

Specific Aspects Regarding Tourism and Travel in European Union

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Abstract

The experiences that can be lived only by traveling and exploring new geographical and cultural areas, made tourism one of the most developed industry generating over 10% of worldwide GDP. The purpose of the paper is to provide evidence of the development of the tourism and travel sector in the European Union. The conclusion that can be drawn from this article is the openness of European countries for the international flow of tourists and the better promotion of countries less new in the international tourism flow, European Union being one the greatest players in the tourism industry.

Key words: tourist, travel, European Union.

J.E.L. classification: L83, Z30.

1. Introduction

World Tourism Organization (1993) defined tourism as all tourism and accommodation activities for leisure or business purposes in other locations than the place of residence and work. Tourism can be seen as the possibility to make trips, to visit and to know new places and communities. Butler (2015) enhances tourism as an activity that characterized human behavior for centuries, being driven by different motivations and many purposes: disconnection from the daily routine, relaxation, holidays, education, business, or professional purposes.

In Europe, the tourism sector contributes with 9.7% to GDP and 9.7% of total jobs (World Travel & Tourism Council, 2019), being a driver of socio-economic growth and development. If in 1950 the main tourist destinations were represented by the states of northwestern Europe and North America, since 1999 the countries with economies in transition in Southeast Asia, Central, and Eastern Europe, and Latin America have become highly sought as tourist destinations. Areas like the Balearic Islands or the Maldives benefited a lot from the openness to tourism activities.

European Union is one of the greatest players in the tourism industry and made a goal to become the world's leading tourism destination. The main directions of action established were sustainable tourism, developing innovation, and cross-border tourism initiatives. Tourism has an important "contagion effect", Romao, Guerreiro & Rodrigues (2017) show that tourism growth in one region lead positively influences tourism in neighboring regions, and Kang, Kim & Nicholls (2014) prove that internal public policy impacts the patterns of tourism demand worldwide.

The purpose of this paper is to provide evidence of the development of the tourism and travel sector in the European Union, given the fact that the tourism industry is an engine for growth and socio-economic development. However, sustainable economic growth through tourism is possible only by eliminating cultural, social, economic, and financial barriers.

The paper is organized into five sections, beginning with the introduction of the topic and stating the purpose of the paper. The second section presents a brief literature review regarding tourism and travel. The third section is providing the research methodology and the fourth section compounds the findings of the paper. The last section exposes the conclusions of the paper.

2. Brief literature review

The tourism sector has shown a continuous development over the last decades, both in terms of locations and geographical areas, as well as in terms of services offered and tourist packages, but also in terms of quality of tourism services. Therefore, the competitiveness of the tourism providers increased in the latest years, and according to Crouch (2011), the advantage is given by creating memorable experiences. Competitiveness in the tourism sector is related to drowning and satisfying potential tourists at all levels of tourism service providers (Enright & Newton, 2004).

Understanding tourists' emotions and preferences are the only way to create memorable travel experiences (Hogertz, 2010). Nowadays the fast development of technology provides tools that can give insights regarding the wishes of tourism services customers. The new technologies allow the interpretation of digital information to identify the preferences of the population, thus being useful for personalizing tourist offers, individualizing tourist packages, and creating unique experiences. The analysis of biometric data, using the Internet of Things (IoT), and machine learning are only some examples of these new technologies. In this context, to remain competitive, the tourism sector needs to adapt to new trends in information technology and data processing, differentiation and customer focus are key elements for increasing competitiveness (WTTC, 2019).

Focusing on the consumer means understanding his needs and motivation. According to Iso-Ahola (1982), all people seek activities that provide both novel experiences and psychological rewards, allowing them to escape from personal problems. Tourism and traveling provide positive outcomes such as positive emotions, renewed energy, new insights, or the ability to solve problems (Gilbert & Abdullah, 2004; Mitas, Yarnal, Adams, & Ram, 2012).

In the travel context, giving up the daily routine, changing the time zone, the new gastronomy, or temperature differences can be just a few of the causes of anxiety and stress. Tourists step out of their comfort zone and invest time, effort, and money (Lehto, O'Leary & Morrison, 2004) to have positive, relaxing, and unforgettable experiences (Gnoth et al., 2000). Therefore, to maintain well-being, it is necessary to know consumers as well as possible by using their data based on trust and honesty. On the other hand, it is noted the blurring of the line between work and leisure, so travel is often included in everyday life. As a result, tourism products and services must be adapted to this new reality and offer continuity and diverse and creative activities (WTTC, 2019).

3. Research methodology

This article is descriptive research regarding the development of the tourism and travel sector in the European Union. For this purpose, it was analyzed the evolution of several indicators that characterized this sector. The data used in this article was retrieved from the database of the World Bank and Eurostat.

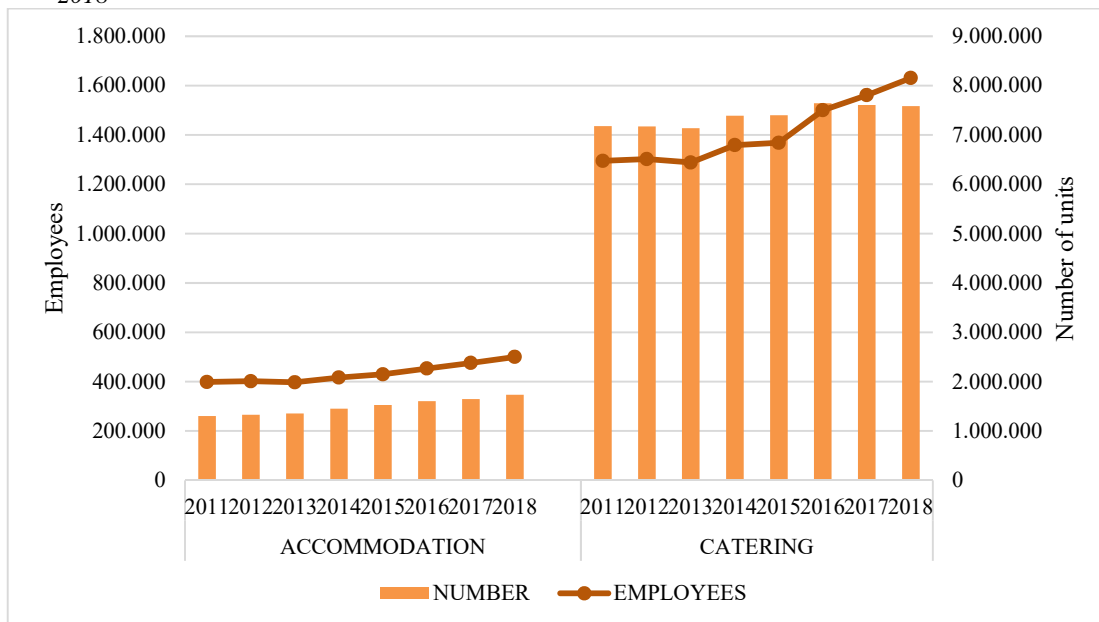
The paper is a quantitative research aiming to systematize the bibliographic information and the economic indicators regarding the tourism and travel industry in European Union. The research method used for this purpose is the bibliographic study of scientific references for the theoretical documentation regarding tourism and traveling; synthesis of the research results of other authors, but also the synthesis of the data used; graphical representation of data.

4. Findings

According to Kozak (1999), the tourism sector can be assessed either by the input data like tourist facilities, infrastructure, endowment, human capital, expenses or by the output data like the number of tourist arrivals, tourism revenues, and productivity. Following the author's suggestion, it was analyzed the evolution of indicators in European Union.

Accommodation and catering establishments in European Union in the period 2011 - 2018 registered an increase of 33% in the case of accommodation units, respectively of 6% in the case of public catering units. There are approximately 5 times more public catering establishments than accommodation units. The number of employees increased by 26% between 2011 and 2018, the largest share being held by people employed in public catering units (Figure no. 1).

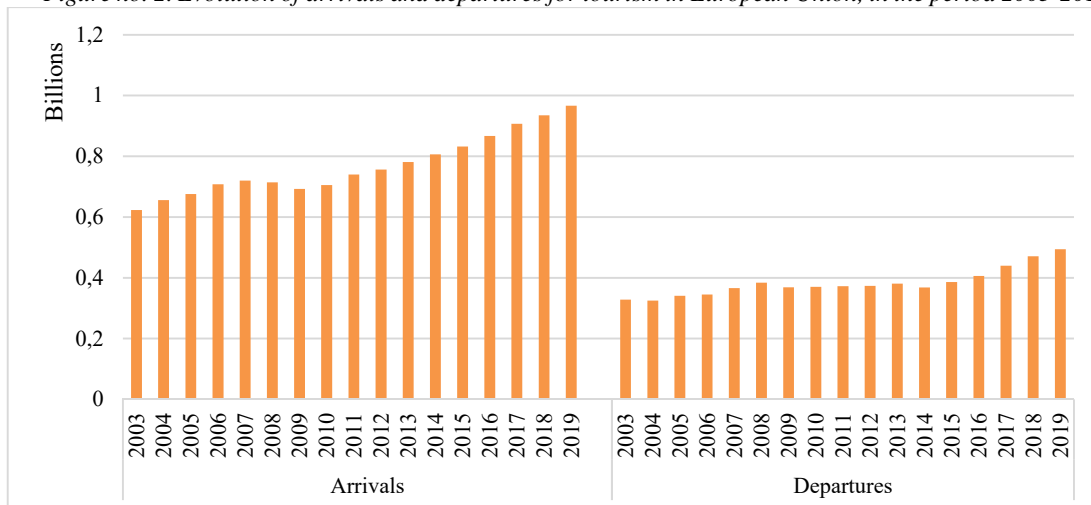
Figure no. 1. Evolution of accommodation and catering establishments European Union, in the period 2011 - 2018



Source: Own computations based on data published by Eurostat

In European Union, the tourism sector increased in the period 2003 - 2019, both in terms of the number of people who came and the number of people who left for tourism. Arrivals for tourism in the European Union increased by 55% during that period, while departures for tourism increased by 51% (Figure no. 2). The main causes that determined the travel to the European Union in the period 2012-2019 are personal reasons (47%), professional or business purpose (10%), vacation or leisure (20%), visiting relatives (20%), and other personal reasons (3%).

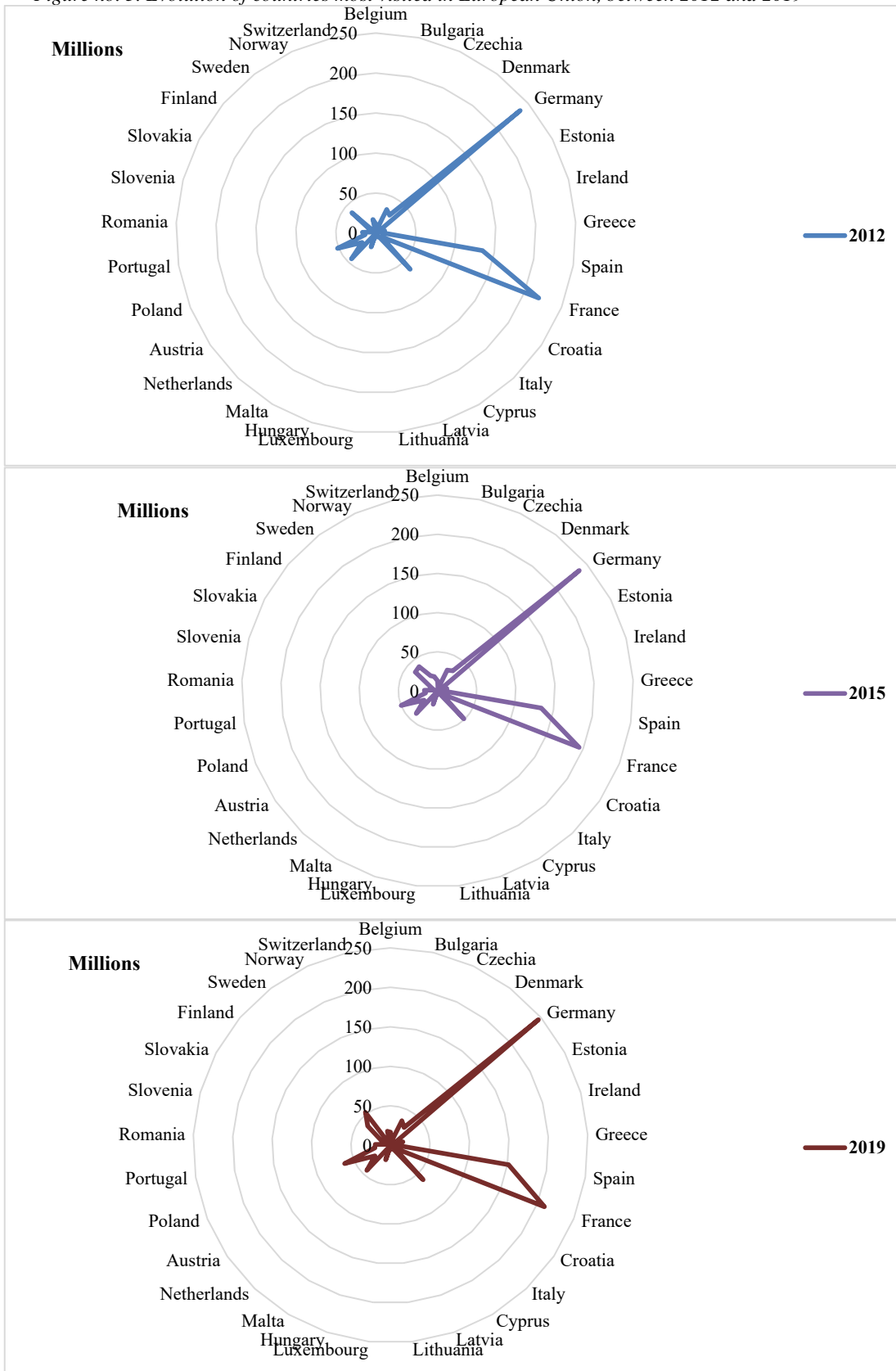
Figure no. 2. Evolution of arrivals and departures for tourism in European Union, in the period 2003-2019



Source: Own computations based on data published by World Bank

The countries most visited are Germany, France, Spain, Poland, and Italy (Figure no. 3). Between 2012 and 2019 the number of tourists increased by 94% in Slovakia, by 82% in Malta, by 78% in Estonia, by 57% in Luxembourg, and by 46% in Belgium. There was a decrease in the number of tourists between 2012 and 2019 in Croatia (32%), Latvia (25%), Greece (14%), Finland, Italy and France (4%), Netherlands (2%).

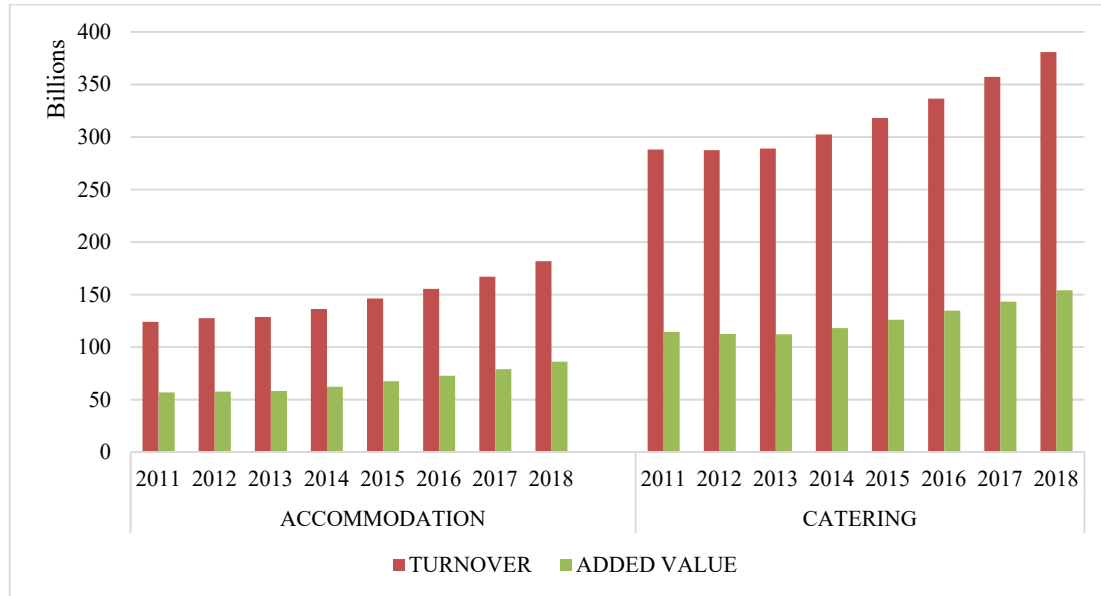
Figure no. 3. Evolution of countries most visited in European Union, between 2012 and 2019



Source: Own computations based on data published by Eurostat

Regarding the economic results of accommodation and catering companies in the European Union, it is noted that turnover and value-added increased between 2011 and 2018 with about 50% in the case of accommodation units and by about 30% in the case of catering establishments (Figure no.4).

Figure no. 4. Evolution of turnover and value-added of tourism in European Union, in the period 2003-2019



Source: Own computations based on data published by Eurostat

5. Conclusions

The tourism sector of the European Union increased in the last years both in terms of accommodation establishments and catering units. The turnover and value-added of the tourism sector increased between 2011 and 2018 with about 50% in the case of accommodation units and by about 30% in the case of catering establishments. These evolutions reflect the fact that European Union is one the greatest players in the tourism industry.

The flow of tourists increased, the most visited countries being Germany, France, and Spain. Also, Slovakia, Malta, and Estonia succeed to attract over 75% more tourists in 2019 compared with 2012. These evolutions show the openness and better promotion of countries less new in the international tourism flow.

The COVID-19 pandemics put a lot of pressure on the tourism industry given the need for social distancing that imposes the temporary suspension of activity. The impact of this pandemic will be seen, meanwhile, the governments must implement policies to increase the labor security and the well-being of the population. In terms of tourism and travel, policies that support international openness and promote traveling in safe conditions are essentials.

6. References

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