Britain, Poland
Slovenia	45	33	1.597	0.731	45	Italy, Germany, Austria, Croatia, Hungary
Croatia	77	34	5.7	1.36	40	Germany, Austria, Italy, Great Britain, France, Russia,
Romania	67	63	2.596	1.03	48	Italy, Germany, France
Serbia	96	82	0.937	0.223	43	Great Britain, France, Russia, Germany, Italy, SFRY
Bulgaria	71	48	2.006	0.631	61	Serbia, Montenegro, Macedonia, Greece
Macedonia	79	76	0.128	0.05	81	ex-SFRY, Russia, Albania, Bulgaria
Bosnia and Herzegovina	102	97	0.374	0.143	/	Croatia, Slovenia, Italy, Austria
Montenegro	49	36	0.347	0.278	/	Serbia, Russia, EU
Slovakia	60	54	2.103	0.447	60	Czech, Poland, Germany

Source: *The author, on the basis of the processed data*

Today we can say that there are several typical tourist destination competitiveness models, and one of them is based on the relationship between tourism, quality of life and competitiveness. Tourism events can be viewed in the context of key resources and attractions that affect the achievement of tourist destination competitiveness. In this regard, tourism events can be designed as an interface of tourism, competitiveness and quality of life of the local community, and that of the visitors. On the other hand, events can greatly affect the specific tourist experience that is nowadays increasingly seen as a fundamental tourism product (Vitić, 2007). The first thing that needs to be analyzed is who the competition is. Namely, competitors are all actors offering the same products or services to the same target market at a similar price. Competitors may be direct (events held in Serbia at the same time and various events abroad) or indirect (other products on Serbia's tourism market).

Serbian events have significant potential for further development and improvement. In order to determine its market position and establish guidelines for the development and improvement of competitive strategy in the best possible way, it is necessary to know who the main competitors are and how they behave on the market. Analysis of competitiveness is an important part of the strategy and marketing plan of any company.

Serbia has great potential for improving the competitiveness of events combined with other tourism products, especially because the global trends also indicate that a variety of activities (culture, agriculture) tend to be associated with this industry. Advantages of our country are reflected in (Delić, 2010):

- Serbia's proximity to emissive tourist markets, especially the EU Member States;
- Favorable prices for visitors coming from abroad;
- A new destination (insufficiently known) on the world market, which possesses a significant attractiveness;
- Diversity of well-preserved natural and anthropogenic resources;
- The possibility of creating favorable tourist arrangements for the most diverse tourist categories;
- Great potential for organizing city break and mini break tourism; and
- Attractiveness and global recognizability of Serbian events (which attracts an increasing number of visitors every year).

Knowing the leaders is also important because when presenting a destination which has just entered into international waters and on the markets where there it already a strong competition, it is best to study the strategies of the best and learn from them. When determining its own competitive strategy, Serbia, first of all, needs to study both the countries in the immediate environment, and those at an intermediate distance and aspiring the same markets or already doing business with them. Realizing the importance of this tourism product, a group of event organizers was formed, whose goal is the following:

- Gathering the largest possible number of event organizers;
- Creating a database (records and registration) of the existing events in Serbia;
- Classifying and sorting the events into groups and subgroups according to certain criteria;
- Determining the models and sources of event financing;
- Licensing and certification of events according to the adopted criteria; and
- Education and informing of event organizers in the preparation and implementation of events and marketing campaigns.

Conclusion

It is perfectly clear and evident that tourism events are an essential part of almost every tourist offer, and there are increasingly more events which themselves become a means of attracting tourists, which is certainly contributed by expectations of tourists who are looking for new destinations, adventures and experiences. Many destinations in the world use a variety of events in order to position the country, extend the season, attract new segments of tourists, generate profit, enhance the image and attract investors. Also, there is an obvious need of modern tourists for more dynamic holidays through which they can get to know different cultures and have a good time gaining new adventures and experiences, with a tendency of more shorter tourist travels during the year, with a more intensive facilities.

Serbia needs a strategic approach to events as the development of specific tourist offers can significantly contribute to the development of our country, reduce the trade deficit, increase employment, improve the image of the country and encourage significant investments. No less important fact is that the rich cultural heritage could thus be restored and

presented to the world, and to the local public, as well. However, although the tourism development strategy of Serbia envisages, i.e. recommends establishment of an institution that would, inter alia, deal with the organization, promotion and valorization of events at the national level, nothing significant has been done in this respect. Examples from practice show a great need for this, and therefore the organizers are teaming up to share experiences and help each other. In accordance with this, the *Meetings of Event Organizers* have been established, the event aimed at educating organizers through various workshops. The practice so far leads to the conclusion that it is necessary to establish a separate body that would deal with the research, organization and promotion of events, as well as the coordination of activities with other relevant institutions and the private sector. There is also a need for institutions that would have adequate educated and professional personnel of different professions such as tourism experts, economists, media and others who would participate in the organization of events in Serbia. In this way, we would get the personnel that would completely understand the event management problems, who would have adequate knowledge and skills. In doing this, we should look up to a number of countries in Europe that have established separate institutions that deal with the event planning, organization and management at a national level. For example, the national agency in Sweden very successfully presents this country as a well-known event destination. The national event development strategy that represents a framework for the development of events in this country until 2020 was prepared. Great Britain is also making great efforts in this area. Namely, standards have been established specifically for the event industry in order to develop it in a more sustainable manner.

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TOURIST VALORIZATION OF THE GRAČANICA MONASTERY BASED ON THE HILARY DU CROSS METHOD

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Abstract

The Gračanica Monastery is located on the territory of AP Kosovo and Metohija in Serbia and was inscribed on the World Heritage List in 2006. The monastery church of Assumption of the Virgin was built in the second decade of the 14th century. The church was founded by the Serbian King Milutin and is among the top architectural achievements of the epoch. As a cultural monument of exceptional importance, the Gračanica Monastery is a great potential for tourism development in the municipality of Gračanica, AP Kosovo and Metohija and Serbia. Bearing in mind the increasing tourist demand for visiting UNESCO sites in the world tourism market, the aim of this paper is to examine the possibilities of development of tourism in Gračanica based on a unique cultural offer. The method used in this paper is a case study of the monastery of Gračanica. Tourist valorization by Hillary du Cross model provides an answer to the research question and the possibility of applying the market attractiveness matrix (robustness) for the development of tourism, in this case the cultural tourism of the local community.

Keywords: *tourist valorization, Hilary Du Cross, the Gračanica Monastery, culture, tourism*

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Introduction

The cultural heritage is becoming a factor of attraction for many tourists from Europe and around the world. Cultural tourism, as a generator of development, encourages the cultural sector, strengthens the development of entrepreneurship and influences the creation of new occupations in culture and tourism, and strengthens intercultural dialogue. The product of cultural tourism is presenting the culture heritage in a unique way. Prerequisite for the development of this type of tourism is the existence of cultural resources and tourist demand (Vićentijević & Krasojević, 2010). Based on the case studies of the Gračanica Monastery in Gračanica (Province of Kosovo and Metohija, Serbia) it is shown that there is a great market appeal and cultural significance as a base for tourism development in this municipality with an emphasis on cultural tourism. The monasteries Patriarchate of Peć and Gračanica and Church the Holy Virgin of Ljeviška, in Prizren, were inscribed on the World Heritage List in 2006 in the form of a serial nomination and the extension of the nomination of the monastery of Dečani (inscribed in 2004) under the name of Medieval Monuments in Kosovo. Even today all of these cultural monuments have the status of the World Heritage in Danger on the UNESCO list. Ever since the 1999 conflict, the monasteries of the Patriarchate of Peć and Gračanica and the Church of the Holy Virgin of Ljeviška have a uniquely defined legal status, primarily due to the fact that the territory of Kosovo and Metohija is under a temporary international administration. According to the UN Security Council Resolution no. 1244 “an agreed number of Serbian personnel” is permitted to maintain a presence at Serb patrimonial sites (UNESCO Nomination).

In practice, there is a more pronounced demand to visit the monastery of Gračanica, not only by Serbian tourists, but also by tourists from Europe and from distant markets, such as Russian Federation, Japan, China, Taiwan and Indonesia. One of the most limiting factors is the necessity of visas for tourists from China, the Russian Federation and the Republic of Srpska, in order for them to visit the Gračanica Monastery and become familiar with the unique architecture and fresco painting of the medieval Serbian state. On the other hand, it is fully understood that all actors in tourism from Gračanica are trying to attract targeted customers, since that is the prime goal for all tourism destinations (Djeri et. al. 2014).

This paper indicates the possibilities for tourist valorization of the Gračanica monastery and its better positioning on the world travel market, in order to meet the preferences of existing and potential tourists, who are facing the challenges of safety, security and visa restrictions, which represent the limiting factors for the tourism development worldwide.

Methodology - Hillary du Cross model of tourist valorization of the Gračanica Monastery in Gračanica

Basic literature for this paper is related to the authors Hilari Du Cros (Du Cros & McKercher, 2009, 2015) and Olga Hađić (Hadžić et. al. 2005). Tourism valorization includes the complex of tourist valorization of the values that are essential for the present and future development of tourism in the project area (Stanković, 2003). For the purposes of in-depth research and obtaining the adequate results of the tourist valorization of the Gračanica Monastery in Gračanica, 16 respondents have been engaged in the field of tourism, culture and education, as it follows: a professor of management in culture, a professor of management in tourism, an archaeologist, an art historian, an architect, two tour operators, the directors of the Tourist Organization of Gračanica, two tourist guides and six employees in the institutions of culture and tourism in Belgrade, Novi Sad and Gračanica. Respondents gave their marks on the above indicators for the market appeal of cultural property, the factors affecting the design of the tourism product and sub-indicators of cultural importance and robustness. Based on these points, the average value for each of the elements of the tourism sector and the culture sector was calculated.

As Hilari du Cross states, „not all cultural assets have what it takes to become successful cultural products and therefore, the Market Appeal/Robusticity Matrix provides a useful tool to assess tourism potential of the destination” (Du Cros & McKercher, 2015:193). According to the model of the Hilary Du Cross, successful products must satisfy four criteria in this order: they must be culturally significant, able to withstand increased visitation, have the attributes to attract and retain tourists, and provide a quality experience (Id). In the process of tourist valorization, Hilari du Cross introduced cultural and touristic sub-indicators and degrees of their values to the process of tourist valorization, specifically for the tourism sector and in particular for the sector of management of cultural assets (Hadžić et al., 2005). Sub-indicators are separately evaluated with marks from 0 to 5. In the tourism

sector, the needs of the market appeal of cultural goods and the cultural tourism product design must be evaluated. The conclusion on the sub-indicators of market appeal of cultural property for the tourism sector is made based on the following criteria: low attractiveness 0-20, medium attractiveness 21-40, high attractiveness 41-60. In the cultural heritage management sector, cultural assets and robustness are evaluated. The conclusion on the sub-indicators in the management sector is the following: sensitivity / low cultural value 0-20, the central value of 21-40, high value 41-60.

Based on analysis, Market Appeal/Robusticity matrix has been created. The Matrix has nine cells, marked with M (i, j) (i, j = 1, 2, 3) and for each resource it is determined to which cell it belongs based on the values given in the previous evaluation process (Hadžić et al., 2005). The cells are defined as following (Hadžić et. al., 2005; McKercher & Du Cros, 2009):

- M (1, 1) - high value of indicators of cultural importance/robustness and low market attractiveness,
- M (1, 2) - high value of indicators of cultural importance/robustness and medium market attractiveness,
- M (1, 3) - high value of indicators of cultural importance/robustness and high market attractiveness,
- M (2, 1) - medium value of indicators of cultural importance/robustness and low market attractiveness,
- M (2, 2) - medium value of indicators of cultural importance/robustness and medium market attractiveness,
- M (2, 3) - medium value of indicators of cultural importance/robustness and high market attractiveness,
- M (3,1) - low value of indicators of cultural importance/robustness and low market attractiveness,
- M (3, 2) - low value of indicators of cultural importance/robustness and medium market attractiveness,
- M (3, 3) - low value of indicators of cultural importance/robustness and high market attractiveness.

If the cultural asset is marked with cells M (2, 3) and M (1, 3) after the evaluation, it means that the cultural asset (cultural sites or monuments) has good chances to be used for tourism purposes.

The assessment of market attractiveness according to the sub-indicators of the tourism sector

The four most significant monuments of medieval Serbia in Kosovo and Metohija are the monasteries of the Patriarchate of Peć, Gračanica and Dečani and the Cathedral dedicated to the Holy Virgin of Ljeviša in Prizren. All of them have been inscribed on the World Heritage List with a sign “Endangered Heritage”. Despite the great cultural significance and high demand for visit of these cultural monuments, the number of visits is limited due to the political situation in this part of Europe. According to UNESCO Nomination in 2006 of the Gračanica Monastery: “The seat of Lipljan eparchy was established in Gračanica, in the region with Christian tradition of an Early Byzantine period, in the vicinity of Priština – one of the largest centers of Kosovo since the Middle Ages. The place was accessible thanks to its location beside an important road that connected Priština as an important trading centre – with the largest Serbian mining centre in the Middle Ages, Novo Brdo. King Milutin built a church of the Annunciation of the Holy Virgin intended for a seat of Lipljan bishops on the remnants of an old cathedral in Gračanica in the second half of the 14th century ” (UNESCO Nomination). “By its artistic significance, the church of the monastery of Gračanica surpasses the national borders to become one of the ultimate works of Late Byzantine art on the whole” (UNESCO Nomination).

Table 1: *Market Appel for the Gračanica Monastery*

Market appeal of the cultural asset Cultural heritage tourism subindicators	Average mark
Ambience and setting	4.2
Familiarity outside the local area	4.6
Important national symbol	4.3
Can tell a “good story” - evocative place	5.0
Has some aspect to distinguish it from nearby cultural attractions	5.0
Appeals to special needs or uses	4.3
Complementary to other tourism products at the destination or in the region	4.2
Tourism activity in the region	4.3
Destination associated with culture or heritage	4.2
Total	40.1

Source: *According to conducted researches by authors*

Environment (bad 0-1, adequate 2- 3, good 4, excellent 5)

The environment in which Gračanica is situated is authentic by its location in the heart of Kosovo Polje, in the vicinity of the field where the famous Battle of Kosovo took place in 1389. This was one of the most significant events in the Serbian history which ushered in several centuries of Turks rule over Serbia (mark, 4.2).

Familiarity outside the local area (none 0, slightly 1-3, very good 4-5)

The Gračanica Monastery is a famous place worldwide, since it is on the UNESCO World heritage list. The Gračanica Monastery was very well visited until 1997. As one of the popular destinations, Gračanica had 400 visitors weekly during the summer season and school excursions. Currently, due to political unrest the monastery records about 20.000 visits of tourists per year. This number of visitors is based on the Local Tourism Organization forecast. The mentioned score would be much higher with more liberal visa regime for tourists from People's Republic of China, the Russian Federation and the Republic of Serbia. (mark 4.6).

Important national symbol (none 0, has the potential 1-3, yes 4-5). The territory of Kosovo and Metohija is situated in the centre of the Balkan Peninsula and has been a part of the Serbian state since the late 12th century. It was the central part of the Serbian medieval state. Developing under the strong influence of Byzantium, but always with specific and distinguishing characteristics, the identity of medieval Serbia was created by the Nemanjić dynasty, which pursued the political, economic and cultural life adapting to the geographic position of the country – between the Catholic West and Orthodox East. The church of the monastery of Gračanica was built in the second decade of the 14th century at the time of intensive political and military rise of the medieval Serbia. By its artistic significance, it surpasses the national borders to become one of the ultimate works of Late Byzantine art on the whole (UNESCO Nomination) (mark 4.3).

Can tell a “good story” - evocative place (none 0, has the potential 1-3, yes 4-5). Having in mind that since the Middle Ages, Kosovo and Metohija has boasted the highest concentration of endowments of rulers and prelates, but also of numerous court dignitaries and nobility (UNESCO Nomination), there are lot of possibility for telling interesting stories about the monastery. At that time, cities such as Peć, Prizren and Priština represented significant political, clerical and economic centres in and around which the majority of churches and monasteries were

founded. The whole part of history regarding the building of the monastery is composed of very interesting and instructive stories for tourists and visitors (mark 5).

Has some aspect to distinguish it from nearby cultural attractions (poor 0-1, adequate 2-3, good 4, excellent 5)

The five-domed church in Gračanica is a masterpiece of Serbian medieval and Late Byzantine architecture, in general. Gračanica is a creative work of Byzantine epoch builder, whose basic categories were harmony and beauty (UNESCO Nomination). That is the reason why the monastery has highest mark- 5.

Appeals to special needs or uses which would allow greater attendance by tourists (not at all 0, has the potential 1-3, yes 4-5).

Gračanica is the suitable venue for organizing all kinds of art colonies, themed events and other attractive contents that encourage greater attendance of tourists. The International festival of medieval arts and crafts will be held here from September 2016 (mark 4.3).

Complementary to other tourism products at the destination, or in the region (not at all 0, has the potential 1-3, yes 4-5).

Archaeological site Ulpiana and fortress Novo Brdo, in the vicinity of the monastery of Gračanica, could all together form an integrated tourist offer. Connected with other medieval monuments on the UNESCO list of Kosovo and Metohija, as well as other of Raska School monasteries in Serbia, it would be an extremely attractive tourist product - cultural tourism thematic route - UNESCO sites of Medieval Serbia. (mark 4.2).

Tourist activity in the region (almost none 0, to some extent, 1-3, high 4-5).

A tourism product includes the overall tourism experience of tourists that meet their expectations, including those regarding accommodation, natural and cultural attractions, entertainment, transportation, hospitality, catering and so on. (Vićentijević, 2015). Bearing in mind mention facts, as well as proximity of the spa and mountain resorts in Serbia, tourist activity in region has been marked by 4.3.

Destination associated with culture or heritage (not at all 0, slightly 1-3, absolutely 4-5).

With regard to the authenticity of the place and all the complimentary facilities offered (artists colony, themed events, such as 'Medieval knight games'), proximity to other cultural sites (Velika Hoča, churches, monasteries, archaeological sites, castles) and the rich

intangible cultural heritage, it can be concluded that Gračanica is associated with culture. This is confirmed by high mark 4.2.

Table 2: *Product Design Needs*

Factors important for the design of tourism product Subindicators	Average mark
Aesthetic values	3.9
Transport from residential area to cultural value	2.7
Vicinity of other cultural attractions	2.8
Service facilities	1.7
Total	11.1

Source: *According to the conducted researches by authors*

Access to cultural values (not allowed 0, limited access 1-2, allowed access to all elements of a cultural property 3-4). This indicator has been very highly rated, mark 3.9.

Transport from residential area to cultural value (very far/difficult to access 0, facilitated accessibility 1-2, excellent accessibility 3) has also high mark, 2.7. **Vicinity of other cultural attractions** (very far 0, facilitated access 1-2, distance can be easily crossed on foot 3). Due to many churches, the Cultural Centre and many events held in the town center, near the monastery, this indicator has been ranked by high mark, 2.8. **Service facilities** (weak 0, adequate 1-2, good 3-5, excellent 5) - parking place, signposts, refreshments, tourist information centres.

Due to the lack of signposts of Gračanica monastery on the Priština - Gračanica road, the absence of sufficient parking space near the monastery and the lack of the Tourist Information Center, this indicator has been marked by average mark, 1.7.

By collecting points from Table No. 1 And Table No. 2 in the tourism value of the Gračanica monastery, high market attractiveness is obtained (51.1 points).

The assessment of culture heritage management according to the sub-indicators of the cultural significance/robusticity

The value of tangible cultural heritage is the most efficiently presented and interpreted through cultural tourism and creative industries. The way of interpretation and presentation of heritage is most often organized by

art colonies, theater performances, recording frames of film scenes acts and so on. Culture and creative industries are increasingly being used to promote cultural tourist destinations and strengthen their competitiveness and attractiveness (Vićentijević & Todorović, 2012).

Table 3: *Cultural management sector*

Cultural Significance Subindicators	Average mark
Aesthetic value (including architectural value)	2
Historical value	2
Educational value	2
Social value	2
Scientific value	2
Rare or common value (locally, regionally, nationally)	2
Representativeness of destination	3.8
Total	15.8

Source: *According to the conducted researches by authors*

Aesthetic value (*low 0, medium 1, high 2*). The five-domed church in Gračanica is a masterpiece of Serbian medieval architecture and Late Byzantine architecture in general. It is characterized by an exceptional structural complex with bold system of proportions and the original finishing of facades. The Gračanica is the masterpiece of the most creative Byzantine builders (UNESCO Nomination). This indicator has been ranked by highest mark, 2.

Historical value (*low 0, medium 1, high 2*). The works of Michael and Eutychios promoted Serbia of the first quarter of the 14th century into the third, most significant center of Byzantine renaissance of Palaiologos, immediately behind Constantinople and Thessaloniki (UNESCO Nomination). This indicator has been ranked by the highest mark, 2.

Educational value (*low 0, medium 1, high 2*). The church of the monastery of Gračanica became one of the ultimate works of Late Byzantine art on the whole. The first printing press was founded at the monastery in 1539, which was an event of particular significance of the cultural history of the Serbs under Turkish rule (UNESCO Nomination). Ranked by the highest mark, 2.

Social value (*low 0, medium 1, high 2*). The Serbian monumental art of the Middle Ages partly adopted the contemporary structural forms of the Catholic West, while its painting belonged to Byzantine sphere as its state

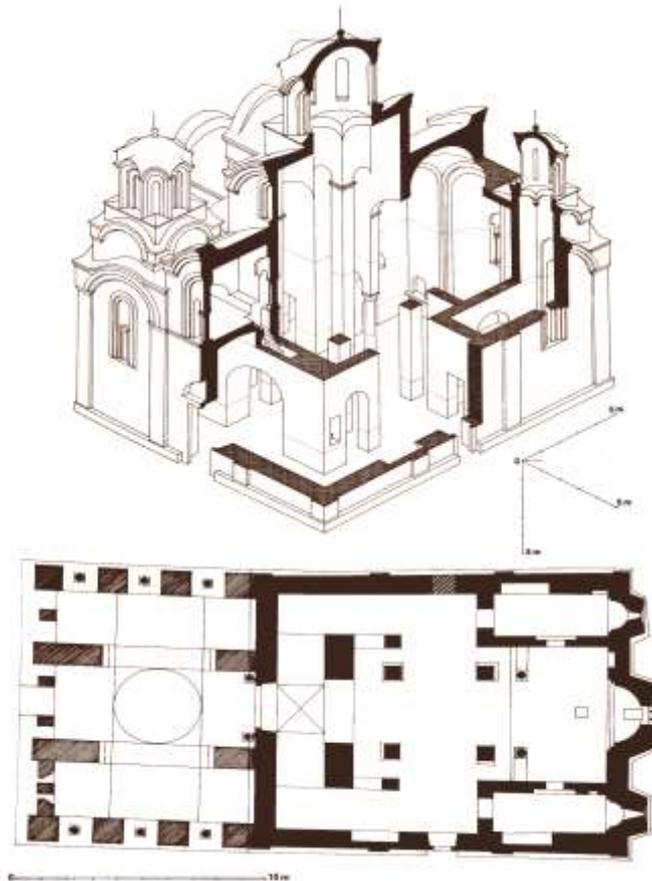
and spiritual organization did. These original works form a distinct artistic category that cannot be comprehended outside of the historical context of space and time they belong to (UNESCO Nomination). According to the Faro Convention the central activities belong to an individual, not a cultural facility (Liévaux, 2009: 45). Bearing in mind that fact, it is outside the protection issues of "value", which refers to the social value of cultural heritage, while civil society is invited to participate in partnership with public authorities, from the identification to the interpretation of cultural heritage. The indicator of Social value is ranked by the highest mark, 2.

Scientific research value (*low 0, medium 1, high 2*). The specific development path of the Serbian medieval art at Kosovo and Metohija was marked by mutual work of Orthodox and Catholic masters, who belonged to Byzantine and Roman-Gothic style, with local Serbian builders, representatives of the Ras style school. Due to the large opportunities for scientific research within the field of art history, painting and architecture, the indicator has been ranked by the highest mark, 2.

Rare or common value (locally, regionally, nationally) (*common cultural properties of the same type 0, less common properties of the same type 1, rare properties of the same type 2, unique properties of the same type 3*). Having in mind all mentioned facts, as well as that this cultural monument has been inscribed on the World heritage list together with other Serbian medieval monuments on Kosovo and Metohija, the average mark of this indicator is 2.

Representativeness (*weak 1, good 2-3, excellent 4*). The Gračanica Monastery is very exclusive cultural asset for the whole tourist destination. Therefore, a great interest of tourists and visitors from the region and all over the world has confirmed that they want to visit and learn about the culture, history and the way of life of Gračanica as a tourist destination. Furthermore, that also confirms the fact that "tourism is a phenomenon that is significant for globalizing the world, because it does not only affect the development of global economies, but it also reflects on the local context through the specific experiences of artefacts and narrative"(Dragicevic, Šešić & Rogač, Mijatović 2014: 10).

Figure 1: *The monastery Gračanica – unique architectue*



Source: *Tourism organization of Gračanica*

Due to political situation during the last two decades, the security and safety has been violated and therefore this indicator is marked by an average score of 3.8.

Sensitivity of the cultural asset (great 0-1, somewhat 2-3, not sensitive 4). The Gračanica Monastery has an opportunity to receive a limited number of visitors, in order not to endanger the interior of the church. According to prof. Đukić, "cultural tourism offer does not only include an offer for tourists, but also for local residents who perhaps, even before others, should get familiar with its cultural resources in order to get a better understanding of them and respect them more" (Đukić, Dojčinović, 2005). In this church, all spirit rituals of the local people are preformed

and therefore the sensitivity of this cultural property is larger. For this reason, this indicator has been evaluated with the mark 3.1.

Table 4: *Robusticity*

Subindicators	Average mark
Sensitivity of the cultural asset	3.1
State of repair	3.1
Management plan or policy in place	0
Regular monitoring and maintenance	3.1
Potential for outgoing involvement and consultation of key stakeholders	2.3
Possibility of visitors' adverse impact on the physical condition of cultural values	3.2
Possibility of negative impacts of high visitation on lifestyle and cultural tradition of local community	2.2
Possibility for modification (as a part of product development) to have negative impacts to cultural values	3.2
Possibility for modification (as a part of product development) to have negative impacts to lifestyle and cultural tradition of local community	3.1
Total	23.3

Source: *According to conducted researches by authors*

State of repair (weak 0, partially done 1, good 2-3, excellent 4). Conservation and restoration works for the monastery Gračanica are under the jurisdiction of the Republic Institute for Protection of Culture monuments of the Republic of Serbia. They are complex and expensive. The indicator is an estimated score of 3.1 and shows a good state of reparation.

Management plan or policy in place (there is no plan 0, in preparation 1-4, it exists 5). The Management plan for the Gračanica Monastery does not exist. According to the UNESCO recommendation, all cultural heritage sites and monuments on the World Heritage List should have the Management plan. Having in mind that this cultural monument has not got the Management plan, this indicator is marked by the lowest mark, 0.

Regular monitoring and maintenance (weak 0, somewhat 1-2, good 3-4, excellent 5). Regular monitoring and maintenance exist, but are insufficient. All powers in regard to the mentioned cultural monument are in responsibility of the Institute of heritage protection and the Diocese of

Raško- Prizrenska. Because of war and political instability engaged in Kosovo and Metohija, the Gračanica Monastery has been under the safety and security protection of the UN soldiers, for nearly a decade. The average score for this indicator is 3.1.

Potential for outgoing involvement and consultation of key stakeholders (weak 0, adequate 1-2, good 3-4, excellent 5). Investment possibilities are numerous, above all regarding tourism investments in infrastructure and suprastructure. This primarily refers to the previously mentioned parking space, advancement of the road network quality, tourist signalization, as well as to the accommodation facilities. Rank 2.3.

Possibility of visitors' adverse impact on the physical condition of cultural values (great possibility 1, somewhat possible 2-4, small possibility 5), indicator ranked by 3.2 (somewhat possible 2-4)

Possibility of negative impacts of high visitation on lifestyle and cultural tradition of local community (great possibility 1, somewhat possible 2-4, small possibility 5), indicator ranked by 2.2 (somewhat possible). „Geographical distribution of the population is important due to the fact that people who inhabit a certain region usually have or share the same values, attitudes and preferences” (Đeri et al., 2014).

Possibility for modification (as a part of product development) to have negative impacts to cultural values. (great possibility 1, somewhat possible 2-4, small possibility 5), indicator ranked by 3.2. (somewhat possible)

Possibility for modification (as a part of product development) to have negative impacts to lifestyle and cultural tradition of local community (great possibility 1, somewhat possible 2-4, small possibility 5). Indicator ranked by 3.1 (somewhat possible). According to authors „The basic task of management in this case is the creation of strong relationships with guests, continuous monitoring of changes in consumers' demands and the creation of service standards that reflect identified demands by customers, including that physical evidence of service through well-planned and designed service ambience is provided“ (Blešić et al., 2014).

By adding points from both tables -Table No.3 and 4 ($15.8 + 23.3 = 39.1$) the total score indicator for the sector of management of cultural assets of

39.1 is revealed, which is the mean value that aspires to high cultural value.

Table 5: Market Appeal /Robusticity for the assessment of the Tourism Potential according to the Model Hilary du Cross

ROBUSTICITY	41-60	M(1,1)	M(1,2)	M(1,3)
	21-40	M(2,1)	M(2,2)	M(2,3) M(51.1; 39.1)
	0-20	M(3,2)	M(3,2)	M(3,3)
		0-20	21-40	41-60
	MARKET APPEAL			

Source: According to the conducted researches by authors

During the valorization of the monastery Gračanica high Market Appeal was recorded (51.1 points) and the central value of the indicator Cultural significance/robusticity, which is 39.1.

Figure 2: Market Appeal/ Robusticity Matrix

(0-20;41-60)	(21-40;41-60)	(41-60;41-60)
(0-20;21-40)	(21-40;21-40)	(51.1;39.1)
(0-20;0-20)	(21-40;0-20)	(41-60;0-20)

Data processing by Milan Vićentijević Milan Vićentijević, (Wolfram Mathematica 10.2)

The conclusion is that this is a cultural asset in the category M (2, 3), and is suitable for the development of tourism in the area.

Conclusion

Tourist valorization of Gračanica Monastery by Hillary du Cross model has shown that there is a great market appeal and the average value of cultural importance / robustness. This further indicates that on the basis of cultural good, tourism could develop at the destination according to the principles of sustainable development that will not endager, but will increase its cultural significance by use. Since the culture and tourism correlate with other economic and non-economic sectors and operate within a given system, it can be concluded that the ratio of these two sectors should be based on partnership, networking, collaboration, linking culture sector, as well as internationalization and decentralization as forms of strategies for connecting them.

Segmentation of demand provides new opportunities even to those areas which were previously outside of the global flows of cultural tourism development, as it is the case with Gračanica.

According to the research conducted by the National Trust for Historic Preservation, in order to attract visitors the experience provided must engage as many of their senses since it is recorded that the visitors remember 10% of what they hear, 30% of what they read, 50% of what they see, and 90% of what they do (National Trust for Historic Preservation). It is necessary to adapt the cultural goods according to the requirements of tourists and prepare an attractive offer that will be long remembered.

Great danger to the development of tourism and preservation of cultural identity of the Gračanica Monastery (as well as other monasteries in Kosovo and Metohija) is that the Albanian tourist guides who lead individuals and groups in the sightseeing present Serbian and Byzantine heritage of medieval monuments of culture as the Illyrian, which does not correspond with the facts. Tour guides should be true professionals, well prepared to correctly interpret heritage and authentically inform visitors and tourists.

One way to overcome these weaknesses is to interpret heritage „in site“ by the local travel guide in these localities. Therefore, employees in the local tourist organization Gračanica, in cooperation with the municipality of Gračanica, plan to organize training courses for local tourist guides and animators who will interpret the heritage using models of "story telling" and "living heritage", based on the relevant historical facts.

This training will significantly contribute to increasing the attractiveness of the tourist offer, reviving, correct and accurate interpretation of heritage.

We concluded that the involvement and co-operation of all stakeholder on the local level (conservationists, tourism operators, policy makers in tourism and culture sectors, those preparing development plans on the national level, as well as management plans of cultural sites) is necessary to achieve a sustainable tourism development. At the same time this will enhance the protection of heritage resources for future generations (ICOMOS).

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THE IMPORTANCE OF CULTURAL DIFFERENCES AND TOURISM DEVELOPMENT

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Abstract

The aim of this paper is to show the importance of respect of interculturality in tourism development. As tourism is the main source of intercultural contacts, education on cultural diversity needed to staff able to deal with current and future challenges of tourism in the country. Numerous studies showed Serbia is faced with a growing number of incoming travelers from different cultural backgrounds. Consequently, the need is greater awareness of cultural diversity. A number of higher education institutions in the world for many years involves intercultural courses in their programs to prepare employees in tourism for management and in providing tourist services which should be the practice in Serbia. Synergy between the development of higher education and the development of tourism is a natural, education of the cultural diversity is essential which will contribute to better relations with tourists and increase their satisfaction, thus will lead to the better positioning of Serbia as a tourist destination and its tourism development as well.

Keywords: *culture, human resources, tourism, communication.*

Introduction

The world is becoming increasingly unstable and the environment is constantly changing, creating new opportunities in tourism. A number of challenges in the modern environment affected the travel and tourism during the last few years, but they didn't stop the overall dynamics in this sector. Tourism remains a strong driver of growth, which represents almost 10 percent of global economic activity. Instability is a new reality

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that bears the opportunities and risks, but that is the reason why a tourist destination, policymakers, and stakeholders of this sector should act decisively and develop appropriate opportunities to successfully move forward. The basis of successful development of the tourism sector is its focus on long-term stability and because of that it is essential to change the attitude towards this activity and it is possible with education, which is identified as a key basis for further development and to re-establish the trust of visitors after a period of instability. The development of this sector will need a reduction in the existing entry barriers in terms of personnel education, ensuring their continuing education, infrastructure and empowering local communities to participate in the tourism value chain, as well as the establishment of cross-border cooperation with other destinations. For example, Ireland has launched a national program through which companies, sports clubs, cultural institutions, local authorities can display the best ideas to attract tourists. At the same time, it is necessary to monitor changes in the structure of tourists. Despite the increasing instability caused by economic, political, and environmental challenges, tourism will remain a significant driver of future economic growth. The multiplier effect of tourism on the local economy is also significant. According to the World Tourism Organization's (UNWTO) long-term forecast *Tourism Towards 2030* (UNWTO, 2011) it is expected that the number of international tourists pace of 3.3 percent per year on average will continue its increase, reaching 1.8 billion by 2030. In order to fully enjoy the benefits that international tourism can bring to the economy, as one of the world's largest industries (Smith, V. L. , 2008), it is essential to create the conditions because the role of tourism is manifold, according to (UNWTO / WTTIC, 2012, p. 17-18.) "a means for job creation, economic growth and development and ".

In tourism, in addition to strategic planning, globalization has become a leading force in the management of international tourism organizations (Hadson, 2008) and is increasingly employing migrants in this area. Both, management and employees are often of different national and cultural backgrounds so the tourist industry faces a maximum of intercultural challenges (Holaday, 2007) Therefore, increasing globalization requires a greater amount of training for employees (Langović Milićević et al., 2012), the belief that formal education is enough to make anyone with shorter or longer work experience a good manager in tourism has been lost. Continuing education has become a prerequisite of good directing activities in tourism, but on the other hand, investment in further training of employees is still only directed at the key people in the organization.

In accordance with the new requirements in the tourism industry both the ability of employees and the education system which will create workforce need to be changed. The result of the changes in the environment is that there is an increasing need for workers with more skills and trained with the new knowledge necessary for new business requirements regarding the use of new technologies (Langović Milićević et al., 2015), taking into account new demands of tourists and because of globalization, which is present in tourism, and more than in any other economic sector the knowledge of cultural diversity.

Globalisation and development management in tourism

People in today's world are traveling more than ever before. This is shown by the UNWTO (UNWTO, 2011) data. Many countries receive significant amount of money from tourism and their development is based on it. Some destinations are visited by millions of tourists a year, tourists are more informed and more demanding.

One of the main purposes of travel is that tourists want to experience a new culture. However, the way they want to realize the goals varies depending on where they come from, what their cultural background is (eg. some prefer to be actively involved, but some of them prefer to be only informed about the culture of the place and enjoy the comfort of the hotel). This means that the same tourist product should be adapted for different customers. Therefore, it is important to be aware of interculturalism. What most travelers would like during the trip is an opportunity to try new things, meet new people and experience something exciting. Tourism contributes to the rapprochement and interaction of different cultures, while globalization in the economic, political and cultural terms has a direct impact on the growth of tourists to remote areas beyond the boundaries of nation states.

Due to travel contacts between people of different races, religions, cultures are made and that leads to their mutual understanding. This contributes to a greater respect for exploring differences, on which rests the administration and tourism.

We can consider culture, on one hand, as an integral part of the tourist offer, while on the other hand, it determines the expectations of tourists, because depending on the culture which they come from, it is possible to distinguish their wishes, needs and behavior. So, it becomes important to

know and respect the needs of tourists and cultural characteristics of their culture in order to meet their needs more precisely. On the other hand it should be noted that the development of the tourism industry relied heavily on multicultural workforce from which some new questions and questioning derive.

The challenges of interculturality in tourism

In order to manage cultural differences successfully, and to understand the influence of national culture on the behavior of members of the international companies in the tourism industry a certain quality and management capability are required. For international managers it is especially important to develop cultural sensitivity, increase competence and develop the skills necessary for teamwork (Langović Milićević et al., 2012). It should be noted that for smaller organizations in the industry, this factor is of particular importance. Among other things, it is expected from managers to have good awareness and understanding of the characteristics of other cultures, tolerance and respect for different cultural values as well as a developed ability to communicate. For effective communication with members of other cultures it is not only the knowledge of the language that is crucial but it is important to have good knowledge of other cultural characteristics and dimensions.

Intercultural dialogue is becoming a new way of life in a dynamic globalized society imposed by the preservation of tradition and culture and respect for cultural diversity. An important feature of interculturality is that cultures coexist with mutual respect and appreciation. Interculturality favors the integration of people of different cultural backgrounds in other cultures and removes cultural barriers such as religious, ethnic and linguistic.

Lately (Pizam ,1999; Reisinger and Turner, 2003; Robinson, 1999) the research experience of intercultural differences in terms of tourists has become significant. Sociologists, psychologists and geographers have performed an interesting study of the process of learning and experiences that tourists are passing during their travels (Furnham 1984; Furnham and Bochner, 1986; Hottola, 1999; Pearce, 1982). This study focuses on the emotional aspect of the intercultural experience of tourists, unfortunately with limited empirical evidence, but with great potential for further research. Otherwise, it must be noted that intercultural studies should not be confused with anthropological studies of the relationship guest-host

(Chambers, 1997; MacCannell, 1992; Smith, 1989), which usually focus more on the experience of the host rather than tourists adaptation to the new environment.

The works of Graburn (1989, 2001) have an interesting basis for future studies on adaptation of tourists. Today, with the different aspects of intercultural analyzes in tourism studies are mainly focused on how tourists perceive their stay in another culture. An example of this is the well-known U-curve of cultural shock (Furnham, 1984; Pearce, 1982). Nearly five decades have passed since Kalervo Oberg (1960) presented his hypothesis as an explanation of intercultural adaptation, based on a large range of study stays. (Adler, 1975, Bochner, 1982; Furnham, 1984; Smalley, 1963). His work emphasizes the emotional curve, moving from depression to recovery, going through phases of euphoria, frustration, hostility, adaptation and assimilation, with the names of each phase given by different authors (Pedersen, 1995). For example the first travel experience is the joy of arrival and later disappointment and resistance until the time of acceptance of reality and, finally, adaptation and assimilation.

Adaptation and assimilation are the latest signs that the person has become part of the culture of the host. Today, the term "culture shock" is often used in everyday language as an indicator of the difficulty of tourists during their visit to other countries (Pearce, 1998; Wearing, 2001).

The term "cultural confusion" (also known as "culture shock"), describes various difficulties that appear when meeting other countries and people. Oberg (1960) defined culture shock as "a passing concept of anxiety that results from losing all of the famous characters and symbols of social interaction (p. 177). For Guanipa (1998), the term " Culture Shock ", which was introduced in 1958, describes on anxiety (lack of direction, what to do and how to react), produced when someone moves into a new environment. The sense of cultural shock usually places after the first few days of coming to a new place and can be described as a physical and emotional discomfort that someone suffers when he moves to live in another country or place other than the place of origin (different language, social norms, etc.) (Oberg, 1960). Some of the symptoms may be loneliness, melancholy, pain and allergies, health problems (insomnia, desire to sleep too much, depression, fatigue, anger, irritability, anger, unwillingness to interact with others), identifying with the previous

culture or idealizing the previous country, the loss of identity, a sense of loss, a sense of exploitation or abuse. These symptoms of cultural shock can appear at different times. However, it should be added that the culture shock can become an opportunity to redefine life goals and define new perspectives Smalley, W. (1963).

Culture shock can have different phases (Guanipa, 1998), which can last or only occur at certain times. These various stages resemble the U-curve Culture Shock (Oberg, 1960). In the first phase, arrival causes euphoria and satisfaction with new things they encounter. This phase is called the "honeymoon", everything is new and exciting. It should be noted that tourists usually stay at this first stage, because of the short duration of stay.

In the second phase, a person may encounter a crisis in everyday life. For example, communication difficulties. At this stage, feelings of frustration, impatience, anger, sadness and incompetence are possible. This happens when a person is trying to adapt to a new culture that is very different from the culture of origin. The transition from one culture to another is a difficult process and it takes time to complete. During the transition, there may be feelings of frustration. The third phase is to understand the new culture. There is a new sense of satisfaction and a certain psychological equilibrium. The individual is more familiar with the environment and wants to adapt, and he initiates an assessment of old standards of value compared to the new ones. In the fourth stage, it is evident that a new culture has good and bad sides, and there is a feeling of belonging. New life goals are being established. The fifth stage, called "re-entry shock" occurs when returning to the country of origin. It sometimes happens that when returning, the person encounters the changes that need to be re-adopted.

The presentation of these stages is different for each individual, in addition, each person has his own way of reacting in stages of culture shock (Cultural Confusion) and as a consequence, some stages will be longer and harder than others. Many factors contribute to the duration of the effects of culture shock, for example, the state of mental health of the individual, the type of personality, previous experiences, socio-economic conditions, language, family and/or social support systems, and education levels. It is especially important to emphasize that in addition to the awareness of tourists to experience the encounter with another culture that should be kept in mind when providing services, these stages will be

taken into account also when managing human resources, which mostly come from other cultures as characteristic of tourism industry.

In a globalized society meeting different cultures happens on a daily basis, especially with traveling, and this is why it is more appropriate to use the term cultural confusion rather than culture shock (Hottola, 2004). "Culture confusion" seems more appropriate in the context of intercultural adaptation because it focuses on the process of adaptation and to the enjoyment and learning. In other words, cultural confusion recognizes the complexity and diversity of behavior and emotions of people as they interact in another culture. Adequate intercultural communication could help overcome situations of cultural confusion. In order to accomplish adequate cultural communication it is necessary to have knowledge, understanding and respect for cultural diversity (Cox, H. & Blake, S. (1991).

Cultural communication affects the way people communicate in different cultures where effective intercultural communication is difficult and sometimes even impossible to achieve (Terzi M. C., 2013). Respecting the specificities of interculturality better identifies and thus better meets the needs of tourists. The steps for an adequate approach to intercultural communication are as follows: First of all it is necessary to set up a communication plan: what do we want to achieve? What are the goals of communication? We need to notice the benefits of the existing communications, weaknesses, opportunities and threats. Next, to be aware of the target groups and the messages that should be divided to them. The choice of means of communication is the responsibility of every employee in the tourism organization and affects the satisfaction of tourists during their stay. It should be taken into account that interculturalism can easily lead to cultural confusion, so it is necessary to pre-educate employees in the tourism activities and to develop awareness of intercultural diversity that causes the specifics of communication ie. develop intercultural competence. Adequate communication implies prior training of employees, enabling them to better cope with cultural confusions of tourists which is more than important to the overall experience of staying.

In general, mutual respect, and understanding will help enable the tourists to have good time, meet new people and meet all those goals that are motivation for travel. This is the time when travel has become so commonplace that adequate intercultural communication of employees in tourism could attract new participants in the years to come. The

globalization imposes new conditions and the knowledge of the new rules of successful business. In order to prepare students for the business in the tourism industry a large number of well-known universities have incorporated subjects that deal with interculturality and which enable the students to learn about different business practices due to cultural diversity both because of the management of the workforce and in order to fully meet the demands of tourists. Empirical research conducted by Hofstede on national and corporate cultures contributed to the development of intercultural management in the field of management (Hofstede, 1980). Intercultural management differs from international management as intercultural management focuses on organizational behavior and human resources. Intercultural Management is trying to assess the impact of culture (national and organizational) on the perceptions, interpretations and actions of managers. Culture can be defined as a collective programming of the mind which distinguishes the members of one community in relation to the others (Hofstede, 1980). This collective behavior is a system that is acquired during the process of socialization. National culture, which is reflected in the values, thoughts and behavior in a society, continues to play a primordial role in spite of the globalization process (Hofstede, 1980). In the area of governance, cultural system gives individuals the cognitive abilities and a specific approach in solving the problem. Accordingly, associates from other countries are likely to find different solutions when faced with the same problems. Research conducted in intercultural management tends to focus on the study of the interaction of managers from different systems. This research is focused on "critical incidents" due to cultural differences. These incidents are produced in the process of communication or in situations where teamwork is expected and where the expectations and behavior of managers diverge and lead to intercultural conflict. On the other hand, Wong (1991), emphasizes the similarities instead of the differences between international manager. Bartlett and Ghoshal (1989) indicate that management has to integrate the diversity of understanding of the target market. It should be borne in mind that business communications are becoming increasingly intercultural. However, it is unclear whether literature related to business communication also keeps up and monitors all new factors influencing the communication between members of different cultures and later on cooperation during the implementation of business tasks. (Langović Miličević et al., 2014, p. 369).

On the other hand, respect for cultural diversity among employees increases their satisfaction. Satisfied staff are of paramount importance. People's needs are dynamic and therefore require dynamic thinking in order to solve and satisfy. Only then will the most important client, a tourist, get the treatment he deserves. Growth and development of employees should be the result of the employer's sense of responsibility and the initiative of the employees. The philosophy which the management of human resources in successful tourist organizations apply is as it follows: to attract good people, retain better and improve the best. Analysis of the results indicates that there are poor business results due to the gap between practice and theory. Secondly, academics may have better knowledge if there is understanding of modern environment. (Langović Milićević et al., 2014). This may sound harsh but it is the only way for tourism organizations to succeed in conditions that are changing rapidly.

With globalization, more and more organizations in the tourism industry realized that they are not competing only in domestic but on the global market too. Today, more than half a million of the world's assets are controlled by international organizations (Lim & Noriega, 2007), Globalization, at the same time is a trend in the tourism industry. The expansion of international companies in the tourism industry has never stopped (Lim & Noriega, 2007). For example, with the economic development of the Asia Pacific region has become one of the more dynamic market for hotel development and tourism. Macao, Hong Kong, Main land China have become ideal places for the opening and the expansion of new hotels from the famous hotel chains such as Hilton, Marriott. During the Olympic Games in China almost every famous hotel brand opened one object there. In order to obtain a better position in its management, managers who are able to recognize and work with people from different cultural backgrounds were appointed (Doherty et al., 2007).

Education and appreciation of the changes in the environment and tourism in the function of development of the Republic of Serbia

Tourism as a social and economic phenomenon and economic activity is most directly exposed to continuous and large changes which cause ecological, cultural and social change. Education must adapt to changes in the environment like new requirements in this industry. In order to provide adequate services it is necessary to ensure access to quality

education for all participants, managers, employees. It is important to educate and train people in accordance with changes in technology and changes in the labor market (Langović, A., Cvetkoski, T. & Langović, Z. 2013).. To achieve this we must ensure cooperation at local level between schools, economy, society, etc., as well as at the international level between the relevant scientific and educational institutions in this field.

The implementation of changes should start from the environment in which the teaching and learning of the corresponding object are ensured. Teachers must be trained and specialized, and must be prepared for lifelong learning. They have to follow the trends and frequent changes in the environment.

The first school in which they studied tourism had a fairly uniform, universal program. Over time, these universal programs are differentiated, depending on the work experience of managers which were designed and their previous formal education. Executive education can be done through more institutional or non-institutional forms. Students at universities and colleges study the various areas of tourism in all its segments. However, it must be noted that the postgraduate studies in the field of tourism would be more efficient if they were attended by students with many years of experience in managerial positions. In the context of continuing education, appropriate courses can be organized within the company so that the management team can meet with all the new information and realize the importance of continuing education. For example, each year, following the example of the same or similar institutions in Europe, the Faculty of Hotel and Tourism is supposed to perform the promotion of their programs for the coming year. This means to send invitations to the addresses of the well-known companies in the tourism industry to send their executive staff to get familiar with the new discoveries in the field of tourism and especially in terms of intercultural relations. The program of courses in the form of one-day or two-day seminars, 5-10 days should be provided for younger management staff without much experience. It can be said that these courses should represent a link between their university education and the beginning of their careers at the company. In addition to the courses, appropriate programs should be prepared and organized at universities in the field of tourism for the development of management and should last 1-3 months, which is designed to provide detailed education to younger students with work experience in the above mentioned fields of the multicultural workforce imposed the tourist industry. The difference of this program compared to the previous one,

should be reflected in the application of the case study method, as well as in a number of hours of simulation models of governance and management. The knowledge that participants bring with such courses can be immediately applicable in their daily activities in the tourism organizations in which they work. Learning through case studies, in recent years, with changes in higher education, has become very applicable (Langović, A., Cvetkoski, T. & Langović, Z. 2013).

For the companies in the tourism industry it is desirable to be in contact with educational institutions to establish special agreements on monitoring, on the one hand, of the most talented students, and on the other, the need for top-quality human resources company. In addition to lectures, group work, discussion, case studies and other similar forms of presentation of the program, participants should be required to spend some time on the practice in tourism organizations, as well as to participate in the development of projects for tourism companies.

The synergy between the development of higher education and the development of the tourism industry is a natural one. Faculty development is essential to the success of individuals within the travel companies but also for management. The new age stands some principles that are essential for the development of education in the field of tourism: develop the student's ability for global business, incorporate academic activities for global social responsibility, and organize the exchange of information between teachers, media and managers.

The purpose of the involvement of intercultural knowledge when it comes to the education of employees in tourism is that it can provide intercultural competence, which represent a multi-point capability and enabling effective and proper response to and / in different cultures (Fantini et al., 2001).

Concluding remarks

Fundamental changes in the tourism industry are taking place in Serbia , bearing in mind that tourism was little used potential for economic growth of Serbia.

Despite the fact that in the world Serbia is still associated with political instability, wars and bombing, in recent years it has also been associated with large and interesting events and good fun. This negative image

which Serbia has, is gradually changing but there has to active work including adequate management and promotion of tourist offer of Serbia. (Cvetkovski et al., 2014, p. 71).

Countries in the region clearly directed their attention to guests from Europe. Some team up and launch their touristic proposal on the broader global market. Given that a large number of tourists in Serbia are domestic tourists, the tourist offer of Serbia should follow marketing activities aimed at the domestic and the international market which is becoming increasingly larger. Serbia, as a tourist destination, could take a much better position in the international tourism market, but it is necessary for the tourist offer to be adapted to the needs of modern tourists. (Cvetkovski et al., 2014, p. 72).

The Republic of Serbia today has only comparative, but not a competitive advantage in tourism, and it is not strategically positioned on the world tourist market, so it is necessary to raise the attractiveness of its tourist product. One solution is to move in the direction of strengthening the role of the academic community in tourism development because it solves the lack of strategic development of tourism in the Republic of Serbia, ie. lack of qualified international tourism managers and staff. The justification of highlighting the importance of knowledge of interculturality is in the fact that with globalization organizations in the tourism industry are not competing only in domestic but also in the global market. As the tourism industry is the center of intercultural contact it is needed to stress changes in education and the involvement of intercultural knowledge thereby forming a critical mass of knowledge for quick entry into the international tourism competition in line with the strategy of development of tourism of the Republic of Serbia. By studying interculturality ie. knowing that there are different standards of value, it is possible to create tourism products created in accordance with the latest trends. This establishes better communication and thus creates a positive image in the world market in accordance with the experience of the developed European countries.

Tourism development should be in line with changes in the environment, but first it is necessary to change education in this field, which will, among other competencies, develop and promote tolerance of cultural diversity. Appreciation of the attitudes of different cultures provides a better response to the requirements of the environment and in this way

enables the comparative advantages of the Republic of Serbia to develop into competitive ones.

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THE IMPORTANCE OF CULTURE AND HUMAN RESOURCE MANAGEMENT IN TOURISM

Violeta Cvetkovska Ocokoljić¹; Srđan Babić²;

Abstract

Globalization as a basic characteristic of the modern environment carried out a significant impact on the profile of tourists, the products and services they are seeking. Thanks to new communication technologies their dependence on information increases. Information are required through the internet, received through the web site or via the forum, until their demands are moving towards more individual and especially suited offer. The possibility of choice is large, and they want to feel and experience new places and new cultures. This means offering authentic product/service but the way of its presentation and experience adapt to the culture from which the customer comes. Intercultural communication is gaining in importance here. However, this knowledge does not come by itself. Human resources in the tourism sector should be educated. Tourist workers must properly be chosen first and then they had to develop additional skills related to knowledge of foreign languages, communication skills, create awareness for the cultures foreign tourists come from, all in order to provide better quality products/services.

Keywords: culture, human resources, tourism, communication.

Introduction

Today's organizations operate in a global environment, regardless of whether they are from production or service industry. Although the term globalization is used to describe the process of integration of markets and production globally, globalization is a process that can be viewed from multiple angles, as economic globalization, political globalization,

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cultural globalization, etc. Each of these aspects of globalization affect tourism, the providers and users of tourist services.

Tourism is one of the largest and fastest-growing economic sectors in the world. What reflects the new nature of tourism are: the development of mass tourism, the transition from organized tourist group travel to independent - solo travellers, the development of distant destinations, developing of package arrangements and shorter destinations. The increasing number of passengers has as the number one motive for the journey to explore new cultures and their traditions during the holidays (Cvetkovski et al., 2016, pg. 38).

According to the UNWTO forecast issued at the beginning of 2015, international tourist arrivals are expected to increase by 3% to 4% worldwide for the whole year, in line with the long-term forecast of an average growth of 3.8% a year set for the period 2010 to 2020. Destinations worldwide received some 332 million international tourists (overnight visitors) between January and April 2015, 14 million more than the same period last year, corresponding to an increase of 4%. (World Tourism Organization, UNWTO, 2015).

However, increase in international tourist arrivals in 2015 was 4.4%, while UNWTO forecasts, based on current trends increase between 3.5 and 4.5% in 2016 (UNWTO World Tourism Barometer, 2016).

The most visited region in the world is Europe.

Due to the increasing incomes from tourism that are realized in the world and the anticipated growth in the number of tourists in the future, many countries solution for their own developing are finding just in the tourism offer (Cvetkovski et al., 2014, p. 64).

This expansion of tourists should be used by Serbia as well. However, tourism generates income but not without investment. Among the most important investments are those related to human resources. Without educated managers, employees who provide services or design and enrich the offer, adjust offer to the requirements of tourists, understand intercultural differences and adapt to them but in those segments where it is expected, there is no good services, nor profits. That is why the proper human resources management is one of the key conditions for tourism development.

It is necessary to consider changes arising from the use of information and communication technologies in business and everyday life, as well as the intercultural dimension of globalization in order to understand the role and importance of human resource management in tourism.

The role of information-communication (IC) technologies in tourism

Although various aspects of globalization are already mentioned, it is considered that globalization is enabled primarily by the new information and communication (IC) technologies.

Information and communication technologies have entered our lives and become an important part of it. They are important to us in private life and at work as well. We are on the Internet while we dream about distant destinations, while considering the impressions of others that are exchanged on forums or trying to choose the right hotel relying on the comments of those who have already been there.

New technologies make communication easier and faster. It is easier to perceive the future service, to offer a service or to estimate it. With the help of new technologies it is easier to monitor competitors but also to improve or develop new tourism products and services. Tourism benefits from the new IC technologies.

New generations of travellers, especially younger ones, regularly set the pictures and comments from travelling to social networks such as Facebook, Twitter and others. They check other people's comments before travel, use trip advisor and other sites, rent accommodation over Airbnb website (Cvetkovski et al., 2016, p. 38).

In particular, the Internet has become an almost universal marketing tool in recent years. Research by ATLAS shows that over half the foreign tourists visiting cultural attractions in Europe and Asia in 2007 used the Internet to find information on the cultural site they were visiting. For those on a cultural holiday, this figure increased to over 60%. The creation of Internet platforms which provide information on cultural attractions and events is therefore extremely important, particularly in reaching international markets. There are a growing number of Internet sites which offer the possibility for tourists to package cultural sites and events with accommodation and travel (OECD, 2009).

New technologies allow interactive communication between the service provider and the customer.

Figure 1: Revenue from "Online" travel booking



Source: *The Statistics Portal Statista, 2016*

More and more people in the world use the Internet in order to book a trip. "On-line" travel booking refers to travel, hotel or private accommodation which is booked over the Internet.

The market segment which can be termed as "Online Travel Booking" can be split into the following sub-segments (The Statistics Portal Statista, 2016):

- The "Package Holidays" segment comprises of travel deals booked via the Internet using online travel agencies (e.g. Opodo, Expedia) or directly from a tour operator.
- Second segment relates to hotels, accommodation that can be booked directly via the web sites such as Hotels.com, Trivago and Booking.com, through a tour operator web sites or online travel agencies.
- The "Vacation Rentals" segment comprises of private accommodation that was arranged and booked online. This includes private holiday homes and houses, as well as short-term rental of private rooms or flats via portals such as Airbnb.

People use the Internet to get information about experiences of other tourists, find information about the organization which services they plan to use, and independently book various services. Internet allows the presentation of the offer, booking of hotels, private accommodation, and tickets for events, flight as well as the purchase of arrangements and to

check other people's impressions. Current tourists use the possibilities offered by ICT technology, he is an experienced, alert, resourceful, able to get directly in touch with the service providers because of what endangers tour operators and other intermediaries in the sale.

The issue is what number of tourist workers and managers is ready to use and adapt to new trends. It is necessary in order to keep pace with the times and be competitive in the tourism sector. Internet facilitates access to new markets, what certainly should be used but it is necessary to know how.

The importance of culture and intercultural communication in tourism

Tourism is not a new phenomenon. Tourism and travel have been part of the human experience for millennia. However, in the last years, tourism has grown in significance and emerged as a global phenomenon, affecting an increasing range of environments and attracting new markets as opportunities for travel have widened (Page & Connell, 2006, p.4).

Local communities are not just the hosts for tourism, but they are also participating directly in the tourism experience, helping to define the sense of place and atmosphere of regions (OECD, 2009, p.11). In creating this atmosphere of the region culture has an important role.

Culture creates authenticity and distinctiveness in the global tourism market. In this regard, "tourism experiences" that can connect people and visitors to local cultures are very important (OECD, 2009, p. 11). Culture is important for tourism, for the attractiveness and competitiveness of destinations. The most successful destinations are those that can create a positive synergy between culture and tourism (OECD, 2009, p.31).

The tourism product is considered complexly. It is estimated based on the attractiveness of a certain region or tourist destination, based on quality of hotels and offered services (from accommodation, food and drinks to the most varied program of culture, entertainment, sports and recreational facilities, organized excursions etc.). By understanding tourists' behaviour and their cultural background becomes possible to adjust the tourist offer to specific customers and promote it in the right way (Cvetkovski et al., 2016, p. 38).

Culture can be seen as an integral part of tourism offer, on the one hand, while on the other hand, it determines expectations of tourists, because their desires, needs and behaviors will vary depending on which culture they come from (Cvetkovski et al., 2016, p. 31).

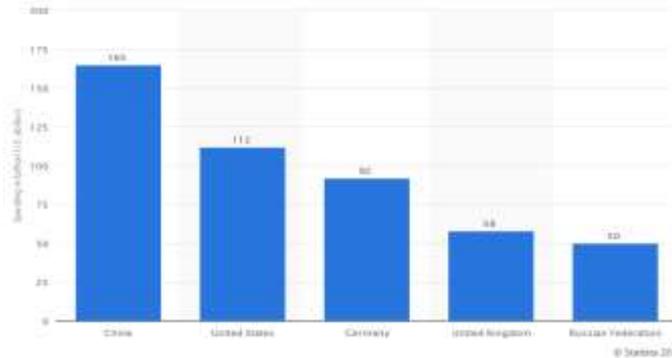
For tourists from China and Great Britain, food is the most important aspect of any successful holiday. Japanese tourists want a constant attention and care, which is not the case with the Americans. The highest expectations of hotel services quality have British tourists and tourists from the United States. Generally, tourists from individualistic cultures (according to Hofstede) require efficient, fast and error-free service, unlike tourists from collectivist cultures where the sincerity by the personnel providing the services, is the most important factor. In individualistic cultures there is a distance between the recipient and the provider of service, and the degree of closeness and interaction are reduced to a minimum. Also, tourists from collectivist cultures such as those of Japan and Korea, they rely heavily on tourist organizations, travel guides and recommendations from friends and relatives while collecting information about traveling. They also prefer to buy gifts and allocate a larger budget for gifts. Germans are willing to take more risk, they prefer to travel independently to travel longer time and visit more destinations (according to Reisinger, 2009).

Chinese tourists have great purchasing power. They book via mobile before leaving; 53% of Chinese travelers, book hotel accommodation via web or via app, and more than 600 million of these Asian citizens use the Internet regularly (<http://bit.fieramilano.it/en/how-welcome-chinese-tourists>).

In the U.S. surveys of “historic/cultural travelers” indicate that 30% of domestic tourists are influenced in their choice of destination by a specific art, cultural or heritage event or activity. In Korea, the promotion of spiritual heritage is not only generating visitors but also increasing cross-cultural communication (OECD, 2009).

Countries with the largest tourism expenditure include China, the United States and Germany.

Figure 2: *The leading countries in international tourism spending in 2014 (in billions of dollars)*



Source: *The Statistics Portal Statista, 2016*

Tourism implies direct contact between tourists and hosts, intercultural communication. Therefore, the greater the cultural differences between international tourists and locals in the tourist place are, the greater will be the chance of misunderstandings and different conflict situations. Misunderstanding arises due to different interpretations of verbal signals (such as the degree of expression of attitudes and feelings, speed of speech, the degree of kindness in speech, etc.) and in particular non-verbal symbols (such as facial expressions, gaze, touching, the size of personal space, gestures and position of body). Differences in values, beliefs, rules of social behavior, can be the cause of misinterpretation, inadequate perception, confusion or conflict.

In accordance with the new requirements of the environment there is need to change the education system and involvement of intercultural learning because new environment increasingly seeking workers who are multi qualified, flexible and educated (Langović, Milićević et al., 2015. p. 187).

It is important one involved in the touristic offer make familiar with the cultural tradition of tourists in order to allow better depth understanding of their behavior and understand their expectations. However, this does not mean that we should lose originality. The key thing is in balance, to provide tourists with what they expect, to promote them that in the way they want, but to preserve the originality of traditional local culture, because the destination must have a unique characteristics which differ it from other destinations in order to attract tourists. In all of this, education is essential.

Culture is also closely connected with religion. Although religion can be abused and used as a justification for the worst forms of hatred, violence and murder (Cvetkovska, Ocokoljić et al., 2012) as a part of the culture it has a very important role in tourism.

The tourist attraction is usually viewed from the perspective of service user, because it defines what it is attractive. However, sometimes some destinations do not attract tourists. It is not because they are not enough interesting but because of lack of promotion, political instability, problematic access to the destination or some other reasons. The most visited destinations are in the most developed countries. These countries better use their capacities, in order to destination make closer to tourists and made it more attractive.

The importance of human resources in tourism

The competitive advantage of the country in the global economy depends on educational structure and skills of its population. It affects all sectors, as well as tourism. Although the natural resources, infrastructure, standard of living and level of development of the country have an important role, people are the key resources that ensure a high quality of service, as well the tourism product.

Tourism is connected to people because visitors are people, as well as service providers. Only highly-skilled workforce can ensure competitiveness and thus creating jobs in tourism.

Tourism is a sector that depends most on the human resources. Especially in Serbia, it is a sector that has to compete for scarce resources in order to ensure survival.

To manage human resources means at all times have the required number of employees in the right places and with the necessary knowledge and skills.

All activities of human resource management have its role in the tourism sector as well. Starting from the analysis of work and planning of human resources through recruitment and selection, through socialization, training and education, performance evaluation, reward and motivation, health and safety of employees and career management (according to

Jovanović, Božinov et al., 2008), all activities are necessary, although some are viewed as being more important in relation to the other.

Zaithaml and Bitner (2000) summarize the key steps in attracting and retaining employees. They believe that it is important to access employee development in order to provide quality service, then provide the necessary support systems; retain the best and provide useful frameworks against which the efforts in the area of staff development could be measured.

Human resources management should start with an analysis of the current situation and human resource planning. It is necessary to determine the level of education and experience of different categories of employees, and to align them with the job requirements. Finding employees, particularly migrant workers, often is not the problem. However, the real challenge for the HR department is to find employees with the right skills, knowledge and attitude towards work that will enable the organization achievement of outlined objectives.

However, these activities are often taken for granted.

Jobs in the tourism sector vary from those that require lower qualifications, to those that require a university degree, developed communication skills and extensive experience. In this sense, we can talk about (OECD, 2000):

1. Permanently employed workers who have secure jobs and earnings. These workers are often functionally flexible (multi-skilling). It is characteristic that these jobs belong to managerial and professional staff whose skills are in high demand on the labor market.
2. Workers who belong to the group of peripheral, temporary workers. These include, for example, seasonal workers. Their jobs are less secure they have no career prospects and often are semi-skilled or unskilled. Staff turnover in this group is high. In addition to this first group there are other groups of flexible workers, such as part-time, temporary workers, those who work on call or students. These workers often function as a reserve pool, and they are flexible because the organization can engage them or dispose with increase or decrease of the workload.

Given the fact that in tourism there are a number of small, family firms, when workload is increasing they often involve family, friends, and other close people.

Although important jobs in the tourism sector belong to managers and professional staff, a large part of work is performed by seasonal workforce. As noted above, these workers are often poorly paid and therefore they are not very motivated. However, given that they are in direct contact with the people receiving the service (workers in restaurants, cafés, those who rent sun loungers on the beaches, etc.) or affect the pleasure of stay although they are not in direct contact with customers (maids in hotels) their role in the service quality is a huge.

It is interesting that a large part of the workforce in this sector belongs to the younger population. However, especially in the lower positions, they are characterized by low motivation, poor creativity, low professionalism (which is why it may happen that in a five-star hotel you receive a three-star service). These are problems that have to be solved in the process of recruitment and selection of candidates for vacancies.

In the process of recruitment and selection of candidates, apart from knowledge and experience variables such as gender, age, ethnicity, and religion are often significant. Depending on these variables candidates will have different knowledge and experience, but also they will have different expectations and desires. A key role here belongs to perception, because it can be said that "the services quality is in the eye of the observer". Even when tourists receive the same service this does not mean that they will assess service quality the same, given that the perception is individual, and that it includes our knowledge and interests.

Baum and Szivas (2007) considered that the effective management of human resources as a critical resource in tourism cannot happen without planning, development and support at the different levels (level of organizations, destinations and states).

In the analysis of services quality must be taken into account the perception of the service user and employee. If the employee and the customer share the same values, then the expected service quality will be achieved. When there is a gap, due to cultural and other reasons, it is necessary to start with the development and training of employees (Jones & Haven-Tang, 2005, p. 6).

The study of the manner in which man observes the world around him, receives various information and in feedback affects the environment essentially is directed on the relationship between seeing and what has been seen, through the history of mankind (Cvetkovska Ocokoljić & Cvetkovski, 2012, p. 1901). Human memory is not only a cognitive act. It is also the creative act that allows the man to receive, recognize, preserve and process information from the environment (Cvetkovska, Ocokoljić et al., 2012, p. 311).

Employers use different strategies for recruiting candidates for vacant positions, depending on which position shall be filled, i.e. what education level the candidate should have, what skills and experience. Care must be taken on whether the future employee should have a degree in tourism, degree in some other areas, whether employee even need a diploma, whether he/she previously worked on similar tasks or comes from other industries. Many later problems and costs can be avoided by selecting the right candidate.

The lack of quality manpower is encouraging employers to recruit and then select people without the necessary qualifications. Therefore, their subsequent training is required, because the connection between employee performance and service quality is obvious. Motivated and loyal employees provide a higher service quality and therefore contribute to a higher degree of satisfaction and greater customer loyalty. If we try to look at the deeper connection, we can assume that increase in the level of knowledge and skills of employees, will contribute to increased service quality, and this will further increase the competitiveness of the destination itself. However, this process must involve all employees.

On the other hand a large staff turnover prevents the provision of standard and high-quality service, increase the costs of recruitment and selection, as well as costs of training and development of employees.

A high quality of tourist services can be realized only through education and training of employees at all levels. The role of managers is to create an organizational culture in which training will be seen as an investment. This means that in the tourism sector is crucial to invest in quality staff and managers. Therefore, in addition to recruitment and selection, employee education and training are equally important activities of human resource management.

However, while the human resources in this sector are most valuable resources, investment in them (in training and education) is relatively small. It comes down to question how they can better perform the current job, not to development of new skills or acquiring of new knowledge. This particularly relates to small firms, where due to the large number of seasonal and temporary workers, employers are not interested to invest in employees.

Since the tourism sector is specific, it is necessary that staff have the specific knowledge as well. Bearing in mind the globalization and international tourist arrivals, insufficient knowledge of foreign languages, especially English, is a major drawback. English language is not required only for those at higher hierarchical positions in the organization, but is essential to all people that come into contact with tourists. Ignorance of the language and different cultures leads difficulties in communicating with tourists. Among the skills, communication skills which are necessary at all levels especially stand out. Emotional intelligence is also important because it allows adjustment to clients and situation, and their understanding. In addition, depending on the specific position at which the employee works, he/she will need the specific technical knowledge as well. At the managerial level knowledge of marketing, finance, strategic planning, project management, human resources management, computer skills, and understanding the role and application of computers in the tourism sector are required. It is also important that managers know how to manage change, how to innovate and develop tourism products, and to know how to manage the crisis communications.

For a successful training and education it is crucial to be aware of the challenges and try to overcome them. Some helpful suggestions would be the following (Junggeburdt 2004, p. 32):

- Make the learning process job-related;
- Where possible, apply the mentoring;
- Provide strong support to learning by managers, as well as by employees;
- Integrate learning in career development of the employee;
- Ensure that learning plans are transparent;
- Make learning fun;
- Set goals and criteria in order to evaluate the results and outcomes;
- Know that partnership is crucial to the success of any learning process, etc.

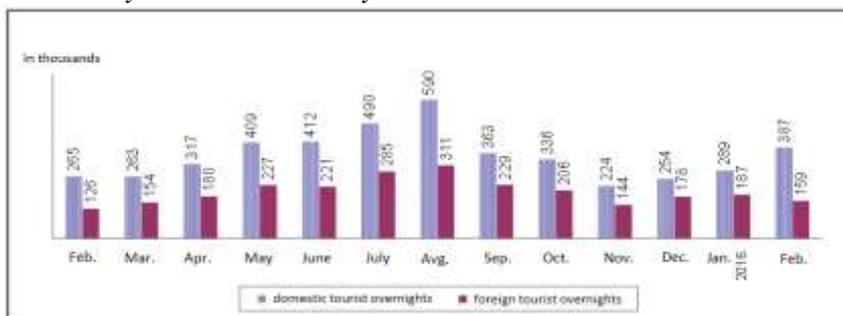
Therefore, human resource planning, training, education and career management of employees should be considered as long-term activities of strategic importance for tourism organizations and destinations.

In the Republic of Serbia the number of tourist arrivals has increased by 26.9% in February 2016 compared to February 2015, while the number of overnight stays increased by 39.5%. In February 2016 compared with February 2015, the number of domestic tourist overnight stays has been increased by 46%, while the number of overnight stays of foreign tourists increased by 26% (Statistical office of the Republic of Serbia, 2016).

The World Tourism Organization (UNWTO) has projected that by 2030, the number of international tourist arrivals will almost double, reaching more than 1.8 billion. The largest market for international tourist arrivals will be Europe again (World Travel & Tourism Council, 2015).

It is obvious that the positive trend in terms of growth in the number of tourists can be seen in Serbia as well. In this sense, the advantage should be taken from this positive trend which is predicted to continue in the future. However, the situation in Serbia, in terms of development of tourist destinations, organization and education and professionalism of tourism workers is pretty poor. Human resource management is therefore even more important.

Figure 3: Tourists overnight stay in the Republic of Serbia in the period from February 2015 to February 2016 in thousands



Source: Statistical office of the Republic of Serbia, 2016

The lack of quality and talented candidates for a job in the tourism sector in Serbia, leads to the recruiting and selecting unskilled or candidates with no experience, which further leads to a lower service quality. However, increasing the quality of service is crucial in order to build a

positive reputation of the region and country in the world. This is the only way to attract tourists, make them want to come back again but next time with their friends or to recommend tourist destination to others.

Conclusion

Intercultural communication, the use of the Internet during the collection of information about hotels, transport and other services, access to social networks, search for information and presence at forums, internet access via telephone, the expansion of religious, cultural and congress tourism, wine tours, health tourism, all are characteristics of environment in which we live.

These changes affect the tourists because they change their lifestyle, habits and needs and from the tourism sector seek to get closer to tourists, through specific marketing instruments of tourist destinations, products and specific organizations and to address their needs through the creation of unique tourism experiences.

All this affects the types of knowledge and skills that are or will be required of employees in this sector.

The essence of travel is in the fact that a person travels and stays in an environment that does not represent his usual environment. Person wants to experience a new environment and a new culture. To justify their expectations, tourism offer and service must be appropriate, consistent with their requirements i.e. need to have high quality. However, such a service does not come by itself, it requires an educated and motivated employees.

In this sense, it is necessary first to expand i.e. implement new sources for recruiting candidates, in order to include those outside the local region or country. Recruitment and selection should also include those candidates who do not currently have the necessary skills but have the potential to acquire them. It is necessary to develop partnerships with educational institutions in order to create curricula more aligned to the specific needs of the tourism sector. Then it is necessary to provide additional training and development of employees in this sector, provide a clear career development of employees, and invest in employees through their further education and training.

During training of new knowledge and skills, it is necessary to take into account the intercultural context of business and the role of IC technologies in the life of each person. What can certainly be singled out is that the human resources in tourism are necessary to manage.

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MUSEUM UNDER THE OPEN AIR “OLD VILLAGE” SIROGOJNO IN FUNCTION OF TOURISM DEVELOPMENT ON ZLATIBOR

Nevena Čepić¹

Abstract

Traditional architecture has very important role in preserving national identity, but also it is very important because of its cultural, historical and tourist value. Particular attention should be paid to the ethno parks and museums under the open air which can have a numerous tourist features as attractive environmental entities in order to attract the interest of a large number of visitors. One of these museums is Museum “Old village” in Sirogojno which has a positive influence on tourism development in region of Zlatibor, for many years.

Keywords: *tourism, traditional architecture, Zlatibor, Sirogojno, ethno villages*

Introduction

We live in the 21st century and the technical and technological development and progress, that it inevitably follow, as well as accelerated urbanization and modernization, the increasing number of migration from rural to urban areas, in many parts of Europe have caused the avian flu epidemic fostering awareness, highlighting the history, spiritual and traditional values of people, preservation of tradition, culture, language and folklore. As a result of aspirations to save and preserve material and spiritual heritage, we have ethnographic museums, unique museums under the open sky and ethno villages, like complex where all ethnological values of one nation are preserved, restored and presented to the public.

First museums under the open sky were constructed in Scandinavian countries. The main year was 1891 when the first open air museum was

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constructed. It was museum Scansen, near Stockholm, which shows the way of life Swedish people in the past. Over time, these ethno parks and museums under the open sky became a sort of tourist attraction and contributed to the development of ethno-tourism, as well as specific form of cultural tourism that is increasingly spreading.

Intense initiative for the opening open-air museums in Serbia, dates back from the sixties of the 20th century, as a result of the need to protect objects of folk architecture. Some of the planned projects were complex Rajačke pinnice in Negotin region, ethno-park in the memorial park Sumarice, monumental rural continent in Kupinovo, ethno park in Zlatibor, as well as the project of construction of the central Serbian ethno park at the foot of Avala (*Ivanović-Barišić, 2010*).

The first successful implementation of projects open-air museums in Serbia is an open air museum Old Village Sirogojno, which is the subject of this work. The aim is to highlight the importance of the open-air museums and ethno park in Sirogojno and to summarize all the positive effects that this museum has on development of tourism in Zlatibor as one of the most visited and most attractive tourist resorts in Serbia.

Open-air museums and their classification

In the professional literature, it was necessary to allocate a specific form of museums such as open-air museums from other kinds of museums and cultural institutions, and now there exist several definitions of open-air museums. The first definition that is officially recognized dates back from the conference of the International Council of Museums - ICOM, UNESCO, held on July 1957, the in Denmark and Sweden (*Zippelius A., 1974*).

A little later, in 1966, at the same meeting of the working group ICOM in Bokrik in Belgium, was adopted a shorter definition, which becomes the basic definition of the open-air museums. According to this definition, "Museums in the open air are scientific guided ethnographic collections that expose the settlement, construction, housing and economic forms in the open air" (*Zippelius A., 1974*).

Because Scandinavia was a pioneer in the establishment of open-air museums, in Helsinki in 1972 held conferences and established the Alliance of European open-air museums - AEOAM who redrafted and

actualized existing definition so that it reads: "Museums are open to the scientifically guided collections, representing the settlement of a comprehensive, architectural, residential and commercial form, under the open sky". At the General Assembly of ICOM 1983 in London adopted the new "Basic principles for the organization and operation of open-air museum". There were new definitions specified: "Museums in open air are collections of - scientific planning and management of collections, subject for scientific observation which reflecting the complete settlement, construction, housing and economic forms in the open air at the site which was declared for the museum territory". The new is that, the open-air museums have to be built on the courts, which were previously identified as the museum territory (*Zippelius A., 1974*).

In the professional literature, attention is paid to researching and definition, but also to classification of open-air museums and ethno villages. So we come to the classification of the Declaration of ICOM, held in 1983 in London, which make difference between museums under the open sky as: central, regional and local. Central museums under the open sky are museums where in one place is shown ethnographic heritage from all around the country, from all regions of that country. Regional museums under the open sky refer to the ethnographic and cultural heritage values of a certain part of the country, that particular region, while local museums are designed so they represent the traditional local culture, architectural objects and ethnographic collections of individual, small parts, usually a city or village and have local character.

Zippelius gives us the classification of the open-air museums according to several criteria. According to the spatial area of origin he gives classification of museums to: central museums, regional museums and local museums, which can be a rural house-museums and museum courtyard. According to the principles of building Zippelius museums Open divided into: museums with preserved architectural monuments in situ, museums transferred to the architectural monuments and museums, including the reconstruction architectural monuments. According to the third criterion, according to the principles of presentation, museums under the open sky divided into a museum-park and a museum-village.

Czajkowski classifies museums under the open sky according to the: kinds of museums, types of museums and the surface that include museums.

According to kinds of museums:

1. General themed museums which show:
 - Culture in rural areas
 - Culture in urban and other specific areas
 - Culture in rural and urban areas
2. Specialized museums which show:
 - Rural crafts and techniques
 - Urban crafts and techniques
 - Technical culture
 - Early industrial forms
 - Contemporary forms
3. Museums classified by economic activities such as farming, horticulture, fisheries, animal husbandry beekeeping, pastoral
4. Museums with archaeological and ethnographic exhibits (Czajkowski J., 1984).

According to the types of museums:

1. According to the materials and the method of exposure
 - Museum-village
 - Museum-cities
 - Museums which have rural and urban parts
 - Rural and urban museums with in situ protection including eco-museums
2. Museums type of Skansen
 - Museum of architecture and civil engineering museums
 - Reserves of construction rural, urban, artisan and industrial
3. According to the geographically - ethnographic or administrative characteristics:
 - Central (national) museums
 - Regional museums
 - Local museums (Czajkowski J., 1984).
4. According to the surface they cover, Tchaikovsky divided open-air museums into:
 - Very small – less than 5 ha
 - Small – between 5 ha and 15 ha
 - Medium – between 15 ha and 30 ha
 - Big – between 30 ha and 50 ha
 - Very big – between 50 ha and 100 ha
 - Giant – more than 100 ha (Czajkowski J., 1984).

Museum under the open air “Old Village” in Sirogojno is showing regional specificities and characteristics of traditional folk architecture and construction, style, way of life and the economy of the population of the Dinaric mountain area, so according to the classification of ICOM this museum belong to regional museums in the open air. According to the classification given by Cipelijus, open-air museum in Sirogojno can be classified as a regional museum with architecturally transferred monuments, while according to the principles of presenting museum in Sirogojno is museum-village, also according Cipelijusovoj classification. According to the classification of Tchaikovsky's museum in Sirogojno can be classified into general themed museums that show the culture in rural areas, which means that according to the method of exposing this museum is museum-village with regional character, while according to the surface covered this museum is a very small museum, because it extends to an area of 5 ha.

Open-air museum “Old village” Sirogojno

Open Air Museum “Old Village” in Sirogojno is located in the southwestern part of Serbia, in Zlatibor district. Administratively belongs to the municipality of Čajetina and it is located on the territory of the cadastral municipality village of Sirogojno. Museum is 25 km away from the touristic center of Zlatibor and it's the same distance from the main road E-763, which connects Belgrade to the Montenegrin coast. From Uzice, the nearest urban center is 33 km away and 230 km away from Belgrade, capital of Serbia.

The complex of open-air museum “Old Village” in Sirogojno is located on a slope near the village church dedicated to St. Peter and Paul. Church of St. Peter and Paul, along with the museum complex Old Village, 1983. was placed under state protection and has been declared as cultural heritage - a cultural monument of exceptional importance. The museum was in 2013. declared a cultural institution of national importance for the Republic of Serbia by the commission established by the Government of the Republic of Serbia and the National Council for Culture. In 2012. the museum was given a special award by the jury of the European Union in the field of cultural heritage for the project Houses from Zlatibor region from XIX century to the present.

Open Air Museum “Old Village” in Sirogojno was created as a result of the initiative of the Republic Institute for Protection of Monuments of

Culture of Serbia to form ethno parks that represent museums of folk traditions and folk architecture. The first such project which was successfully implemented was a museum in Sirogojno. The initiative began back in 1960. but in 1979. the activities of the Working Organization of Sirogojno been formulating a proposal for the construction of ethno-ambient, ethno-park or a hamlet, in order to expand the core business based on domestic industries and the revitalization of traditional occupations of rural women - knitting garments made of wool (Zlatić-Ivkovic Z, 2012). The construction of this museum was supposed to protect the numerous monuments of traditional folk architecture of the Dinara mountain region, which was represented both in Serbia and the western area of the Old Vlah region, in northern parts of Bosnia and southern parts of Montenegro.

After selecting the location where it will build a museum, a group of holders of the project which consisted of the architect Ranko Findrih and ethnologists Bosiljka Rosic, Dušan Drljaca and Nikola Pantelić, they began to do researchs in Zlatibor villages. They researched out buildings in 28 villages of Zlatibor, where they found numerous objects that bear witness to the traditional architecture of the region. The survey covers all types of buildings, such as the family home furniture, sculpture, dairy, barns, farms, bakeries, mills, stables and other industrial facilities. With the selection and purchase of buildings there were collected and other items belonging to the material culture of villages without which life in the countryside was unthinkable (Zlatić-Ivkovic, 2012).

All selected objects and items that were collected during the research were transferred to a new location that was chosen for the central part of the museum. In the area of 5 ha were carefully transferred and installed the original buildings of folk architecture, together with objects, tools and furniture that were collected during the research. For better organization, presentation, storage and maintenance of all buildings and objects in the museum, in 1992. was established open air museum “Old Village” Sirogojno as official cultural institution.

The museum today is a modern institution that brings together a team of ethnologists, historians, art historians, conservators and tourismologists, and together they try to take care of this museum and bring it in the line with the best European and international institutions in the related field.

Activities of open-air museum „Old village” Sirogojno

The permanent exhibition in the museum "Old Village" in Sirogojno represent two households or courtyards with residential and commercial buildings dating from the late 19th and early 20th century, the collected in the region of Zlatibor mountain area. During the period of late 19th and early 20th century in such households lived cooperative families who numbered a large number of members of different ages and the whole household was adapted to everyday life and economic activity of household members. As a major architectural form of all buildings within the household appears a dinaric type of cottage with regular rectangular base and small dimension. Cottage was always built on sloping terrain, because of the terrain of mountainous area, the lower part of the building leaning on a stone basement area, whose height is dependent on the slope of the terrain. Cottage had a high and steep roof, also made of wood, for the snow to fall easier during the wintertime and on the roof were placed opened dormer windows, through which the smoke went out. The wooden walls are assembled from horizontal stacks of ancient dams, which were tied at the corners of the so-called "cert". On the top of the logs "poklopnice" were placed, with attic beams between them. Above the "poklopnice" construction elements another ones called "rogovi" were laid. (*Findrik, 1981*).

Households in villages of Zlatibor area consisted of the yard, part of the household where were placed objects of daily life, and especially separate part of the household where there were stalls for farm animals and industrial facilities. The central part of the household was the main house, or how the members of the household called just a house. The main house was a two-part log cottage, classic Dinara type, the largest and most conspicuous object in the household. One part of the house was a part where was a main fireplace, a room for preparing food where family members ate and the members of the cooperative family spent most of their time together in this room. The second part of the house was the room where the furnace was placed, and since the main house was the only building which was heated during the winter, in this room in main house slept the oldest and the youngest members of the family. The main house always had two doors, one on the east and the other on the west side and very small windows because it was way for saving warmth in winter. It was the most important object of the whole household, because the family gathered around the fireplace and all important events took place on this important site.

Next to the main house in every household there were a several smaller cottages called “vajati”. “Vajati” are smaller objects made only for sleeping mostly families of married members of the cooperative household. Number of these little cottages varied from household to household, depending on the number of married sons. These were the modest building, a lot of smaller and of poorer quality than the main house. “Vajat” was usually contained a large bed, crates for storing clothes, weaving looms, and as an integral part of the cottage there is a porch with a high fence at the entrance to the cottage.

Beside the mail house and cottages “vajati” in every household were several more buildings, also cottages. These cottages were for production, processing and preservation of food mostly. Very important building was dairy, which was built closest to the main house. This cottage was used exclusively for processing and storage of milk and milk products. Also in household there was a bakery, a building for preparation of bread for all family members. Corn crib was an economy building in which ears of corn was stored immediately after harvest. It was woven of brushwood. Next to the corn crib, there was a building called grain crib, intended for keeping and drying mostly wheat, barley, rye or oat. Very interesting building in household was “misana” building for drying plumbs or other fruits and “kacara” was specially built household facility in which brandy still and tubs for storage of plum-processing residue were kept.

In addition to residential and commercial buildings, a part of households were stables for animals, as well as some workshops. In the museum "Old Village" in Sirogojno are preserved pottery workshop, cooper's workshop the blacksmith's trade.

In addition to these objects in museum “Old village” is constructed a shepards dwelling. In past it was a special section of the household which was built in the mountains where a few members of each family used to spend summer days with cattle. In the museum also is constructed the most primitive hut called “kulaca”, where the people inhabiting the Stari Vlah region lived in the beginig of 19th century.

All the buildings in permanent museum exhibition are furnished with authentic household objects, dishes, devices and tools. The presented samples form part of ethnographical collection consisting of approximately 1500 artifacts belonging to the following categories: textile, dishes, objects for wool and hemp processing, old crafts,

agricultural tools, ceramics, means of transport, fragments of folk architecture. Apart from the ethnographical, the museum presents an art collection consisting of 450 works made in workshops or during gatherings of painters and summer schools organized in the museum. This collection partly includes the works of art presented in the museum. It is split into the categories such as paintings, drawings, graphics, photographs, mosaics, copies of frescoes, sculptures, ceramics and applied art (*Zlatic-Ivkovic, 2012*).

Very important activities of museum “Old village” in Sirogojno are preservation of entire heritage exhibited in the museum. Preservation implies the processes of dismantling and cleaning the constructions as the first step, their conservation and restoration within the museum complex, which is followed by daily monitoring of the shape of facilities, modifications incurred by unfavorable weather conditions and incidental or purposeful running or damaging (*Ivkovic, 2012*).

Protection and presentation of material culture is one of the main tasks of the museum, but a great deal of attention is paid to the preservation of the spiritual and intangible heritage. In the museum "Old Village" in Sirogojno this is implemented through the reconstruction of some folk customs, traditional crafts or showing how people from this area used to celebrate the biggest Christian holidays. These reconstructions of celebrating holiday usually are accompanied by interesting workshops and cultural or artistic program. Within the museum there is a gallery and exhibition space, a hall and a summer theater stage are places where are held numerous seminars, exhibitions, performances, literary meetings and concerts. In the old cottage is interesting and retail souvenir shop where visitors of museum can buy products of traditional crafts, as well as copies of museum exhibits created by craftsmen from the surrounding villages.

Within the museum there is a traditional inn, where are prepared domestic meals prepared by old recipes, serving the best spirits, teas and homemade juices. Open Air Museum “Old Village” in Sirogojno, in addition to ticket sales, itself provided an additional source of income. In fact, not far from the inn are residences designed accommodations and apartments for visitors. Apartments are located in the old wooden cottages and rebuilt so they can satisfied the needs of modern man, for example, each cottage has a toilet, telephone and the Internet. Apartments are also used for an accommodation for participants of various programs and

summer school who stay longer in Sirogojno during the ongoing activities of the programs.

Museum "Old Village" in Sirogojno has an educational activity, thanks to a number of educational programs that are designed for students. These educational programs are implemented through summer schools, short courses and workshops, where participants have the opportunity to become better acquainted with the cultural heritage of Zlatibor.

Museum "Old Village" Sirogojno has publishing activity also. Through numerous publications museum aims to contribute to a better presentation of cultural heritage of Zlatibor area and whole Serbia as well. Within the publishing activities of museums there are brochures about museum, collections, printed publications, museum publications and catalogs.

Tourist function of open air museum “Old village” in Sirogojno

Museums under the open sky are a good way for the comprehensive protection and presentation of traditional architecture and heritage and our spiritual and material culture of villages in Serbia. The goal of many collections in open air museums is to show continuous increase awareness of the importance of local, regional and national identity, cultural values, rich cultural heritage, as well as to show the relationship that people from local and regional communities have towards such important guardians of tradition and cultural institutions (*Todorovic & Pavlović, 2010*).

In addition to the important cultural and ethnological role played by ethno parks and museums under the open sky today, they are also places of great interest for tourists who visit these sites interested to get to know the culture and tradition of the country they have visited. This gave a new dimension and more function to the open air museums, tourism. Tourist facilities such as ethno parks allow visitors to explore the material and spiritual culture, way of life, customs and beliefs of the nation whose country they visit.

In addition to the conservation and restoration, the ethno parks and open air museums must organize various cultural, entertainment and tourism programs which should be designed in accordance with the natural and cultural environment. The various segments of entertainment activities including planning and design of entertainment programs should be in the function of tourists and visitors satisfaction (*Todorovic M., 2006*).

Traditional architecture is an important factor in the tourist offer of rural mountainous areas in Serbia and can be a powerful driver of economic and tourist development. Tourism is now one of the most important economic sectors in which, in addition to industry and agriculture, based on future economic and general social development of Serbia. It was founded and confirmed in the Spatial Plan of the Republic of Serbia, passed at the national level, for the period 2010-2014-2021.

Adoption of the Strategy for the Development of Rural Tourism of the Republic of Serbia has also confirmed the importance of tradition in tourism of Serbia country. SWOT analysis of rural development and rural economy, the preservation of tradition is presented as a priority. The vision of rural development in both programs is the vision of the rural economy and rural society in which the cultural identity of the local rural communities is preserved and strengthened (Pavlović et al., 2012).

Open Air Museum "Old Village" in Sirogojno is an extremely important cultural institution and the carrier is to preserve traditional forms of building and architecture, old crafts and customs, folk spiritual traditions and culture in western Serbia. In addition to the very large ethnographic character, this museum is important for the development of tourism of this part of Serbia, especially the mountain Zlatibor.

Zlatibor region is one of the most developed and the most visited parts of Serbia where the visitors have a variety of activities, from sports and recreation to cultural resources and attractions. "Old Village" museum contributes greatly to the tourist affirmation of Zlatibor mountain as a tourist center, but also the village Sirogojno, which thanks to this museum, in addition to farming, received a tourism function.

"Old Village" museum can be regarded as an independent tourist attraction, because very often museum is subject to individual tourists or interest groups. Its business over twenty years, tidiness and equipment, and a wide selection of interesting attractions, museum singled in the tourist market of Serbia and the region, and museum is often the subject of the visit of different categories of tourists.

In addition to visitors from the Serbian market and the markets of countries in the region, the museum each year recorded growth of foreign visitors who recognize this place as the best way to learn about the history

and tradition of this part of Serbia and the Balkans. In addition to the fact that the museum "Old village" can be independent tourist attraction we need to say that there are apartments which can accommodate visitors and there is an inn also within the museum. It's pretty sure that a growing number of visitors are very important for the development and promotion of the entire tourism on Zlatibor, a large number of visitors who visit the museum also visit some sites that are prepared for tourists in surrounding and get acquainted with many beauties of Zlatibor, which can be an extremely positive impact on the overall demand and tourist visits for this mountain.

The museum can also be characterized as a complementary tourist attraction of the whole area of Zlatibor mountain because it's just 25 km away from the tourist center of the mountain and it is one of the most common sites that visitors of Zlatibor selected as a destination they want to visit during their stay on the mountain. In this way, the museum has a great positive impact on overall tourist offer of Zlatibor, with its offer and contributes to a better satisfaction and greater satisfaction of tourists who are staying on Zlatibor.

Table 1: *Number of visitors of museum "Old village" Sirogojno by categories*

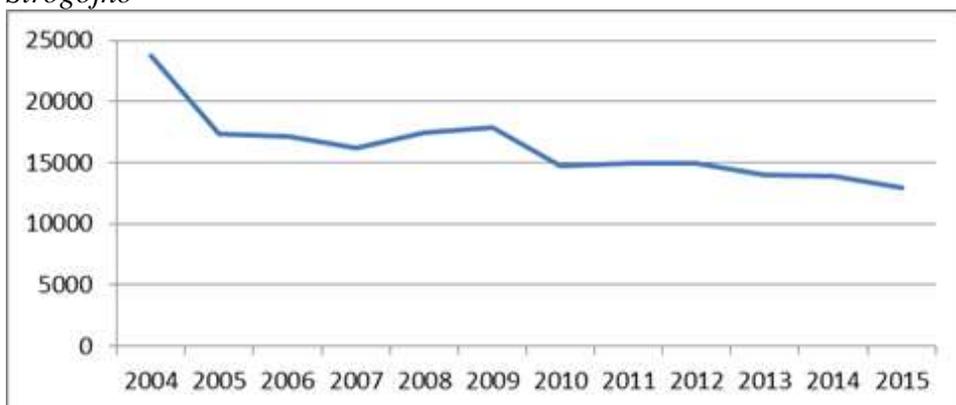
Year	Number of visitors	Students and excursions	Foreign visitors	Free tickets	Total
2004	23.724	22.273	384	6.731	52.728
2005	17.334	22.664	887	3.708	43.706
2006	17.179	19.029	893	6.371	42.579
2007	16.232	24.479	877	5.328	46.039
2008	17.511	24.728	637	3.427	45.666
2009	17.889	19.882	614	3.007	40.778
2010	14.699	21.887	387	2.190	38.776
2011	14.974	20.970	417	3.148	39.511
2012	14.918	19.046	1.593	1.131	36.688
2013	13.980	15.457	1.576	804	31.817
2014	13.878	13.599	2.337	2.058	31.872
2015	12.932	14.686	2.258	2.570	32.447

Source: *Museum "Old village" Sirogojno*

The above table shows the number of visitors to the museum "Old Village" Sirogojno in the period since 2004. When museum started to date records of all visitors to the museum till year 2015. From the submitted data we can see that the largest number of museum visitors recorded in 2004 and in following years the number of visitors is falling, with a slight increase between 2007 and 2008. The number of domestic guests has been steadily declining since 2004 which can be explained by the fact that domestic tourists often choose Zlatibor as a holiday destination, and during each re-visit to Zlatibor, they go to visit other sites, so that only a small number of tourists decide to re-visit the same attraction or tourist site.

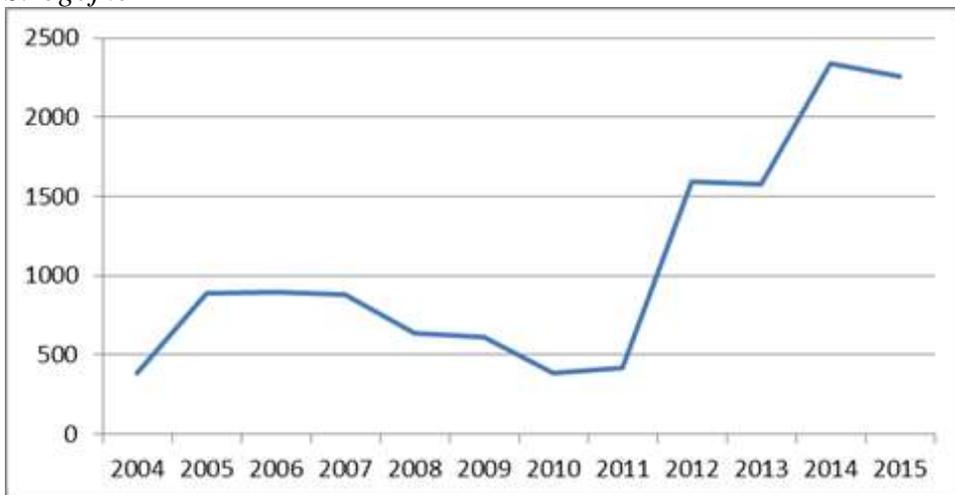
The information that is important to point out is that in the period from 2004 to 2015 number of foreign visitors of the museum is growing, and in 2015. That number reached a record number of 2,570 visitors. This information is extremely important because it indicates the growing interest of foreign tourists to get to know the Serbian culture and tradition through museum institutions like this one in Sirogojno, but also points to the very positive propaganda activities of the museum in order for better representation in foreign markets. Naturally, the increase in the number of foreign visitors can also be explained by the increase of the number of visitors from the former Yugoslav republics and from region, which are tourists each every in Zlatibor, traditionally.

Graphic 1: *Number of domestic visitors in museum "Old village" Sirogojno*



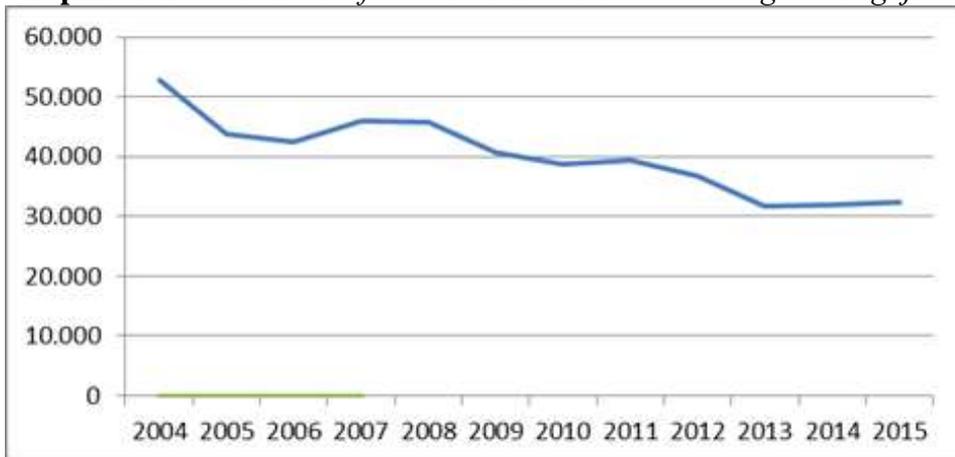
Source: *Museum "Old village" Sirogojno*

Graphic 2: *Number of foreign visitors in museum “Old village” Sirogojno*



Source: Museum “Old village” Sirogojno

Graphic 3: *Total number of visitors in museum “Old village” Sirogojno*



Source: Museum “Old village” Sirogojno

In the graphs shown previously, the number of domestic, the number of foreign and total number of visitors in the museum "Old Village" Sirogojno in the period from 2004 to 2015. The graphs clearly shows decline in the number of domestic visitors and total number of visitors, with minor fluctuations during the period from 2007 to 2009 as well as a pronounced increase in the number of foreign visitors, with a sudden leap recorded in 2012.

Table 2: *Number of visitors of museum “Old village” Sirogojno and number of tourists on Zlatibor*

Year	Number of visitors in museum “Old village”	Number of tourists in Zlatibor
2004.	52.728	83.191
2005.	43.706	80.518
2006.	42.579	88.002
2007.	46.039	101.613
2008.	45.666	103.854
2009.	40.778	93.093
2010.	38.776	104.824
2011.	39.511	116.302
2012.	36.688	110.934
2013.	31.817	114.976
2014.	31.872	111.963

Source: *Museum “Old village” Sirogojno*

The above table shows the total number of visitors who visited the museum "Old Village" Sirogojno and total number of tourists on Zlatibor in the period from 2004 to 2014. From the data provided it can be seen that the number of museum visitors is falling, while the number of tourists on Zlatibor is growing, without the constant growth, but with smaller fluctuations. An interesting fact is that in 2007 and 2008 is recorded an increase in the number of museum visitors, as well as the increase in the number of tourists on Zlatibor compared to the previous and next year, when both parameters declined.

Conclusion

The spread of urbanization and the construction of modern architectural buildings of modern materials can be enough to distort the appearance and destroy the identity of an environment, in particular in rural and mountain areas. For this reason it is necessary to protect and preserve the traditional way and style of construction as well as natural materials of which the buildings were built in the past. It should not be omitted, and the preservation of traditional crafts, which today can be part of a very good tourist offer and source of income of rural households from the sale of souvenirs or engaging in rural tourism. The spiritual heritage of a people, customs, folklore, folk costumes, also must be subject of valorization, protection and involvement in tourist offer. All of this has

imposed the need to protect the tradition and culture of rural areas, which is best achieved through in situ conservation, forming ethno villages, ethno parks and open-air museum. The construction of these types of cultural institutions has proven to be the best solution, because all of it is in one place, adapted to the needs of the museum and ethno parks, preserve, protect, being restored and presents everything what in the ethnological sense makes one nation.

Open Air Museum "Old Village" Sirogojno is one of the best examples of how the formation of ethno parks can have positive results in practice. As the first museum of its kind in Serbia, but also in the region, this type of the museum was and still is a leading institution in this field. Today, the museum "Old Village" is modern institutions, which from year to year recorded an increasing number of visits, expanding its functions and improving the protection and presentation of folk tradition. This museum already became one of the most important tourist sites of Zlatibor mountain, which as a complementary tourist attraction can positively affect the tourist offer of Zlatibor, as an independent tourist attraction can positively affect the increase in the number of visitors and overnight stays in the village of Sirogojno, as well as in the entire area of Zlatibor.

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ARCHITECTURAL HERITAGE OF LESKOVAC AS CHARACTERISTICS OF TOURISM DEVELOPMENT

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Abstract

The greatest significance for the development of tourist destinations are those factors that are concentrated in monumental tourist values. They can be presented as independent (complex) tourist-valued motives. The crucial importance for their valorisation is the proximity of the initiative space, location, connectivity (good accessibility). Independent values in the area of Jablanica region and its center, the city of Leskovac, comprise the following: the archaeological tourist resources; fortresses and old towns; sacral architecture; monuments and memorial complexes and rural architecture.

Keywords: *cultural tourism, valorisation of tourism potentials development*

Introduction

Anthropogenic tourist values of Jablanica district, including the architectural heritage of the city of Leskovac, have a significant impact on the development of tourism in this region. They can be divided into: archaeological, architectural, ethnographic - artistic and tourist events. These values are the subject of study of multiple scientific disciplines (Ethnology, History, Art History) and practical activities (conservation, horticulture, dramaturgy, construction, gastronomy).

As in the case of natural resources, a large concentration of tourists and inadequate use of anthropogenic resources lead to their degradation, reducing tourist importance and intensity of the tourists' experience. The maximum number of tourists who will be allowed to visit these resources

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is essentially a strategic decision: whether the local population wants to preserve the historical heritage of their area and quietness, or it would like to realise the economic benefits of mass tourism. In addition, it must be known that a big tourist pressure leads to many negative effects that are often difficult to control or mitigate. The negative effects appear under the pressure of heavy traffic (parking lots, city congestion, etc.), a large number of visitors (congestion of resources), requirements for the construction of new accommodation establishments (larger and more modern hotels, etc.), which leads to disappearance of the old settlement architecture and reduction of their tourist significance (Stamenkovic, 2011). As for conservation and valorisation of architectural heritage of Leskovac, the special emphasis is on the importance of fortresses and old towns, as well as artistic and tourist values.

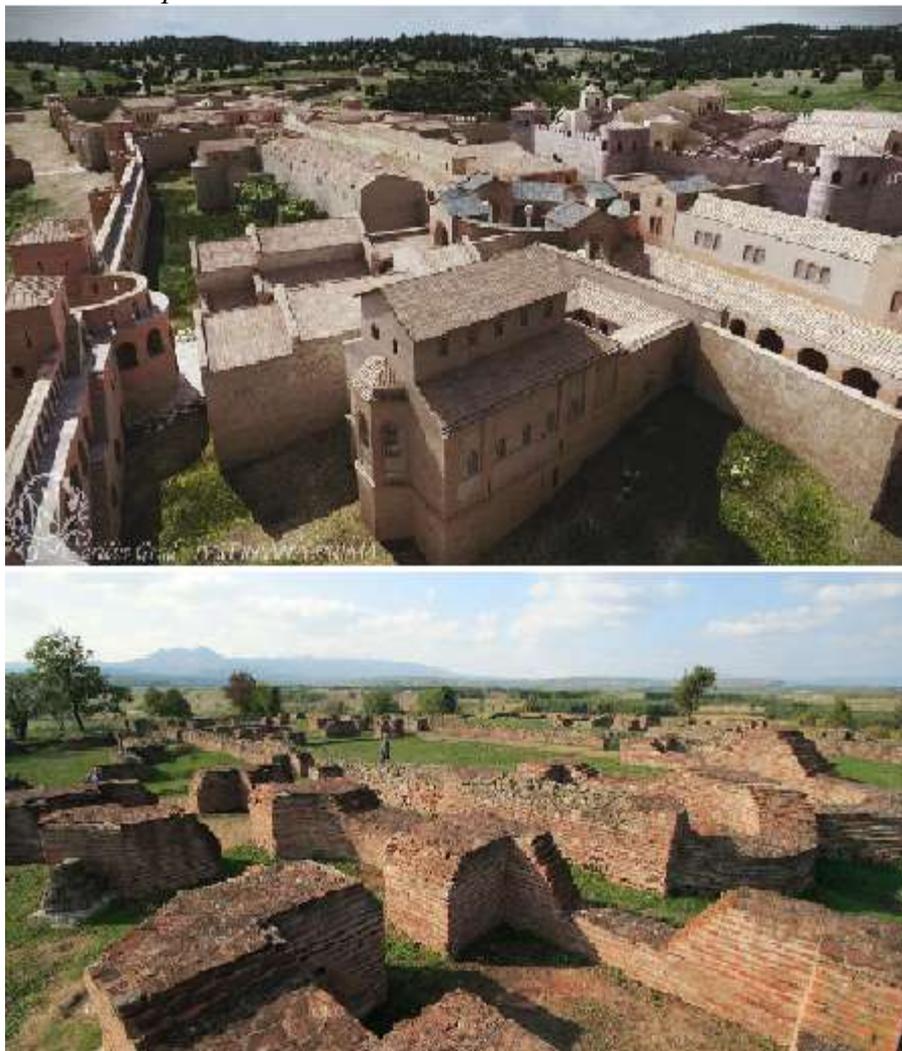
Fortresses and the Old Towns

Justiniana Prima – Empress’ Town. In the mid-6th century three Imperial constructions were made - Romuliana (Gamzigrad near Zaječar), Mediana (Brzi Brod near Niš), Justiniana Prima (Empress’ Town, near Lebane). These monuments were created, according to the wishes and orders of the emperors themselves, by the most famous architects and artists, among them those that are of the utmost importance for the reconstruction of the Roman political, economic and cultural history. The above mentioned monuments represent the peaks of the late antique culture and three brilliant moments in the cultural history of this region (Tomka, 2006).

Justinian’s reign (527-568) was the period of great economic and cultural revivals. Justinian achieved his dream - he restored the Roman state and regained its old glory. He managed to re-establish the unity of the Empire based in Constantinople. Born in a small village near Niš, Tauris, Justinian, for his personal and political reasons, paid great attention to security and improvement of the Balkans, especially the Mediterranean Dacia and Dardania. During the first years of his reign Nais, Ulpijana, Singidunum and Viminatum were restored. In addition to this, on the border along the right bank of the Danube and in the immediate hinterland the old fortifications were extended and the new ones built. Near his birthplace Justinian raised a new, magnificent town Prva Justijijanau (Justiniana Prima), where, according to the testimony of the historian Procopius, ‘it is not easy to count all the temples of God, to describe all the buildings of government offices, the size of the porches, the beauty of the squares, the fountains, the streets, the bathrooms and the

shops.’ It was a city ‘great and with large population, flourishing and worthy to be the metropolis of the whole area,’ a city which ‘returned the glory to the Emperor,’ which was ‘proud that the Emperor had been born there.’ This Procopius’ description mostly relates to the town whose ruins are today at the site of the Empress’ City, located 30 km from Leskovac (Srejović, 2001).

Picture 1: *Empress’ Town - Justiniana Prima*



Source: *Bavant & Ivanisevic, 2006*

In 535 the 11th amendment assigned the new city a role of archbishopric seat and the prefect of Pretoria, North Illyria Prefecture. The town

consists of three architectural units that are specially fortified by ramparts. On the highest part is the Acropolis, that was in the service of the Archbishopric. Therein lies the biggest church in Empress' Town - Episcopal basilica and the palace where the archbishop dwelt, there are as well a baptistery and presumably, a school for the training of believers. The Upper Town spreads around the Acropolis. It is divided into four parts, with circular squares, churches, craft and commercial shops, public and residential buildings.

A large number of churches looks like basilicas with floors and walls decorated in mosaics featuring deep symbolic meaning. Religious buildings, public facilities and a residential district have been discovered in the Lower Town so far. The Lower Town had also a well-organized inner life - water - brought into the city by an aqueduct, a large water tank, water supply and sewerage system, bathrooms, drinking fountains. Archaeological excavations at Empress' Town started in 1912, and with some interruptions have continued to this day. During the decades of research, a large number of objects was discovered, as well as many archaeological objects from baked earth, metal, glass, bone and money that illustrate life in the city (Stamenkovic & Stoiljković - Randelović, 2011).

Empress' Town lasted for a short period of time. It was built in the 30s of the 6th century and was destroyed at the beginning of the 8th century in the attack of Avars and Slavs. At the original site there was no settlement in earlier epochs, and a new settlement was not built on its ruins. It kept a clean basis of early Byzantine and Christian spirit of the city and therefore it is very important for the science and art of Serbia, the Balkan Peninsula and South East Europe as a whole (Bavant&Ivanisevic, 2006).

Skobaljic Town. The site is located on the top of rocky cliffs of Kukavica mountain on the left bank of the river canyon Vučjanka, 3 km from Vučje and 18 km from Leskovac. It was declared a cultural monument in 1986. Nikola Skobaljić is the historical figure mentioned by Konstantin Mihailović from Ostrovice and Secenicki chronicle as a participant in two battles that were led in September and November in 1454. The first battle took place 'in the Spa' and then Skobaljić defeated the Turkish army and killed many people, even 'the memorable Turkish gentlemen.' In the valley of Vučjanka river he built a church on whose ruins a new church was built, dedicated to St. Jovan in the 30s of the twentieth century. From 1984 to 1988 archaeological excavations were carried out in cooperation

with the Institute for Protection of Cultural Monuments in Niš, including the Faculty of Philosophy in Belgrade since 1986. The head of the research was PhD Djordje Janković. The town consists of the Upper, the Lower Town and the suburbs which extends to the east. It covers an area of two hectares. The most powerful ramparts are to the west and there is a defensive trench to the north.

The Upper Town is square with about 400 square meters area and it has survived a powerful cultural layer. The two towers are placed diagonally. The smaller tower is located next to the gate that leads to the Lower Town, and the higher - Donjon tower is located in the northwest side and its walls are preserved to a height of the ground floor. In the Upper Town excavations were carried out by the inner side of the southern rampart. In this area fragments of pottery were found dating from the 3rd to the 1st century BC in the layer of the demolishing wall constructed of stone connected with mud. The layer is marked by Republican money from 100 BC. These are the remains of the fortress from the pre-Roman period. Earlier phase of fortification dates from the early Byzantine period in the 6th century. The preserved parts of the walls were built of stone and mortar. This rampart was damaged - cut off by a wall from the late fourteenth and the early fifteenth century.

The Lower Town with the outskirts of 1400 square meters extends east of the Upper Town and follows the terrain configuration. The research was done in the northern, lowest part, in the place where it was assumed there had been a gate which unfortunately was not detected. The remains of the tower were discovered on the east side. The tower is built in a mixed technique of brick and stone and belongs to the early Byzantine period. On the basis of pottery there can also be identified a layer from the tenth to the eleventh and from the twelfth to the thirteenth century, which says that the fortification had a role in the events of the eleventh century, and later at the time of Prince Stefan Nemanja and his successors.

Therefore, the site is multilayered: the oldest traces of using this area date from the Neolithic period- the Copper Age. Also, fragments of pottery found during excavations testify that, this fortress, due to strategically important position and the position suitable for defense, was used during several phases of the Bronze Age. The oldest stone fortress dates from pre-Roman times, and the fortress built of stone and brick with mortar dates from the early Byzantine era. According to archaeological findings, the fortress was used first in Roman and later in the period from the tenth

to the thirteenth century. The latest fortress, whose remains of walls and towers are still visible, dates from the fifteenth century. After cleaning the city the archaeological excavations are going to be continued in cooperation with the Faculty of Philosophy in Belgrade and the National Museum in Belgrade (Stamenkovic, 2011).

Artistic tourist values

Artistic tourist values valorise with archaeological and monumental ones because taken together they represent complementary values. They are divided on architectural-urban entities, painting-sculptural achievements and theatrical artistic values.

On the territory of Jablanica district there are architectural-urban entities with different purposes. These are mainly cultural institutions, houses turned into museums, buildings of Municipality, Court and the National Theatre, etc.

Tonkić's palace was built in 1937 and is one of the most representative buildings in the center of Leskovac. The building is under protection and has the status of the cultural monument, called the Building of Hotel 'Dubočica' although it has long been left to the ravages of time. From the outside, this beauty has lost just a little bit on its representativeness from the time of its construction, when the citizens of Leskovac admired it and were proud of it. Due to the small number of storey houses they were all called palaces, but Tonkić's stood out from all of them. From the exterior decoration and decorative pillars that give it a monumental appearance, through interior mosaics on the floors of the halls and corridors, to wrought iron fences.

The investor and the owner was an industrialist Milan Popović - Tonkić, one of the owners of the factory of woolen fabrics, cords and knits in Grdelica. Milan Popović Tonkić's father was the man who laid the foundations of Leskovac's textile industry and the future 'Serbian Manchester.' Almost all textile industrialists-to-be in Leskovac learned craft from Antonije Popović, called Tonka- says Mira Ninošević, a curator of the National Museum in Leskovac. With some of them Antonije opened the first cord making factory in 1884 in the village of Strojkovac, and two years later the first fabric factory.

Picture 2: *Tonkic's Palace*



Source: <http://leskovackevesti.rs/hotel-dubocica-tonkiceva-palata/>

Later, the business was successfully conducted by his sons Milan and Petar, and they both raised beautiful residential buildings to themselves. Petar had one of the most beautiful palaces in Serbia, with a large park, a marble entrance and fountains, but the palace was demolished to the ground in the allied bombing of the city in 1944. The building was constructed on the site of Antonije Tonka Popović's (Milan's father) old family house. The building of mixed residential-commercial purpose consisted of the ground floor and three floors. The palace had two elevators, which contributed to its elite and luxurious character. Bearing structural elements were made of concrete. The palace was designed by the design studio Manojlović-Azriel (Miloš Manojlović and Isak Azriel) in Belgrade. Every detail of the palace with basement, ground floor, three floors and the attic were carefully planned as the structure in which Milan

Tonkić would live with his two sons. A pharmacy, a fabrics and a tailor's shop were opened in the business space on the ground floor. The housekeeper who lived in the palace continuously maintained it. The ground floor is low, moderate, and performed in the style of moderate academic stone rustic. Above the ground floor there is a lavishly decorated medium, perforated canvas zone. The facade is in the style of monumental academic classicism with elements of Palladian architectural aesthetics. The main motive of this composition is rounded angular tract of scattered longitudinal volume. The most striking segment of the decorative system are leaning poles, a popular motif in the architecture of classicism.

The House of Bora Dimitrijević – Piksla. This house has become a distinct type of house of the Balkan architecture. It is over 150 years old. From the street it has got two oriels, which are carried on consoles, and from the yard it has got the closed „sitting room“, which is carried on two square columns of wood.

Picture 3: *The House of Bora Dimitrijevic – Piksla*



Source: <http://www.trekearth.com/gallery/Europe/Serbia/North/Serbia/Leskovac/photo1464854.html>

The building is entered from the courtyard , under the „sitting room“, first in a small lobby (anteroom), from which wooden steps lead to the first floor. Right from the anteroom there are two doors that lead in two rooms,

and on the left one door leads to the basement (warehouse), which is a few steps below the ground floor and the floor, and can be entered from the street as well, through a small, inconspicuous, but quite wide door.

Upstairs there is a spacious vestibule, which leads into three larger and one smaller room, as well as the „sitting room“, which is a few steps higher than the floor of the storey. In some rooms the original doors, wooden ceilings and wardrobes built into the walls are preserved, and there is also a smaller room from which, using the ladder, one can go to the attic.

In the interior there were new doors, especially the front ones, and all the woodwork was painted gray, except the wooden ceilings and the wardrobes. The floors are nowhere retained in the original state; in each room there is a different floor. On the ground floor there are even bricks in the lobby, but not from the time when the house was built, but with more recent origin. One of the most beautiful old houses in Leskovac is preserved by rearranging this building in the City National Museum.

The House of Sop - Djokić is located in a courtyard in the center of Leskovac, behind awkwardly arranged, larger and smaller, mostly colourful little shops in the main street. The building itself is almost unnoticed from the outside, but when we go into the yard, behind the high-walled fence, we can see another type of the Balkan-style house from the mid -19th century. The building has got a ground floor and the first floor. The yard facade is much more dispersed, more accessible and livelier than the external one, which once again testifies of the closed family life, which took place mainly inside, and which we inherited from the Turks. Something most striking, and at the same time most beautiful, is the open „sitting room“ upstairs, which is related to the structure of the building by its whole one side and a half of the other one, while the other three sides are held on three slender wooden columns. It is located approximately in the middle of the courtyard facade and the porch on the ground floor is also used to protect the entrance.

The outer facade is characterized by the wide wall on the ground floor, almost without openings, which continues to the high fence wall, and together with it at the same time it emphasises the inaccessibility from the outside.

The entrance to the building is located below the „sitting room“. On the left of it, the wooden steps lead to the first floor, and there are rooms on the right and left. From this entrance room, which serves as the lobby, we can enter the basement. The basement itself occupies half of the ground floor. The main and the most beautiful rooms, which is generally the most common case, are on the floor. The spacious lobby is in the middle and from it there are doors that lead to all rooms. Again, the lobby is still used as the most important communicative node. From the lobby we can enter an open „sitting room“, which is characterised by beautifully constructed ceiling. Right from the „sitting room“, there is the largest and the most beautiful room of this house in which is the most interesting decorative element of the entire building, richly carved ceiling in woodcut, usually not much preserved in this area.

Picture 4: *The House of Sop - Djokic*



Source: <http://sopdjokic.blogspot.rs/>

On the opposite end there is a room which serves as a storage room, and in one corner of it there is arched amam. As for the interior decoration, it can be found, as always in this architecture, on the ceilings, mostly at differently done rosettes, the frames of doors and windows, staircase railings, built-in wardrobes and niches in the wall. The shutters on the

windows are interesting- they are made up of two parts, one of which is lifted vertically and the other goes down below the window. Each detail finds its place in the general conception, all of them together are eloquent enough to express the ultimate meaning and logic of this architectural creation. The building itself is one of the documents of this kind not often in this area. Because of its importance and the role it plays in the development of our architecture, it was put under the state protection. The seat of the Tourist Organization of Leskovac is located in this representative building.

National Theatre. The main activity of the National Theatre in Leskovac is an artistic literary creation and performing art. The beginnings of theatrical life in Leskovac date back to the distant 1896, when Radoje Domanović, then professor of the Gymnasium, formed an amateur troupe and called it 'Civic Theatre Jug Bogdan.' The same year the song 'Kosovo battle' was performed by the author Matija Ban. The amateur troupe stopped performing in 1898 due to Domanović's departure from Leskovac. However, from 1898 to 1926 Leskovac was not left without theater plays. For several months, the theater troupes from Belgrade, Niš, Skopje, Zaječar, Šabac, travelling theaters and others were performing as guests in Leskovac. On 23rd August 1926, a professional theater called 'Leskovac City Theatre' was created in Leskovac. The first play 'The death of Jugović Mother' was performed on 10th October 1926. This theater did not last long, but already on 18th November 1934 'Academic Theatre' was founded in Leskovac which brought together advanced students and young people from Leskovac. The first play 'An ordinary man' by B. Nušić was performed on 19th January 1935.

Academic Theatre worked until February 1941. The drama group at the District Cultural and Educational Committee was founded after the liberation of Leskovac, on 23rd October 1944, and later it was transformed into the National Theatre. Since 3rd October 1970, the National Theatre has worked, only in Yugoslavia, as a theater without a box office, thus realising the idea of the director Duan Mihajlović. The theater was awarded with the Medal of brotherhood and unity and with Vuk's Award. Scenic artists of Leskovac theater won numerous awards at 'Joakim Vujić' Meetings and festivals. In 1985 the theater took part in the twentieth Sterija Festival in Novi Sad. The theatre celebrated the hundredth anniversary of the theater life in Leskovac in 1996.

Picture 5: *National Theatre in Leskovac*



Source: <http://leskovackevesti.rs/poceli-gastronomsko-turisticki-susretigatus/>

Therefore, theatrical artistic values have a long tradition. Apart from a large number of amateur actors, over thirty academic actors perform in the National Theatre in Leskovac. Every year the theater takes part in the famous Film festival Joakim Vujić, as well as other festivals in which it achieves significant success.

Villa Teokarević is located in the center of Vučje and it represents a monumental two-storey house with the attic, of scattered spatial layout with a luxurious interior and a lavish exterior. Like the church of St. Jovan, this building was also founded by the Teokarević family. It was built in the period from 1934 to 1935 under the direction of the Russian architect Grigory Samojlov. It indicates the style of construction that was popular between the two wars when the Serbian bourgeoisie built residences and country houses in the ‘Hollywood’ style, in the form of medieval castles on the outskirts of cities; thus this villa represented ‘a piece of Switzerland in the vicinity of Leskovac.’

Unfortunately, it is now a destroyed, almost forgotten building which has been abandoned for several decades. It is a great pity that the municipality does not invest financial resources in order to revitalise the building and gives it new profitable purposes (Stamenkovic, 2011).

Picture 6: *Villa Teokarevic in Vucje*



Source: <http://www.skyscrapercity.com/showthread.php?t=564173&page=15&langid=6>

The memorial house of Kosta Stamenković. The house where a revolutionist, a communist and a fighter for workers' rights lived was opened for visitors in 1969. It has got three rooms with the interior of the working home from the beginning of the twentieth century. Left and right of the entrance there are memorial rooms of Kosta Stamenković and his daughter Lepša Stamenković, also a revolutionist and a communists, with their personal belongings. The evolution of the labor movement from 1918 to 1942 is displayed by the documents and photographs in the lobby.

Municipal Building of Leskovac was built immediately after the liberation from the Turks. At one time this building was the center of the district offices of the county. It was reconstructed and rebuilt several times. The building is constructed in the shape of letter 'G.' One wing belongs to the municipality and the other to the court.

The National Museum. It was officially opened on 2nd May 1948 in the house of Bora Dimitrijević- Piksla , and renovated under the supervision of the architect Ivan Zdravković. The Department of National Liberation Struggle and the revolution, the Archaeological and Ethnological

Department and the library were opened within the museum. Over time, there was a need for more space, both exhibitional and at the offices of some departments. Therefore, a new building of the museum was constructed, where the exhibits from the house of Bora Dimitrijević-Piksla, which is today the Archaeological and Ethnographic Museum, were relocated on 10th May 1974. The new building was upgraded in 1984, which represents the last intervention on the reorganisation of the National Museum in Leskovac. Every year since 1961 The National Museum issues the magazine 'The Anthology of Leskovac.' The museum has got three displays. The first display covers the period from prehistory to the liberation from the Turks. Among the important exhibits there can be seen various objects from Neolithic and Roman times (tools for harvesting, ceramic vessels, stone axes, bronze axes, seal, spear..); medieval weapons, jewelry, plates, bowls and others. The second display covers the period from the liberation from the Turks to the First World War, and the third - the period of the National Liberation Struggle in the Second World War. Considering that archaeological sites of Jablanica district are not planned for tourist visits, the history of this area is shown in the best way by the exposed archaeological sites. However, the number of museum visitors is getting smaller every year. The average number of visitors is about 3,000 a year, and these are most often primary school visits.

Museum of the textile industry in Strojkovac. Textile Museum in the village Strojkovac is located in the building mill that was built in the second half of the nineteenth century and, judging by the size and the rooms for living, it was the property of wealthy Turks. Shortly before the liberation from the Turkish authorities or after that the building was bought by Todor (Dorka) Culjković who had already owned large land areas and mills in this area. Antonije Prokopović leased the mill and several small buildings on the estate from Todor Culjković. In 1884 on this estate Prokopovic installed coils for producing cords made from Bulgaria. First Serbian cord factory in the village of Strojkovac was shut down in 1896, when the coils were transferred to Leskovac into the First fabric factory 'Ilić, Popović & Co,' where they still produced cords.

Cultural Center of Leskovac is located in the building of the former soap factory, in the center of Leskovac . It started to work on 1st January 1981. First, it was Youth Cultural Center, but in 1986 it integrated with the Cultural Center and House of Pioneers and was given the name Cultural Center 'Žika Ilić- Žuti.' Exhibitions, cultural events and anniversaries

important for the municipality are also organised in this building. House of Culture publishes the newspaper ‘Our creation,’ which has been released from 1952. After 2000 it was renamed in Cultural Center of Leskovac city.

Picture 7: *Cultural Center of Leskovac*



Source: <http://www.panoramio.com/photo/108981838>

Painting and sculptural achievements can be found in the gallery of Cultural Center in Leskovac. In the gallery there are the displays of our famous painters. Since 1962 ‘Art Colony’ has been held on Vlasina lake, organized by Cultural Centre. It brings together a dozen academic painters. The colony has an international character, since besides the local artists it gathers artists from abroad, primarily from Bulgaria and Macedonia, such as: Peno Penev, Kasiopeja Naumovska and from Serbian painters the participants were: Milić of Mačva, Velizar Krstić, Kolja Milunović and others. They are inspired for their works of art by the picturesque landscape of Vlasina and its surroundings. Every year in spring and autumn ‘The May and October Art Salon’ is organised by Cultural Center of Leskovac. The May Arts Fair has been held for eight years. There we can see the works of famous Leskovac artists of different generations and poetic-visual preoccupations. On ‘The October Art Salon’ in addition to academic painters the works of amateurs can be seen, as well.

Conclusion

Cultural tourism in the modern world, on a global scale, has been expanding and is more and more differentiated. Strategies to the valorisation of cultural routes require recognition of their specific values, as well as the effort to maintain their value, revive and experience it, which is achieved through specific measures that are aimed at making profits and image. Information system, guide service and signaling for visitors are necessary and require a special design, which contributes to creating the identity and authenticity of the site and at the same time indicates the character of the monument. In this way a special 'spirit of the place' which, if successfully created, by harmonising tourism and economic benefits without reducing the authenticity of the monument, contributes to the tourist experience (Stamenkovic&Ilic, 2014). For the development of this selective form of tourism in the city of Leskovac it is necessary that planned and market positioning of the city is done, at the national, regional and international tourist market. The development strategy of tourism in the area must be clearly defined and consistent with the available tourist resources and tourist infrastructure.

In the city of Leskovac there are numerous archaeological sites that should be included in the tourist offer: Empress' Town, Archeological Site Hisar, Skobaljic Town, which have great potentials for tourist valorisation. Also, the necropolis in Mala Kopasnica and Gradac at Zlokučane that are not fully explored would certainly enrich the content of a tourist offer. Cultural-historical monuments such as the church 'Odžaklija' in Leskovac, residence in Rudare, monasteries of Jasunja, the House of Bora Dimitrijević- Piksla, the House of Sop Djokić, as well as similar buildings in other municipalities of Jablanica region, can be interesting and complementary tourist facilities.

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EDUCATION OF HUMAN RESOURCES FOR TOURISM

Vidoje Stefanović¹; Goran Maksimović²;

Abstract

*Tourism as the segment of solicitous services and obliging activities becomes «the industry of future». Very scarce are those economy activities which in such a measure depend on human factors, as it is the case with tourism. Other tertial activities are also characterized in greater or smaller measure by the presence of tenderers or buyers in tourism, which, for the all rights, carry the attribute **face to face** degree of difficulty of that contact is characterized and potentially emphasized all these facts which could be classified under mutual denominator «**tourism hospitality**». Quality temporary tourist stay largely depends on the quality, then engagement, goodwill and training of human resources at all levels of hospitality. This immediately implies questions on how to consider importance of the human factor, as the carrier and executor of tourist activity in an area, which aims to be highly receptive, whether it is the region or the entire country.*

Keywords: *education, human resources, tourism, tourism development*

Introduction

Quality of temporary tourist stay and residence in great measure depends on quality, which means engagement, good will and education of human resources on all levels of hospitality. It immediately implies questions in which way importance of human resources is realized and perceived as **the carriers and executors of touristic activities on some territory**, which tend to be highly receptive, whether it is the question of one region or the whole country.

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Consideration of problems regarding human resources in tourism has to be started by the question «**what is the level of acceptance and what is the general attitude of the whole population about tourism**, not taking into account the spacial unit in question. If domestic population has and shows positive attitude toward tourists, who have come to stay temporary in their surrounding, it could be spoken about the existence of the most important factor for their qualitative relation or qualitative hospitality. By that, the fact and the need of creation of general conditions for adequate atmosphere is emphasized and, in accordance with that, adequate attitude and behavior toward tourists. Positive attitude toward tourism, first of all, shows the degree of social and cultural development of population of some area, and it is the basic precondition of tourism development on which all agree on.

Specification of human resources in tourism

In most countries with developed tourism all these three possibilities are present. Basic question is the **choice of human resources**. Thus, the question is where to recruit the needed personnel from, then how much is personnel present in the area which is examined, or how much one has to turn towards neighbours or further sources.

This is seemingly simple question to which, however, the answer has to be found, for the important **demographic** characteristics of the area. It relates to uniform growth of natural population growth rate and trends of anticipated touristic growth. Such inter dependence is extremely important because mechanic population input has to be planned (for example the problem of islands) (Stefanović, Azemović, 2011).

Much more compound and complex is the problem of **choice of human resources on the territory of extreme concentration of tourist capacity**. In these areas tourism is one high priority activity, the central support of economic and overall development which gives the complexity and multidimensional tone to this problem. Here are the human resources the main accelerators and limitators of overall development. In this case **spacial and time dimension** of human resources have to be analysed.

It has to be repeated once more. There are two temporal periods of business activities in tourism: - **the whole year business activity** – when objects are at the disposal of tourists during the whole year independently from the degree of capacity usage; objects are most often located in great

urban surroundings and, by the rule, have lower degree of usage of capacities during weekends or in the time of tourist season.

Seasonal business activities – when objects are used and are in function only in the determined part of the year, while they are closed during the other periods; in the principle, such object work during three by the intensity different periods; pre-season, season, post-season.

In order to emphasize complexity of the question of human resources in tourism it is needed to anticipate complexity of tourist offer which means market positions such human resources have influence on. Opposite to tourism, and opposite to consumers, stand the great number of subjects of tourist offer, from restaurant and hotel services, traffic and trade, to the manufacturers of souvenirs and other products intended for tourism market. All of them, if we generalize them, make tourist offer in some determined way, which will mean that personnel providing services has to be numbered as one of the human tourist resources.

Therefore, tourism is labour intensive business activity, which means simply saying, that for doing such an economy activity it is needed to have a great human potential. Known facts about influence of automatization, electronics or something else, on the decrease of needed personnel have only a kind of restricted influence in tourism, because, in spite of all attempts of introduction of modern technical and technological solutions in business activities of tourist enterprises, it stays the main «producer» of services. Modern technical means mainly contribute to acceleration of some working processes, change of working technology, or according to the rule, have smaller influence on the decrease of number of employed, specially in catering and hotel management. In the case of other economic activities, this influence is more emphasized. It also shows the coefficient of the realized income and number of employed in some economy branches. For the same level of income (gross product) it is needed to engage a greater number employed or with the same number of employed tourism realizes lower income (gross product).

Thus, it is the fact that hotel or restaurant management and tourist or travel agencies by their technological activity ask for increased number of employed in relation to other economy activities. From that construction it is possible to draw a further conclusion that positive trend of growth of tourist turnover inevitably asks for significantly increased needs for new

working potential, so we can conclude that tourism is a strong generator of new working places. (Stefanović, 2007)

Interaction of economic and tourist development and education

Economic development grew out of human attempts to improve conditions of their life and work. The result of this is a constant improvement of mankind toward continual fulfillment of human targets. Such improvement appears from the very start of development of humans and from their greater and greater capabilities to act in favour of development in general and from their abilities to govern and conduct such development.

In the basis of such a complex process knowledge is found, so under the impact of the development of «knowledge itself, development grows, branches, takes steady or abrupt course. For every singular movement of mankind forward precondition was the appearance of some invention or discovery. Degree and possibility of social progress always depended on the effects of discovered knowledge on one side and capability of people to use them in practice on the other side. So, it is the question of dialectic connection of economic development as expensive possibility and education as the way of their implementation together with interactive impact of other relevant factors. Study of this dialectic connection causes the appearance of knowledge that speed and degree of branching economic development are brought about by predominantly dynamic revelation and usage of new knowledge and skills. All this generates the need to point out basic principles of connection among economic, tourist and educational development in the conditions of modern civilization.

Noticing potential and existing real connections and relations between economic, and tourist development and education of personnel has a great general theoretical and practical importance. Theoretical importance is supported by the fact that it leads toward research and clarification of that, up to now, very little known and discussed side of the total development. Practical importance is supported by the fact consolidation, establishing maintenance, and development of mutual relations and bonds represents basic assumption for survival, existence and promotion of economic development and development in general, from the standpoint of fulfillment and realization of common targets. This mutual connection provides education of personnel for right, timely and contained fulfillment of targets for which such social activity and the public system

are founded and created. Basis of the wholeness of approach to personnel education from the standpoint of economic development, is represented firstly, by inter-dependence which is demonstrated and established directly or indirectly, between the factors of economic development and secondly, constant changeability of this process is based on dialectics as the science of general laws of migrations and changes.(Vojnović, Cvijanović, Stefanović, 2012).

Important hypothesis for sophisticated approach to economic development as the wholesome global progress is the existence of mutual target or the system of targets and systematic engagement of all relevant important factors of development for their successful realization.

Organizing of educational work in the past was not so great a problem, specially when the school was the carrier of such education. Slow influence of changes, firstly, had the influence on it, especially in science and technology, and secondly, the generally accepted style of central organization of school system.

In modern conditions of general multiplication and acceleration of changes and knowledge, and for these, intentions of the educated young and adults to expand in all possible ways of learning out of school classrooms, degree of organizing educational and upbringing work has decisive importance for acquiring wanted educational and upbringing targets.

Functioning of each system as well as the system of personnel education and the entire educational and upbringing activity provides completeness of economic development management.

Knowledge as generator of economic and tourist development

Intensity of contribution of three fundamental factors in creation of new properties (and goods) in production processes and in the society in general have their dramatic historical path in which capital and then **knowledge** more and more pushed aside traditionally most important contribution of **labour** in that process. In the historical depths of feudal way of production work or labour had for the greatest contribution to productivity and efficiency of production of goods with relatively small contribution of capital and almost insignificant contribution of knowledge (Stefanović, 2012).

In the age of industry, especially in modern post-industrial and kybernetic age, domination of contribution of work more and more affirms and acquires and even surpasses the contribution of capital (point A in the picture s), and then knowledge has its abrupt rise so it comes to the equalization of contribution of work and knowledge (point B) which is still, under the level of contribution of capital which will in the future also keep high rank of importance. In the informational and postinformational age, equalization of high contribution of capital and knowledge (point C) happens first, after which continues separate exponential rise of contribution of knowledge because of which it is expected that in the future it must receive the meaning of a cult of creativity and progress and take the very top of the social values pyramid.

Changes which happen by the force and impact of constantly greater and greater superiority of science as the factor of progress are obvious and clearly evident, and also are evident all material sacrifice which are required by these changes, starting from the phase of imagination up to the practical realization of some scientific and technological activity. Richness and intensity of changes in the economical structure of modern world and expressing the tendency in dynamics of technological process follow the phenomena of accelerated increase of the number of scientists and researchers as well as quicker increasement of the number of scientific information which history and historical depth represent specific modern phenomena (Drucker, 1993).

The millennium which has just started imposes twofold role to education and it will seem, in the first sight, contradictory concerning the fact that it will offer new means for gathering and gaining information and communication. It, as the foundation of future, must thoroughly and efficiently provide transfer of knowledge and abilities for doing some jobs and by that adapt to cognitive heritage of civilization. On the other side, the speed by which modern economy changes makes all attemps unreal and it could not foresee even the next decade of the search for some determined knowledge and qualification of people (Anders, 1998).

In that sense some confirmations of futurologists must be respected (Dikson, Kan), in the sense that during one working experience period a worker will change his job or undergo pre-qualification at least five times (process of re-professionalization). All this means that, in the future, society with the best educational system will take such a position as did in the past when it was the society with the best natural wealth or industrial

potential.³ Creative and adaptive experts have to be created as well as manufacturers of all skills and brave fighters for the truth in science. In the teaching plans and programs we must leave more room to general and theoretical disciplines because it will provide quicker realization of innovations and new technologies which carry new technological revolution by itself. Mathematics and cybernetics content, programming and other branches have to be constituent part of every scientific and educational process.

Continual education of human resources in the function of tourism development

Traditional understanding that every man learns only in early period of life and in the youth is wrong and surpassed. Not only the child or young man but also the adult man learns. Even it is, according to previous research, determined that the best period for learning is the age between twenty five years of age, but also, a man's intellectual power does not significantly change but only intellectual speed decreases. From that reason it is important to understand not only the society which works but the society which learns. The fact that humans systematically, during the whole life time, must learn, and the possibility to learn, open the thoroughly new era history of education – period of continual education.

Consequently, the aim of continuous education does not lie in the acceptance of constantly increasing quantity of knowledge but in development of personality which through various life experience becomes more and more his own self. Practically speaking basic aim of continuous education lies in the fact that the youth is enabled for work and the first vocation, after that through work and on the basis of the results of work they terminate higher educational and classificational levels. By this, besides other things, it is acquired that most capable and most industrious and most valuable personnel in the tourism become skillful, and through labour, the most sophisticated, regardless of social background and other aspects of looking on all this.

Continuous education is directed toward the whole human kind and human life. It starts at the pre-school age, comes and goes, starts and

³ At the conference for usage science and techniques in Geneva 1982 it was said that they who finish elementary school increase working ability for 40%, with secondary school 100% and those with universities about 300% in comparison to those who did not acquire education.

stops many times with the periods of work, it gives constantly new chances including the continuous process of life, covers parents and educational institutions, enterprises and all other factors of society. Thus, the essence of the concept of society which is learning is contained in the attitude that every individual in society possesses some knowledge, some capabilities or, saying in the terms of psychology, some competences. In one of such societies a man is «obliged» to transfer such competences to others who have not acquired them. This concept bases itself on learning but not on education and upbringing. Concept of society which is constantly learning looks upon the learning as on the life long process. However, I think that the following three problems are the most interesting:

a) Problem of permanent absoluteity of knowledge; any knowledge soon becomes old fashioned; we must constantly calculate the tempo or rate of absoluteity, calculate the rate of old fashioned knowledge, and calculate the quantity of used time for learning; then we must know what the content of continuous education should be. Old-fashioned, obsolete or out-moded (conservative) knowledge covers the whole and entire area of knowledge of the whole personnel. But, if we consider the origin of conservativeness, it could have the following types, from the point of view of specific development of tourism and tourist activities such as.

-Vocational conservativeness which relates to knowledge and can be calculated as the formula:

$S_z = (S_{nz} / M_{nz}) \cdot 100$ where we find

S_z – as vocational conservativeness of knowledge of the staff or personnel working in tourism totally, in parts or according to enterprises.

S_{nz} – actual and real level of personnel knowledge

M_{nz} – possible level or degree of knowledge from the point of view of new development flows where continuous education means *conditio sine quon*.

Technical conservativeness which means and points out the aspect of personnel knowledge in relation to new technological and these knowledge is a knowledge for constant everyday usage and they are calculated by formula:

$T_z = (1 - S_{ntz} / N_{ntz}) \cdot 100$ where we find

T_z – Technological conservativeness, out of date technology

S_{ntz} – Present level of technological knowledge

N_{ntz} – New level of technological knowledge know in the whole branch of touristic activities.

Conservativeness or level of old-fashioned knowlege for doing concrete jobs and assignments in tourism, which is only the second expression for disorder among real and needed level of education or qualificational level, is calculated by the formula:

$S_{zp} = (1 - S_{nzp} / P_{nzp}) \cdot 100$ where we find

S_{zp} – Conservative knowledge of one individual

S_{nzp} – Present level or degree of knowledge of individual for doing some determined concrete jobs and working assignments.

P_{nzp} – Required or needed level of individual knowledge.

b) Second problem relates to parallel growth of general level of skilled and expert education and the level and dynamics of development of tourism as one compound entity. Here we precisely think of university education. Concerning all this, the question of specialization also becomes actual and interesting because thinking and opinion of others state that students must acquire fundamental general theoretical – and expert basis in their vocation, to qualify for self – education and quick adaptation to new needs and requirements which the fast development inevitably places upon us. «Crisis of university» of the world wide character also has its impact and influence on tourism and tourist activities in general.

c) In spite of struggle for greater motivation of individual for continuous education, it must be counted with the too strong a wish of an individual toward promotion, and it is the real danger called technocracy; and also, it could happen, as Laurence, Peter and Raymond Hull would say, that every individual in the struggle for motivation and promotion crosses over the level of one's own competence and the level or degree of one's own capabilities.

Surely, the problem of continuous education, from the standpoint of development of tourism, lies in the system of education and upbringing in the first place. Besides a great number of measures which have been taken, it must be said that, when we speak of tourist activities in general, old-fashioned and «ancient» programs prevail, then methods and organization of work do so, and dominates also education for adaptation. To our regret, the past with the elements of modern days and present

dominates but without real serious attitude and view to the questions and problems which wait for us in the future. In these teaching and scientific disciplines in which content is directed toward present, their learning is predominantly in the function of explanation and solving of «burning» problems but with very little attitude toward recognizing and perception of the future.

Specific notions in planning of human resources

If the proces of planning is easy, all individuals will make plans of such kind and all plans would be realized with success. This equally applies to to enterprise plans and planning of human potentials. Besides all this, for human resources planning it must especially be emphasized that there are additional difficulties such as:

- Unpredictable behavior of people in which management can have only limited power of controle.
- Uncertainty of events on the market and then changes in the basic strategy of enterprise make difficulties in the plans of human potentials which must follow strategic plan of enterprise (blocking of turnover, political turnings, privatization, new director, market shifting from the east to the west).
- Usually insufficient informational basis onto which plans and decision making must be attached.
- Objective and more often subjective findings because of which the plan already issued is not applied.
- Lack of recurrent information about the results of issued decisions.
- Plans (specially operative ones or better to say medium ones often old because of the expiration of the validity period and for environment which is very quickly changed. It is a great mistake to keep closely to already existing plan. It is not wrong to make revision of the plan afterwards.
- Here comes to the scene the problem of property or ownership. If there are few owners (or one, only a state) there are too scarce a number of interested people who would eagerly work on this plan, and later work on its usage and application.
- Rigidness and unflexibility of the older type of managers who educated themselves in the inappropriate time and temporarily different system.

- It has to be said that difficulties in planning of human potentials are created by environment. Strategic, operative and plans of action of human potentials must specially show:
- Size of enterprise and complexity of enterprise organization
- Relative stability of internal or external environment or quick changes in it (and in what direction).
- Culture of organization, degree of resistance to changes and existence (or non-existence) of management plan of changes.
- Number of levels (or locations) on which decisions are made: »are there a lot of small gods« or is there a number of great gods?
- Is there a surplus or lack of people (or, what is more, a surplus and lack at the same time) so release from work is planned as well as employment of new workers.

Human resources and tourism - glance toward future

Parallel to the development of tourism we face development of personnel who connected their interests of existence, their living and working determination and economic interests to tourism as the social and economic activity.

Besides tourism, educational institutions also experience their development evolution and those institutions in some previous time and even recently prepared personnel for classic restaurant management vocations and profiles but now they turn into institutions for education of highly skilled and specialized staff for the wide spectrum of needs which tourist activity asks for. At the same time in the process of education and training of personnel for the needs of tourism, various fields of education and scientific institutions also take part (apart from economy and law, there are also sociology, psychology, science about organization, science about personnel, medicine, biology, chemistry, technology, architecture, physical culture, philology, pedagogy, geography, ecology and others) which study phenomena, relations and effects which happen because of massive economy movements of people with the aim of non-economic and tourist motives and needs (Stefanović, Cvijanović, Vojnović, 2013).

Personnel who is already working in tourism, or who are preparing for the work in tourism, are forced to constantly innovate something and improve their expert knowledge because of mist rising competence of knowledge and ideas on internal as well as international market, not only in the field

of tourist reception but also in the field of finding new types of life which tourists expect during their stay in some particular place or tourist destination. The role of human factor – staff – in tourism is of special importance. Tourism business activity in most cases happens with direct contact and immediately between producer of tourist services and the users – tourists. Due to all these reasons, special specific characteristics and meaning of personnel for that business are important in tourism. It is not needed to emphasize especially the fact that a man needs humane and adjustable tourism and for such tourism we need adequate personnel who, besides expert skills, also have wide humanistic ideas and education. Tourist personnel in all tourist places and resorts must possess wide general and humanistic culture and education.

In fact, personnel in tourism would be directed toward the following: simultaneously they have to act according to the principles of efficiency but, they must behave toward their guests – tourists – as unselfish “altruistic” hosts, full of understanding for their “psychological sufferings” – therapists, but also physical problems, and, at the same time, they must possess something of the education of psychologists in order to come closer to psychological identity of every guest or tourists. When they want to peep into the tourist’s cultural identity, personnel working in tourism become culturologists, ethnologists or even anthropologists.

- Regarding maintenance of “healthy living conditions” and conditions of tourists, personnel working in tourism must know basic notions of philosophy and anatomy of human body. Tourists who through their yearly vacation, want to recompensate omitted almost the whole –year-long time, expect entire body and spirit dynamics during their stay in one tourist area. According to this, personnel in tourism are expected to be cultural, health and sports animators.

Personnel who provides services to tourists must be specially educated in order to make direct contacts with guests and issue them whole and entire human information because a tourist is fed up with informatics perfection which is easily readable on computer monitor.

Beside traditional gastronomic skills personnel in tourism is expected to know other kinds of “healthy” meals and food. One tourist on his vacation, or on a guided tour, wants to experience live “software” of his “healthy” menu. He wants direct contact with a gastronome and the gastronome is obliged to know and explain in the language of a tourist the

content and procedure of preparation of some meals and dishes in order to learn the tourist prepare it when he returns home into his natural ambient and environment. Obviously there could not exist any more the attitude and meaning that a “restaurant personnel can get you soup” or that manager can only provide you lodgings and accommodation (Kriependorf, 1986).

Bearing in mind greater and greater informatisation in tourist capacities it is obvious that personnel in tourism must possess much greater and higher degree of informational literacy. It is because the users of tourist services are the persons of high informatics literacy and they know very well the possibilities of usage and help of informatics technology in all kinds of tourism.

Demographic statistics point out that the greatest part of developed humankind rapidly grows older and that until 2005 only 3% of the world population years of age would belong to the developed part of the world in Europe and North America. Such demographic movements are already easily seen through the increasing number of tourists of the “third age” who visit thermal resorts as tourist destinations, and such demographic movements are already initiating some changes which have to show their impact on tourism policy.

Human age is constantly continuing and becoming longer. People who acquire pension are still in the good physical and psychological shape and are full of life, they are wealthy and full of life experience. Many of them would gladly accept the job in a healthy climate tourist destination in any economy subject with some financial reward but with provided food and accommodation. All these things can be greatly emphasized during the weekend work or during the work in the time of holidays when much younger personnel unwillingly accepts working duties.

-In order tourism of XXI century, especially in our country and region, thorough expansion of family hotels and legalization of family hotels will happen. Their owners must always innovate their knowledge or they must initiate continuous education of all members of their family.

In this century special importance in tourism will have those personnel members who have managing and creative roles. If the nowadays development trend of tourism is supported and caused by informatics and other modern technologies, further great changes in the field of free time usage and in the field of holiday making and amusement can be expected.

Complications can be avoided and solved by expert and educational personnel potential which is directly or indirectly included in tourist flows.

However, in order to make personnel acquire such abilities for avoiding complications, educational process and education of touristic personnel has to be constantly reinforced. Because of that, new concept of education of tourist personnel, which will with special emphasis on its educational program have basic knowledge of individual values and also the knowledge importance of personnel in tourism. Only in such a way it is possible to make a concept of tourism for the sake of a man and not for the sake of tourism as it is today.

Revolutionary changes which especially carry the third technological revolution covered also the tourist field of activities. The fact that goes in front of every development and before all changes, is also personnel component. Which personnel is then necessary in tourism in this actual millenium. Personnel who already works or who is prepared in some kind of tourist activity is forced to make constant innovations and make their skilled and expert education more perfect because of growing competence of knowledge and ideas on the tourism market. This happens not only in the field of reception of tourists but also in the field of finding new types of life which tourists expect during their stay in some tourist destination.

Conclusion

Not only physical strength, economy, general health state, purposeful directing and usage of human organism are something which have economic meaning. The fact is the following: when a man from any reason is dissatisfied and bitter at work it is the most negative thing which influences the success and by that, it influences the clear economic useful effect. And, on the other hand, positive attitude and love for such kind of work give positive effects. So, it can not be, all the same, equal if a man succeeds to tie himself with all his soul to his work or not.

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ENTERPRENEURIAL IDEA AS A CHANCE FOR RURAL TOURISM DEVELOPMENT

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Abstract

The main purpose of this work is the analysis of tourism development in the rural area regarding the role of entrepreneurship which should contribute to the development of this important and perspective economic sector. Global economy and crisis in the area of agriculture which covered developed and undeveloped parts of the world lead to lacking rural economies. As forced to search for other revenue sources, people from rural areas think of the introduction of tourist offers in their short term and long term plans. As an additional part of this line of thought, there is a fact that the focus of tourist demand has significantly changed during last several years – due to overall and increasingly dangerous global warming of “sea and the sun” areas and searching for destinations which are more healthy and clean for life, vacation and relaxation. It is concluded that resources for the development of rural tourism can be maintained if entrepreneurship as a flexible model is included into the entire process. The flexible model can endure every kind of crisis.

Keywords: *tourism, rural tourism, entrepreneurship spirit, training, partnership*

Introduction

The Republic of Serbia is located on a crossing point under the influence of European integrations and strong effects of its market, institutions, enterprises, and individuals. There is a rapid development of growth strategies of different economic sectors while tourism is confirmed as an inevitable complex with almost unused potentials. It is obvious that tourism was never seriously considered by the development policy of Serbia. On the other hand, neighbouring countries such as Hungary,

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Bulgaria, Czech Republic, Romania and many others have made great efforts to improve their position in the list of important tourism countries.

The topic of this paper will be only one specific form of tourism. This kind is probably the most challenging form of tourism – village tourism. Its possibilities are potentially high. Rural space includes 80% of European Union surface and 25% of total population. Rural population have increasingly adopted tourism as one of the strategies for sustainable development of local community. Sustainable development is very important for the increased development of this area for two main reasons. The first reason: these areas can become tourist destinations although it is not their traditional characteristic. The second reason: entrepreneurship activities can be developed on a local level, which can lead to their further progress.

Village tourism seems to be forgotten by many. Although this topic is often mentioned, the literature on this subject is negligible. It is mostly related to newer sources of information. However, meetings dedicated to village tourism are maintained. These meetings sporadically comprise the presentation of works on this subject, which is not enough. It is important to include the participation of tourism faculties so that they can convince the state to provide help on this subject. Also, interested people should be guided to the required information – those who have worked in the area of village tourism and those who could use its capacities.

Village tourism is not sustainable in this way. Higher interest (and help) of the state and experts from this area are needed. Village tourism can be maintained only as an additional village activity. However, village tourism cannot maintain itself! There is no need for competition with ultimate tourism countries. It is important to improve village tourism in a way that entrepreneur uses his/her idea for his/her own business (Pavlovic & Krstic, 2016).

If we want village tourism to be developed in the future, researches should motivate exploring this area and imply needed actions.

Where are we now?

Tourism offer in Serbia is rather poor. A total number of 87 000 tourist accommodation establishments capacity is very small amount compared to tourism countries such as France (81 million of tourists), Spain (60

million of tourists) or Croatia with 910 000 beds on offer (10 604 000 tourists, 57 million of overnight stays). Austria with the same population as Serbia receives 24 million of tourists a year (www.cenort.rs; Radonjić, 2011). Serbia receives 1.7 million of tourists a year and most of them go to Belgrade – 520 000 (Republički zavod za statistiku, 2016). Serbia is visited by 700 thousands of foreign tourists each year (www.tos.com, 2016). The concerning fact is that the number of tourists from Bosnia and Herzegovina, Montenegro and Russia has increased unlike the number of tourists from Germany, Italy, Slovenia and Croatia.

Things are moving backward regarding village tourism in Serbia. Village tourism was more developed thirty years ago. Natural conditions for the development of such form of tourism are more than favourable – nature is preserved, the climate is mild, air is clean, water is pure, there are many lakes and rivers and well-developed flora and fauna. There is no exact information on a number of guests since there are no precise records. There is information that cca. 400 000 overnight stays are recorded in this tourism sector, which is 6% of total overnight stays in Serbia. It is, also, worth mentioning that almost all tourists are from Serbia while a number of foreign tourists is negligible! There are 140 households including cca. 750 beds in 44 villages and 18 towns (www.tos.com, 2016).

According to these statistics, and the data in Austria, there are 15 500 farms (110 times more than in Serbia!) engaged in village tourism, the following question arises: is this too small a number?

There is no need for expert knowledge to conclude two important things. Firstly, Serbia does not provide offer good enough to attract a higher number of tourists. Secondly, people coming to Serbia for the first time rarely choose this country in the following years. Such decision is under the effect of many factors and details which do not attract enough attention. They will be mentioned later.

Importance of tourism

Term tourism originates from Greek word *tornos* and Latin word *tornare*. It denotes moving in the circle or around a central axis, which means that people who move on their journey come back to their starting point after they pass the circle. In other words – they move back to their home. People on the move are known as tourists and they go on their journey for recreation, pleasure, vacation or for the sake of travel.

Tourism is a global social phenomenon which constantly changes, develops and includes stable growth. Turbulences come from environmental factors. Economic crisis as a follower of each economy, terrorism attacks rapidly change tourists wish to move to certain destinations. Furthermore, the great problem are increased migrations and wars all over the world. Due to these facts, some destinations are avoided by tourists. That could be the great opportunity for development of Serbian village tourism!

During the last several years, tourism has increasingly grown and become the key trigger of social-economic development. In addition to this, tourism is evolving to become one of the highly developed economic branches in the world. Modern tourism is narrowly connected to development (www.tos.com).

Nowadays, business scope in tourism is equal to an export of oil, food and cars production. Therefore, tourism is becoming one of the most important participants in international trade and a primary source of revenues for developing countries. Thus, competition among destinations is becoming more serious.

The contribution of tourism to economic welfare depends on a quality of tourism offer. All countries that consider obtaining their part of gain should participate in the development of tourist offers.

What is village tourism?

There are many divisions for tourism. This paper focuses on specific forms which include appropriate tourist motives that will attract visitors (tourists) to interesting destinations. Specific forms of tourism are oriented to parts of total tourism demand and they are developed contrary to mass tourism. There are the following forms: cultural tourism, ecologic tourism, urban (city) tourism, congress tourism, health tourism, hunting and fishing tourism, gastronomic tourism, educational tourism, sporting events tourism, etc. The most interesting form for the purpose of this paper is village (rural) tourism.

Village tourism is a specific form of tourism whose idea is to turn people back to nature. The definition of village tourism is not completely adopted yet but this is not a problem for its development. Terms such as rural and agro-tourism are also in use.

Rural tourism is the widest term and it should include each tourism activity within the certain rural area. It usually includes hunting and fishing tourism, village tourism, ecologic tourism and cultural tourism (Todorovic & Stetic, 2009).

Agrotourism is narrower term than rural tourism and it includes village tourism, events related to a village and its environment: village crafts, folklore, gastronom (www.turizamiputovanja.com).

Finally, there is village tourism at household in a village where complete tourism offer is provided within the household. Therefore, food is prepared in the household while accommodation rooms are usually placed in rooms that household members do not use. Within this kind of tourism in Serbia, special houses for guests are rarely built (www.seoskiturizam.hr).

It can be concluded that village tourism is an activity of registered village households whose main activity is agriculture. Certain village households have tried to register as entrepreneurs but they have given up such intention due to high taxes and frequent inspection controls. A woman engaged in village tourism for more than 25 years claimed that inspections had been almost daily during her entrepreneurship work.

The most important topics on village tourism

Village tourism includes many actual topics: products of village tourism, market, village tourism and local development, environmental protection, national help for village tourism, training important for village tourism, opening of new workplaces, future of village tourism and cooperation with partners in order to promote village tourism.

World tourism organization UNWTO (UN agency) that contributed to the promotion of responsible, sustainable and universally accessible tourism offered optimistic evaluations on a scope of tourism demand. Regarding main tendencies in tourism demand, it is obvious that rural tourism is important owing to (www.unwto.org, 2016):

- Refreshments by contrast village-city, lowlands-mountains, sea-continental water;
- Intention to experience culture-historical legacy and preserved nature (so-called soft or new tourism related to village, and it includes clean

water, healthy food, clean air. In other words, tourism focuses on natural environment);

- Need for places, events, and experiences with identity, integrity, and differences;
- The wish of people to participate in numerous village activities (sport, hunting, and fishing, gastronomy, life in nature, handworks, field forks, events, fairs, etc.).

Also, within the document Strategy for the development of tourism in Serbia, part “Strategic advantages”, article 4 – strategic potentials for success in tourism are defined through untouched mountains, forests, agar areas, vineyards and hunting-fishing zones whose pictures present a recognizable image of unique landscape enriched with contrasts (Strategija razvoja turizma Republike Srbije, 2006).

Agriculture and tourism

Traditionally, village life relies on agriculture as a main source of revenues. However, during the last several decades, the central role of agriculture has been significantly lowered due to many reasons. One of the most important reasons is the decrease of village population and a migration of young people from villages to cities. It has inducted complete change in the way of life at the village and production of agricultural products. Need for food production remained, but due to modern technology and mechanization, less personal staff/workforce is involved in these processes.

The reason for leaving villages is the search for easier and more comfortable life. The village has always been a synonym for hard and rough life. In the sense of economy, a farmer is not able to live and improve only via agriculture any more. The farmer has to work additional jobs to provide additional assets. All of this has lead to village tourism as an activity which, if it is well organized, can provide better living conditions for agriculture household. However, a farmer mostly invests money earned from tourism into agricultural production proving that village tourism is considered as an additional activity (Vujicic et al., 2008).

What is needed to achieve success?

One of the most important things is connecting with the state through correct partnership. The state should help village tourism in all ways so planned revenues can be provided. Nowadays, this is not the case since village tourism is on its own. Besides initiating and developing investments, the state should be involved in all parts – planning, strategic directions development, training and other factors for improvement of this sector. Other economic subject should be also included in this process.

Village tourism could synchronize with them and enrich its offer. It is mainly related to participation of organizations whose activities are culture, sport, education, food production, tourism organizations, agencies, operators, etc.

Expectations of village tourism

Are expectations of village tourism too high? Should it have faster development? Reasons for a slower development of village tourism will be discussed.

Villages are usually far from cities and the road infrastructure in this relation is rather bad. Mostly, there are no regular bus lines, railway or any other kind of organized transport of passengers. Tourism is not possible with bad transport conditions for people and goods. Also, problems for villages are water supply network and sewerage system. There is a small number of villages (except those near cities) with problems of this kind solved. Water providing is not a cheap investment. The same situation is with sewerage system which is based on septic tanks for wastewater. These underground tanks are usually located near houses.

Accommodation capacities are important for the development of village system. However, existing capacities are not sufficient. If there are one or two spare beds, no one will start with village tourism activity. It means that it is important to rebuild, repair or build new objects. Farmers do not have enough money for these actions whereas the state is not open for help in investments. During meetings with certain farmers, it has been concluded that they mostly had to take loans for many years to repay money for investments in rebuilding or building accommodation establishments.

Development of this economic sector is also hindered by a lack of information on village tourism. The scope of this problem is confirmed by the data that people who work in the area of village tourism during ten years do not have reliable information on maintaining organized village tourism. State institutions in this economic sector are mostly responsible for such a situation since they should maintain this sector. According to the websites of Ministry of Agriculture or Ministry of Tourism, there is a limited number of useful information which could be helpful to people interested in working in this area.

Furthermore, there is a lack of connection between people who work in village tourism and other entrepreneurs. Everyone who tried to develop tourist offer on his own did not achieve a success. Results would be much better if more households were connected. Also, it would be good to connect with organizations which could make the additional content of tourism offer. Serbia has many spa centers with minimal conditions for their existence. Foreigners who visit Serbia always ask why people in Serbia do not combine spa and village tourism which is absolutely popular in the world. There are sport, cultural and other organizations which would enrich and expand the offer of village tourism.

What would happen if all of these conditions were fulfilled?

The town nearby includes a hotel with accommodation capacities but without guests. The village is 10 kilometers away and it takes a car ride of 10 minutes to arrive at the town. The village includes an offer of breakfast, lunch and dinner. An agricultural household provides many activities at the countryside including excursions to historical and cultural centers in the region. Also, there are available sports fields. Coaches with planned schedule for guests can be engaged. Also, guests can be included in field work or in work at one of handcraft workshops in the village.

Visits to producers of brandy, wine, juices, fruit and vegetable products can also be organized. Nowadays, each village in Serbia has its own winery. Each village has several tanks for brandy production. It can be a great chance for an attraction of domestic and foreign tourists.

Is there a development of village tourism?

There are two questions which should be correlated although they are not. The first question: is there a development of village tourism – are there

increases in its capacities? The second question: are there growths in the demand for village tourism destinations?

Demands for village tourism destinations have been increasing each year. It is showed by the results of tourism researchers (I evropski kongres o seoskom turizmu, 2003). There are many factors which have an effect on such a situation. The first factor is education. Researches showed that education is in correlation with increased interest in village tourism. Reasons for that are following:

- People want to use clean, fresh village air. Also, they want to have healthy nutrition using food without chemicals and additives. People want to consume clean water, to taste wine and brandy produced in natural way without sugar and other additives;
- People want to be informed about village life. Many of them originate from village regions, their parents or other relatives lived in the village, so they want to get familiar with this way of life;
- Guests would like to learn something about culture, old crafts, folklore;
- There was an interesting suggestion by Branislav Bajagic. He suggested to foreign tourists to “rent” a piece of land which they could maintain themselves and provide their own products (Bajagic, 2016).

There are many ideas and suggestions. The question is how to realize them. However, there are solutions at the beginning. Other issues need search for the best option in order to start village tourism. Above all, it is important to make constant pressure on state authorities and all tourism institutions. It is important to develop an awareness that village tourism is the future for this region where a small number of people work in agriculture although it provides sufficient incomes. It is also important to provide a better way of life at the village for young people. There has always been statements that someone (state) should provide conditions for young people to stay in the villages. Maybe the story has to be reversed – young people should take the initiative and solve problems for themselves rather than wait for the help from the state.

The increased amount of leisure time and more money provide opportunities for people to travel and see new destinations. Village tourism is still more available than other forms of tourism especially for people with lower incomes.

Bad traffic connections as a problem are related to each form of tourism. Well developed streets and small distance between villages and cities can be a positive factor for the development of village tourism.

Definitely, all people take care of their health which can be directly connected to village tourism. Clean nature, unpolluted food and water and peaceful life at the village have healing effects on people, especially those who are often faced with stress. Practitioners recommend taking exercises as a part of treatment and rehabilitation. Village tourism is perfect for that – walks in nature, bicycle riding, horses riding, field work.

People from cities who visit villages mostly see some natural materials for the first time. These materials are used for the production of furniture, sheets, clothes, etc. Most of the people visiting the village for the first time learn that honey can be tasted only with a wooden spoon and that meat can be dried naturally without the use of power and chemical preparations. Therapeutic particles – plants – can be seen everywhere in the village.

A psychologist claimed that green color has positive effects on behavior. The green color is a marking sign of village and village tourism. All people should do is to enjoy natural colours in order to relax and forget daily concerns and problems.

A village is an authentic form. Villages are very different from each other and none of them can be copied. There were attempts to provide an impression of a village in cities via parks and zoos. However, it is hard to eliminate noise, crowd and everything related to urban conditions. On the other hand, a village provides peace and relaxation.

As for activities in village tourism, it is worth mentioning that guests can plan and organize activities following their hosts' advices. Other forms of tourism do not provide such a possibility.

Its seasonal character is one of the obstacles to the development of tourism. Village tourism in Serbia is popular from the second half of May until half of September. This situation could be significantly changed by attracting tourists who are retired and who can use their holidays separately during one year.

Tourismologist Branislav Bajagic presented advantages of village tourism in Serbia in an interesting way. He claimed that it is healthier to eat homemade cheese than hamburger and to drink fresh natural water than “Coca-Cola”. He also claimed the following: “Geographic position, terrain of Serbia, mountains, hills, lawns, meadows, forests, orchards, springs, streams, rivers, lakes, domestic and wild animals, clean air, clean water, clean food, peace, relaxations, history, culture-historical monuments, folklore, old handicrafts, hospitable people, etc. are elements which can be used for the development of extraordinary tourist offer very popular in the world.” (Bajagic, 2016).

However, increased demand and good perspective are not followed by the development of village tourism capacities. The obtained data confirm that village tourism was more developed during the last decade of the twentieth century. It is important to provide further research on causes which led to a lack of interest of state authorities in this economic sector.

What tourism can provide to rural development?

- Financial incomes. As it was concluded on seminar in Belgrade “Village tourism in Europe: experiences and perspectives” in 2002, the first conclusion is that village tourism opens possibilities for incomes development (www.cenrot.rs, 2016);
- Maintaining jobs is very important for the rural region. Beside employment in village tourism, it is important to maintain sustainable development and organization in the region (retail, transport, catering, medical care);
- Opening new workplaces which will directly influence people to stay in villages;
- Multiple kinds of jobs which can provide better incomes and presence (functioning) of young people at the village. Apart from agriculture, agricultural households can be engaged in tourism, catering and old handicrafts. All of this improves rural development and provides certain incomes;
- Employment of women and women from households. Most of the village tourism destinations in Europe and Serbia are organized by women, which is not surprising. Traditionally, women play an important role in village households as the ones who manage all household jobs. Men usually work in the field while women take care of household;

- Development of old and forgotten handicrafts;
- Preservation and environmental protection. It is important to improve living conditions by building road networks, introduction of traffic and transport lines, water supply and sewerage system and the development of other infrastructure projects;
- The quality of living. Lower migration of young people from villages would influence the quality of life in rural areas. The important factor is taking over the business from parents which ensures working position for the future;
- Increasing of cultural awareness, preservation and reminding of traditional values (Pavlovic, 2013). Village tourism indirectly influences the preservation of traditional moral values. This model acknowledged honesty, help by neighbours and good relationships;
- Job satisfaction (Pavlovic, 2014);
- The shift to a market economy. It is a paradox that people should release themselves from state rules and develop their business according to marketplace laws. On the other hand, it is very difficult to maintain business and competitiveness with tourism offer without help of the state;
- Village tourism can be developed with much lower investments rather than investments in other economic activities (Petric, 2006);
- However, village tourism can develop new ideas and initiatives which will encourage new projects feasible for the rural environment (www.selo.rs, 2016).

Problems, obstacles and threats to village tourism

- The threat to ecology. Villages are natural and ecological clean environments. However, villages without developed and solved infrastructure can jeopardize eco-system;
- Social-cultural threat. Since cities have changed their socio-cultural environment after migrations from villages to cities, the same change can appear for villages. It can lead to a change of traditional village community. Such process is already happening and it can be accelerated by developing micro tourism environments in the village (Pavlovic, 2013);
- There are several so-called weekend-resorts located in the village without any connections with village tourism;
- Need for building and expanding of objects which can change authenticity of village architecture;

- One of the problems is related to the rental of household fields by entrepreneurs who do not live in such environment. Such people are not sensitive to local tradition, culture and specific problems of the local community. They can use their suppliers, markets and leave business and move to another place in case of minor business problems;
- Transformation of village environment into an urban environment with well-known issues related to traffic. Narrow and difficult roads can lead to destroying existing road infrastructure and traffic accidents;
- Increasingly difficult effects of local community to life in rural resort;
- Village tourism is not affordable for all rural resorts. The market should be investigated in order to determine if such activity is productive and favourable for a certain environment.

Training as an important factor for the village tourism development

One of the main problems in the development of village tourism is a need for education and training (International Conference in Riga, 2004). It is often foreseen since complexity and professionalism of tourism business is not the main issue among people. Success in village tourism will not be possible without professionals. It can be shown by an example of village tourism in Slovenia. It is important to provide the special certificate for tourism business. Education for this work is, at least, graduated high school and courses in cooking, catering, hotel management, etc. Also, it is important to pass programs related to hygiene and health. However, people in Serbia mostly rely on intuition, inherited knowledge and unverified stories rather than knowledge.

According to the opinion of people who want to start a business in village tourism, it can be concluded that they consider training as not important for business. It is a big mistake since training is a precondition for the development of efficiency and profitability. Training should facilitate the communication between tourism entrepreneurs and state and among tourism agencies. On the other hand, it is very difficult to imagine programs that would make views wider, increase business standards and influence the creation of professional attitudes. Training should improve the following (Pavlovic, 2015):

- Main knowledge related to tourism and trends in tourism and especially trends in village tourism. People from village tourism

should be updated with tourism events in region and all over the world in order to make right time reactions;

- Principles of sustainable tourism;
- Skills related to tourists attraction (advertising and marketing);
- Main business skills and management skills. People in Slovenia insisted on these skills and significantly improved this activity;
- Improvement of communication;
- Hotel management skills, especially those related to food production in line with old and almost forgotten recipes;
- Language skills, the knowledge of English is important if Serbia wants to attract foreign tourists;
- Familiarity with culture, tradition, and local attractions.

However, training should be organized according to the needs of individual tourism entrepreneur. The training should include most professional institutions including faculties and coaches with working experience in village tourism. One of the best ways is organizing thematic workshops which could improve knowledge of professionals in this area.

Recommendations for further researches

First of all, researches should lead to information on the market itself. People in village tourism have a small amount of information for decision making. More knowledge can move this sector to efficient organization of their activities – from planning of accommodation capacities, marketing actions to skills obtained through training (Popesku, 2016).

Due to smaller costs, village tourism has chosen amateur marketing which has no significant impact on business (Cvijanovic & Vukovic, 2012). Therefore, researches need to be focused on certain marketing activities which can contribute to the development of village tourism. According to that, it is important to improve communication using modern technologies, websites, emails, better partner relationships, relationships with tourism agencies, tourism local organizations, printed brochures...

Why is village tourism so important? What are its advantages, incomes possibilities, possibilities of development, investment? Who can be helpful? What knowledge is necessary? Who needs to be employed? These are complex questions without answers since no important researches have been conducted.

Most problematic issues are related to organization and management. It is very important to determine the way of village tourism planning, training, and work with employees. Much information of this kind is not available so people rely on their intuition in order to define management of their organization.

There was an opinion that managers are daily faced with stress and problems. Nowadays, other categories of people (employed and unemployed) are equally faced with these issues. The fact that visiting village and nature has positive effects on rehabilitation and consolidation of health condition is very positive for the development of village tourism.

Attention should be paid to a different kind of training for people employed in village tourism and influence of local communities and organizations. Capacities of the local community should be defined including ways of connection between communities.

Finally, there is a need for information on literature related to this area. Nowadays, it is not hard to organize gatherings and meetings through which people could discuss the topics useful for people employed in village tourism.

Conclusion

General conclusion is that potentials for the development of village tourism in Serbia are large but not sufficiently used. There are many reasons for that. Among the most important ones are a lack of efficiency and interest by a state to provide help for this economic sector. This fact is also mentioned by the Strategy for tourism development in Serbia. This activity is not attractive since it does not offer safety nor guarantee for a good living. Everyone who wants to work in an area of village tourism should know that it can be provided only by an additional job in agriculture.

Regarding everything that village tourism can offer, it is recommended to combine it with other tourism offers in the region. In order to provide it, it is important to maintain good partnerships in this and other economic activities which can be helpful for village tourism.

Village tourism of Serbia should be a part of European tourism offer. It is the only way to provide future for this economic activity!

Moreover, it is important to provide right time training for people so they can use modern technologies and knowledge in an area of management. In order to achieve this, education institutions such as Faculty of tourism with prepared suitable programs should be included in this process.

People included in village tourism need to have an entrepreneur spirit and be dedicated to this work. It is important to have work as motivation rather than incomes. Good entrepreneur rarely considers incomes in advance – incomes should be obtained after good and quality work.

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THE NATURAL AND HISTORICAL ATTRACTIONS OF STIP-BUILDING LANGUAGE COMPETENCES FOR PROMOTING TOURISTIC RESOURCES

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Abstract

This paper present the current condition in tourism in Stip and its surrounding as the most important town in the Eastern Macedonia. Even though Stip is rich in natural and historical tourist resources, at its fullest, the capacities are left unused as well as unknown and non-affirmed as tourist attractions. The first part of the paper gives an introduction to the town profile and its geographical characteristics. A particular emphasis is put on the natural and historical wealth of the region and its landmarks. The second part of the paper gives a pedagogical approach towards reforms in the education and creation of transversal skills of the tourist workers in terms of language competences. It stresses the importance of knowing a foreign language, and it presents the English for specific purposes in the field of tourism.

Keywords: *natural and historical attractions, language competences, promoting touristic resources*

Intoduction

Stip is a town with a rich historical tradition. At the Stip region events took place with profound implications, not only for the residents of the town, but also for the region and neighbouring countries.

Stip is located in the eastern part of Macedonia, between Kocani, Lakavicka and Ovcepolaska valley, on the left side of the middle flow of the river Bregalnica at 280 meters above sea level. The terrain marks predominantly hilly city, surrounded by the Isar which dominates it. The

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wider area of Stip is widespread at 41°33'15" and 41°53'25" N and 21°50' and 22°26' GMT. It covers an area of about 810 square kilometers with its highest point Crkvishte at an altitude of 1676 m.

In terms of administrative-territorial structure, Stip borders the municipalities Probistip and Sveti Nikole to the north, to the east Karbinici, to the southeast Radovis, and to the southwest Lozovo and Gradsko, whereas and to the south Negotino and Konce.

Stip is an important geographical and transportation hub which crossed many important ways in the past. The most significant of these was "transversal road coming from Stobi through Astibo led to Pautalija (Kyustendil), linking the valleys of the Vardar and Struma. Later, when the Balkan Peninsula was stressed with the importance of longitudinal roads, one of these was Serski or Big Pat, which leads to Ovce Pole passing through Stip and continuing to Lakavicka Valley to Seres (Cackov, 2001). Due to its disadvantages, the road Stip-Radovis that ran through the mine Bucim, was soon abandoned.

Today's roads passing through Stip are: Veles Stip which builds the highway E-75 with its own branch to St. Nicole, then St. Nikole-Kumanovo and further towards the border with Serbia, Stip - Kocani, forking at the village Krupiste to Probistip and Kratovo and further which connects with Berovo Delchevo to the border to the Republic of Bulgaria, Stip-Radovis-Strumica to Novo Selo which borders Bulgaria, and through Valandovo to Greece, and Stip-Negotino Lakavica, through which it connects the highway to Gevgelija and north western part of Macedonia. There is a railway line to Kocani and Veles. Stip is locally connected with a number of villages along the mountain Plachkovica.

Numerous facts, point out that this area is of tectonic origin, closely associated with the creation of the Ovcepolska valley. As a result of the strong eruptions from the huge masses of granite and adenine with deposition, by formation of layers the surrounded terrain was created. As a result the pedogenic factors, in Stip territory points to more types of soils, such as alluvial-deluvial, resinous, eroded resinous and others.

Due to the relatively low altitudes "orographic openness for long sunny periods and high vegetation in the field, this area features a special temperature regime (Lazarevski, 1993).

In the city and the surrounding area the Mediterranean and continental climate dominates which causes long and hot summers and relatively cold and short winters. The warmest month is July (average temperature of 23,4° C) and the coldest January (average temperature of 1,5° C). The average air temperature is 12,9°S. Stip and Stip region is a relatively dry area with an average of 270-660 mm precipitation. The north-west and south-east is the most common direction from which the winds blow. The other routes are less common. It is worth mentioning that Stip is one of the sunniest towns in Macedonia (the data is taken from the Stip meteorological station).

This provides for almost nine-month growing season and makes it suitable for growing crops typical for the temperate and subtropical climate zone. Wheat and barley are fairly represented, and the oat is cultivated on the hilly and mountainous areas. As for the industrial crops, poppy and sunflower are grown.

Tourism capacities of Stip

Through Stip the Bregalnica River flows, which is the second largest river in Macedonia, as well as smaller rivers Kriva Lakavica, Kozjak and Otinja, and there are also natural sources of mineral and hot springs. The Bregalnica with its course of 225 km, springs in the Malesevski mountains and is part of the Aegean basin. It represents a major artery which supplies Stip with water. Lakavica is the second important river which flows into Bregalnica from its left side. It is of economic importance primarily due to the use of its waters for irrigation of the Lakavicka valley. The river Kozjak, except for the irrigation, is also interesting for its small yet picturesque canyon waterfall. From hydrographic aspect, the most important are the thermal springs of Kezhovica Bath - L`dji.

The Kezhovica spa is located 2 km from Stip on the road to Strumica and has a long and venerable tradition. The water temperature is 64°S which means it belongs to a group of hyper waters. Spa waters "Kezhovica" are known for their radioactivity. They are among the most radioactive thermal waters not only in Macedonia but also in the world (Taskov, 2004). Although in its characteristics it is the same as that of Karlovy Vary in the Czech Republic, it is underused. A comprehensive project is missing which will enable its full utilization. The town is directed towards a complete renovation of the existing infrastructure, complemented with

new content which will allow full animation of those who use it not only for physiotherapy reasons but also for visit and recreation.

Plackovica mountains stretches east, southeast, northwest and north, and Mount Serta are rich in flora and fauna. On the slopes of Plackovica there are several caves, the most famous being the Great cave with a length of 600 m. Plackovica offers favourable conditions for cycling cruise since its paths are long and wide and suitable for the use of cyclists of all ages. In particular, the so-called "bicycle tourism" can be expressed in one part of the municipality with typical steppe vegetation. In this part of Stip, one can use 27 km long path that the cyclist will ride through the steppe and rocky, to the exotic scenery like a tropical forest along the river Bregalnica that really no one can leave indifferent.

As for Plackovica it is interesting to mention the existence of the so-called Juruks, livestock population which migrated from Anatolia during the Ottoman period. They still have retained their traditions, customs and have a specific authenticity. In this context, the community continues to successfully oppose globalization thus presenting a particular challenge for the tourists. Visiting these villages, seeing their way of life, the way they are practicing their customs, their specific diet, manufacture of clothing, is only a part of all that can be experienced during a visit to these villages.

In the bed of the Plackovica mountain, the archeological town of Bargala (former Astibo), which presents the history of the region in terms of civilization and culture, was found. In the V century AD city was deeply Christianized, and the bishop named Dardanius, a participant from Macedonia Prima, was enrolled in the acts of the ecumenical koncil held at Chalcedon (Халкедон) in 451. The unstable situation in the late Roman Empire in the IV and V century, that caused flurries of barbarian tribes from the north, forced the city residents to withdraw 4 km to the south, at the foot of Mount Plackovica and the area "Kozji Grad" where they had continued the urban lifestyle. Following the pattern of late Roman castrum, strengthened by 6 defensive towers built, here was established early Byzantine city Bargala area of 4.7 ha. The entrance of the town was through the main gate, which was well defended. It was built on the north wall which amounted in height up to 12 m. The darkest historical period that lasted from the end of VII to IX century among the ruins of the city and around city walls settled small groups of people whose way of life was rural and their material culture significantly lagged behind the

previous Roman. In the tenth century, at the space near the ancient Bargala and Kozjachka river, a rural settlement called Kozjak was formed and existed until the XIX century. A small church, whose architectural and artistic values occupy a high place in Byzantine art, dedicated to St. George was built here.

Another aspect of the tourism capacities in Stip are the numerous monasteries and churches in the town, the oldest dating back to the 12th century. Seen from the fortress Isar, four of these monasteries mark a cross over the town. One of them was a former mosque turned into a church. The municipality invested a lot in the infrastructure of the town, building sport and recreation paths, thus providing conditions for extra outdoor activities as well as building a zoo park and reconstructing the existing parks and making them more attractive for all the visitors.

Very typical for Stip is its Stipska pastrmajlija, a typical food served and prepared only in this town for which a separate festival Pastrmalijada, an event visited by many people, is held every year in September. The pastrmajlija is a type of dish consisting of distinct corn bread and pork meat (some newer version with chicken) and served with a typical Macedonian wine. The traditional food of Macedonia is served in Stip as well and all visitors can enjoy it.

Besides a wide range of its potentials, Stip is still an unknown destination for tourists and its rich past is unused and left to the natural causes. In order for this to change, the first thing is to change the approach in attracting tourists. The Kezovica spa, as its core provider, is a good opportunity to attract tourists to use the curing waters of Kezovica spring and in the same time to enjoy the Stip surroundings and its other attractions and food. This paper continues with an aspect of building transversal skills for the tourist workers, among which the most important, the learning of foreign, i.e. English, language.

An aspect on English language as a transversal skill

The effective communication is the core of our social existence. It can lead to a plenty of successfully completed actions and relations, but it can also be a reason for plenty of misunderstandings, disapprovals and restlessness. The successful communication at an international level, upon some unwritten rule, relies on the appropriate and sufficient knowledge of English language. Therefore the learning of a foreign language, in

particular English language, and the fluency of speech are exceptionally important priorities for a guaranteed success for every professional. The EFL teachers have always strived to find effective ways in the teaching of a foreign language. As a result of the search for the best and the most effective teaching methods, a significant number of sub-methodologies in teaching a foreign language have arisen.

The teachers are the key figures in the transmission and upgrading the human experience and knowledge. Considering the very high technical-technological development and the globalization, the teaching profession is becoming even more complicated. It is no longer linked only to the ability for teaching, but it is also viewed through the active participation in the educational development. The professional teaching engagement refers to planning, organizing, leading, mentoring, evaluating, analyzing, collecting and processing the data- all these working activities imply establishing interaction within the core institution, but also with the outside similar subjects for an effective application, dissemination and processing of information, as well as analytical- research activities which are directly linked with the realization of the educational functions.

Consequently, in regards to the teaching and the English teachers, various sub-fields of teaching English for specific purposes emerged along with the field of general English teaching. In that context, on the following pages we first refer to the sociolinguistic and psycholinguistic perspectives on the second language learning and teaching for specific purposes with a reference to the field of tourism. The paper also encompasses the issue of the everyday non-formal communication of the tourism workers, including the modern forms of e-communication today. In that sense, part of this paper is focused on the discourse analysis from a social point of view, and the influence of the social and cultural factors over the understanding and interpreting the message between people from various backgrounds. Furthermore, within the paper an empirical research on the profile of the 21st century tourist worker is presented. Eventually, the aim of the paper is to present the results which point to the necessity of supplementation of the study programs for tourism students by stressing the importance of introducing language courses and well-adjusted syllabus so as to contribute to the efficient formal and informal usage of EFL.

Sociolinguistic and psycholinguistic perspectives on the second language learning - discourse analyses

In the context of the social discourse analyses and in regards with English for tourism purposes, the central role upon the understanding (misunderstanding) of any type of a message is put upon the ethnocentrism. In other words, this is about the difficulties in accepting the foreign (opinion/culture) and over-estimating the individual; this superior “element” is often the reason for cruel arguing, in toleration and impatience. On the other side, this is a frequently present element in every tourism experience abroad. The cultural differences between people have impact on the proper understanding of the message, or its misunderstanding.

A very useful model of preparing to understand the foreign culture and getting ready for a life in a multi-cultural environment is made by Quing (2007) who worked on a teaching module for the influences of the cultural factors over the communication and the understanding. In that sense he says that the key relations between the culture and the communication, the cultural dimensions and barriers, as well as some basic skills for cross-cultural communication, like the mindfulness, are the basic ones in studying the interpersonal understanding. His teaching module consists of lessons with duration of fifty minutes each, which should contribute to the efficiency in the understanding of the message. Thorough these, the students get acquainted with the power of the interpersonal relations, the human communication, the concept of the “global village” but also with the concept of hegemony, or the moment when the mediums influence the people opinion and the way of thinking. This is a very important segment to be considered when adjusting the curricula according to the needs of the specific target group, as emphasized in this paper.

On the other side, the sophisticated technology today implies the modern way of communication. The mass usage of the cell phones and the computers which are now available to everybody, has contributed to the rapid replacement of the ways of communication. These modern means of communication are praised for their efficiency, speed, accessibility and design. In brief, we would refer here to the “sms”, the informal message via popular social networks and the “mail”.

The short message service “the sms” is typical for it abounds with shortenings in writing – even the cell phone producers offer a few instant short messages like: “I’m coming”, “Call me”, etc. Besides this, the language of the sms is informal, the sentences are not fully completed, and usually one to two words are used so as the meaning of the message is understood. In this group of the informal messages, or short notice,s and posters, are also the ones published on some of the social networks: Facebook, Twitter, MySpace, Hi5, etc. Namely, these forms of social interaction between people are so popular today, that even a large number of companies or individuals use them as a place for advertisement, popularization but also for deepening the communication, building stronger inter-colleague relations, scheduling meetings and so on. These social networks, also offer the chance of chat - where just like with the sms, the language used is unofficial, full of shortenings and incorrect grammar, as well as plenty of slang words. The social networks are particularly popular among the tourism-travel workers, mostly because of promotion of their offers. Even more, almost every web-site of a travel agency offers an instant chat with the staff.

A special place in the context of written forms of communication is devoted to the e-mail itself, because of its powerful dominance and almost total replacement of the letter. Today, the e-mail as a true replacement of the letter is used for official (job application, job communication, reference letter, study enrollment, bookings, etc...) and unofficial communication (greetings, chat, and information). The e-mail is as well characterized and recognized by its format and style and also the tone of the e-mail equally says about the signatory, as the works say about an author. The language of the e-mail differs according to its functionality. The e-mail may consist of many shortenings, unofficial language, slang and incorrect grammar. It can also contain various images and smiley. But, the official e-mail is written according to the rules of writing an official letter. The e-mail providers offer the possibility for a selection of the most adequate font and size of the letter, as well as the other Word options (bold, italic, etc...).

The adequate knowledge of English in all the above mentioned forms of communication is particularly important for the tourism workers who offer guided tours abroad. With the openness of the free moving within the EU countries, the attractive travel arrangements offered drastically increased. But, the tourist workers face themselves with multiple difficulties which primarily arise from the level of language they have

because for every travel there is at least one guide of the tour who is in direct contact with the colleagues from abroad. This points to the double-side of the working position of a travel worker (one dealing with domestic issues, the other internationally oriented). Consequently, this leads to an urgent change in the English language curricula at the medical universities and faculties, and an adaptation of the general into the specific curricula which will respond to the needs that the future doctors will have. This is an issue which needs a serious approach in the other fields as well, like the tourism, since in the Western Balkan and South-Eastern countries a very little emphasis is put on the English for specific purposes-ESP.

An aspect on English for specific purposes

The need of a good knowledge of English language for every profession and in every segment of life is simply undisputable. But, the methodologists envisioned the need of introducing English language for specific purposes so as to make the whole learning process more effective and more beneficiary for the end user - the learner. This comes out from the fact that an accountant and a doctor have different perspectives and needs in the learning of language, for which they need distinct methodological approaches.

Going back to history, the first published document of English for specific purposes dates back from 1576 which consists phrases from the field of tourism. This shows that the importance of implementing the English for specific purposes for tourism dates centuries ago. Anyhow, the ESP is resurgent after the Second World War, and by the end of the 1980s some universities in England introduced Master programs in ESP.

ESP is in fact a sub-section of General English language which focuses on real-life outcomes of an ESP course (Dudley-Evans & St. John, 1998; Hutchinson and Waters, 1987). In general, it refers to a particular group of students learning English for specific fields of a professional career. The difference between the General English language and the English for specific purposes is in that the latter focuses on specific topics and skills that the ESP learners need in particular subject area. At the general English curriculum only the general English language needs are considered, but within the ESP curriculum an emphasis is put upon both the general and the specific needs. Thus, an ESP syllabus in tourism, in

particular, needs to focus more on the specific terminology and forms of communication, for example.

Anyhow, this sub-field of the General English is intended to help those who are already fluent learners as well as the immigrants in order to deal properly and appropriately at their workplace and to use English in their engineering, science and nursing careers. Although ESP is generally designed for intermediate and advanced students, it can also be taught to beginners as well but with a careful attention as to the needs analyses and an appropriate selection of the teaching materials.

Because the discourse diversity could be confusing for the designers of an ESP course, a particular aspect should be placed upon the needs analyses for it can yield a large number of needs, purposes, and discourses in order for the ESP course to be properly tailor-made and goal-oriented. The ESP is never taught in terms of predetermined methodology, but a specific teaching technique which mainly focuses on the communication skills is to be adopted in some teaching and learning contexts. During the learning of the second language it is supposed that all the learners have various learning styles, strategies, needs and motivations. Therefore, the discourse analyses needs to assign certain grammatical and lexical characteristics for every learner, so as the ESP materials will be relevant with the authentic working environment of the learner. For this to be accomplished, the needs analyses are of particular importance because through it the necessities and needs of the learner for a certain field are ensured. It is important for providing information linked to the linguistics and the discourse. It can be concluded that the essential characteristic in designing an ESP course is the effective analyses of the communication needs and aspirations of the learner for which the language is being learned; therefore the ESP teaching needs to be strongly learners-centered.

Designing a course on English for tourism purposes

The English for tourism purposes (ETP) is considered to be a specific sub-field of ESP. It differs from it particularly in its own set of tourism discourse. A very effective approach in designing the ETP course is when the need analyses is based on interviews with tourism workers, but also academic staff and students in this field, questionnaires of the students as well as observations of different ETP classes. These ETP courses need to focus on enhancing students' communicative skills and appropriate ETP

materials. The two most important questions to bear in mind when designing the ETP course refer on how compatible and effective the materials are, and, whether the needs analyses would clearly identify the course objectives.

Among the specific objectives in the designing of the ETP course are the improvement of the students' ability to recognize and produce written and oral ETP and the expectations of the course should range around the following:

- adaptation of the basics of ETP thorough a systematic approach of application of the four skills (listening, reading, speaking and writing);
- providing knowledge of basic ETP terminology and lexical phrases for the potential communication and interactive practice at the professional environment;
- enabling the students for communication within ETP for expressing their attitudes and opinions, proficiently guiding touristic tours and desk managers communication;
- enabling the students for application of the knowledge of ETP terminology at the professional environment and confident expression, as well as opportunities for short speeches and presentations related to tourism cases, professional tourism e-mail and report writings.

Led by the hypothesis that the current syllabus in English language at the faculties and universities in R Macedonia is not fully complementary to the actual needs of the future tourism workers, a fundamental, descriptive and individual research was made in order to prove or to neglect the above hypothesis. The subject of the research is the need of modification of the English language curricula for the students and it was studied through the following parameters: the level of knowledge of English language that the students have, the attitude of the teachers and the students for the ESP, the presence of creativity and the range of the available relevant literature. The main aspect ranged around integration, creativity, and curricula, whereas the analysis was conducted through the following tasks:

- to study the need and importance of modification of the English language curricula within the higher university studies;
- to determine to what instance the students and the travel workers are familiar with the ESP and its importance for their future profession;
- to obtain knowledge for the level of engagement and influence of the teacher over the students in relation to ESP;

- to get a perception of the attitude of the students and the teachers towards ESP;
- to determine the range of the available relevant literature for ESP classes.

In order to research the need of modification and integration of the ESP in terms of tourism within the curricula, the descriptive method was used in a form of the functional analyses and generalization. For the analyses the following instruments and techniques were used:

Instruments:

- interview
- scale of estimation
- questionnaire

Techniques:

- interviewing
- scalling
- qiestionarrie

The interview which was held for the professors was informal and it consisted of the following questions:

- How would you evaluate the effectiveness of English language teaching at the institution where you work?
- What are your expectations from the students in context of the ESP?
- What is your attitude for integrating the ESP in the curricula?

For scaling, the Likert scale without neutral category was applied. With this scale, the opinion and the attitude of the students, the teachers and the travel workers was questioned. They were expected to indicate to what degree they agree with a certain statement.

The students and the travel workers were given questionnaire forms as an instrument to obtain enough information about the learners' needs and goals: linguistic and professional.

The sample of the research was random and stratified. The population of students, travel workers and teachers consisting of students, travel workers and teachers from three different universities and ten travel agencies. The sample of teachers is 10, the sample of travel workers is 10, whereas the sample of students is 100 students from all the faculties within the universities. They were chosen randomly, that is, on a voluntary basis. The research encompassed students from first and fourth year of the academic studies who attend courses according to their schedule at those academic years.

Through application of the research techniques of questionnaire, scaling and interviewing, certain data was obtained for a further statistical elaboration. The data was administered manually on a centralized way. The data was signed and grouped, and quantity analyses was applied for calculation of the percentage.

This case study contributed to the identification of the communicative skills and needs of the travel workers but also students who were expected to work in travel agencies either as agents or guides. An observation was conducted on the agent-customer and the agent-agent from abroad communication occasions, which clearly identified the specific authentic talks those participants needed and which could be employed to develop a strongly focused syllabus truly addressing the learner's needs.

The nature of the travel agent- customer conversation was examined and it was found that it somehow correlates to the traditional teacher-student communication in terms of speech acts and response. The travel agents centered communication was more beneficial as it led to communication exchanges with less linguistic demands. This points to the need to emphasize accuracy while designing the ESP course which can be achieved by including more speaking and listening activities in the curricula than reading and writing. Yet, the analyses showed that most of the students over-estimate their level of language knowledge which makes the teachers to return to the Basic English rules in order to remedy the students' linguistic weaknesses and enhance their communicative skills.

The productive work of every travel worker depends on the efficiency in communication. This necessarily involves English language as the most attractive and profitable arrangements are of international nature. The usage of English language refers in both, the written and oral communication. The travel worker needs to be proficient in written English communication so as to provide secure agreement on the planned touristic arrangements, negotiate in price, make the trip agenda and consult the colleagues for that, and eventually successfully realize the trip. On the other side, as for foreign tourists in the native country, the travel worker needs to have a high-level knowledge in English language so as to be able to accommodate the tourists, but also to help them enjoy their stay and guide them to some trips of interest for which a proper terminology and eloquence is needed.

The above given directions of the analyses in the necessities at the higher education institutions offering study programs in tourism should contribute to a proper upgrade of the English language courses, adapting them to the need of the students so as to prepare them for the actual work that awaits them after graduation. More case studies, practice and interactive work should be implemented during the English language classes, in order to raise the awareness of the students for the need of having a high level of knowledge of English language as well as for their proper upgrade.

Conclusion

Besides its natural and historical wealth, the economy in Stip and its region still depends on the textile industry, thus leaving its touristic resource unused and unknown to the world. On the other side a proper approach in promotion, commercialization and advertisement will provide for efficient usage of the touristic potential. For these reforms to take place the investment in human resources is primarily needed. The knowledge of English language is among the first priorities in building the adequate staff for promoting, working and maintaining the touristic wealth. The introduction of the specific English language for tourism purposes at the faculties and high schools for tourism is a must and a necessity in the curriculum building. The gastronomy is another discipline which needs to be emphasized in the reforms in this field. By providing a competent staff for tourism working, the tourist capacities will be properly used and would contribute to the economic development of the town and the region. On the other side, the importance of the ESP course is unimpeachable for it equips the students with the necessary language skills that they need to cope with the linguistic requirements of their specialization and to use English properly and fluently in the professional environment they are expected to join. The course should be more oriented towards communication rather than knowledge acquisition in the field of tourism, and it gradually trains the students to interpret and to use words appropriately and to formulate grammatically correct statements.

Annex 1

Questionnaire

Dear respondent,

By completing this questionnaire you will contribute to a research on the importance of introducing an English for Specific Purposes course within the curricula. The results of the research will be further used for publishing in a scientific paper regarding this topic. This brief questionnarrie consists of 9 (nine) questions, with offered answers which you need to circle (either the letter in front of the answer, or the number, where the number “1” is taken as the lowest mark, and the number “5” as the highest”

1. I use English language for
 - a) official communication mostly
 - b) unofficial communication mostly
2. The sufficient professional knowledge of English language for my profession is
 - a) a prerequisite
 - b) not among the requirements
3. My personal evaluation of English language knowledge is
 - a) satisfactory
 - b) unsatisfactory
 - c) sufficient
4. For social usage I prefer to use (please circle the most appropriate number for you, where “1” represents the lowest and “5” the highest mark)

a) letter	1	2	3	4	5
b) e-mail	1	2	3	4	5
c) sms	1	2	3	4	5
d) chat	1	2	3	4	5
e) phone call	1	2	3	4	5
5. In writing (professionally) I use (please circle the most appropriate number for you, where “1” represents the lowest and “5” the highest mark)

a) official language	1	2	3	4	5
b) mostly official language	1	2	3	4	5
c) slang	1	2	3	4	5

6. When I need to give my opinion regarding a specific medical case, I
 - a) feel confident in my expression
 - b) need additional language support
7. I am familiar with the course in English for Specific purposes
 - a) yes
 - b) no
8. The introduction of ESP within the regular curricula at the university studies is something that
 - a) I prefer
 - b) I do not prefer
 - c) I don't have opinion
9. My knowledge of English would be better if I continuously followed ESP classes within the university studies
 - a) yes
 - b) no

Annex B

Teachers' interview questions

1. Do you believe that the course objectives have been fulfilled? Why? Why not?
2. To what extent do you feel your students understand the course medical topics, literature and terminology?
3. Was the course outline according to your expectations? If not, how do you think it should be modified in order to be more effective?
4. What are the impressions of your students of the EFL course? What are their actual needs?
5. To what extent are you ready to devote yourself in designing an EMP course? Why? Why not?

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THE EL KNOWLEDGE AS A MEANS OF ENHANCING BUSINESS PERFORMANCE IN TOURISM AND HOSPITALITY Students' Perceptions

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Abstract

Due to its importance for both service provision and tourism products promotion, a good command of English has become one of the main prerequisites of tourism and hospitality professionals. Examining the perceived needs and performance of tourism and hotel management students in Serbia would give a useful insight into areas seeking for improvement, contributing thus to the curriculum development and language knowledge improvement that would eventually influence the quality of in-service activities. This paper looks into tertiary education as a driving force of increased business performance and positions English language course at this educational level. Its aim is to examine the students' perceptions of their language knowledge and to find out the students' language needs and skills seeking for improvement. The subjects of the study are the students of the Faculty of Hotel Management and Tourism in Vrnjačka Banja who have taken part in professional practice, while the data are driven by means of a questionnaire survey. The findings of the study provide significant insights into the ways of improving the language teaching process that would lead to effective mastery of the identified language skills, and ultimately enhancing students' future professional contribution.

Keywords: tertiary education, ESP, job demands in tourism, needs analysis, curriculum development

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Introduction

The successful business performance is directly dependable upon excellence in the skills specific of a particular workplace. As the English language knowledge can by all means be considered the primary skill in tourism and hospitality areas, regardless the level of organizational structure someone is to work at, the systematic work on developing and perfecting this skill would consequently lead to improved business performance.

It would be impossible to develop a language teaching programme that would contribute to developing language skill, without gaining a full insight into the needs of professions and workplaces in the fields of interest, in our paper those being tourism and hospitality. The best way to approach the future profession needs is by undertaking needs analysis. Most often, they are conducted with people having in-service experience in the field of interest. In this paper, however, we highlight that, in the case of the Faculty of Hotel Management and Tourism in Vrnjačka Banja, it is just as justifiable to employ needs analysis with students and obtain equally reliable results.

The aim of undertaking needs analysis within the business language teaching process is to find out the needs of a company, job and an employee and further define the language level that a particular profession demands. In such circumstances, the needs are not motivated solely by personal needs of an individual, but they mostly depend on extrinsic factors conditioned by workplace characteristics. Perceived in such a way, needs analysis are expected to contribute to the EL knowledge improvement, which would lead to an increased business performance, i.e. enhanced quality of tourism and hospitality products and services.

As a means of providing an insight into learners' needs and understanding of the business environment they are going to operate in, needs analysis is taken as the basis of educational policy creation and development. It is also used as a tool of educational process evaluation, which further implies that it should be employed not only in curriculum design (Richards, 2001), but in its development, as well.

The aim of this paper is to provide an insight into the needs of future tourism and hospitality professionals, having in mind the areas of interest

to those professions, as well as those in a need of improvement. In such a way, we will point out to the elements necessary for the perfection of the language skills needed at the future students' workplace, which would consequently influence the reconsideration of the EL curriculum at the Faculty of Hotel Management and Tourism in Vrnjačka Banja. In so doing, a questionnaire is used as a data gathering tool, and the obtained data are analysed using statistical and descriptive methods.

Tertiary education as a driving force of increased business performance

As the final step in educating skilled professionals, it is expected that the tertiary education makes capable and knowledgeable experts who will contribute to the development of their area of interest, making thus contribution to developing the economy of a country. In our particular case, it would mean educating professionals who are to work in the fields of tourism and hospitality, who would be able to influence the development and act as a driving force of changes within these industries.

Being a part of the tertiary education system, the studies of tourism and hotel management in Serbia are characterised by all those features specific to tertiary education in general. There are certain characteristics common to all tertiary level institutions that have undergone the Bologna process (Standards and Guidelines for Quality Assurance in the European Higher Education Area - ESG), that call for an immediate attention and reaction of higher education institutions. Namely, the following are of utmost importance in developing market oriented education, which would increase the quality of performance at the future workplace: (1) curricula are developed in accordance with national needs and market demands, (2) multidisciplinary and interdisciplinary courses follow the needs of new professions, whose emergence is motivated by technological development, (3) apart from being equipped with necessary knowledge and skills, students are also provided with the applicability of the learned, which would enable them to meet workplace demands, and (4) students are involved in educational process as partners (Crosier & Parveva, 2013). Involving students as partners into educational process is probably one of the most radical changes that the Serbian tertiary level education has faced in recent years and this issue is not treated in the same way by all higher education institutions in the country. This has emphasised a complex role that students now have in the educational process. Namely, being direct beneficiaries of the educational process, they are seen as

stakeholders. Furthermore, as active participants, they are involved in quality assurance through memberships in institutional boards and quality assurance bodies, whereas the results of an educational process are directly dependable upon their performance (Marić & Pešić, 2015). Involving students not only in the very teaching process, but in making decisions connected with the organization of teaching could develop the feeling of involvement and consequently lead to the increased motivation of students.

The tertiary education in Serbia is yet to become an integral part of market-oriented competitive environment. In order to positively answer the needs of business environment and demands of the students' future jobs, there are some basic preconditions to be met for a successful operation of an educational institution. Those are a continual enhancement of quality of the very organization, its products and/or services and staff members (Marić & Pešić, 2015). All this calls for constant rethinking and readiness to change and adapt to new demands and situations.

English language at the studies of tourism and hotel management

As a course at undergraduate studies at most universities in Serbia, English language is academic in its nature. The aim of such teaching instruction is to enable students to read scientific literature in English, take part in scientific disputes, write essays, papers, thesis, etc.

On the other hand, the business demands that people working in the fields of tourism and hospitality have to meet are somewhat different. Business situations that call for an immediate use of the English language imply primarily vocationally oriented teaching instruction (Marinković & Pešić, 2015). Principally, it would involve the use of communicative skills. These could range from the most basic ones, e.g. giving different types of information to prospective or already existing clients, to more complex ones, such as giving presentations (e.g. products, services or company), dealing with complaints, and taking part at meetings or negotiations, which demands more subtle knowledge of language use.

As the development in the fields of tourism and hospitality depends to a great extent on the development of other industries and technologies, the EFL curriculum design asks for a continual assessment and adapting to all business changes. In order to offer the highest quality language education

to future tourism and hospitality professionals, it is necessary to get a thorough insight into workplace needs. For this purpose, the most suitable tool to employ is needs analysis.

The students' needs

The purpose of undertaking needs analysis is to collect information in order to define a goal of a certain process (Hamp-Lyons, 2001). Having in mind the interest of this paper, the first step of the needs analysis to be undertaken with the students of higher education institutions is the collection and analysis of data on the students' needs in order to set clear objectives of the language course(s). Brown defines the *objective* as 'precise statements about what content or skills the students must master in order to attain a particular goal'. The *goal* would be 'what must be accomplished in order to attain and satisfy students' needs' (Brown, 1995, pp. 21).

The foreign language (FL) which is taught at the non-philological universities is a language for special purposes. The aim of the FL instruction primarily depends on the nature of the subject matter of the studies, i.e. vocational subjects that are taught at the university. When talking about the education of managers in the fields of tourism and hospitality, a foreign language curriculum is conditioned not only by thematic context, but by prospective business situations as well. In other words, it is not only the language of hospitality and tourism that should be thought, but the business language specific to the situational context of these two industries. The purpose of learning an FL in a business context is to achieve a goal, while its successful use is seen as successful realization of business transactions or events. Competitiveness is a feature that, in an equal degree, characterises the relationships among companies as well as interpersonal relations within companies, among employees who seek career advancement. This suggests that the practical goal has primacy over an educational purpose, i.e. learning a language for its own sake.

The aim of business people to learn a language is not a good test result. Their test would be a business situation where the existence of a project or even that of the whole organisation depends primarily on them. Besides, their language learning goal may also be career advancement (Pešić & Radovanović, 2014). However, the teaching situation where a language is learned at universities is somewhat different. If the tertiary

education in Serbia is taken as a context, the main goal of language learning is still passing the exam. With this as the main drive of language learning, the aforementioned goals that characterise business people become only the secondary ones.

However, the specific teaching situation at the Faculty of Hotel Management and Tourism in Vrnjačka Banja, where students do professional practice during summer months, goes in favour of organising the course of English Language. Namely, doing professional practice at well known travel agencies, hotels both in the country and abroad and Air Serbia, enables students to face particular demands of their future profession, while still at studies. This allows them to see the need for the English language learning and understand the real needs and demands of the future workplace, which can positively affect their motivation for learning. The insight could be attained in direct interaction with clients, by observing employees with in-service experience, or in conversation with the employed in those companies or organisations where they are in practice. Such empirically based opinion and experience could be of primary importance for making decisions on EFL teaching curricula. In situations where students have a direct insight into a future business situation, we believe that an advantage in undertaking needs analysis should be given to students over professionals already working in the field of interest. The main reason for this is that students, as ELT beneficiaries, are more interested in quality education and thus more motivated to estimate the future profession needs and point out to the imperfections in their knowledge, i.e. areas seeking for an improvement. In this sense, the objectives of the foreign language teaching programme at non-philological universities should be defined by the results of needs analysis (Nedeljković, 2007).

The purpose of the current research

Given that the Bologna process has made the students equal partners in the educational process, the needs of the student's population have been drawn to the centre of a teaching process. Though their primary motivation for learning is passing exams, they are still interested in high-quality education, as it directly contributes to their know-how and skills necessary for their future profession.

The purpose of this study is to examine the attitude of tourism and hotel management students towards the importance of the English Language for

their future profession and define the language skills and functions of utmost importance for their future profession. The undertaken needs analysis is also intended to be a proper evaluation of the material used in the EL teaching process at the Faculty of Hotel Management and Tourism in Vrnjačka Banja.

Instrument

To pull the data of interest, we use a mixed-type questionnaire. As a matter of fact, 12 out of 14 questions are evaluation questions, employing the 5 point Likert scale, with 1 and 5 signifying the lowest possible and the highest possible value, respectively. One of the questions is of a multiple choice type, whereas one is an open-ended question. According to the type of information they draw, all the questions can be grouped in two sections – those providing information on the importance of the English language for delivering the quality service in tourism and those evaluating the topics of importance for the future workplace. The obtained data are analysed using statistical and descriptive methods.

Subjects

The target group of this research is the successful students of Year 2 and Year 3 at the Faculty of Hotel Management and Tourism in Vrnjačka Banja. The notion *successful* means that they are regular in passing their exams and that they have scored 8 or more in EL exams so far. The reasons for aiming at this group of students are twofold. On one hand, they have already finished two cycles of professional practice, and, on the other, being successful students, their opinion is found to be a valid one and a most helpful in addressing the treated issues.

Results and Discussion

The question No. 1 concerns *the importance of the English language for the future profession*. The results show that 80.7% of subjects find the English language of extreme importance for their future profession, while 15.8% finds it very important. 3.6% of subjects find the English language of little importance for their future profession.

Although it is expected that the Year 2 and Year 3 students are aware of the importance of the EL for their future profession, it should be noted

that around 15% of subjects does not maintain this course of utmost importance, and around 4% thinks that it is not very important.

Question 2 aims at finding out the subjects' opinion concerning the degree in which *the EL knowledge would improve the level of quality of services delivered in the areas of tourism and hospitality*. There are no subjects who believe that the EL knowledge has no influence on the service quality. There are 1.8% of subjects who say that the degree of such influence is small, 7% describe this influence as moderate, 33.3% believe that it is strong and 57.9% of the subjects maintain that the EL knowledge most strongly influences the quality of services.

Such results are encouraging, as they imply the awareness of the importance of EL knowledge for future profession, and at the same time, they should indicate the strong extrinsic motivation for language learning, which is one of the strongest driving forces of language learning at this level.

Subjects are further asked to *evaluate the level of their EL knowledge*. The results show that 1.8% of subjects think that they are at A1 level (Common European Framework of Reference for Languages: Learning, Teaching, Assessment (CEFR)) or to be beginner users of EL. 36.9% of subjects consider themselves to be A2 or elementary level of EL proficiency, while 61.4% of subjects believe to be at B or Intermediate level of the EL proficiency.

It is obvious that the answers are rather different with the level of language proficiency ranging from A1 to B2, which implies that after 13 to 14 years of language learning, the subjects still belong to a rather heterogeneous group.

It would be interesting to compare the results with those obtained in academic 2013/2014 (Pešić, 2016), when the EL knowledge level of the students was tested and the results showed that 73% of the student population were of B level, while 27% of students were of A proficiency level.

Such results are in line with the ever present trend of lowering the level of knowledge with every freshmen generation, at least as far as the EL is concerned. We are of the opinion that the situation would dramatically be

improved by introducing standardised tests of EL that would become a compulsory part of all educational levels in Serbia.

Question 4 considers *the preferable level of language knowledge that would meet the future job requirements*. Most subjects (54.4%) believe that Upper-Intermediate level is the most preferable for successful management of tourism and hospitality business operations. 36.8% are of the opinion that an advanced level of language knowledge is necessary, while only 8.8% say that Intermediate level would satisfy their business needs.

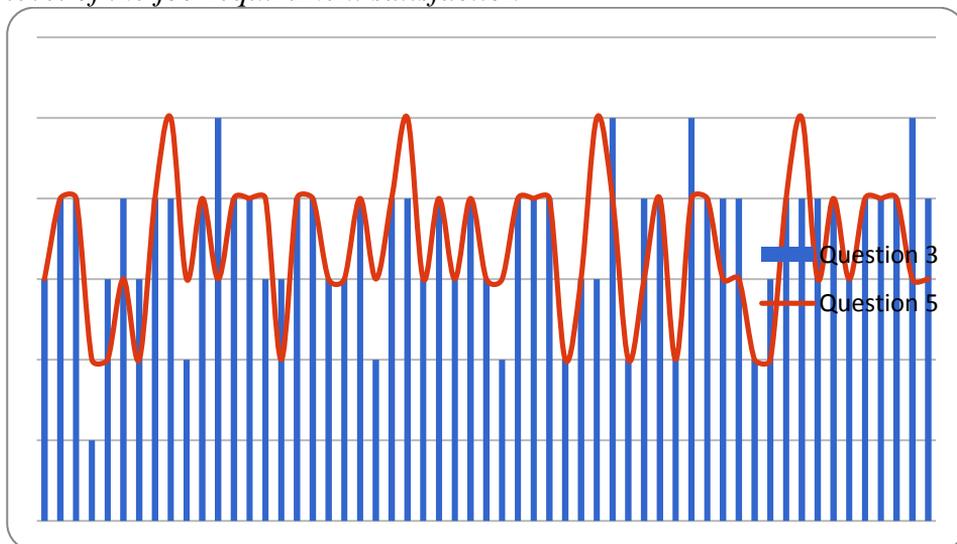
The obtained results again point out to a high degree of awareness of the importance of self-improvement, which only adds to the above raised issue of students' motivation.

As far as the estimated degree in which *the current level of language knowledge satisfies the needs of their future profession* is concerned, most subjects (43.9%) say that the level of satisfaction is strong. 33.33% of the subjects believe that this level is moderate, while 15.8% say that it is small. Only 7% of the subjects say that their language knowledge totally satisfies the needs of their future job.

It would be interesting to compare the data gained by this question with those obtained by Question 3. Namely, by computing the Pearson correlation coefficient, which indicates a moderate positive correlation of 0.6182, we can see that the current level of the students' language knowledge moderately correlates with the estimated level of the future job requirements. However, the obtained data show that 15.79% of subjects underestimate their language level, or, in other words, they estimate their language level to be lower than the level in which they believe it would satisfy the needs of their future profession. At the same time, 22.81% of subjects believe that their knowledge would not in the proper way satisfy the needs of their future profession. 38.6% of the subjects believe that the current level of their language knowledge would satisfy their job requirements.

All the subjects believe that *the EL knowledge can influence the possibility of their future employment*. The achieved results describe this possibility from moderate to very strong. Namely, 14% of the subjects believe this possibility to be moderate, 35.1% believe it to be strong, while 50.9% find it very strong.

Graph 1: *The current level of language knowledge and the estimated level of the job requirement satisfaction*



Source: *The author's research*

The answers to this question are directly related to the level of students' motivation for language learning. The figures imply that the motivation should be very high.

The results drawn by the question on *the degree in which the EL knowledge is important for job advancement* also point out the importance of the EL knowledge. Here 61.4% of the subjects believe that climbing career ladder very strongly depends on the EL knowledge. 29.8% of the subjects find this dependence to be strong, 7% thinks it is moderate, while 1.8% says that there is a small degree of dependence between the two.

Such figures can go in favour of increased motivation. Namely, as one of the first problems graduates in Serbia encounter is getting a job, and further, being treated in accordance to their capabilities, such results are encouraging and point to the self-improvement orientation of the subjects.

When we come to *the level of self-confidence that the subjects experience in EL communication*, the obtained information suggests a positive result. Namely, 7% of the subjects show a very strong degree of self-confidence, 40.4% show a strong degree of self-confidence, 35.1% say that they are

self-confident to a moderate degree, 12.3% expresses a small degree of self-confidence, while 5.3% lack self-confidence in communication.

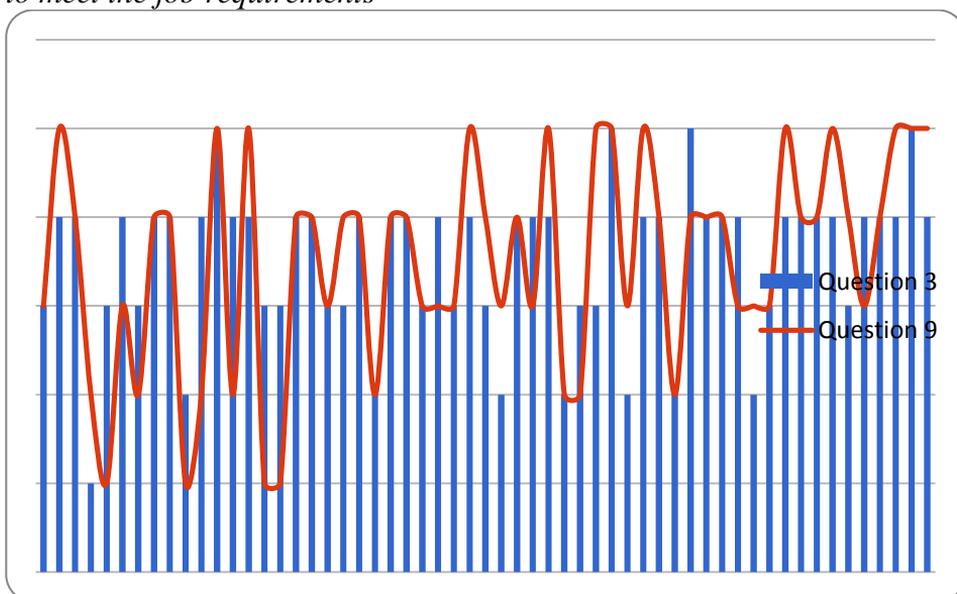
These findings are encouraging, as self-confidence is one of the most important affective factors in language learning and a most important prerequisite for the overall performance. However, regardless the positive trend in results, it is the role of a teacher to help students build and increase the level of self-confidence.

Question number 9 addresses the level of success in which the subjects handled the communication with EL speakers during their professional practice, i.e. *how well they met job requirements during the professional practice*. The obtained data show that 22.8% of subjects find the way in which they handled the communication with clients in EL during their professional practice totally satisfactory. The same number of subjects finds the success of communication to be a moderate one. 33.33% show large extent of satisfaction with their ability to meet job requirements. 14% of subjects express a small degree of satisfaction with their ability to communicate in real-life business situations, while 7% of the subjects find the same ability to be unsatisfactory.

Comparing the perceived ability to meet the requirements of the future profession (Question 5) with the real ability to meet the job requirements (Question 9), we try to find out if the subjects' estimations concerning the level in which their language knowledge is able to satisfy the needs of their future profession are confirmed in the real-life situation. The Pearson correlation coefficient shows the moderate positive correlation of 0.5088. This further means that the subjects are only to a certain degree able to benchmark their language knowledge, and that data obtained in such a way are not totally reliable. Although the degree of correlation is not high, the Question 5 was worth asking, as it raises students' awareness of the necessity of thinking about the usefulness of the gained knowledge and making direct connection of the learnt with their future job requirements. Developing such a way of thinking, i.e. strategic thinking (Pešić, 2016, Brown, 1995, 2001, Chamot, 2005, Wenden, 1991) about language learning, has in its final end self-conscious and autonomous learners, which is of utmost importance at the tertiary level of education. The benefit does not concern language learning only. Namely, other university courses are also to see an advantage in it.

Comparing the current level of language knowledge and the ability to communicate successfully in a professional surrounding (Question 3 and Question 9), also gives a moderate positive correlation, with the Pearson coefficient of 0.6312. This means that the current level of EL knowledge proves to be sufficient for successful task completion.

Graph 2: *The estimation of the language knowledge level and the ability to meet the job requirements*



Source: *The author's research*

Graph 2 shows that 31.58% of the subjects underestimate their language knowledge, compared to the demands of a real-life situation. At the same time, 22.81% of the subjects show the inability to relate the current level of language knowledge with the job demands, i.e. they overestimate the level of their language knowledge. It means that such estimations should not be taken for granted.

The problems that the subjects encountered in communication during professional practice can be classified into two groups. The first would be the problems of personal, i.e. affective nature, and the second group would refer to the problems concerning language knowledge. There are two problems of the affective nature that stand out – anxiety and the lack of self-confidence. The problems that suppose the imperfections in language knowledge are: the lack of lexis (e.g. the knowledge of ESP

vocabulary items or giving specific information), inability to make understanding happen (e.g. inability to understand the speaker), uncertainty due to the lack of grammar knowledge, the lack of fluency, problems in understanding different accents, and the speed of delivery.

The problems of affective nature point to the lack of practice in communication skills. This could be the consequence of practicing language in large classes of up to 50 students, or unwillingness to take part in class discussions, which would contribute to lowering the level of anxiety in 'controlled' conditions. A possible solution is to reconsider the number of students per one group. Another possibility is to motivate students to actively contribute to the teaching process. The language knowledge related problems also point to the lack of communication skills. In this sense, a possible solution could be building strategic thinking about the learning process and developing students' autonomy in learning.

The following set of questions deals with the specific language skills and linguistic areas that are of importance for successful performance in the fields of hotel management and tourism. The obtained results would directly influence the EL curriculum design, i.e. the choice of topics, and language skills and functions to be included in the EL course at the Faculty of Hotel Management and Tourism in Vrnjačka Banja.

The *most needed skills for the future working place* are speaking and listening comprehension, reported by 80.7% of the subjects, followed by translation (64.91%), writing (57.89%) and reading (49.12%).

The same *skills are evaluated as the ones in the need of improvement*. The results point out that speaking is the skill that requires the largest degree of improvement (50.88%), followed by listening comprehension and translation (40.35%), writing (33.33%) and reading (31.58%).

The following are proven to be *the most important elements of the workplace English language use*: professional lexis (75.43%), general English knowledge (70.18%), business correspondence (61.4%) and the proper knowledge of grammar (43.86%).

Table 1 shows the degree of *importance of the examined language functions for successful performance* of the employees in the fields of tourism and hotel management. They are as follows: report writing,

giving detailed information on sights, contract drawing, answering complaints, giving detailed information on hotel services and facilities, language of meetings, checking-in language, checking-out language, negotiating, telephoning, giving detailed information about food and designing a website in English.

Table 1: *The importance of certain EL functions for the successful employee performance in hospitality and tourism*

Language Functions	1	2	3	4	5
1. Contract Drawing	10.52	5.26	5.26	21.05	57.89
2. Language of Meetings	10.52	5.26	10.52	19.79	57.89
3. Report Writing	10.52	5.26	0	31.58	52.63
4. Designing a Site	5.26	10.52	21.05	19.79	47.37
5. Negotiating	10.52	5.26	10.52	10.52	63.16
6. Answering complaints	10.52	5.26	5.26	21.05	57.89
7. Telephoning	10.52	10.52	5.26	10.52	63.16
8. Checking-in Language	5.26	10.52	10.52	26.32	47.37
9. Checking-out Language	10.52	10.52	5.26	26.32	47.37
10. Giving detailed information about food	10.52	10.52	10.52	26.32	42.11
11. Giving detailed information on sights	10.52	10.52	0	19.79	63.16
12. Giving detailed information on hotel services and facilities	10.52	5.26	5.26	21.05	57.89

Source: *The author's research*

It is interesting to note that all the topics included in the EL Curriculum at the Faculty of Hotel Management and Tourism in Vrnjačka Banja are scored as very important. Even the one at the bottom of the scale is supported by 67.16% of the subjects, which does not call for further rethinking. Namely, all these topics or the language functions should be kept as a part of the ELT curriculum. The issue that might be worth thinking of is the very instruction, i.e. the methodology that should be employed.

Conclusion

The examination of the perceived needs and performance of the students of hotel management and tourism has given a useful insight into positive sides and areas seeking for improvement in the EL instruction, whose

treatment would improve the students' performance both at classes and in the future professional setting.

The results of the research imply that there is a high level of awareness of the importance of the EL knowledge for the future profession. The fact that encourages is the high degree of students' motivation for language learning, their self-confidence and orientation to self-improvement. All of these are further indicators of the students' willingness to participate actively in the learning process and thus make their own contribution to the results of the teaching process. As a consequence, a better performance at the future workplace could be expected.

The first problem identified by the research results is the fact that the surveyed students still belong to a rather heterogeneous group, which means that after 13 or 14 years of EL instruction, their levels of the EL knowledge still greatly differ. A possible solution would be to introduce standardised tests of the EL that would become a compulsory part at all educational levels in Serbia. Apart from giving an objective insight into students' knowledge, these would increase the motivation for language learning.

The second problem that the results point to is the large number of students involved in the EL classes. Namely, depending on the class type this number fluctuates between 50 and 100. Such a situation makes it impossible to actively involve all students in communication, which further results in the lack of self-confidence and underdeveloped communication skills. To prevent the possible consequences, it is necessary to reconsider the number of students sitting in the EL classrooms.

The problems that the students encountered in practice, while communicating in English, could be divided into the problems of affective nature and those caused by the imperfections in language knowledge. Both groups further indicate the insufficient level of communication skill development. This calls for an immediate reaction, as communication is a basic tool in the fields of tourism and hospitality. However, it should be noted that such a state is not only the consequence of teaching instruction. There are other factors, such as deficiencies in the previously gained language knowledge which raise the affective filter, causing thus blockage in communication. Building strategic thinking about the learning process and developing students' autonomy in learning

could lead to lowering the affective filter and the level of anxiety in performing in English leading thus to a better achievement.

As far as the language skills and functions are concerned, being the most important for the professions in tourism and hospitality, speaking and listening comprehension call for further perfection. It is important to note that the students highly estimate translation.

The students put almost equal weight to professional lexis, general English knowledge and business correspondence, while the proper knowledge of grammar is not highly estimated.

When we come to language functions, it is important to note that the functions demanding developed writing skills are highly rated. This is especially important having in mind the fact that writing as a language skill was not given primacy.

Finally, it should be noted that the current EL curricula the Faculty of Hotel Management and Tourism in Vrnjačka Banja are positively evaluated, as all the examined topics and functions proved to be of significant importance.

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THE AVAILABILITY OF RESTAURANTS OF THE MOST VISITED SPAS IN SERBIA ON TRIPADVISOR

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Abstract

When visiting a particular destination, modern tourists are trying to gather as much information about this destination, which is possible thanks to many internet portals. One of the most popular is Tripadvisor. The research is conducted with the aim to check availability of restaurants of ten most visited spas in Serbia on Tripadvisor. Different parameters about restaurants presented on this on-line portal are analyzed, including the number of restaurants per spa, type of cuisine, comments of visitors, average traveler rating, etc. Information about thirty-two restaurants from the ten spas are found, only. The type of cuisine is shown for twenty restaurants. Contrary to restaurants from other countries (several hundreds or thousands comments per restaurant), the number of comments of visitors per restaurant is very small (1-30). Based on those comments, average traveler ratings are very high, mostly above 4 (highest score is 5), with a few exceptions.

Keywords: *on-line portal, restaurant, spa.*

Introduction

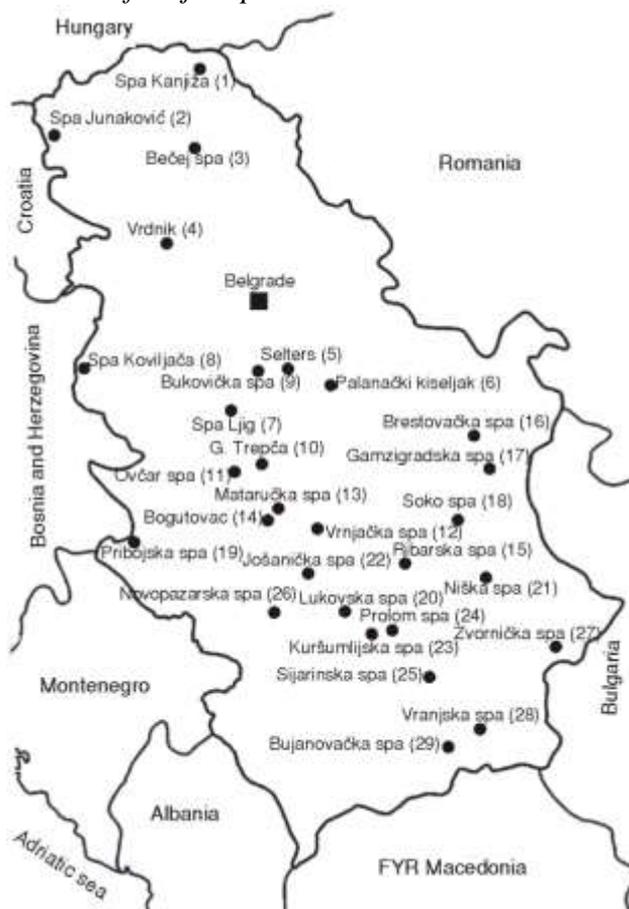
There are numerous thermal and mineral springs in the area of the Balkan Peninsula. The hydrogeothermal energy from those springs represents natural treasure and a part of that energy has found the application in Serbian spas where waters of different qualities (temperature and chemical composition) are used in balneal therapy and recreational purposes. Namely, many mineral spas (Figure 1) are developed around naturally occurring mineral water springs. In the region and, in particular,

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in Serbia, the spa tradition dates back to the Roman age. In that period hot and mineral springs were used as Roman baths called “terme”. Tradition of using warm and mineral springs continued after the Slavic invasion of the Balkan Peninsula, then in the period of Turkish domination (Dokmanović et al., 2012), etc. According to data of the Association of Spas and Air Resorts of Serbia (Banje u Srbiji) there are 29 registered spas, although Serbia has 250 natural springs (Milivojevic et al., 2005).

Figure 1: Locations of major spas in Serbia



Source: Dokmanović et al., 2012

According to report of the National Statistics Office (RZS, 2016, *Hotelijeri*, 2016), 10 the most visited spas in Serbia were selected based on the number of overnight stays of foreign tourists (Table 1). In addition, there are several very famous spas which are not included in this list, like Niška Banja, Mataruška Banja, Vranjska Banja, Ovčar Banja, etc.

Table 1: *The most visited spas in Serbia based on the number of overnight stays of foreign tourists*

Order	Name of the spa	The number of overnight stays of foreign tourists
1.	Vrnjačka Banja	66.438
2.	Banja Gornja Trepča	18.160
3.	Banja Koviljača	18.093
4.	Banja Kanjiža	14.466
5.	Banja Palić	12.257
6.	Bukovička Banja	12.254
7.	Soko Banja	10.697
8.	Banja Vrdnik	6.833
9.	Prolom Banja	6.758
10.	Banja Junaković	4.591

Source: *Hotelijeri, 2016*

Vrnjačka Banja is the most developed national spa, which has almost 20% of the overall spa visits in Serbia (Jovicic et al., 2009). This spa developed due to mineral water which comes out at the base of the mountain of Goč (Božić, 2014). The thermomineral water of this spa was used in a kind of therapeutic centre for Roman legionaries (Dokmanović et al., 2012). It made best results during the 1980s, while during crisis of 1990s, the results were considerably smaller (Jovicic et al., 2009). Nevertheless, this spa has kept dominance in comparison to other Serbian spas. It (Vrnjacka Banja, 2016) has all pre-conditions for development of the following aspects of tourism: health and recreational, hunting, transit, tourism on water (sport and recreation), congress, cultural and manifestation, rural (ethno-eco) and picnic-residential tourism. All listed aspects of tourism can be combined with gastro tourism. Based on the SWOT analysis done by (Ilić et al., 2012), specific aims of Vrnjacka Banja, which the SWOT analysis points to, should be: development of tourism as a branch of economy, involving tourist potential of the municipality into promotion of a broader area as a unique tourism entity and improving quality of services in accordance with international standards. In order to improve quality of services, it is necessary to improve professional practice of hospitality students who will be leaders in the future improvement of hotel and restaurant services (Božić, 2014; Božić & Stojanović, 2016).

Banja Gornja Trepča was used by Roman legionaries just as Vrnjačka Banja (Obradović-Bursać & Stanković-Vasović, 2004). According to tradition, heroes from 1st Serbian uprising treated injuries in this spa (Marković, 1980). It became a natural spa officially in 1977 (Blešić et al., 2009a), but it was anonymous until the discovery of radioactivity in its waters. The water from Gornja Trepča has one of the highest Li concentrations (Anonymous, 2006). The present demand overcomes the capacity of the accommodation facilities (Ilić and Simonović, 2015). This spa is the first spa in Serbia which was privatized and after privatization, its advancement is starting (Blešić et al., 2009b).

Banja Koviljača dates back to the Illyrians, Romans and Turks. The first document mentioning the spa was written in 1533 and describes it as a place which the people visit due to healing springs, while the first accommodation facility that was taking guests was built in 1858. This spa is completely built up in the twenties and thirties of the twentieth century, when luxury hotels and villas were built (Specijalna bolnica za rehabilitaciju Banja Koviljača, 2016).

Banja Kanjiža is a spa centre at the north of Vojvodina. It offers wide range of possibilities for the development of spa tourism, which comprises rest, recreation, sports competitions, cultural happenings, scientific and administrative meetings (Košić et al., 2011). This spa uses thermo mineral water for the heating of facilities in installations with low temperature regime of work, for balneo-therapy and recreation. This thermo mineral water has alkali reaction, belongs to the group of hypothermal waters and comprises ions of sodium and hydrocarbonate (Košić et al., 2011).

Banja Palić is also located at the north of Vojvodina. Visitors of this spa can use medicinal mud (mud from the lake), water from Palić Lake, thermomineral water from bores, climate and quality of the surrounding (greenery, environment, natural and cultural–historical treasures and the others) (Živković, 1998). Also, in this spa there are different recreation facilities: tennis courts, trim track, bowling centre, football courts, handball courts, volleyball courts, basketball courts, athletics court, bicycle-trim track, children’s playground, etc. (Košić et al., 2011). In the Big Park there is women’s bath - Women’s strand and Men’s strand, which are unique according to architecture and represent a special offer for rest and recreation of the guests (Košić, 2004).

Bukovička Banja was first mentioned in written documents in 1811. However, 1836 is considered as the year of its foundation, because the first buildings were built then (Specijalna bolnica za rehabilitaciju Bukovička banja, 2016). After a long period of progress, this spa was deleted as a tourist destination for some period, but thanks to privatization and revitalization of the Izvor Hotel and the new tourist facilities, it has revived and became recognizable (Riznić et al., 2014). The mineral waters of this spa are of special importance as they belong to rare cold and hypothermal (warm) thermal waters (Anonymus, 2013).

Soko Banja represents one of the biggest balneological settlements in Serbia and its basin ranks among larger basins of the central part of the Balkan Peninsula (Radivojević et al., 2015). Like many other spas, this spa was used by Romans and Turks, but the intensive reconstruction and building started at the end of XIX century (Milojković, 2013). Thanks to microclimate characteristics of Sokobanja basin, this spa is treated as climatic health resort (Marković, 1976).

Banja Vrdnik is the youngest spa in Serbia, which has been declared a spa only recently because of the natural beauty and thermal sources (Vrdnik Banja, 2016). Thermomineral water springs at great depths were first observed in former coal mines, which represented a major problem to the miners who worked there. In this spa, there is Ravanica Monastery which has in its possession a case with the saint Prince Lazar's belongings and a tower built by the Romans. This spa is increasingly developing into a true modern spa.

Prolom Banja belongs to the young, but well visited balneological centers of Serbia (Stanković, 2010). Environment of this spa was inhabited in the late New Stone Age and its hot oligomineral slightly alkaline water was used by the Romans (Veselinović, 2013). Additional value of this spa is represented by an immediate proximity of the locality of Djavolja varoš, known as a set of figures emerged as a result of natural processes (Melita & Podovac, 2014).

Banja Junaković is a health resort and a sports and recreational centre, which is located in Bačka and surrounded by Junaković forest. The first well with thermo mineral water was bored in 1913 with the aim to find drinking artesian water. After that, five new wells with thermo mineral water were bored in the period from 1977 to 1985. This spa uses thermo mineral water for heating of spa's facilities, balneo-therapy and recreation

in swimming pools (Košić et al., 2011). But, geothermal resources are still not used to their full potential, which indicates that this energy could be used for the heating of hotels in the future (Tomić et al., 2013).

People look for information about restaurants using different sources including the Internet, newspapers, recommendations of other people, TV advertising, etc. Also, promotional activities play important role in attracting guests to visit restaurants. There are several opportunities for restaurant promotions including the following: television, radio, newspapers, magazines, outdoor advertising, direct mail and internet (Drysdale & Galipeau, 2009). Based on the survey conducted by Rainie et al. (2011), the Internet is the main source of information about local restaurants, bars and clubs. Namely, more than 50% of interweaved people (total number was 592) say they mostly rely in the Internet, including: 1) search engines (38% rely on them), 2) specialty websites (17% rely on them) and 3) social media (3% rely on social networking sites or Twitter).

Global development of the Internet technologies has proven useful for gathering and disseminating various data. Usage of these novel systems typically aims at disseminating information to the public. There are many travel and restaurant web portals, which offer different information about restaurants. Those portals offer the information about menu, specials, happy hours, parking, contact info, etc. Also, many of them have online reservation system and online reviews. Online reviews of users are very important for restaurant reputation. The online travel review writers are mostly motivated by helping a travel service provider, concerns for other consumers, and the needs for enjoyment/positive self-enhancement (Yoo & Gretzel, 2008). Through the Internet, travelers can make their opinions and thoughts easily accessible to other Internet users (Dellarocas, 2003).

Online social travel networking, which allow users to interact and provide reviews on hotels, restaurants or on local tourist attractions, include TravBuddy.com, Travellerspoint, WAYN, Woophy, Passportstamp, and TripAdvisor.com (Miguens et al., 2008). Unlike friendship Web 2.0 sites such as Facebook, which social networking base on some kind of former relationship or strong affinity in terms of interests or curiosities, travel networking websites users do not have pre-existing associations (Miguens et al., 2008). Tripadvisor is representative of eWOM (word-of-mouth) portals, which is the largest site in the world which enables travelers to plan and book their trip. On this website travelers can find advice from

other travelers and a wide possibility of travel opportunities. It links to booking tools that check hundreds of websites to find the best hotel prices. Also, it reaches 350 million unique visitors and 320 million reviews per month and covers more than 6.2 million accommodations, restaurants and attractions. Except for other information, the site collects user-generated reviews and recommendations of restaurants in places all over the world. It also features multiple-category restaurant rankings and the online reservation platform.

Very important information for tourists which affects their choice of restaurants in a tourism destination is a type of cuisine in local restaurants. Tikkanen (2007) differs five distinct motivations of culinary travelers. First, they view food itself as an attraction. Second, culinary tourists consume and purchase foodstuffs. Third, they value and seek food experiences. Fourth, they view and value food as a cultural phenomenon. Fifth, they seek and value linkages between tourism and food production.

Visitor reviews/comments are main characteristics of travel networking. Namely, thanks to high level of interactivity and involvement of visitors, presentation of touristic destination, attraction, hotel or restaurant is more realistic than in case when a supplier creates content of an Internet site. On these web portals, visitors express their personal impressions, which sometimes differ from official presentations of the touristic object. Thanks to that, future visitors form expectations based on experiences of others (Sparks & Browning, 2011). It is clear that the image and reputation of a restaurant in modern age is significantly affected by travel portals. Due to that, the aim of this research is to check the availability of restaurants of the ten most visited spas in Serbia on Tripadvisor and analyze visitor comments about them.

Methodology of the research

The research was conducted in March 2016. The selection of the spas for the analysis is based on data from report of the National Statistics Office (*RZS, 2016, Hotelijeri, 2016*). The ranking is done based on the number of overnight stays of foreign tourists and presented in Table 1.

The search of restaurants in selected spas is done on the most popular internet portal for traveling, called Tripadvisor. Different parameters, including the number of restaurants per spa, type of cuisine, comments of

visitors and average traveler rating were collected and analyzed. Based on those parameters we estimated:

1. Restaurants from which spas are visible on the Internet.
2. Which type of cuisine tourists can expect when visiting the 10 most visited spas in Serbia.
3. How many travelers add comment about studied restaurants on Tripadvisor.
4. How tourists evaluate restaurants from the 10 most visited Serbian spas restaurants visible on Tripadvisor.

An average score of tourist reviews/comments was expressed based on a five-point scale. This scale represents a numeric score, which includes evaluation of the food and service quality, price-quality relation and comfort. Numeric score means certain number of laps attributed to restaurant. That number of laps is symbolized by the eyes of an owl, which is present on the logo of portal Tripadvisor (Mašić et al., 2014a). The laps have the following meaning:

1. circle - very bad
2. circles - bad
3. circles - average
4. circles - very good
5. circles - excellent.

Results of the research and discussion

Spa tourism in Serbia has a long tradition and represents a good basis for tourism development generally. But, modern market conditions, rapid development of high technologies and their growing application in tourism and hospitality impose the need to increase competitiveness in order to survive in the world market. Internet and modern technology play important role in attraction of tourists, especially foreign visitors. This is the reason why it is very important to be more active in presenting spas and their capacities on different web portals which offer as much information as possible. The visibility of restaurants on those portals is, also, very important, because gastro-tourism attracts billions in revenue worldwide (Williams et al., 2014). For gastro-tourists, food is the motivation for travel, while the travel locations function as vehicles for gastronomic experiences. Emerging markets in underdeveloped countries can maintain successful gastro-tourism enterprises. The role of Tripadvisor in hospitality and tourism has been studied by several researchers (Miguens et al., 2008; Flores et al., 2014) including some

from Serbia (Čačić and Mašić, 2013; Mašić et al., 2014a, b). But, specific role of that portal of offering information on the restaurant availability to visitors, especially to foreign ones, was not studied, although it is evident that web portals play important role in restaurant reputation and have impact on costumer decisions. Results obtained in this study show that *thirty-two restaurants from the 10 most visited spas in Serbia can be found on Tripadvisor (Table 2). The number of restaurants per spa range between 0 and 8. The highest number of restaurants were found for Bukovička Banja (8 restaurants) although this spa is on the 6th position, when ranking based on the number of overnight stays of foreign tourists (Table 1). Bukovička Banja was followed by Banja Palic, while the most visited spa Vrnjačka Banja ranked 3rd position. Only one restaurant per spa is presented on Tripadvisor for four spas (Banja Koviljača, Banja Kanjiža, Prolom Banja, Banja Junaković), while for Banja Gornja Trepča, which is the most visited spa after Vrnjačka Banja, there is no any restaurant visible on Tripadvisor. Namely, the highest number of restaurants was found for Bukovička Banja, while for Banja Gornja Trepča there is no any restaurant visible on Tripadvisor.*

Table 2: Restaurants from the 10 most visited spas from Serbia visible on Tripadvisor

Name of spa	Number of restaurants on Tripadvisor
Vrnjacka Banja	6
Banja Gornja Trepca	0
Banja Koviljaca	1
Banja Kanjiza	1
Banja Palic	7
Bukovicka Banja	8
Soko Banja	4
Banja Vrdnik	3
Prolom Banja	1
Banja Junakovic	1
Total	32

Source: TripAdvisor, 2016

The gastro and food tourism is booming in developed countries and has become one of the most dynamic and creative segments of tourism. Over 33% of money tourists spent to food (Quan & Wang, 2004) and food represents essential component for a destination choice (Hall et al., 2003).

Also, in some destinations food and food-related events represent a key source of tourism (Hjalager & Richards, 2002; Rao, 2001). For gastro or food tourists, type of cuisine in the local restaurants is very important. A quick Google search shows thousands of entries which illustrate the interest in restaurants and foods. But, the analysis conducted on Triadvisor show that the type of cuisine is known for only 62.5% restaurants in the most visited Serbian spas. The following types of cuisine were included: International, European, Yugoslav, Mediterranean, Hungarian, Italian, Ethno, Sea food and Grill (Table 3). Some restaurants offer different types of cuisine. Although visitors prefer to eat local specialties during their visit, the restaurants in Serbian spas mainly offer European or International food. Also, some of them offer national food typical for foreign countries. Only one restaurant from Vrnjačka Banja was presented as ethno restaurant on Tripadvisor. Except that, several restaurants offer Yugoslav food, which could be also classified as local food. At the same time, *Williams et al. (2014)* indicates that many tourists flock to France, Italy and Spain as well as to more remote parts of the world to experience traditional foods and local beverages. This indication could be a guidepost for restaurant managers in Serbia, in particularly in restaurants located in spas.

Table 3: *Type of cuisine in restaurants from the 10 most visited spas from Serbia visible on Tripadvisor*

Type of cuisine	Number of restaurants
European	12
Yugoslav	10
International	4
Sea food	3
Grill	2
Hungarian	1
Italian	1
Mediterranean	1
Ethno	1

Notice: Some restaurants offer several types of cuisine

Source: *TripAdvisor, 2016*

Web portals play an important role in dissemination of information to visitors, in offer the possibility of online booking and enabling interactive communication between restaurant management and costumers. Therefore, those web portals represent powerful tool, on which depends

the fate of the restaurant. Visitor reviews can significantly affect image of restaurants and attract or refuse visitors. Based on the reviews, it is possible to monitor competition and improve own offers in accordance with the needs of customers. The number of visitors comments (Table 4) about restaurants from the 10 most visited spas from Serbia visible on Tripadvisor depended on a spa and the number of restaurants visible on that web portal. The total number of comments was 217. The highest number of comments visitors gave for restaurants from spa Bukovicka Banja, followed by Banja Palic and Vrnjacka Banja. There are only few comments (1-10) about restaurants from Banja Kanjiza, Prolom Banja, Banja Junakovic, Banja Vrdnik and Soko Banja. For restaurants from two spas which occupy very good position (second and third) based on the number of overnight stays of foreign tourists, there are not any visitor comments.

Table 4: *Visitors comments about restaurants from the 10 most visited spas from Serbia visible on Tripadvisor*

Name of the spa	Number of visitors' comments
Vrnjacka Banja	58
Banja Gornja Trepca	-
Banja Koviljaca	-
Banja Kanjiza	1
Banja Palic	65
Bukovicka Banja	74
Soko Banja	10
Banja Vrdnik	4
Prolom Banja	2
Banja Junakovic	3
Total number	217

Source: *TripAdvisor, 2016*

An average score of tourist reviews/comments was expressed based on a five-point scale and focused on food and service quality, relation price-quality and comfort. Generally, average score for all evaluated restaurants was 4.09, which is similar to average score of visitor reviews for Belgrade hotels presented on the same web portal (Mašić et al., 2014a). Only one restaurant called *Bozji raj* in Prolom Banja was estimated as excellent (average score was 5). Average score for more (16) analyzed restaurants was 4 or between 4 and 5, while for 3 restaurants score was 3 or more and

the score below 3 was given to 1 restaurant. For 32% of the restaurants from the most visited spas from Serbia there was no any visitor comment.

Table 5: *The average score of restaurants from the 10 most visited spas in Serbia visible on Tripadvisor based on visitor comments*

Name of the spa	Name of the restaurant	Average score
Vrnjacka Banja	Kruna	4.18
	Etno kuca Gocko	4.29
	Dukat	3.86
	Salus Fispond	4.25
	Savka	4
	Kafe bos	2.5
Banja Gornja Trepca	-	-
Banja Koviljaca	Park	-
Banja Kanjiza	Delikates	4
Banja Palic	Gostiona Abraham	4.23
	Majkin salas	4.10
	Carda kapetanski rit	4.25
	Omega disko picerija	4.5
	Riblja carda	4
	Mala gostiona	3.73
	Vila Viktorija	3
Bukovicka Banja	Tarpos restoran	4.56
	Restoran Aleksandar	4.34
	Kod Vladimira	4.81
	Restoran grb	4.33
	San Djordjo	4
	Stari park	4
	Kafe lesa maska	-
	Brestovi i vizija	-
Soko Banja	Marko Polo pecina	-
	Restoran Zupan	-
	Restoran Boni	-
	Restoran Lav kod Dase	-
Banja Vrdnik	Restoran Mines	-
	Lisine	-
	Red Baron pub	-
Prolom Banja	Bozji raj	5
Banja Junakovic	-	-
Average score		4.09

Source: *TripAdvisor, 2016*

In order to improve the image of our national restaurants, it is necessary to provide better visibility on the internet portals like Tripadvisor and others. Also it is important to enrich the offer with higher involvement of local food in restaurant menus. To achieve better results, it is possible to offer a variety of specific programs of animation for children, which are very popular in the modern tourism (Božić & Ivkov-Džigurski, 2009).

Conclusion

Possibility of promotion of restaurants from the 10 most visited spas in Serbia on web portals are not fully used for now. ***Thirty-two restaurants from the 10 most visited spas in Serbia can be found on Tripadvisor, only. The largest number of restaurants was found for Bukovicka Banja, while for Banja Gornja Trepca there is no any restaurant visible on Tripadvisor.*** Serbian spas mainly offer European or International cuisine in restaurants, while only one restaurant is classified as ethno restaurant and 10 as restaurants with Yugoslav cuisine. The number of visitors' comments about restaurants from the 10 most visited spas in Serbia visible on Tripadvisor was 217 and average score calculated based on their comments is 4.09.

The management of restaurants can use portals like Tripadvisor to improve their offers and attract more visitors. It is very important to inform local restaurant managers on possibilities of using web portals for restaurant promotion, online reservations and the improvement of communication with visitors.

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BUSINESS OF TRAVEL AGENCIES AND APPLICATION OF MODERN MANAGEMENT CONCEPTS

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Abstract

Tourism today is one of the determinants of global economy with high impact on the economic growth and development of both global and local economies. Under the influence of changes on the global tourism market, the way companies are managed and tourism are constantly changing and adapting to change. The subject of this paper is learning about the current situation of the tourism market in Serbia, with special attention to management approaches. Research results are supposed to give recommendation related to modalities of supply management in contemporary travel agencies, as well as to show appropriate strategic answers for travel agencies in Serbia in order to reach competitiveness. In this paper attention will be placed on marketing approach in supply management, technology integration and processes, as well as on the needs of potential guests, both local and foreign.

Keywords: *Tourism, Travel Agency, Management, Service, Development, Serbia*

Introduction

The development of modern economy is largely defined by the development of the service sector as the necessary infrastructure. On the one hand, among the key features of the world market today is the increase in international exchange of services. Tourism, as a service industry, is undergoing continuous development and is increasingly being seen as a generator of development of the economic environment in which it operates. Trends in global tourism suggest a series of technological, social and political changes that have affected various changes in tourism demand, as well as appropriate marketing responses on the supply side. The growth of demand for innovative content,

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increased requirements for safety of tourists, new travel motivations, new expectations of tourists in terms of destinations and environmental protection are some of the features that characterize the modern tourist demand.

The increasing fragmentation of the tourism market, the emergence of new technologies, new products, numerous economic, political, social and environmental changes that have taken place in the global tourism market in recent decades are reflected in the business of travel agencies. Therefore, effective portfolio management in travel agencies has become one of the important potentials of tourism development.

How to respond to these changes, how to become an effective and relevant player in the market? Strategic management and marketing performances aimed at improving the portfolio management in travel agencies in the world, also in Serbia, are a necessity. The question is whether or not, and if, then to what extent such principles are applied in national agencies and what needs to be improved in order for them to be and remain relevant. Does the size of the travel agency determine its management system? The assumption is that local travel agencies do not yet have a well-built management system and do not apply modern management concepts.

Tourism as a growing global industry

The services market has in the last decades had a faster development than the goods manufacturing market. A large number of services is related to the higher level of satisfaction of needs. In other words, the consumer may rather refrain from some services than from some products, so in that sense the sensitivity of the demand for services is mentioned. Furthermore, the competition in the services market is rapidly and continuously increasing. In the majority of services, consumption is of individual character, and the consumer increasingly expects a standard quality of service, which has led to the fact that this industry is influenced by intensive standardization. The said specifics of the services market also define the specifics of services' marketing.

As for the tourism market, its main feature is the dynamism with strong changes in its scope and in individual segments. This market can be characterized as: "a set of supply and demand in the sphere of services and goods used to satisfy tourism requirements on a particular territory or

set of relations between supply and demand arising under the influence of tourism trends." (Kobašić & Senečić, 1999). The tourist market in their constituent elements does not differ from other goods' and services' markets and includes: tourism demand, tourism supply, facility of trade (product / service) and price.

Some of the typical characteristics of the tourist portfolio are: lack of elasticity, heterogeneity, integrity and growing presence intangible elements. (Popesku, 2002). Lack of elasticity is related to the fact that the tourist offer was formed in a longer period and consists of a series of complex elements. In fact, once built hotels and other facilities prevent alternative use of space for a relatively long period of time. Furthermore, the tourism offer is heterogeneous from the perspective of its participants, but also in terms of products and consists of a set of tangible and intangible elements. Noted should be the integrity of the tourist offer, which emphasizes the importance of linking all participants in the supply chain, given that tourists perceive the offer as a comprehensive offer. The increasing presence of intangible elements in the offer arises on the basis of modern demands of tourists (Muskat et al., 2013).

The basis of the demand in the tourism market, but also in other markets, comprises of the functional and temporal combination of two elements: requirements and financial abilities aimed at satisfying them. The demand in the tourist market is created also by other factors, among which the most important one is the free time for tourist travel. Tourism requirements fall within the scope of needs that are not existential, but vacation, recreation and recovery can be seen as a kind of existential needs in terms of restoring psychophysical fitness as an important factor of working capacity. A steady increase in the standard of living is one of the factors of further expansion of tourist requirements, and thereby of the increase in the volume of tourist demand. Tourism requirements hardly reach the point of saturation, whereby the rise in living standards leads to a higher level of income being spent on tourism purposes.

Tourist demand is influenced by many factors: economic, demographic, technological, social, political, cultural, etc. In the literature some typical characteristics of tourist demand are mentioned (Popesku, 2002). In fact, it occurs as a result of the increase in leisure time and discretionary income. Travel demand is a category that is very sensitive to political events, natural disasters, social unrest, etc. It is characterized by seasonal character (typical seasons: summer and winter), high variability and

expressed need for segmentation, resulting in the emergence of new forms of tourism products.

The periodicity of demand refers to its seasonal nature, i.e. the fact that the majority of tourist travels is traditionally linked to the summer period, possibly to the winter season, although in the global market shift in the opposite direction can be observed (the tendency towards more frequent but shorter trips, etc.). The lesser impact of economic constraints is reflected in the fact that different forms of economic integration and business connectivity have not much affected the reduction of tourist movements. This is because in tourism the consumer travels to the product (destination) and not the product to the consumer, which is typical for some other industries. The attractiveness of recreational activities (sports, entertainment, culture) in terms of tourism is gaining importance. The dominance of demand over supply in particular occurs during the peak season, which is reflected on the pricing of tourism products.

Given the dynamism of the tourism market, an increase in the complexity of the relationship between supply and demand can be expected in the future. In this sense, marketing as a business concept represents a link between supply and demand in the tourism market. Marketing affects the linking of all participants in the supply and demand, in the context of the functioning of the tourism market, it is obvious that the tourist market shall also in the future influence the dynamism and complexity of the relationships between market players, and that the application efficacy of marketing principles shall dominantly influence the success and failure of the stakeholders in the tourism market. In this sense, tourism managers need to monitor and adapt to such trends and to create new forms of supply to meet the modern consumer who is distinguished by an increasing level of education and sophistication, who has specific requirements, quite different from those that were typical of the mass tourism era.

New trends in the tourism market raise the level of awareness that uncontrolled tourism development can leave immeasurable consequences on non-renewable natural resources and cultural heritage. Therefore, the competitiveness of the modern tourism is viewed from the aspect of economic, social and environmental components, with a tendency of benefiting the local population through increased employment and preservation of natural and cultural attractions. All in all, the new

relations in the tourism market, as well as new forms of competition which were created based on the expansion of the service sector, require new strategies and methods of management of enterprises in the tourism sector.

Modern trends in the development of tourism agencies

One of the main characteristics of the tourism market is its permanent expansion. Therefore, the opinion is justified that tourism has grown into a "leading global industry." A key factor in this is the rapid development of information and communication technologies. Instead of mass production and mass tourism in a post-industrial society, increasingly more sophisticated and educated consumers with their specialized requirements appear. Tourism consumer shall in the future want to be more different from his fellow consumer; therefore, it shall be challenging to create an adequate individual offer for the strict requirements of the individual. It is now the task of marketing managers to actively participate in the creation of new forms of supply that will meet the customer's requirements.

In modern conditions of tourism development, the question of importance of travel agents arise who are intermediaries between the tourist offer and tourist demand, and have a double duty –towards the producers and consumers of tourism services, i.e. tourists (Bunja, 2007). Travel agents or tourist (travel) agencies provide to consumers (tourists) in their place of domicile information about the tourist destination and comparable destination, thus helping the quality of the offer. According to the Law on Tourism of the Republic of Serbia, travel (tourism) agency is "a company, other legal entity, or entrepreneur, who within the registered activities of travel and tourist agency performs its operations under the conditions prescribed by law for the purpose of generating profit" (Official Gazette of the Republic Serbia).

The main characteristic of the development of tourist agencies under modern conditions is the tendency towards concentration of resources that occurs in three forms: technical concentration, financial concentration and business cooperation (Dulčić, 1996).

Next specific feature refers to the development of on-line travel agencies. The expansion of the Internet has created serious competitor to numerous traditional travel agencies, because now their former customers can plan

their trips by themselves and adapt them to their preferences. Now, we all live under conditions determined by technology - electronics, gadgets and large technical systems have become an inseparable part of our natural environment. Priority in the development of modern tourism should be given to IT support to tourism, but not necessarily in the form of new investments, but instead in the form of integrating knowledge and power provided by technology (Nuković et al., 2010). Also, customers can see the accommodation, read and/or post comments on the travel agency, location, the accommodation itself, and thus travel with "no surprises" in terms of supply and prices. But, despite the rapid growth in direct sales of tourist services that is particularly affected by the Internet, the prevalent opinion is that travel agencies will continue to represent the most important agents and organizers in the realization of tourist travel (Unković & Zečević, 2004).

The concept of strategic management in tourism

Tourism companies operate under the terms of sudden changes in demand, due to which the companies keep a variable portfolio. Compatible therewith is that the current changes in the tourism market have reflected themselves to a greater degree of sophistication of tourists, which has created the need for creation of new travel programs and new types of tourism products. Every tourist company seeks to achieve different advantage within its service program, business orientation, staff or entire work organization. Efficiency and effectiveness are the keys in this regard (Bakić, 2002).

Among tourist companies stand out, on the one hand, those which act offensively and try promptly to respond to market changes and on the other hand those who are forced to adapt to the given changes. The company's adapting has a structural character, i.e. changes are necessary in its business orientation, service program, financial, staffing and organizational structure. In this sense, strategic management is necessary in order for the tourist company, i.e. travel agency, to be able to adapt to market changes. Strategic management (management) represents: "a continuous process that includes both strategic decisions and strategic behaviour in the implementation of decisions" (Milisavljević, 2005).

Strategic planning represents "a periodic activity that takes place in order for the company to face changes in its environment" (Milisavljević, 2005). In the context of strategic planning, strategy formulation is in the

focus of the management of the tourism company. When making strategic decisions, i.e. when selecting appropriate strategies, it is necessary to start from the basic specifics of the tourism product, i.e. its intangibility, indivisibility, heterogeneity and its impossibility to store (Bakić, 2003).

The selection of the appropriate method of growth and development is affected by their own strategic objectives, general trends and tendencies in tourism, conditions of entry into a specific market and the success of its business operations on it.

Primary research in the management of the offer of travel agencies in Serbia

What is the situation in Serbian agencies, whether and to what extent do they apply modern marketing approach to managing the supply in tourist agencies, and how to manage the offer of travel agencies? For the purposes of this study, a survey was made among representatives of tourist organizations in order to learn and measure the current status in national agencies. Invited to participate in the survey were representatives of tourist agencies, members of YUTA, i.e. 268 e-mails were sent to available e-mail address with invitations to participate in the survey.

Effective adaptation of agencies in Serbia to changes and demand requirements imposes the need for a high degree of flexibility in the organization, production and distribution of tourism products, in the booking, sales and payments systems; also in ways of consuming tourist products.

On the other hand, the competitiveness in tourism is largely dependent on the ability of travel agencies to provide technological advantage, but the question arises what is the situation when it comes to the use of information and communication technologies, and whether the knowledge (know-how) is used with the aim to provide a higher level of quality of tourism services and meeting consumer demands.

We were interested to find out to what extent representatives of tourism organizations agree with certain postulates of modern business. For the application of modern principles of business, including the business of travel agencies it is important to be aware, i.e. to know such principles, and thereby the questions were chosen to demonstrate the general

approach of a travel agency, i.e. to what extent is their system flexible, open and ready for changes.

Figure 1: Sample structure



Source: Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014

Although all representatives of travel agencies were invited to participate in the survey, mainly representatives of agencies from Belgrade responded by 74%. Also, most agencies already exist in our market for more than 10 years (74.2%).

When it comes to the number of employees in the sample we have an equal representation between those with up to 5 employees (32.3%) and those with more than 20 employees, those with 6-10 employees are 22.6% and 11-20 employees are 12.9%. Two thirds of respondents represent agencies that deal both with initiative and receptive tourism, while initiative tourism are predominantly operating 25,8% of them and the rest with receptive tourism. More than one half of the respondents are at managerial positions and 35.5% were from sales.

The application of the principles of modern business operations was measured through the question on the frequency of performing certain activities, which comprise modern business operations. Thus, in 60% of the cases, often responds to complaints within 24 hours, in about 50% of

the cases we first inform our customers about special offers and perform distribution of package tours over the Internet.

On the other hand, almost half of them are generally not presented at fairs, together with the Tourist Organization of Serbia, sending flyers, inserts in newspapers, advertisements on billboards, bus stops and other outside places (Table 1).

Table 1: *Performance of activities*

	Not carried out at	Seldom	Sometimes	Often	Very often
	%	%	%	%	%
Distribution of package tours over the Internet	6,7	0,0	10,0	33,3	50,0
Training of employees within the company	10,0	3,3	6,7	43,3	36,7
Analysis of customer satisfaction, improvement of own services in accordance with results obtained	3,3	3,3	13,3	46,7	33,3
First we notify our customers on special offers	6,7	0,0	13,3	26,7	53,3
Response to complaints within 24h	13,3	3,3	16,7	6,7	60,0
Sending newsletters and other information	23,3	3,3	23,3	10,0	40,0
Attending fairs within the country	26,7	20,0	6,7	16,7	30,0
Presentation at fairs in neighbouring countries	30,0	23,3	10,0	26,7	10,0
Training of employees within YUTA programs	30,0	6,7	33,3	20,0	10,0
Presentation on fairs, together with the Tourist Organisation of Serbia	53,3	3,3	23,3	6,7	13,3
Sending newsletters, newspaper inserts	33,3	30,0	16,7	13,3	6,7
Advertisements on billboards, bus station and other external places	43,3	20,0	20,0	6,7	10,0

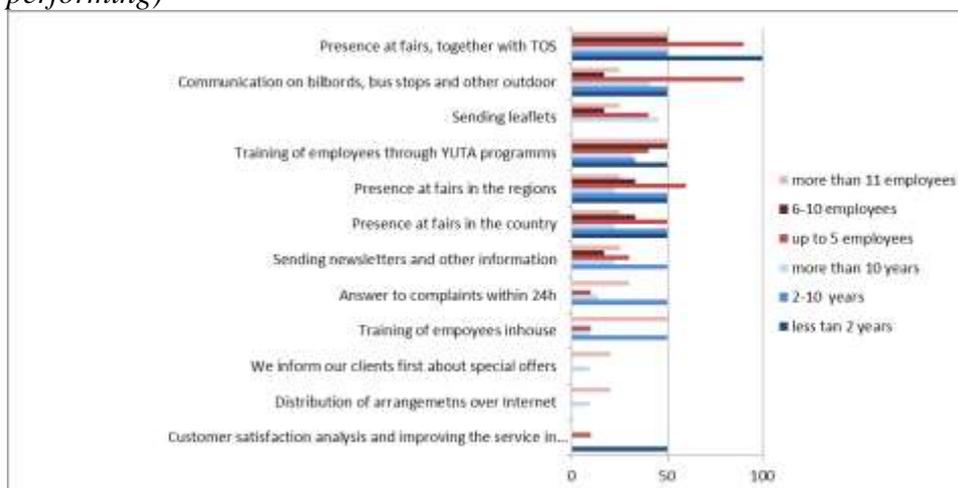
Source: *Primary research, "Modern management concept in travel agencies operating in Serbia", Tatjana Cvetkov Ćikošev, May 2014*

Differences among tourist agencies, except differences in communicational activities, were not observed, and therefore it was noted with pleasure that, regardless of the size and existence of the agency, they often perform distribution of package tours over the Internet, that they

conduct in-house training, also that they do analyse the customer satisfaction and on that basis improve their business operations.

As expected, the performance of certain activities depends on the size and number of employees, and thus larger agencies more often than smaller agencies have presentations at fairs, together with the Tourist Organization of Serbia, advertise on billboards, bus stops and other external places, and the same goes for agencies that are longer present at the marketplace. Those that exist just a few years more often than others send leaflets and make newspaper inserts.

Figure 2: Differences in performing activities (percentage of non-performing)



Source: Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014

Regarding the organization, half of representatives of travel agencies fully agree that organisational adaptation to different needs of the market brings the best sales results (Table 3). In addition, almost two thirds agree that the central booking system brings the best sales results, and not surprisingly, the highest rate of disagreement received the allotment booking system and the system of regionally organized booking.

When mentioning online booking, almost one fourth of the respondents have none in their portfolio. On the other hand, for those who have online booking in their portfolio, for the majority of them it makes up to 30% of the sold package tours.

Table 2: Organization

	I fully DISAGREE	2	I neither agree nor disagree	4	I fully AGREE	mean
	%	%	%	%	%	
Organisational adaptation to different market requirements brings the best sales results	0,0	0,0	20,0	30,0	50,0	4,3
Central booking system – when the tourist applies for particular package tours, the booking is sent to one central place where they are recorded - brings the best sales results	3,3	6,7	30,0	23,3	36,7	3,8
In the vent of crisis situations, we have protocols in place	16,7	13,3	13,3	10,0	46,7	3,6
Our employees are divided by markets, thus each one is expert for a certain part/type of tourism	23,3	3,3	23,3	20,0	30,0	3,3
Allotment booking system – points of sale have on their disposal a certain number of package tours and act independently in the sale within such allotment, which brings the best sales results	10,0	10,0	66,7	10,0	3,3	2,9
Regionally organised booking system brings the best sales results	16,7	20,0	40,0	16,7	6,7	2,8

Source: *Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Ćikošev, May 2014*

Loyalty programs are practiced by half of the agencies, while the other do not practice them. Surprisingly, there was no statistically significant difference in relation to independent variables, i.e. the agency's business, number of employees, locations where they have branches. It was expected that an agency that operated for longer periods of time had more

employees, had the capacity, and on the other hand to have the need for regular clients, i.e. to bind them closer by using loyalty programs.

Table 3: *Loyalty program*

		Frequency	Percentage
Do you have a loyalty program (program for frequent clients) in your travel agency	YES	15	48,4
	NO	16	51,6

Source: *Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014*

When it comes to carrying out research on the current tourist demand, we were pleased with the fact that more than half of the agencies are reviewing the current tourist demand once per annum, but there is still room for improvement of operations under this criterion, since almost one fourth of them do not conduct any demand research at all (Table 4).

Table 4: *Survey of current tourist demand – frequency*

		Frequency	Percentage
We carry out the survey of current tourist demand:	Once per annum	18	56,7
	Once in two-three years	6	20,0
	We do not carry out surveys at all	7	23,3

Source: *Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014*

The vast majority, as many as 90% stated that it has qualified personnel who can create a program for the stay of foreign tourists in our country. Those who do not state that are in particular new and young agencies (up to 2 years), which were initially opting for initial tourism, and therefore it is not surprising that they are not trained for all kinds of tourism.

Table 5: *Staff qualifications*

		Frequency	Percentage
Do you have trained personnel who can create a program for the stay of foreign tourists in our country	YES	28	90,3
	NO	3	9,6

Source: *Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014*

In 20% of the cases they do not conduct training, while the majority states that such trainings are conducted at least once every two years. What type of training they are, what kind of knowledge and skills are their focus and how the training of employees is organised remains a topic for the future, but in this study it is important to note that regardless of the formal knowledge gained through formal schooling system and gained experience are surely complemented within the agencies.

Table 6: *Training of employees – frequency*

		Frequency	Percentage
In your agency staff training is carried out	Once in two years	24	76,7
	Once in five years	1	3,3
	We do not carry out any trainings	6	20,0

Source: *Primary research, “Modern management concept in travel agencies operating in Serbia”, Tatjana Cvetkov Čikošev, May 2014*

Our agencies are informed of modern marketing approach to portfolio management, thus confirming that this is the path to survival (and progress). However, it seems that there is room for work, i.e. that many activities can be performed and those who carry them out, they can do it more often. Thus, our agencies keep pace with the development in terms of knowledge of novelties, but the implementation is going slowly, probably due to lack of funds or other factors, but this can be the topic of a future paper.

As mentioned before, the survey among representatives of agencies has shown that it is important to know, but also to apply the modern (marketing) approach, that agencies must be flexible, anticipate changes and react to them, but unfortunately, we lag behind global trends.

Conclusion

The main limitations of this study derive from the number of respondents, since this number is sufficient for the overall analysis, but not for to search for differences, therefore, we can mention hinted differences, but not a statistically significant difference. Furthermore, only 11% of representatives of agencies participated in the research, and therefore the question is raised about the situation in reality, is it better or worse than what we have established by this study. Thus, the sample is not representative. We have invited all agencies, but there were no rules and

conditions and we depended on the good will of the representatives of the agencies and therefore, we can speak only about the sample of those who responded to the invitation.

Unfortunately, given that the most modern approach in researches was used (respondents were able to complete the survey at the times that were convenient for them and they received the invitation on their e-mail address), which involves the use of information and communication technologies, it seems that the situation may be worse than the one that was recorded (there were incorrect e-mail addresses and a lack of desire to participate, which could have given them an idea in which direction to promote their business).

In addition to the small, but still a sufficient number of respondents, certain topics concerning the (modern) business operations were not covered by this study - the impact of legislation (both of the EU and of Serbia), the impact of administrative procedures which are generally characterized as slow and complicated, the position of our country in international relations and risks involving the cooperation with the agencies of such countries, etc. Also, we have not analysed the financial indicators of these agencies, because they were unavailable to us and they are certainly a success factor. Also, we did not investigate what type of training, what knowledge and skills are the focus, and how they organised trainings of employees, because for the purposes of this study it was important to determine whether or not, regardless of the knowledge gained through formal schooling, and gained experience, knowledge and skills were complemented within the agencies.

In fact, we can say that changes in the global tourism market require the implementation of new modalities of service management in travel agencies. The fact is that the few tour operators are very influential on the market, which is largely the result of an efficient management system, well-built organizational structure and its management.

On the other hand, supply management in travel agencies in Serbia still lags behind the contemporary international trends and travel agencies in Serbia, which mostly belong to the group of small and medium-sized enterprises still, do not have a well-built management system and do not implement contemporary concepts. Also, agencies in Serbia, who are largely dealing with initiative and receptive tourist operations (which are mutually dispersible) thus hamper the management process.

It is particularly important for the future development of the tourism portfolio to have the characteristics of sustainable development, and also for travel agencies in Serbia to adapt their offer to the concept of sustainable tourism. This is because preservation of the natural environment, cultural and historical heritage and specific features of individual destinations should be a critical factor in the future development of hotel and tourism products of Serbia.

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