

RURAL TOURIST VILLAGE-A PROJECTION BETWEEN TRADITION AND PROFITABILITY

CIOLAC RAMONA*¹

¹*Banat's University of Agricultural Sciences and Veterinary Medicine "King Michael I of Romania" from Timisoara, Faculty of Management and Rural Tourism*

*Corresponding author's e-mail: ramonablaga2005@yahoo.com

Abstract. *Among the many possibilities to capitalize on the advantages of the rural environment, we can make the statement that the tourist village is one of the most sustainable and why not adequate at the moment. Thus, the proposed projection aims to highlight the costs of designing a tourist village and the profitability of the investment, taking into account the accommodation service used by the structures from the designed tourist village. The purpose of our projections is to emphasize the profitability and why not the sustainability of such a projection, by the fact that rural tourism sells not only accommodation but also agricultural, artisanal and handicraft products from rural areas, and the revenues collected ensuring the well-being of both of the tour operators themselves as well as of the inhabitants of the rural environment. The profitability of our projection, we considered that it can be exemplified by calculations for two scenarios regarding first the possible income to be obtained through various degrees of occupation, and second the duration of the investment recovery:*

- In the case of the first scenario, the one with 53% occupancy rate, the 20 accommodation places bring revenues of 76000 euro/year, the calculations showing that the investment recovers in almost three years.

- In the case of the second scenario, a bit more negative, assuming an occupancy rate of 30%, the projected village brings income/year of 43,600 euros, the investment recovering in five and a half years.

Key words: *tourist village, tradition, profitability, sustainability*

INTRODUCTION

The development of the rural area, through various actions and activities, is an activity of vital importance, both by the size of the rural area, expressed by the area owned, and by the share of the population employed in various activities.[1,8,9,14] A sustainable community is the one that has control over the development process, the decisions it elaborates and adopts, ensuring sustainability at the local level. This sustainable community has an active social structure-actors, groups, associations and institutions able to mobilize for long-term joint actions and take responsibility for this continuous process of development.

Tourism activity is one of the few phenomena that have prevailed in the contemporary era [13,15], one of the current trends being the return to nature, already manifested in all countries that current post-industrial civilization, and in this context, for the country's huge tourism potential. Our rural tourism is one of the most attractive tourist offers. [3,6,11] However, given that today consumers are visibly reoriented towards organic products, the superior quality of rural products, and their capitalization through tourism, can be a chance for the economy of many rural areas[2]. The recovery of the rural economy would in fact mean a benefit for both the inhabitants of the rural areas, and possible future entrepreneurs, a variant of the development of the contemporary village being represented by the tourist village. It seems that the idea came from the French, but it is certain that it is the most original form of tourism in the second half of our century.

Approaching the future of some rural localities from a tourist perspective and adapting them to this purpose, we consider that their ethnographic specificity can and must be preserved and perpetuated (in appropriate forms, tourist villages being a form to be taken into account [4,5,7,12]), otherwise the current interest of tourists for the Romanian

village, for the rustic environment in general, will gradually decrease. With more receptivity and little interest from administrative and specialized bodies, one can perpetuate, even in the conditions of contemporary civilization, the ethnographic and spiritual specificity of some Romanian villages. This goal must be pursued all the more, as many villagers in some localities clearly show interest in maintaining their traditional lifestyle, these localities having chances to become permanent tourist bases, of international popularity, and at the same time to bring profitability and sustainability.

MATERIALS AND METHODS

In the present scientific approach we came up with the issuance and analysis of the proposal for the design of a "tourist village". Within the proposal, a brief calculation is made regarding the size of the investment related to the establishment of a tourist village; subsequently calculations are made then on different occupation degrees to highest the benefits of creating a tourist village. Following this purpose, were used, in the logistics of the scientific work, the following main stages:

1. Formulation of the research topic and working hypotheses, making an intense information and documentation.
2. Data collection from either primary or secondary sources. The collection of primary data was performed through: bibliographic information, observation, and other studies.
3. The processing of information and the performance of calculations using descriptive methods, mathematical methods, in order to determine the parameters subject to research.
4. Presentation of the results in final form is the final stage.

RESEARCH RESULTS

The reality of the Romanian village in general abounds in traditions, customs, crafts, which deserve to be known, a variant of the contemporary development and capitalization of their resources being represented by the tourist village. Starting from the reality through which the tourist activity values the Romanian village, we emphasize that the emphasis falls on capitalizing on the resources with the greatest tourist attraction, the villages being historical, fish, fruit-growing, finally being somewhat determined and the forms of tourism developed.

The projection starts of course with the establishment of the size and typology of the tourist constructions and obviously the identification of the afferent costs, depending on the existing prices on the market. We start from the premise of the existence of structures that can easily obtain 2 flowers, as a classification level. In support of the scientific approach we took into account the following aspects:

- the village designed to have 5 constructions, totaling 60m², distributed in 2 rooms per unit, respectively 4 accommodation places; The costs for the accommodation part, assuming the construction and endowment amount to 199650 euros and hold the largest share in the total expenses.

- the projected village also plans to offer food services, the costs of providing all necessary for this service being 3600 euros.

- the costs necessary to ensure the possibility of leisure in the projected village amount to 15275 euros, these costs including the exterior arrangements, the swimming pool and the learning center with an emphasis on rural crafts.

The total cost of our projection is 240,375 euros, at an exchange rate of 4,876 lei/March 19, 2021, remaining to demonstrate whether it is a profitable investment and whether it recovers over time.

Table 1

Identifying the profitability of the “tourist village” proposal – costs

Objective	Proposed aspects for the proposed objective	Nr. unities	Cost/unit (euro)	Total cost (euro)
Exterior improvements	Parking arrangement, (m ²)	85	25	2125
	Landscaping and green spaces, (areas)	45	35	1575
	Construction of a space to store equipment for rent, (m ²)	15	125	1875
Preparation of accommodation units	5 constructions of approx. 60 m ² . Each cottage is structured with 2 rooms, 2 beds-4 accommodation /unit	300	600	180000
	Beds and mattresses, number	10	350	3500
	Bed linen, sets	10	110	1100
	Room furniture, sets	10	850	8500
	Accessories (TV), units	10	250	2500
Sanitary facilities (starting from the premise of the existence of a group on each unit)	Shower cabins, sets	5	600	3000
	Toilets, sets	5	70	350
	Sinks, sets	5	70	350
	Various accessories, sets	5	70	350
Equipped with cooking space	Stove, units	3	250	750
	Refrigerator, units	3	450	1350
	Kitchen utensils			1500
Preparation / arrangement of leisure space	Outdoor seating, (m ²)	40	250	10000
	Swimming pool arrangement	1	1800	1800
	Creating a craft learning center	1	1900	1900
Marketing actions	Acquisition of a panel for the classification and schematic presentation of the tourist village	1	600	5600
	Leaflets presenting the village and the products offered	500	0,5	250
	Creating a WEB presentation page			12000
TOTAL				240375

Source: Calculations resulting from the processing of market prices

In order to prove if the investment is a profitable one, we start from the premise of offering accommodation and partially food service, and to see what possible income we can expect, we considered using 2 possibilities/scenarios: one with a large gram of occupation and one with a lower degree.

- The first possibility/scenario is a higher one, meaning a bit more optimistic, 53%.

✓ Number of units/structures/tourist village-5/20 accommodation places

✓ Number of rentals

365....100%

x.....53%

$$x = \frac{365 \times 53}{100} = 190 \text{ days}$$

190 days x 20 accommodation places = 3800

✓ The price for an accommodation place - 20 euros

✓ Revenues obtained by the projected village/year

$$3800 \times 20 \text{ euro} = 76000 \text{ euro/year.}$$

- The second option chosen to be exemplified/calculated is a pessimistic scenario, with a lower occupancy rate of 30%.

- ✓ Number of units/structures/tourist village-5/20 accommodation places
- ✓ Number of rentals

$$\begin{array}{r}
 365 \dots 100\% \\
 \times \dots \dots 30\% \\
 \hline
 x = \frac{365 \times 30}{100} = 109 \text{ days}
 \end{array}$$

109 days x 20 accommodation places = 2180

- ✓ The price for an accommodation place - 20 euros
- ✓ Revenues obtained by the projected village/year

$$2180 \times 20 \text{ euro} = 43600 \text{ euro/year.}$$

Analyzing our simplistic calculations we find that:

- In the case of the first scenario, the one with 50% occupancy rate, the 20 accommodation places are rented 3800 times during a year and bring revenues of 76000 euro/year, respectively of 6,333 euro/month.

- The second scenario chosen is a bit more negative, assuming an occupancy rate of 30%, the 20 accommodation places being rented 2180 times/year, bringing income/year of 43,600 euros/year, respectively 3,633 euros/month.

In order to demonstrate the profitability of our proposal, meaning the period of time recovery of the investment, we still need some calculations:

- In the case of the first option, that of a scenario with a higher occupancy rate of 53%, the calculations show that the investment recovers in almost three years.

$$\text{Profitability}_{53\% \text{ occupancy rate}} = \frac{\text{initial investment}}{\text{annual income}} = \frac{240375}{76000} = 3,16 \text{ years}$$

- In the case of the second option, that of a scenario with a lower occupancy rate of 30%, the calculations show that the investment recovers in five and a half years.

$$\text{Profitability}_{30\% \text{ occupancy rate}} = \frac{\text{initial investment}}{\text{annual income}} = \frac{240375}{43600} = 5,51 \text{ years}$$

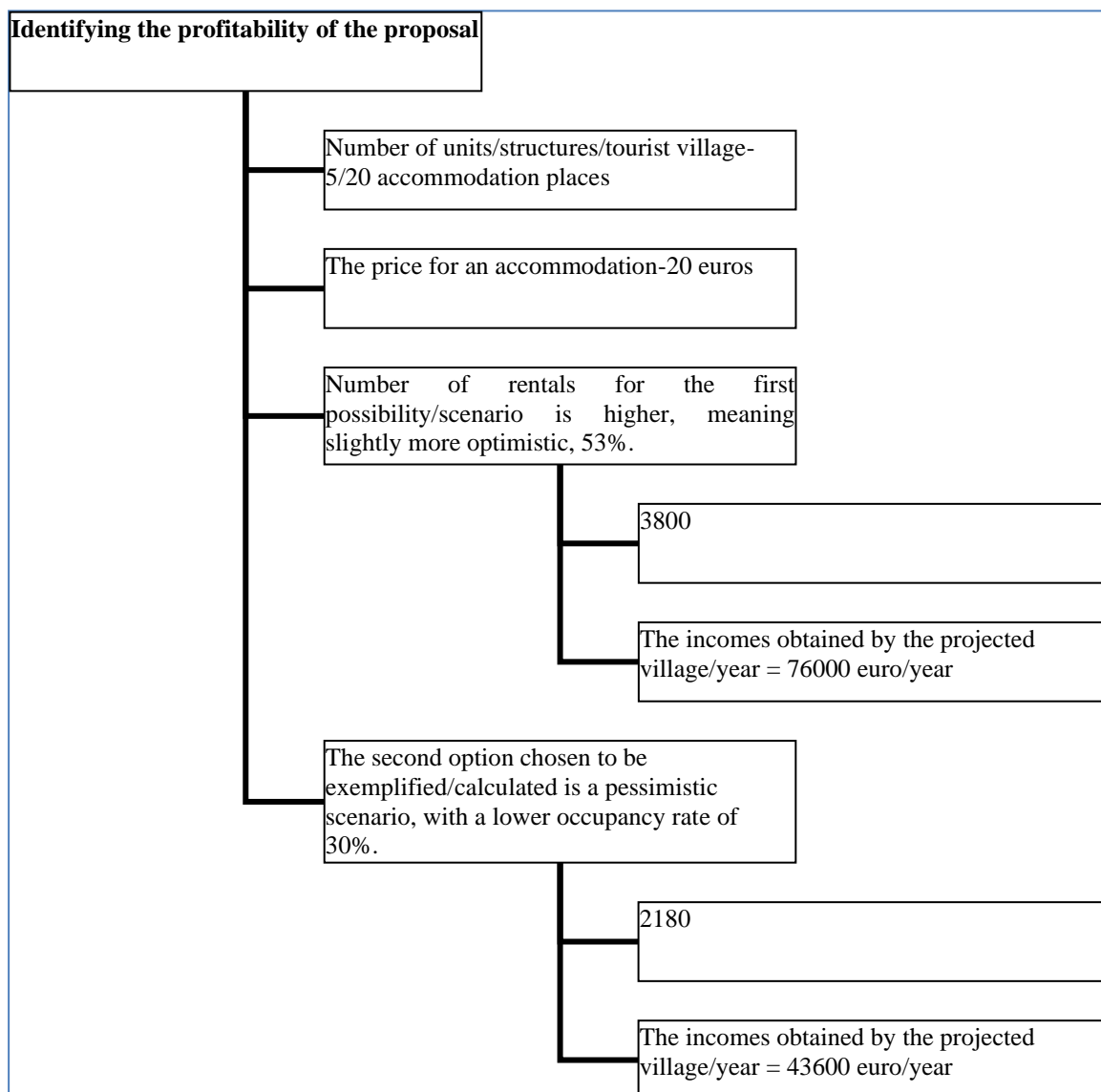


Figure 1. Identifying the profitability of the proposal

Therefore, we conclude, moreover, that our projection is a profitable one, which demonstrates that the initial investment can be recovered in a relatively reasonable time, even if we only took into account the accommodation offered to the tourist.

CONCLUSIONS

The objective proposed in the paper involves justifying the projection of a tourist village, and this justification to do so in terms of costs and profitability of the proposal. The total cost of our projection is 240375 euros, calculate based on existing market prices. In order to demonstrate whether the investment is profitable, we started from the premise of offering the accommodation service, and to see what possible income we can expect, we considered using 2 possibilities/scenarios: an optimistic one, with 53% degree of employment and a pessimistic one, with a lower occupancy rate of 30%. Following the calculations performed, we concluded that our projection is a profitable one, the investment recovery interval being a reasonable one, regardless of which scenario we discuss.

Business proposals [10], important to be taken in consideration, to increase the revenue generated by the projection could address some issues such as:

- Realization of the rural offer on the principles of a “quality goods”, the emphasis having to be placed on the main attractions specific to each area, respectively the insertion in the tourist programs, in the tourist product of “advantages and secrets of country life, specific crafts and gastronomic products”.
- An intensification of the promotion activity so that the Romanian rural tourist product to distinguished itself from the multitude of other similar products on the international markets by originality and reaches the offers of the tour operators in profile as “branded/original product”;
- A future desideratum would be a public-private partnership, involving real support for tourism in rural areas, either through tax exemptions, or the possibility of free participation in some real specialization courses, or various consulting ways, etc.;
- The beginning of the tourist activity in the rural area and not only, implies first and foremost the existence and maintenance of an adequate infrastructure, which requires efforts on the part of the authorities and of the entrepreneurs interested in the field;

To the extent that the above proposals will be implemented, it will ensure the transformation of rural tourism into a source of income for rural residents, relying on the involvement of local people in the production and marketing of resources and products specific to rural areas, or simply said the inclusion of these resources in the circuit of tourism activity that will increase the number of rural tourism structures to attract tourists throughout the year, or engage all rural residents in ensuring future sustainability.

REFERENCES

- [1]. **ADAMOV TABITA CORNELIA**, 2006, The policy of regional rural development – present and perspectives, Energy Efficiency and Agricultural Engineering, Association of Agricultural Engineering in Southeastern Europe, Rousse, Bulgaria, ISSN: 1311-9974
- [2]. **ADAMOV TABITA CORNELIA, IANCU TIBERIU, PEȚ ELENA, PÎRVULESCU LUMINIȚA, POPESCU GABRIELA, CIOLAC RAMONA, ȘUBA ANKA**, 2020, Aspects regarding the development of the agritourist activity in Bran-Moeciu area, *Lucrări Științifice Management Agricol*, ISSN 1453-1410, Seria 1, vol.21(1)
- [3]. **AMMIRATO SALVATORE, FELICETTI ALBERTO MICHELE**, 2014, The Agritourism as a Means of Sustainable Development for Rural Communities: A Research from the Field, *International Journal of Interdisciplinary Environmental Studies*, 8(1), pp.17-29
- [4]. **CIOLAC RAMONA, MARTIN SIMONA, ADAMOV TABITA, MARIN DIANA, BANDA ANISOARA**, 2017, Development of rural tourism with ecological character. Ecovillage-investments and benefits, *SGEM GeoConference on Ecology, Economics, Education and Legislation*, ISSN 1314-2704, vol 17, Issue 53, pp. 199-206
- [5]. **CIOLAC RAMONA, RUJESCU CIPRIAN, CONSTANTINESCU SIMONA, ADAMOV TABITA, DRAGOI MIHAELA CRISTINA, LILE RAMONA**, 2017, Management of a tourist village establishment in mountainous area through analysis of costs and incomes, *Sustainability Journal*, ISSN: 2071-1050, volume 9, Issue (6)
- [6]. **CSOSZ IOAN**, 2007, *Agroturism și Turism Rural*, Editura Mirton, Timișoara
- [7]. **GURAN-NICA LILIANA**, 2003, Pluriactivity in the Contemporary Romanian Village, *Sustainable development of rural regions in Eastern Europe*, București, pp. 57

- [8]. **HARDI T., MIKLÓSNÉ ZAKAR A.**, 2015, Changes in regional approach in Romania-some results of a mental map research, *Region and regionalism*; 12:(1), ISBN:978-83-7126-311-8
- [9]. **MATEOC-SÂRB NICOLETA**, 2000, Dezvoltare rurală și regională, Editura Agroprint, Timișoara
- [10]. **MARIN DIANA**, 2009, Importance of business plan for stimulating entrepreneurship from rural tourism activities, *Lucrări științifice USAMV Iasi, seria Agronomie*, „Proceedings of the 51th international scientific conference „Romanian agriculture in EU – opportunities and perspectives” USAMVB Iași
- [11]. **MAZILU M.**, Turismul-o relație privilegiată cu dezvoltarea durabilă, *Revista de marketing online*, vol. I, nr. 4
- [12]. **NISTOREANU P.**, 1999, Turismul Rural-o Afacere Mică cu Perspective Mari, Editura Didactică și Pedagogică: București, Romania
- [13]. **PASQUILINI B., JACQUOT B.**, 1992, *Tourism en Europe, Action Touristique*, Dounod, Paris
- [14]. **VINCZE MARIA**, 2000, Dezvoltarea regională și rurală-Idei și practici, Presa Universitară Clujeană, Cluj-Napoca
- [15]. **VIULEȚ NICOLETA CRISTINA**, Turismul, prioritate a economiei românești, <http://steconomice.uoradea.ro/anale/volume/2006/economie-si-administrarea-afacerilor/52.pdf>