

ANALYSING TOURISM FLOW INDICATORS IN CENTRAL AND EASTERN EUROPE

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Abstract: *This paper presents the evolution of inbound and outbound tourism in Central and Eastern Europe, and in Romania. It is a comprehensive and conclusive analysis of data provided by WTTC, UNWTO, NIS (INSSE) and Eurostat for the period 2009-2012 to the present, on the economic and tourist importance of tourism policy. Among the countries of Central and Eastern Europe, Romania showed an encouraging upward trend in 2009-2012, an increase in foreign tourists' number and a market share of 0.3% in 2012. This paper points out that tourism is constantly developing and that Romania clearly needs an effective coordination of the national tourism activity.*

Key words: *tourism flow, inbound tourism, outbound tourism, tourism receipts, Central and Eastern Europe.*

INTRODUCTION

Tourism does not exist as a separate and independent entity within the national accounting. There has been a growing interest worldwide in quantifying the economic effects of tourism at global and especially regional and local levels.

Central and Eastern Europe is an area where the international tourism has experienced failures attributable to the former system of centralized economy. The transition to the market economy has generated in turn a series of reactions of the social, economic and cultural environments, with negative effects on the tourist offer: privatizations, altered social function of tourism, polluted cultural environment.

Dependent on many factors and sensitive to circumstantial phenomena, the tourism flow records significant variations in case of different geographical areas and countries. Europe shows the strongest integration of both supply and demand. Therefore it is mandatory to acknowledge the main trends of tourism flow traffic and to determine future guidelines.

MATERIALS AND METHODS

The physical volume of the international tourism flows results from the international tourist arrivals at frontiers (in case of tourism export) and the resident tourists' departures abroad (in case of tourism import).

The analysis of tourism indicators is possible only if there are sufficient and adequate, updated and rhythmic statistical information on each tourism variables. This system allows the use of more complex techniques such as the balance as an analytical tool (payments, input-output) or the barometer to measure the degree of interaction between the tourism variables and to assess the economic effects of tourism.

Among the most representative indicators of tourism flow are the followings: tourist arrivals, average number of tourists, number of tourist-days, average length of stay, tourism receipts, density of tourism flow. The analysis of tourism flow indicators in Central and Eastern Europe used the data and information provided by the following publications: the reports and publications of the European Commission, the publications of the World Tourism Organization, and the statistical service of the European Union (Eurostat).

RESEARCH RESULTS

The inbound tourism is that part of tourism that records the arrivals of foreign citizens in a given country, whose permanent residence is the issuing country. This form of tourism is an important and efficient source of foreign exchange receipts for the destination countries. Europe is by far the most visited continent, with 51.3% share of total international travel in 2011. Therefore, the analysis of tourist arrivals in Central and Eastern Europe is important. It recorded many changes in the period 2009-2012 as shown in Table 1, as a great potential tourist destination that attracts yearly million tourists worldwide. According to the UNWTO, the international tourist arrivals grew by 5% in 2013, reaching 1.087 billion arrivals. By region, Europe has shown the best evolution, receiving 29 million international tourist arrivals in addition to 2012, increasing its total number to 563 million arrivals. The 5% increase in 2013 exceeded expectations and it is double compared to the regional average for the period 2005-2012 (+2.5% yearly). By sub-regions, Central and Eastern Europe (+7%), Southern and Mediterranean Europe (+6%) recorded the best results.

Among the countries of Central and Eastern Europe, Romania showed an encouraging upward trend in 2009-2012, an increase of foreign tourists and a market share of 0.3% in 2012, similar to that of Estonia, Georgia and Lithuania. Although this is a low percentage among the Central and Eastern European countries, except for the Republic of Moldova (0.0%) and Belarus (0.1%). The top rated countries are Russia (2.4%), Poland (2.4%), Hungary (1.1%) and the Czech Republic (1.5%). Although Romania has showed a better evolution in 2009-2012, with 0.3% increase, the market share is still lower compared to some countries with weaker evolution (Ukraine, Bulgaria) and the tourist arrivals merely exceed a million and a half.

Table 1

International tourist arrivals in Central and Eastern Europe

Destination	Year (million)				Change (%)			Market share (%)
	2009	2010	2011	2012	10/09	11/10	12/11	
World	833	940	983	1035	6.4	4.6		100
EUROPE	461.7	461.5	504.0	534.2	2.8	6.2	3.4	51.6
Central and Eastern Europe	92.6	95.7	103.5	111.6	3.3	8.1	7.4	12.4
Armenia	575	684	758	843	18.9	10.8	11.3	0.1
Azerbaijan	1.005	1.280	1.562	1.986	27.4	22.0	27.1	0.5
Belarus	95	119	...	119	25.3	...	2.3	0.1
Bulgaria	5.739	6.047	6.324	...	5.4	4.6	...	0.8
Czech Republic	8.848	8.629	8.775	8.908	-2.5	1.7	-1.2	1.5
Estonia	1.900	2.120	2.460	2.744	11.6	16.0	3.0	0.3
Georgia	1.500	2.032	2.820	1.790	35.4	38.8	35.7	0.3
Hungary	9.058	9.510	10.250	10.353	5.0	7.8	1.0	1.1
Kazakhstan	3.118	3.393	4.093	4.438	8.8	20.6	8.4	0.3
Latvia	1.323	1.373	1.493	1.435	3.8	8.7	-3.9	0.2
Lithuania	1.341	1.507	...	...	...	...	...	0.3
Poland	11.890	12.470	13.350	14.480	...	...	11.2	2.4
Republic of Moldova	60	64	75	89	75	17.9	18.6	0
Romania	1.276	1.343	1.515	1.653	5.3	12.8	9.1	0.3
Russia	19.420	20.271	22.686	25.736	4.4	11.9	13.4	2.4
Slovakia	1.298	1.327	1.460	1.511	2.2	10.1	3.4	0.5
Ukraine	20.789	21.203	21.415	23.013	1.9	1.0	7.5	1.1

Source: UNWTO, Tourism Highlights, 2012, 2013, p. 7,8.

The arrivals of foreign visitors in Romania registered at frontiers reached 533,300 in March 2013, up to 0.6% compared to March 2012. Most foreign visitors came from Europe (94.7%) and 66.3% from the European Union.

Among the countries of Central and Eastern Europe, most tourists came from Hungary (33.3%), Bulgaria (25.1%), Poland (4.2%), and among other countries of the European Union, from Germany (9.2%), Italy (7.2%) and Austria (4.6%).

The phenomenon of tourist flow in Romania requires a more detailed analysis, particularly in relation to the competing countries in the geographical area to which it belongs. Thus, starting from the most recent statistical data provided by Eurostat, Romania should be analyzed in terms of tourism and economic potential, using indicators such as: overnight stays, accommodation capacity (number of units and number of beds).

Table 2
Overnight stays in hotels and similar accommodation facilities in the period 2008-2012

Country	2008	2009	2010	2011	2012
Bulgaria	4,867	5,370	4,676	4,548	5,167
Czech Republic	9,206	9,686	9,328	9,478	9,853
Estonia	1,175	1,120	944	1,025	1,117
Latvia	979	941	600	674	757
Lithuania	1,082	1,057	755	853	1,019
Hungary	7,662	7,794	7,201	7,435	7,415
Poland	15,898	17,300	17,036	19,112	20,785
Slovakia	3,264	3,684	3,427	3,592	3,744
Romania	16,259	16,580	13,932	12,733	14,385

Source: www.ec.europa.eu/eurostat

Even though Romania recorded in 2008 the most numerous overnight stays in hotels and similar accommodation facilities reaching 16.2 million, it began to lose ground against Poland since 2009. In 2012 there was a huge difference between these two countries: Poland recorded 20.7 millions, and Romania merely 14.3 millions. The opposite ends are represented by countries like Latvia with 600,000 or Lithuania with 755,000, both in 2010.

Table 3
Number evolution of hotels and similar accommodation facilities

Country	2008	2009	2010	2011	2012
Bulgaria	1,526	1,646	1,784	1,823	1,862
Czech Rep.	4,559	4,483	4,469	4,300	4,612
Estonia	346	368	387	375	374
Latvia	318	387	451	495	496
Lithuania	348	365	380	381	379
Hungary	1,999	2,001	2,042	2,033	1,927
Poland	2,443	2,642	2,836	3,223	3,285
Slovakia	1,249	1,313	1,324	1,322	1,297
Romania	4,163	4,362	4,566	4,724	4,612

Source: www.ec.europa.eu/eurostat

In case of hotels and similar accommodation facilities, Romania was ranked in 2011 with 4,724 units, and equaled in 2012 by the Czech Republic. Then Romania registered a decrease from 4,724 to 4,612, while the Czech Republic an increase from 4,300 in 2011, to 4,612 in 2012. Latvia was ranked last in 2008 with 318 hotels and similar accommodation facilities, but managed to overcome Estonia and Lithuania in 2012 with 496 units, even though these two countries increased yearly their accommodation units (Lithuania 379 units, Estonia 374 units, in 2012).

Romania is still far behind other European countries in terms of tourism sector development and attractiveness for foreign tourists. Thus, over 60% of foreign tourists came to Romania for business, and only 20% stated that the purpose of the trip was spending the holidays.

The length of stay decreased continuously in the period 2007-2012, for both foreign and Romanian tourists (an average decrease of 15.6% in the analysed period). It remains at a low level of about 2.6 days for the Romanian tourists and about 2 days for the foreign tourists. The length of stay has been decreasing even since 2000 (when the average stay was 3.6 days). During the first nine months of 2011, a foreign tourist spent an average of 628 euros in Romania, down by 7% from 2010. The tourists who came for business spent an average of 689 euros, while those who came for particular purpose spent 535 euros. Hence the importance of strengthening a position and a more favorable image among countries with high tourism potential, and thus a solid tourism policy.

The tourism receipts increased in 2012, since the recorded values were noticeably higher than the critical year 2009, whose decline resulted from the rise of Asian countries and also from the economic and political changes over the continent: the financial crisis, less competitive offers, lower quality-price ratio, old tourism facilities.

Table 4

Receipts from tourism in Central and Eastern Europe

Destination	Year (US\$ million)				Market share (%)
	2009	2010	2011	2012	2012
EUROPE	412.257	409.310	463.404	457.8	100
Central and Eastern Europe	47.948	48.094	56.072	56.971	12.4
Armenia	334	408	445	451	0.1
Azerbaijan	353	621	1.287	2.433	0.45
Belarus	370	437	459	664	0.1
Bulgaria	3.728	3.637	3.967	3.748	0.8
Czech Rep.	7.013	7.121	7.628	7.035	1.5
Estonia	1.090	1.062	1.248	1.226	0.3
Georgia	476	659	936	1.411	0.3
Kazakhstan	963	1.005	1.209	1.347	0.3
Latvia	723	640	771	745	0.2
Lithuania	1.011	1.021	1.353	1.318	0.5
Poland	9.011	9.526	10.687	10.938	2.4
Rep.Moldova	173	174	194	213	0.0
Romania	1.234	1.140	1.417	1.467	0.3
Russia	9.366	2.233	2.429	11.187	2.4
Slovakia	2.336	2.233	2.429	2.299	0.5
Ukraine	3.576	3.788	4.294	4.842	1.1
Hungary	5.631	5.381	5.580	4.845	1.1

Source: UNWTO, Tourism Highlights, 2012, 2013, p. 7,8.

The international tourism receipts exceeded 1 billion dollars in 2012 and reached a record of US \$ 1.075 billion (euro 837 billion), up from US \$ 1042 billion (euro 749 billion) in 2011.

Among regions, Europe ranks second in the world after America (+5.7%), in terms of percentage growth in tourism receipts, with 5.2% increase in 2011. But Europe got most international tourism receipts (45%), reaching 463 billion dollars (333 billion euros) in 2011, followed by Asia and the Pacific (28% or US \$ 289 billion / euro 208 billion). These data show that Romania has the same slow upward trend. In case of tourism receipts, the

market share of 0.5% among the countries of Central and Eastern Europe, surpasses countries such as Latvia, Armenia, Estonia, Moldova, Belarus and Georgia. Romania's tourism receipts of US \$ 1.417 million in 2011 represent 0.5% from total tourism receipts of Central and Eastern Europe (19.4%).

Growth was led by destinations in Central and Eastern Europe which saw 7% more international arrivals in 2012. Many destinations, including the larger countries, have contributed to this growth, especially the Russian Federation (13%) and Poland (11%), as well as some smaller fast-growing ones such as Georgia (36%) and Azerbaijan (27%).

The outbound tourism refers to residents' travels across borders to other destinations, or otherwise tourists' departures to tourist areas.

According to the UNWTO, tourism flow stays in the same regions in 2013, and in the future. In consequence, the tourists traveled to the region to which they belonged. Four out of five travels worldwide occurred in the same region the tourist belonged, and only one travel was carried out outside of it.

Table 5

International tourist arrivals by region of origin

	Year (million)				Market share (%)	Change (%)		Average annual growth (%)
	2009	2010	2011	2012		2012	11/10		12/11
World	883	940	995	1035	100	4.8	4.0	3.6
Europe	476.8	492.9	520.5	539.8	52.1	4.7	3.7	2.6

Source: UNWTO, Tourism Highlights, 2012, 2013, p. 13.

Europe remains the world's largest source region, generating over half of all international arrivals worldwide, followed by Asia and the Pacific (23%), the Americas (17%), the Middle East (3%) and Africa (3%).

As for Romanians traveling abroad, departures recorded at border showed that the 1.604 million departures were 8.6% down, due to a lower purchasing power.

The foreign tourists' main reasons to visit Romania were business, participation in congresses, conferences, courses (59.7% of total non-resident tourists), their expenditures representing 67.3% of the total. The foreign tourists arriving for business spent RON 2.2876 billion.

The foreign tourists' second reason to visit Romania was the particular purpose trip (40.3% of total non-resident tourists), and especially for spending holidays (57.9%). The foreign tourists arriving for personal purposes spent RON 1.1125 billion. The largest share of their expenditures was for accommodation (52.0%), out of which 66.0 % for bed&breakfast services. The expenditures in bars and restaurants recorded a share of 14.4%, while shopping represented 13.5% of the total foreign tourists' expenditures. Renting cars recorded 41.3 % of total expenditures for transportation, while the access costs to amusement parks, fairs, casinos, slots accounted for 45.3 % of total expenditures for recreation.

Table 6

Tourist arrivals in accommodation facilities by types of tourists

Types of tourists	2008	2009	2010	2011	2012
Total	7,125,307	6,141,135	6,072,757	7,031,606	7,686,489
Romanian	5,659,416	4,865,545	4,726,414	5,514,907	6,030,053
Foreign	1,465,891	1,275,590	1,346,343	1,516,699	1,656,436

Source: NIS, The results of the documented analysis – Tourism and culture from 22nd May, 2013

Drawing a parallel between the number of foreign tourists and their expenditures in our country, it is obvious that if Romania attracted more foreign tourists, tourism receipts would increase as foreigners spend significant amounts in our country. 2011 is the first year of growth (16.6%) after two consecutive years of decline for our domestic tourists, but it is the second consecutive year of growth in terms of foreign tourists, with higher growing rates compared to the previous year (12.7% versus 5.5%). The growth trend continued in 2012.

Regarding the European market which includes Romania, Europe will continue to be the most visited tourist destination in the world with a total of 717 million tourists in 2020. This is still one percentage point below the world average, leading to a loss of market share in Europe from nearly 60% in 1995 to 46% in 2020. By 2020, tourists will travel ever further.

Long distance travels are forecasted to increase by 5.4% yearly, while the intra-regional travels by 3.8% yearly. Consequently, the inter-regional flows will gain 24% of market share in 2020. Europe remains the region that will generate further most tourists, accounting for almost half of tourist arrivals, despite its modest annual growth rate (3.4%) compared to other regions. The World Tourism Organization states that by 2020:

- ✓ Central and Eastern Europe will attract more tourists than the countries in Western Europe;
- ✓ France remains the favourite destination for the European tourists (reaching nearly 106 million international tourists by 2020);
- ✓ The 10 Balkan countries will receive up to 79 million tourists in 2020, 92% of them going to Greece, Bulgaria, Romania and Croatia. This is due to 4.6% yearly growth in the period 1995-2020.

The 1995-2020 forecast on the population willing to travel shows that international tourism still has untapped growth potential. Hence the share of international tourists willing to travel represents 7% of the world total, out of which 14% in Europe, and 10% in East Asia - Pacific.

CONCLUSIONS

Central and Eastern Europe is an area where international tourism has experienced failures attributable to the former system of centralized economy. The transition to a market economy has generated in turn a series of reactions of the social, economic and cultural environment. Apart these difficulties, Central and Eastern Europe represents undoubtedly a tourist attraction.

In 2020, only the Russian Federation and the Czech Republic will be in top 10. Top 10 tourist destinations will include 6 countries from Europe, 2 from Asia and 2 from North America. Top 10 tourism source markets in 2020 will include Germany (ranked first with 163.5 million tourists, and 10.2 % market share), followed by Japan (with 141.5 million tourists, and 8.8 % market share) and the USA (with 123.3 million tourists, and 7.7 % market share). The international tourism will continue to grow in the period 2010-2030, but slower compared to the past decades, and the international tourist arrivals will increase by an average of 3.3% per year. As a result, an average of 43 million international tourists will join the tourism market every year until 2030, compared with an average increase of 28 million per year in the period 1995-2010. Tourism development worldwide by 2030 seems to be the result of practicing certain forms of tourism such as ecotourism, rural tourism, tourism in natural areas, social tourism, cultural tourism, adventure tourism and business tourism.

Since the phenomenon of global growth continues, one may state that tourism remains one of the most important and dynamic economic sectors, playing an important role in the economy of each country able to use its tourism potential.

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