

## Comparative Approach of Romania-Croatia in Terms of Touristic Services

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### Abstract

*The United Nations has designated 2017 as the International Year of Sustainable Tourism for Development. Despite the slow economic growth in advanced economies and geopolitical tensions in some regions, the Tourism and Travel sectors still represent a major part of the world economy and employment. Thus, the Tourism and Travel sector creates jobs, leads exports and generates prosperity around the world. In the present paper we approached the theme of tourism, especially the Romanian tourism in parallel with the Croatian tourism, the two states being in direct competition regarding the touristic services.*

**Key words:** tourism, tourism index, competitiveness, services

**J.E.L. classification:** L80, Z32

### 1. Introduction

According to the World Tourism and Travel Council (WTTC), the Tourism and Travel sector continues to grow with 4% per year, faster than sectors like financial, transport and manufacturing services.

The Tourism and Travel Competitiveness Index (ICTC) aims to measure the issues that have been identified as levers to improve the competitiveness of this sector in countries around the world. Through detailed analysis of each pillar and sub-pillar of the index, companies and governments can act directly to develop the sector.

There are four categories of variables that affect the competitiveness of tourism globally. These categories are estimated through four sub-indices subordinated to the Tourism and Travel Competitiveness Index: Permissive environment, Policy and conditions allowed in Tourism and Travel, Infrastructure and Natural and cultural resources.

### 2. Tourism industry - general considerations

The human, even in the farthest times of his development, failed to deliver all the necessities of subsistence and, despite the poor communication means, sought to cultivate and maintain relations with his peers in other communities through trade, which inherently favored a gradual widening of contacts, allowing a better mutual knowledge of the respective collectives. In this context, some initial forms of tourism have been practiced since the earliest times. Perhaps it would not be abusive if it were stated that although they were not an end in themselves, the travel satisfaction of some travels have an approximately same age as the first stable human settlements (Snak, 1976).

The capitalization of the national tourism heritage of an area, resort or settlement is strongly conditioned by the content of touristic services, variation and the quality of services provided by organizers of touristic travels and providers of tourism services for tourists.

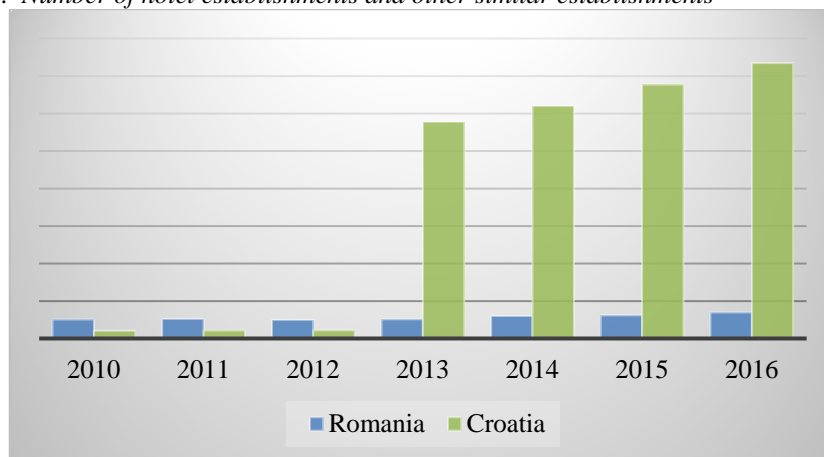
The concerns of tour operators and providers of tourism services to enrich the touristic offer with active holiday arrangements are part of the ongoing diversification of touristic offer by launching new, more complex and attractive touristic products in comparison with some traditional touristic products.

As active holidays take forms of organized or semi-organized tourism, they also involve special forms of travel organization. The global offer of such arrangements will include, in the basic services category, also some services, which are considered as special events. Of course, potential consumers of these service categories must first know the enriched offers of travel agencies with such activities. This consideration also requires the reorganization of the concept of tourism promotion, the forms of message expression being conducted more nuanced, in order to correspond to the preferences of the market segments from which the new categories of tourists are recruited (Snak, Baron, Neacșu, 2001).

### 3. Comparative analysis Romania - Croatia in terms of touristic services

Our comparative analysis begins with reference to the number of hotel establishments and similar establishments in the two countries.

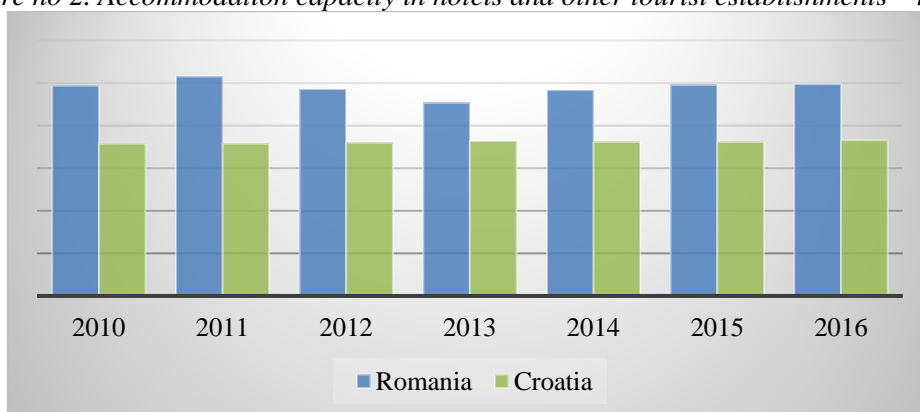
Figure no 1. Number of hotel establishments and other similar establishments



Source: authors' processing based on Eurostat 2016 statistical data

As it can be seen, between 2010 and 2016, Romania and Croatia registered upward trends in the number of hotel establishments and other establishments destined to accommodate tourists, the average value of Romania (almost 5700 units) being far exceeded by the average of its competition (38.000 units).

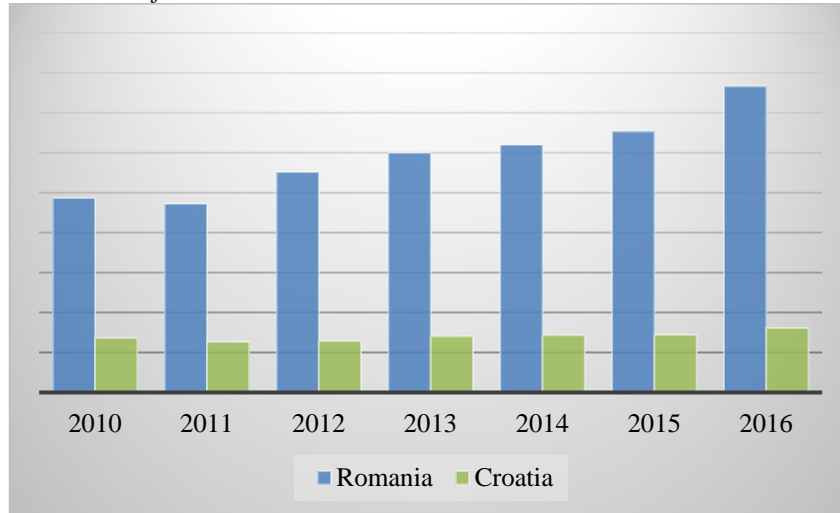
Figure no 2. Accommodation capacity in hotels and other tourist establishments – thousands



Source: authors' processing based on Eurostat 2016 statistical data

Regarding accommodation capacity in hotels (number of beds) and other tourist establishments, Romania registered an increase in the first part of the period, followed by a significant decrease in the second half, while Croatia registered a slight increase in accommodation capacity (number of beds) in 2010-2016.

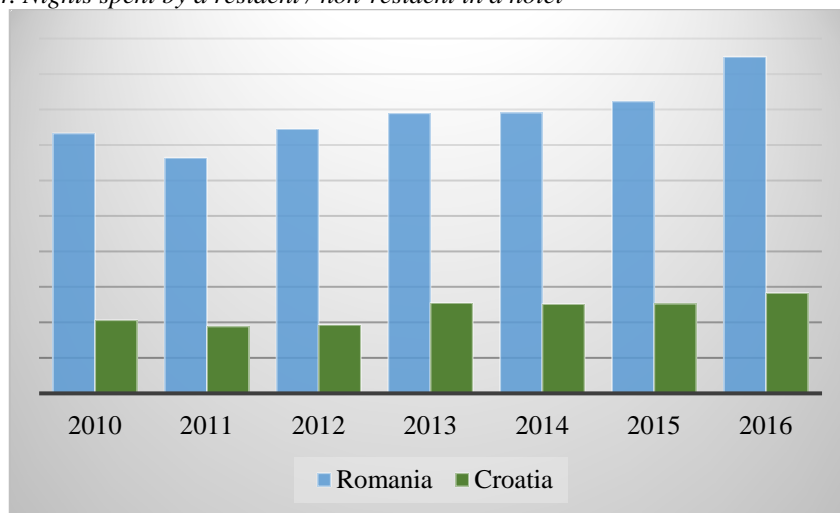
Figure no 3. Arrivals of residents and non-residents- thousands



Source: authors' processing based on Eurostat 2016 statistical data

Romania gained detached competition with Croatia on attracting tourists, registering an increasing trend in terms of arrivals of residents and non-residents, while Croatia had an oscillating evolution over the same period of time, 2010-2016. The historical maximum in the analyzed period was in 2016 with the following values: almost 7,7 million arrivals in Romania and 2 million arrivals in Croatia.

Figure no 4. Nights spent by a resident / non-resident in a hotel

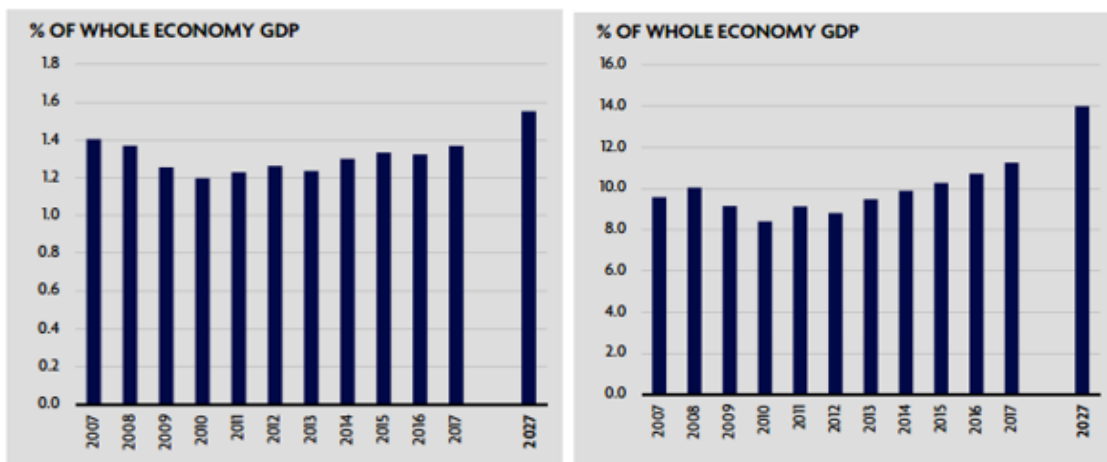


Source: authors' processing based on Eurostat 2016 statistical data

During 2010-2016, the number of nights spent by tourists, residents and foreigners, in accommodation units in Romania and Croatia was increasing. Romania's absolute values exceeded those of Croatia.

*The direct contribution of the Tourism and Travels sector to GDP.* At the end of 2016, Tourism and Travel sector of Romania contributed with 39.3 billion RON, approximately 5 billion EUR in the total GDP (5.2% of GDP), while Croatia accounted for 24.7% in GDP, which means 85,173.4 million HRK, approximately 11 millions EUR.

Figure no 5. The contribution of the Tourism and Travels sector to GDP.  
Romania

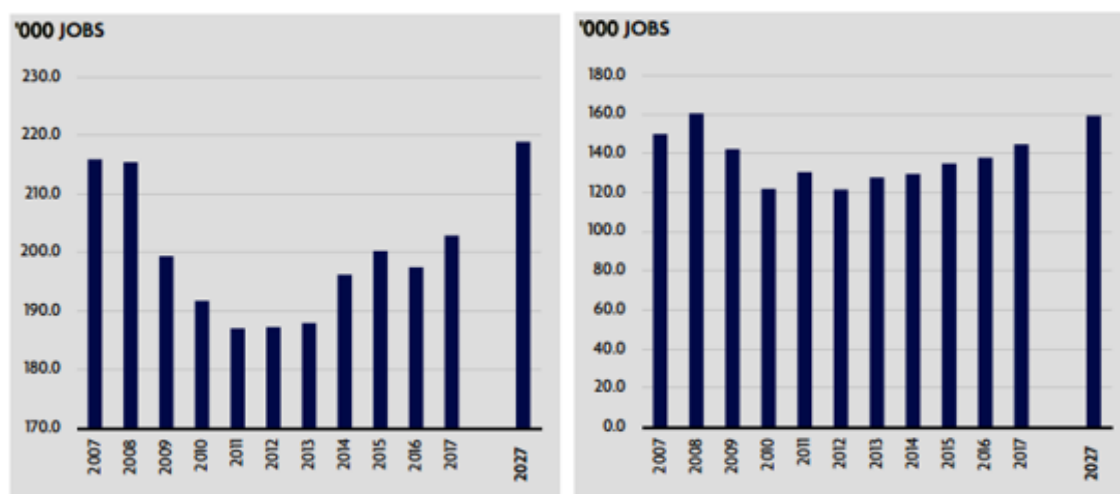


Source: Scowsill, 2017

Starting in 2010, there is a tendency to increase the contribution of the Tourism and Travel sector to the GDP of the two countries, a trend which is expected to remain until 2027, as can be seen in Figure 1.

As can be seen from Figure 2, the direct contribution of the Tourism and Traveling sector in Romania's employment, characterized by a fluctuation on an ascending trend, is higher than that in Croatia, characterized by a steadily ascending slope.

Figure no 6. The contribution of the Tourism and Travels sector to Employment.  
Romania

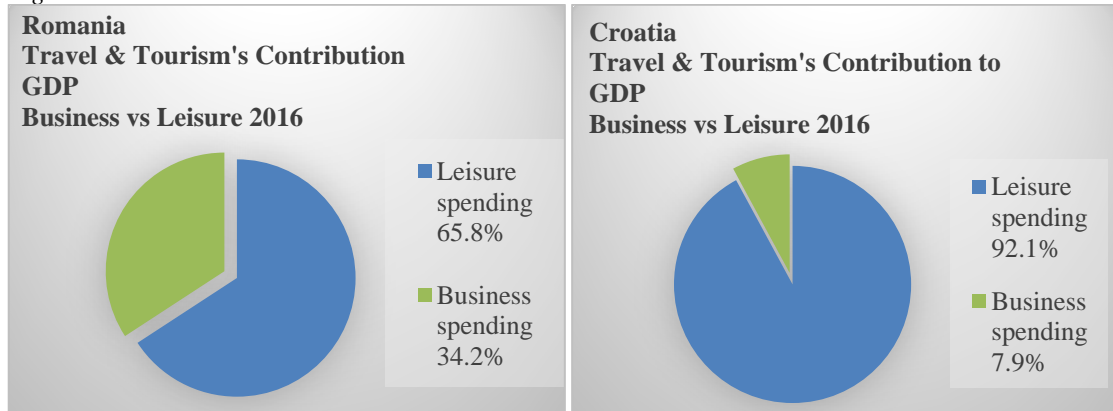


Source: Scowsill, 2017

In Croatia, the Tourism and Travel sector generated 321.500 jobs in 2016 (23.4% of total employment). The Tourism and Travel sector has created new jobs in departments such as travel agencies, airlines, hotels, restaurant and catering services and also in leisure activities area.

*Recreational tourism vs. business tourism.* In Romania, recreational tourism spendings, conducted by both resident and non-resident tourists, generated 65.8% of tourism and travel revenues in GDP (15.0 billion RON) in 2016, while tourism business recorded 34.2% (7.8 billion RON) (Scowsill, 2017)

Figure no 7. Recreational tourism vs. business tourism.

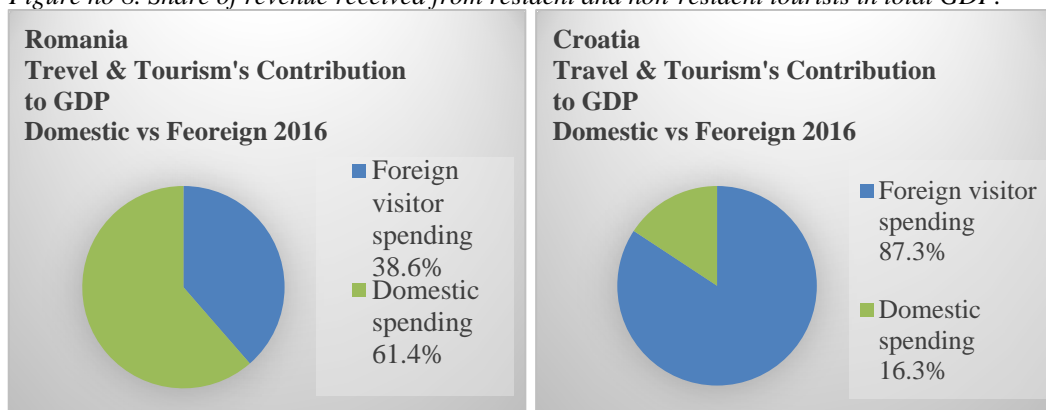


Source: Scowsill, 2017

In Croatia, recreational tourism spendings, made by resident and non-resident tourists, generated 92.1% of tourism and travel revenue earnings in GDP (HRK 73,088.4 million) in 2016, while business tourism recorded 7.9% (HRK 6,248.9 million).

*Share of revenue received from resident and non-resident tourists in total GDP.* In Romania, the revenues earned from resident tourists generated 61.4% of the total direct revenues generated by the Tourism and Travels in GDP sector in 2016, while the tourist revenue received from non-residents was 38.6 percent.

Figure no 8. Share of revenue received from resident and non-resident tourists in total GDP.



Source: Scowsill, 2017

At the opposite side, Croatia recorded a 16.3% share of revenue earned from resident tourists in the total direct revenue generated by the Tourism and Travel sector in 2016, while non-resident tourists' incomes recorded 87.3 percent. (Scowsill, 2017).

#### 4. Conclusions

Tourism, by its very nature, generates new jobs and has a major contribution in attracting labor surpluses from other sectors and, implicitly, in reducing unemployment. Despite the growing and unpredictable shocks due to terrorist attacks, political instability and natural disasters, the Tourism and Travel sector continued to demonstrate its resilience. In the long run, the growth of the Tourism and Travel sector will continue to be strong as long as investment and development take place in an open and sustainable manner. In this way, not only can we expect the sector to support over 380 million jobs by 2027, but will continue to increase its economic contribution, providing the rationale for further protection of nature, habitats and biodiversity.

The analysis carried out in this paper is able to propose some answers regarding the reasons for Romania's tight competitiveness in relation to Croatia.

First of all, it is noted that Romania does not effectively use its favorable geographical position, natural and cultural resources, nor does it place any effort in capitalizing it. Due to this, the Romanian population, both as a provider and as a beneficiary of tourism services, is not educated in the spirit of environmental protection and sustainable development. Better road transport infrastructure, easier access to local tourist attractions, better advertising campaigns - can ensure a higher position of Romania on the international tourism map.

Thus, besides the modernization of the tourist structures, tourist resorts and the creation of new tourist products, resorts, original, attractive and unusual programs, which could, through a sustained promotion activity on the international market, direct important tourist flows to Romania.

Along with the modernization and development of a diversified and competitive tourist offer, measures to improve and develop the marketing and promotion activity, to integrate into global tourism, to ensure the legal framework and the appropriate stimulating and stable financial and tax environment are necessary.

## 5. References

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