

**TOURISM INTER-ORGANIZATIONAL RELATIONSHIPS,  
COORDINATION AND HIERARCHY  
IN THE BLACK SEA RIPARIAN CITIES**

**Gabriela STANCIULESCU**

Academy of Economic Studies, Faculty of Commerce, Department of Tourism-Services  
Boulevard Dacia, nr.41, Sector 1 Bucharest, Romania, Postal Code:010404  
E-mail: gabriela\_stanciulescu@yahoo.com  
gabriela.stanciulescu@com.ase.ro

**Olimpia STATE**

Academy of Economic Studies, Faculty of Commerce, Department of Tourism-Services  
Boulevard Dacia, nr.41, Sector 1 Bucharest, Romania, Postal Code:010404  
E-mail: olimc@yahoo.com  
olimpia.state@com.ase.ro

**ABSTRACT**

Present-day international tourism would be quite impossible without international cooperation. The contribution of international organizations throughout the latter half of the twentieth century is beyond the scope of this paper. The best reference sources on this vast subject are the series of Annual Reports of the OECD Tourism Committee, the publications of the World Tourism Organization and, in the purely European context, the published output of DG XXIII of the European Commission. Analyzing the Black Sea area and its 11 riparian countries (Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Republic of Moldova, Russian Federation, Romania, Turkey, Ukraine) the main sources are the Black Sea Economic Cooperation Organization, the Parliamentary Assembly of the Organization of the Black Sea Economic Cooperation, the Forum of the cities and regions of South East Europe, the national statistics of the respective countries as scarce they are.

In the Black Sea area as everywhere else, governments intervene and encourage tourism through a complex structure of governmental and officially recognized organizations, which are convenient to visualize as existing at different levels within a pyramid, the national executive at the apex and the local level at the base. The structure should not be taken literally as corresponding to the distribution of real power and influence as the base may have considerable resources and powers to act independently and to strongly influence 'upwards' the development of policy. The whole structure is, certainly, subject to continual pressure from electorates, business interests and lobbies.

The basic aim of the paper is to promote the establishment of partnerships between South-Eastern European local and regional authorities and other cities and regions around the Black Sea, as a means of consolidating local and regional tourism infrastructure and products.

**Key words:** The Black Sea, riparian cities, tourism

**JEL Classification:** 10, 11, 14

**Related field(s):** Resource and Environmental Policy  
International Economic Policy  
Climate Change and Institutional Tourism Partnership

## **TOURISM INTER-ORGANIZATIONAL RELATIONSHIPS, COORDINATION AND HIERARCHY IN THE BLACK SEA RIPARIAN CITIES**

### **1. Regional Or International – That Is The Question?**

Regional tourism on today's scale would be quite impossible without regional cooperation. The contribution of international organizations throughout the latter half of the twentieth century is beyond the scope of this paper. The best reference sources on this vast subject are the series of Annual Reports of the OECD Tourism Committee, the publications of the World Tourism Organization and, in the European context, the published output of DG XXIII of the European Commission. Governments intervene in and encourage tourism through a complex structure of governmental and officially recognized organizations, which are convenient to visualize as existing at different levels within a pyramid, the national executive at the apex and the local level at the base. The structure should not be taken literally as corresponding to the distribution of real power and influence as the base may have considerable resources and powers to act independently and to strongly influence 'upwards' the development of policy. The whole structure is, certainly, subject to continual pressure from electorates, business interests and lobbies.

Between the apex and the base there is in most countries an intermediate level of tourism organization which is described in many instances as 'regional'. The term should be treated cautiously as it applies to spatial scales that are quite different. The regions in Europe changed their dimensions due to the enlargement of the European Union.

The coordination and hierarchy of different parts of the Black Sea regional structure is taken by the authors to occur when one organization exercises authority over two or more others in order to get them to work together in pursuit of a common tourism policy or objective. Cooperation is taken to refer to voluntary agreements or joint actions at the same levels in the structure or between organizational levels.

An example of policy coordination is embodied by the US National Tourism Policy Act (1981), which set up a Tourism Policy Council (TPC) to bring together high-level agency officials with direct program-operating responsibilities to consult and discuss needed improvements, to examine specific tourism-related programs and to assist in solving inter-agency conflicts.

Another example of coordination of a different order (i.e., purely operational) is the ongoing program directed by Britain's central tourism organization which for many years has required all

officially recognized local Tourist Information Centers to operate to common standards and to provide, mostly for the sake of mobile tourists, information and itineraries covering the whole country. Discussion conveniently starts with the NTA and NTO, which are part of the structure but always below its apex. Here are some examples of NTAs:

- 1 The French NTA consists of the Tourism Directorate, concerned with policy, finance and internal matters, and Maison de la France, responsible for external marketing. Both are the responsibility of the Minister of Tourism, part of the giant Ministry of Public Works, Transport and Housing. The Maison de la France is effectively an NTO;
- 2 The Spanish NTA is Turespana, which, although 'autonomous', is chaired by the Secretary of State for Commerce, Tourism and Small Enterprises within the major Ministry of Economy and Finance. Turespana is also an NTO;
- 3 The Fijian NTA is the Department of Tourism. The NTO is the Fiji Visitors Bureau. Its Board, responsible for policy and management, is chaired by the Minister for Tourism and Civil Aviation.

A great number of academic books tend to view NTAs and NTOs in isolation but they are subject to the coordinating activities of senior ministries. These in turn cooperate (and can at times be in conflict) with other ministries, including the normally supreme Ministry of Finance or Economic Planning.

### **1.1. Inter-Organizational Structures "Above" the National Level?**

In a number of countries in the Black Sea area there are standing arrangements for some Ministries (Environment, Agriculture, Economy and Finance, a.s.o.) to consult with one another regularly on matters affecting tourism. They have had a checkered history and their internal workings or results achieved have rarely been subject to external scrutiny or published studies.

The longest tradition of official sponsorship of tourism is municipal, going back to the mid-nineteenth century. NTAs developed slowly from the turn of the century. After World War II they multiplied and expanded rapidly, pressed into service by governments to boost foreign currency earnings. Regional tourism organizations are more recent. They have their origins in many developed countries in the mid-1960s and later, coinciding with steep growth in mass car ownership. But a number of other factors have contributed to their growth and strengthening. Devolution of

central government powers from the early 1980s has heightened the importance of the regional (and local) dimension in tourism. Regionalism has been especially strong in Europe and has gained momentum under the aegis of the European Union and its institutions. The European Regional Development Fund has been a powerful instrument in this respect. Europe's two leading tourist destinations, France and Spain, now have highly developed regional tourism structures. Thus both political change and shifts in the patterns of tourism combined to bring onstream a new type of tourism organization. However, this has not been an unqualified success, whether in England or elsewhere. The European Travel Commission, in a 1999 Survey of 22 member NTOs in Europe (West and ex-Communist bloc) found out that 11, or 50%, expected that the growing regionalization of Europe would make their relationships with regional tourist boards more difficult. Promotion should be undertaken at the national level and at the destination level but never at the regional level.

Tourism destinations do not follow administrative boundaries. Around the Black Sea, in particular, most regions are too large and highly inappropriate as areas to be developed and promoted for tourism. This is perhaps one of the main reasons why regional tourist boards have performed very patchily. The trend towards regionalization from central government is clear and incontrovertible. The problem is that tourism, as stated earlier, does not follow the pattern of other sectors. Indeed the absolute reverse is true – whereas greater regional focus might well be appropriate for the majority of the Black Sea countries' interests; the future prosperity of the Black Sea tourism destinations requires a move away from regional focus. It is hardly surprising that regional tourism organizations have faced a lot of criticism. Their remit, in so far as it relates to geographically specific marketing, is no longer appropriate to the needs of modern tourism. Faced with a diminishing rationale and limited funds for such enormous geographic areas, the RTOs have sought to raise revenue through membership schemes. But these schemes have been largely inappropriate for individual tourism businesses, due to the lack of homogeneity in the regional tourism product and the large distances required to attend meetings. No wonder then that active membership (as opposed to membership induced by discounts on accommodation schemes and advertising costs) has achieved low penetration of potential catchments. It is also no wonder that these adverse conditions have led to RTBs becoming exaggeratedly self-interested, sometimes at the expense of national interests. It will remain the case that tourists visiting particular countries – above all those touring the country widely – will expect coherence in the chain of services offered. Autonomous regions do not seem to be the best way of delivering such coherence. Many think that

there is a place for a regional tier but there is continuing debate on what its precise role should be.

## **1.2. The Government's Role and Functions in Tourism**

The credit given to tourism's importance and its role in the national economy vary from one country to another (see figure 1). These two variables are the basis for deciding whether a ministry will be created to coordinate a single field, and its activity is considered crucial for tourism's survival. In other words, from the economic point of view they influence the place of the tourism industry in the whole economy. Generally, the tourism industry is not a very large industry as a whole and sometimes it is not very easy to obtain priority among other policies. To illustrate, tourism's share in the world total GDP stands for 3.6%, while it is 3.8% for the United States and Japan, 3.9% for the European Union and 2.1% for Romania (NU ARE SURSA). That is why it is crucial to clearly emphasize tourism's importance and role for the economy when supporting its place in the national economic system.

For both Romania and the UK, there is a sector ministry, directly subordinated to the government, which includes several sectors of the economy (Elliot, 1997:63).

The determining influence of the central administration over tourism can be demonstrated by considering the compounding offices and the functions they fulfill. According to Davis' classification, these are: producer; protector and supporter; regulating body; arbitrator and distributor; and organizer (Pender & Sharply, 2005:220).

In most countries where tourism represents a central part of economic activity, it is common for the Tourism Ministry to be supported in its role and activity by some national tourism organizations. In Romania they are: the National Tourism Authority, the Romanian Convention Bureau, and the National Association of Conference and Exhibitions' Organizers.

Following research about using the facilitating marketing mix in Eastern Europe (in which the National Tourism Authority was included), a series of negative effects were found. Among them are: the lack of interest in developing essential internal and external promotion of Romanian tourist products and of Romania as a global destination. More specifically, we are referring to internet services for B2B, tourist info services, advertising partnerships and tourist destination management systems.

**Figure 1: Tourism's Importance in the National Economy**

A comparative analysis of the NTA and Visit Scotland shows that National Tourism Authority – NTA – is the specialty body of the central public administration, being a legal entity, and subordinated to the Ministry of Transport, Construction and Tourism, through which the last can fulfill its tasks concerning tourism (Minciu, 2005).

NTA plays the main role in applying tourism policy, and by this we can assume two main roles for the 2004–2008 period:

1. increase in the tourist circulation in Romania and
2. diversify supply and increase the service quality

The organizational structure for the NTA is presented in appendix 2 and it consists of an internal public audit and 5 general directions, which pursue the achievement of NTO's numerous attributions. Among which, the most important are:

- 1 implement application policies for the national tourism strategies;
- 2 apply tourism infrastructure development strategies;
- 3 organize and develop Romania's tourist promotion, both in the internal and external markets
- 4 develop promotion and development policy based on the annual marketing and tourism promotion programs and the tourist products development program;
- 5 control the quality of tourism-related services; ([www.mturismului.ro](http://www.mturismului.ro))

On the other hand NTO has many important attributions to fulfill. This demonstrates the important role it plays. The mission and activity of the NTO are truly essential, considering that tourism doesn't have a devoted one-industry ministry, but a multi-sector one.

We can compare NTO and Visit Scotland's organization, and based on that, we can suggest modifications for the Romanian organization.

Compared to Visit Scotland, NTO's activity is more complex, this body having to coordinate and implement tourist policy at a national level. This leads to a series of difficulties, concerning achieving the objectives, synchronizing and communicating with all stakeholders.

Although NTO is a national body, its structure isn't as complex as Visit Scotland's, and it also differentiates in the importance given to communication (public relations), to services and the quality of tourist products – which is probably the most important aspect. Its relevance is an aspect which doesn't satisfy tourists, whether international nor domestic. Also, Visit Scotland has been concerned with a high-profile promotion activity, which is proved by the many campaigns and the

numerous specialists in the marketing department. So we can suggest reorganizing NTO, based on the Scottish model, and including a quality and tourist service department.

## **2. How to Apply Tourism Marketing in the Black Sea Riparian Cities?**

Tourism is a competitive industry, even on a global scale. If access to a destination or attraction is too complicated, time consuming, expensive or has inadequate provision of capacity, even the most spectacular attraction will remain a secret to most tourists, as they will prefer competitive alternatives (Smiths, 2003). Moreover, it is considered that cultural differences and uniqueness are important if one wants cultural products to become a commercial success (Lindenberg, 2004).

When cultural tourists are looking to experiment or to improve their knowledge, the question is: Which are the best strategies and practices to market that experience and knowledge for cultural tourists (Kantanen, 2005).

Destination advertising campaigns are typically evaluated by conversion studies or by advertising tracking studies. The conversion study model follows a sequential flow over time, that leads from the production of advertisements to visitor awareness, positive image development, inquiry/fulfillment, motivation and conversion (Siegel and Ziff-Levine, 1990; McWilliams and Crompton, 1997: 127 in Kantanen, 2005). The advertising tracking model describes changes in the levels of awareness of the destination and its image in the target markets, before and after those markets have been exposed to an advertising campaign (McWilliams and Crompton, 1997: 129 in Kantanen, 2005).

Cultural attractions cover a wide range of cultural events, art exhibitions, museums, and buildings with cultural heritage (Kantanen, 2005).

Marketing in tourism can be described as both a science and an art, or a complex interplay of the two. Developing the right marketing channels; the right contacts; understanding how the tourism distribution and promotion systems work in the regional and national context; taking a unique approach; and persistence. Attaining the right mix in the context of a regional destination and maintaining flexibility in the approach will most certainly drive performance (Smiths, 2003).

### **2.1. Marketing a Tourism Destination in the Black Sea Countries and Their Cities**

Marketing and advertising a certain geographical area are essential for informing and convincing potential tourists to visit that area. A complete tourist plan should contain a marketing component (Stanciulescu, 2004).

As target group orientation is considered a prerequisite for good market communication, it is essential for tourism destinations to be aware of the frame of reference within which their promotional efforts are interpreted. A central part of this are cultural images – that is, images which exist in the target group in relation to a given culture outside and a priori to tourism promotion – and to consider “how the promotional effort goes down with the a priori understanding seems a necessary exercise for any marketer” (Therkelsen, 2003).

Tourism basically entails a search for that which is extraordinary (Urry, 1990) compared to one’s everyday life and environment. Hence contrasts would seem to materialize between the orientations of the supply side and the demand side in the tourism context. This line of reasoning is sustained by Viken & Jacobsen (1997), who hold that “culture specific experiences are a necessary contrast to our standardized everyday life (Therkelsen, 2003).

The political, economic and cultural existence of places outside the tourism context means that tourism destinations have a more comprehensive meaning potential than most other consumer products, and meanings which are closely tied up with the present and historical relations between the country of origin of the tourist and that of the destination (Therkelsen, 2003).

Faced with the growing global competition where destinations are becoming highly substitutable, destination marketing organizations (DMOs) are in a constant battle to attract travelers (Pike and Ryan, 2004 in Ekinci, 2006).

As places strive to become distinctive, destination personality is viewed as “a viable metaphor for understanding tourists’ perceptions of places and for crafting a unique destination identity” (Caprara and Ekinci, 2006).

A tourist destination may be viewed as an amalgam of individual products and experiences that combine to form the total experience of the area visited (Murphy in Ekinci, 2006). Past research has demonstrated that destination image has both cognitive and affective components (Kotler in Ekinci, 2006). However, destination image has been acknowledged to consist of both affective and cognitive components. Past research has also shown a direct connection between a destination’s image and the “trend of tourists recommending it through word of mouth” (Ekinci, 2006), and a direct connection between the destination’s image and tourists expectations (Middleton, 2001).

A study by Ekinci (2006) demonstrated that it is vital to create and observe a destination’s



personality in order to position and differentiate it on the tourist market. This can be done through a whole set of marketing techniques including publicity and imagining (Ekinici, 2006).

Very often, mature destinations rest on past laurels, forgetting that the reexamination of their marketing and communication strategies and the willingness to implement change are their last hope in an increasingly global market, where world-wide competition brings challenges everyday (Minghetti, 2001).

In the same way, emerging destinations need to identify target markets and create a unique brand platform to enter competition. In addition to that, the gain of a global competitive advantage also requires “the development of local partnerships...which allow destinations and SMEs to gain greater market power on intermediaries and other external actors” (Minghetti, 2001).

To ensure competitive advantage, every destination has to offer its potential tourists a certain degree of attraction and a tourist experience superior to other alternative destinations (Dwyer, 2003).

Perspectives from various disciplines reveal that competitiveness is a multi-faceted concept. We can regard the notion of competitiveness as associated with three major groups of thought. These are:

- (1) Comparative advantage and/or price competitiveness perspective
- (2) Strategy and management perspective
- (3) Historical and socio-cultural perspective

From a macro perspective, competitiveness is a national concern and the ultimate goal is to improve the real income of the community. From this perspective, competitiveness is a very broad construct encompassing all social, cultural, and economic variables affecting the performance of a nation in international markets (Dwyer, 2003).

The discussion of competitiveness in the general literature has tended to stress competitive advantage (resulting from value-added activities by firms and organizations), while de-emphasizing comparative advantage as a source of international competitiveness. For a tourism destination, comparative advantage would relate to inherited or endowed resources such as climate, scenery, flora, fauna, etc., “while competitive advantage would relate to such created items as the tourism infrastructure (hotels, attractions, transport network), festivals and events, the quality of management, skills of workers, government policy and so on (Dwyer, 2003).

## **2.2 A Destination's Image and Brand Image**

In terms of tourism destination branding, provenance is even more critical because countries pre-exist any identities crafted for them by marketers and neither their advertisers nor consumers can have objective views of them (Morgan & Pritchard, 2001, p. 281 in Therkelsen, 2001).

Informing tourists before and after they reach a destination is considered a marketing component. In a new tourist destination, it is important to create and transmit an adequate image of that area, based on the primary attractions, the facilities and the available services. The image has to be as close to reality as possible, so that tourists will not be disappointed but careful so that they do not get a wrong idea either (Stanciulescu, 2004). All products which are decoded and taken into the consumer's world gain a cultural existence and identity (Kragh, 1996: p. 6, own translation in Therkelsen, 2001), and sometimes components can be common to more than one culture.

Beerli and Martin (2003) introduced nine dimensions with attributes determining the perceived tourist destination image, such as natural resources, general infrastructure, tourist infrastructure, tourist leisure and recreation, culture, history and art, political and economic factors, natural environment, social environment and the atmosphere of the place. All dimensions are also included in the cultural attraction (Kantanen, 2005).

The organic image of the attraction is based on the non-commercial sources of information, such as news of the destination in the media, information received, and opinions of friends and relatives. The induced image is based on the commercial sources of information, like different forms of advertising and information from travel agents and tour operators (Kantanen, 2005).

City branding used to be associated with the flight from an industrial past (Holcomb, 1993; Bramwell and Rawding, 1996), but it is now linked to enhancing the urban landscape with globally branded arts and entertainment destinations, encapsulated in the 'fantasy city' (Hannigan, 1998). As Hannigan (2003) suggests, a successful brand should be instantly recognizable, play on the desire for comfort and certainty and provide a point of identification for consumers in a crowded market-place (Richards, 2004).

Major events have become a particular valuable form of cultural currency, particularly in terms of their image effects. As Hall (1992: p. 14) notes: it is apparent that major events can have the effect of shaping an image of the host community or country, leading to its favorable perception as a potential travel destination. This potential has been a reason for events being used as an image-enhancement tool, particularly for large cities (Law, 1993; Holcomb, 1993; 1999; Sassen and

Roost, 1999; Judd and Fainstein, 1999; Selby, 2003 in Richards, 2004).

A major problem with such strategies is that their impact is very hard to measure. This is particularly true in the case of the relatively nebulous area of city image. One of the major problems is the complexity of images: multifaceted, highly subjective and often aimed at different publics (Paddison, 1993 in Richards, 2004).

Adopting Aaker's terminology of brand personality, destination personality is defined as "the set of human characteristics associated with a destination". In tourism literature, there has been a proliferation of destination image studies over the last three decades, but destination personality has been largely unexplored. Aaker, realizing this limitation and drawing on the Big Five Model of human personality, developed the brand personality scale (BPS) consisting of five generic dimensions: excitement, sincerity, competence, sophistication and ruggedness. Since then the brand personality dimensions have been applied to various settings across different cultures to gauge consumers' symbolic consumption and their effects on behavior (Aaker, Benet Martinez and Garolera, 2001 in Ekinci, 2006).

Sincerity is represented by attributes such as down to earth, real, sincere and honest. Excitement is illustrated by traits such as daring, exciting, imaginative and contemporary. Competence is characterized by attributes such as intelligent, reliable, secure and confident. Sophistication is personified by attributes such as glamorous, upper class, good looking and charming. Finally, ruggedness is typified by traits such as tough, outdoorsy, masculine and western! (Ekinci, 2006).

Faced with the growing global competition where destinations are becoming highly substitutable, destinations are increasingly embracing branding initiatives such as the use of taglines and logos in order to attract visitors and expenditures to their respective destination (Blain, Levy and Ritchie, 2005 in Ekinci, 2006). As places seek to become distinctive, destination personality is viewed as a viable metaphor for understanding tourists' perceptions of places and for crafting a unique identity (Caprara in Ekinci, 2006).

Brand personality influences consumer preferences, and although it is considered a metaphor used for understanding customers' perceptions of brands, there is a wide selection of literature on destination personality and image. For some authors brand image is a more comprehensive term which also includes its personality. Others consider them similar and reflecting the customers' perception about brands (Ekinci, 2006).

On the conceptual side, many theorized notions of place imagery (most notably from

behavioral geography, for example, Pocock and Hudson, 1978; Golledge and Stimson, 1997; Nasar, 1998), have distinguished between ‘designative’ and ‘appraise’ components of the image. The ‘designative’ or informational aspect is related to the categorization of cognitive elements of the environment. The ‘appraise’ aspect is concerned with feelings, values and meanings, or what is ‘felt’ about a place. The appraise component can itself be demarcated into two different components (Pocock and Hudson, 1978; Wilson, 2002): the evaluative (concerned with the expression of an opinion) and the affective (concerned with the specification of a preference) (Gartner, 1993; Dann, 1996). (Richards, 2004) (Richards, 2004).

In order to be successful, the message has to play a significant part in advertising. It needs to communicate what has to be known in order to make a decision regarding a trip (Stanciulescu, 2004).

The ways in which managers respond to customer’s requests and needs and put together tourist products are considered crucial decisions. These decisions influence not only profit and operations but also the firm’s long term strategy, including its investment policy and human resource management (Middleton, 2001).

For the tourist, the product covers the whole set of the experiences “from the moment he leaves home until he returns” (Middleton, 2001:122). So the product is not represented by the plane seat or the hotel bed, but by a whole amalgam of elements, or by a package composed of tangible and intangible elements. The package is perceived as an experience available for a certain price. And its five main categories are:

3. the environment and the attractions available at the destination
4. services and facilities available at the destination
5. ease of access
6. destination image
7. the price to pay.

The first category mainly motivates the tourist option and influences the potential customers’ motivation. It consists of natural attractions, built attractions, cultural attractions and the social attractions (e.g. way of life and locals habits, language and social interactions) (Middleton, 2001).

The second category, represented by the services and facilities available at the destination, allows tourists to check-in and enjoy the attractions. In this category we can include: accommodation, restaurants, local transport (taxis, buses, bike rentals and other facilities), services and infrastructure for practicing certain sports (skiing schools, sailing, golf clubs, stadiums), shops,

tourist agencies, beauty saloons and spas (Middleton, 2001).

Ease of access determines in most cases the cost and speed for a tourist to reach a certain destination. In this category we include: general infrastructure (roads, parking places, airports, train stations, ports and aqueducts), transport equipment (size, speed and offer), operational factors (operated routes, service frequency, and tariffs), government regulation for transport (Middleton, 2001).

The fourth category refers to the image and attitude tourists have concerning a tourist destination. Such factors are not necessarily connected with previous tourist experience or any other objective arguments, but these factors are considered very powerful motivators in the tourism industry. Each destination has an image, but most times this is based on past events, and it does not consider the present. That is why it is considered a very important destination marketing objective to sustain, demolish, or build images which influence potential customers' perceptions and expectations (Middleton, 2001).

The last category is the price a client has to pay. This determines which products and services will be chosen, but it is also influenced by other factors including: season, wanted services, and from an international product's perspective, influencing factors are also exchange rates and transport method (Middleton, 2001).

### **3. International versus European; European versus South East-West European**

In terms of international tourism (see tables 1 and 2), Europe is not only the origin of most tourists, but also the destination for most international travelers. Two out of three international tourists are Europeans – approximately 200 million every year, according to the Organization for Economic Cooperation and Development (OECD), which represents the industrialized countries of the world. World Tourism Organization figures show that in 2005 the total spending on international tourism was US\$ 682 billion (Euro 548 billion), of which US\$ 400 billion (about) was spent by Europeans. In 2005 there were 806.3 million international tourist arrivals, of which 441.0 million were Europeans, and according to recent data in 2006 there were 846 million international tourist arrivals of which over 462 million were Europeans.

Similarly, despite being the second smallest of the seven continents, Europe attracts far more international tourists and more spending on international tourism than any other continent. According to the World Tourism Organization, Europe registered about 441.0 million international

arrivals in 2005 and 484 million in 2007 – some 55 per cent of the world total. In the same year (2005), about Euro 279.3 billion was spent on international tourism in Europe – about 51 per cent of the world total. The WTO forecasts are 527.3 million for international tourist arrivals in Europe in 2010 (52% of the total) and 717.0 million in 2020 (46% of the total). The figures are, certainly, influenced by the political geography of Europe which tends to inflate the statistics for international tourism. The proliferation in (in world terms) Europe of relatively small countries makes international travel a more effortless and commonplace feature of life than it could be in a large country, such as the USA or Australia, for example.

Table 1. International tourist arrivals by country of destination

International Tourist Arrivals by Country of Destination								
International Tourist Arrivals (1000)								
	1990	1995	2000	2003	2004	2005	2006	2007*
<b>Europe</b>	<b>265,647</b>	<b>315,009</b>	<b>395,894</b>	<b>407,113</b>	<b>424,449</b>	<b>441,528</b>	<b>462,200</b>	<b>484,400</b>
<b>Northern Europe</b>	<b>31,624</b>	<b>40,077</b>	<b>45,768</b>	<b>45,814</b>	<b>49,641</b>	<b>52,868</b>	<b>56,400</b>	<b>57,600</b>
<b>Western Europe</b>	<b>108,626</b>	<b>112,184</b>	<b>139,658</b>	<b>136,076</b>	<b>139,043</b>	<b>142,689</b>	<b>149,500</b>	<b>154,900</b>
<b>Central/Eastern Europe</b>	<b>31,490</b>	<b>60,028</b>	<b>69,712</b>	<b>78,457</b>	<b>86,278</b>	<b>87,927</b>	<b>91,500</b>	<b>95,600</b>
<b>Armenia</b>		12	45	206	263	319	381	450
<b>Azerbaijan</b>		93	681	1,014	1,349	1,177	-	-
<b>Bulgaria</b>		3,466	2,785	4,048	4,630	4,837	5,158	5,151
<b>Georgia</b>		85	387	313	368	548	-	-
<b>Rep. Moldova</b>		32	18	21	24	23	-	-
<b>Romania</b>	1,432	766	867	1,105	1,359	1,430	1,380	-
<b>Russian Federation</b>				20,443	19,892	19,940	20,199	-
<b>Ukraine</b>		3,716	6,431	12,514	15,629	17,631	18,936	23,122
<b>Southern/Mediterranean Europe</b>	<b>93,907</b>	<b>102,720</b>	<b>140,756</b>	<b>146,766</b>	<b>149,488</b>	<b>158,043</b>	<b>164,800</b>	<b>176,200</b>
<b>Albania</b>	30	40	32	41	42	46	-	-
<b>Greece</b>	8,873	10,130	13,096	13,969	13,313	14,765	16,039	17,518
<b>Turkey</b>	4,799	7,083	9,586	13,341	16,826	20,273	18,916	22,248

\*provisional data

The global upward trend of international tourist arrivals in Europe is maintained in most of its subsequent regions, as shown in the table below. The sluggish increase and the anticipated stabilization of the average annual growth quotas are apparent in Northern and Western Europe. Following this model, in the Central and Eastern Europe region, the figures have tripled in the last 17 years, from 31.5 million international arrivals in 1990 to almost 96 million in 2007. The biggest boom in terms of annual growth in absolute terms was registered in the Russian Federation, from 19.1 million international arrivals in the 2004 to 20 million in the year 2006. Despite the fact that

the global and regional trends show a general rise of the figures, in a few cases the annual shifts are visible at national level; in Romania, from 1.1 million in 2003 to 1.3 million in 2004, followed by a slight increase in the next year, reaching 1.4 million.

**Table 2. International Tourist Arrivals by Country of Destination**

<b>International Tourist Arrivals by Country of Destination</b>										
	<b>Market share in the region</b>				<b>Change (%)</b>			<b>Average annual growth</b>		
	<b>(%)</b>							<b>(%)</b>		
	<b>1990</b>	<b>2000</b>	<b>2005</b>	<b>2006*</b>	<b>04/03</b>	<b>05/04</b>	<b>06*/05</b>	<b>90-00</b>	<b>00-05</b>	<b>00-06*</b>
<i>Europe</i>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>4.33</b>	<b>4.0</b>	<b>5.0</b>	<b>4.1</b>	<b>2.2</b>	<b>2.7</b>
<b>Northern</b>										
<b>Europe</b>	<b>11.9</b>	<b>11.6</b>	<b>12.0</b>	<b>11.91</b>	<b>8.4</b>	<b>6.5</b>	<b>7.6</b>	<b>3.8</b>	<b>2.9</b>	<b>4.3</b>
<b>Western</b>										
<b>Europe</b>	<b>40.9</b>	<b>35.3</b>	<b>32.3</b>	<b>32.50</b>	<b>2.2</b>	<b>2.6</b>	<b>5.0</b>	<b>2.5</b>	<b>0.4</b>	<b>1.2</b>
<b>Central/ Eastern</b>	<b>11.9</b>	<b>17.6</b>	<b>19.9</b>	<b>19.79</b>	<b>10.0</b>	<b>1.9</b>	<b>3.9</b>	<b>8.3</b>	<b>4.8</b>	<b>4.7</b>
<b>Europe</b>										
Armenia		0.0	0.1	-	27.6	21.3	-		48.0	-
Azerbaijan		0.2	0.3	-	33.0	-12.7	-		11.6	-
Bulgaria		0.7	1.1	-	14.4	4.5	-		11.7	-
Georgia		0.1	0.1	-	17.5	48.8	-		7.2	-
Rep Moldova		0.0	0.0	-	14.3	-4.2	-		5.0	-
Romania	0.5	0.2	0.3	-	23.0	5.2	-	-4.9	10.5	-
Russian Federation			4.5	-	-2.7	0.2	-			-
Ukraine		1.6		-	24.9		-			-
<b>Southern/ Mediterr.</b>	<b>35.4</b>	<b>35.6</b>	<b>35.8</b>	<b>35.78</b>	<b>1.9</b>	<b>5.7</b>	<b>4.8</b>	<b>4.1</b>	<b>2.3</b>	<b>2.7</b>
<b>Europe</b>										



---

Albania	0.0	0.0	0.0	-	2.4	9.5	-	0.6	7.5	-
Greece	3.3	3.3	3.2	-	-4.7	7.2	-	4.0	1.7	-
Turkey	1.8	2.4	4.6	-	26.1	20.5	-	7.2	16.2	-

---

Source: World Tourism Organization (UNWTO), data as collected in UNWTO database November 2006 and 2007)

International tourist arrivals, in relative terms, show little change of the market share in the region. The main trend, as previously anticipated, is an easy, yet steady, decrease of interest in Western Europe, from 40% in the year of 1990 to 32.5% in 2006, along with a growth of international tourist arrivals in the Central and Eastern Europe, from almost 12% in 1990 to nearly 20% in 2006.

The increase quotas have diminished in the first years of this decade, yet maintaining the upward trend. The latest figures, from the year 2006, have shown, in relative terms, a slight decrease of international tourist arrivals in most of the European countries, including Greece and Turkey, while other nations, without much previous tourism activity, such as Georgia or Bulgaria, have registered increases of this index.

On the other hand, the principal tourism market for all European countries is composed of their own inhabitants. Individual countries' domestic tourism activity earns their tourist industries much more than their individual incoming markets, through holidays, short breaks and all forms of business tourism. Therefore, Europe is as successful in attracting visitors from other continents as it is in satisfying the tourism needs (Davidson, 1992).

One great advantage of **cultural heritage tourism to Europe** is that it is much less subject to seasonal variation than many other forms of tourism. For this reason, the image of Europe and in the same geographical space the image of the Black Sea countries as a cultural destination is likely to be emphasized even more in the future, as countries aim for a better seasonal spread for their tourism.

Cultural Tourism is a genre of special interest tourism based on the search for and participation in new and deep cultural experiences, whether aesthetic, intellectual, emotional, or psychological. Cultural tourism is based on the mosaic of places, traditions, art forms, celebrations and experiences that portray a nation and its people, reflecting the diversity and character of the region. Some specialists say that "we need to think about cultural tourism because really there is no other kind of tourism".

Two significant travel trends will dominate the tourism market in the next decade:

- 1 Mass marketing is giving way to one-to-one marketing with travel being tailored to the interests of the individual consumer.
- 2 A growing number of visitors are becoming special interest travelers who rank the arts, heritage and/or other cultural activities as one of the top five reasons for traveling.

The combination of these two trends is being fueled by technology, through the proliferation of online services and tools, making it easier for the traveler to choose destinations and customize their itineraries based on their interests, and increasing the number of visitors.

### 3.1. European Cities and Mountain Areas

Urban tourism offers the same opportunity for extending the tourist season, as second holidays and short breaks frequently focus on the attractions of Europe's historical cities. While some of these attractions are undoubtedly cultural, the assets of Europe's cities also include: shopping facilities, from department stores to specialty boutiques and designer clothes shops; and entertainment. According to a recent survey prepared at the request of the European Commission, only 19% of Europeans' main holidays are spent in cities, well behind those spent by the sea, or in mountain or rural areas. However, 25% of their 'second' holidays were spent in cities, demonstrating the greater importance of urban tourism for off-peak travel). Regarding visitors from other continents, there is no doubt that Europe's historical cities with their cultural and other attractions are the single most important factor in persuading them to travel to Europe.

The world's top cities for business tourism – conferences, congresses, seminars and trade fairs – are all European. Paris, London, Madrid, Geneva and Brussels alone are the venues for over 1000 international congresses each year, attracting not only the delegates but those accompanying them, from all over the world. While Europe's cities offer a wide range of modern, purpose-built conference facilities, as well as many which have been converted from historic properties such as palaces and civic buildings, their cultural, shopping and entertainment resources are also instrumental in persuading conference-planners to choose Europe; the "new enlarged Europe" offers almost the same cultural facilities.

Throughout Europe as a whole, the importance of business tourism relative to leisure tourism varies enormously from country to country, with the north of Europe clearly deriving the most benefit from this activity as a proportion of all tourism. According to the Organization for Economic Cooperation and Development (OECD), in 2004, business tourism represented the purpose of about 16% of all visits in the world. However, Europe's position as the world's top region for business tourism is under attack as other countries, often in more exotic locations, seek to attract the high-spending, all-year-round clientele that conferences bring with them.

As Europe's population becomes more and more urbanized, and seaside resorts experience even greater problems of congestion, those seeking a change of surroundings while on holiday are turning towards the relatively unspoiled spaces of Europe's countryside (as those in the Black Sea area). There they experience the immense variety of the natural and man-made environment, from the crofting farms of the Scottish Highlands to the hilltop villages of Greece's interior. They also

have the opportunity of witnessing the traces of Europe's emerging civilization, since the European countryside constitutes the collective memory of that civilization's evolution, through the Roman Empire and Russian Empire, the feudal system, the spread of Christianity, chivalry, and the founding of the nation states. Still predominantly undertaken by domestic and intra-European visitors, rural tourism is widely regarded as having enormous potential. At a time when authenticity and the quality of the environment are becoming crucial factors in the choice of destination, the patchwork of natural regions with their distinctive landscapes, cultures, architecture and customs which make up the European countryside is set to become one of the continent's most important tourism assets. **Two quite distinct major client groups emerge.**

**The first type** comprises Europeans taking holidays in their own countries or in other European countries. These 'domestic' (in the pan-European sense in which the term will be used hereafter) tourists constitute the vast majority of tourists in Europe – between three and four times the numbers of tourists coming from outside the continent. Their motivation, as regards their main holidays, is principally the search for the sun, a search which leads many of them towards the beaches of the Mediterranean and recently of the Black Sea, although a growing number are choosing a rural or mountain setting. Cities are popular too, although more often as short-break or other holiday destinations.

**The second clientele** is composed of visitors to the Black Sea countries from other parts of the world. These tourists are motivated by the opportunity of directly experiencing South Eastern European culture for themselves, often because their family origins may be traced back to one of these countries. They favor the major cities, and show a tendency towards touring around several countries in the course of a single visit to Europe. Although far fewer in number than those tourists drawn from the indigenous populations of Europe, their spending per head is higher.

The two categories are not rigidly fixed or exclusive, and there are exceptions in each case: American and Australian accents can be heard on the beaches of the Greek islands, for example; and coach holidays based on a tour of northern European capital cities are almost as popular with Spanish tourists as they are with the Japanese. However, the two clienteles are sufficiently differentiated to justify the examination of two separate markets for tourism in Europe – a 'domestic' market, meaning that composed of those Europeans taking holidays within their own countries and other countries in Central or South Eastern Europe.

### 3.2. Central European and the Black Sea Countries

Romania, Bulgaria, Ukraine, Georgia, Poland, Czechoslovakia, Hungary, Albania and the former USSR – all of the phrases used in the past to describe all, or some, of this group of countries have suddenly become inaccurate and obsolete: the Soviet Bloc, the centrally planned economies, the socialist countries, the monumental changes of the past few years mean that none of these terms now applies.

As these countries open their borders, tourism will be one of the first domains in which fundamental changes will be felt. These changes will mark the end of the pattern of tourism activity which has existed in Eastern Europe over the past 50 years or so, and herald new, radically different trends in travel for all purposes. Thriving domestic tourism, a significant volume of international travel between the countries of Eastern Europe themselves, and an increasing, but relatively minor incoming tourist trade from the West, have been the characteristics of tourist activity in Eastern and South-Eastern Europe for many decades.

Although it is possible to detect overall tourism trends, the countries of Eastern and South-Eastern Europe defy many attempts at generalization in this field of activity. Although it is tempting to treat these countries as a homogeneous group, considerable political and economic differences have always existed between them. For example, according to WTTC data, fast growth of tourism activities is forecast for Romania, it being positioned in the seventh place (after Montenegro, China, India, Croatia, Congo and Vietnam) in the world as concerns the real annual growth rate of the demand for tourism products.

The Southern East Europe area is characterized by a rich culture and numerous cultural interferences; but the travel industry has not managed to exploit this big potential. As a matter of fact, promoting cultural tourism in Europe is a very selective thing: we can find an important concentration in certain locations, in Central and West Europe. But the East European region, with its quick-paced growth, can complete the European cultural tourism offer, with new products and destinations. What are the overall attractions of the Black Sea countries, and what are the assets which they will be able to use in the future to promote themselves as international tourist destinations? **In our opinion, Cultural Heritage.**

In the short term, with the momentous events taking place in that region making headline news almost daily, the sheer curiosity of Westerners to see South-Eastern Europe for themselves will motivate many of them to visit that part of the world, especially now that restrictions on visitor

numbers and visitors' freedoms have been eliminated. Bucharest attracts tourists, among others, with the former "House of the People" – now the Parliament, the second largest building in the world after Pentagon in the USA. Berlin, another example, continues to attract vast numbers of tourists, curious to see for themselves the site of the former Berlin Wall. Otherwise, in the longer term, the attractions of the Black Sea countries are as rich and varied as those of their Western counterparts. **Cultural tourism** has a very promising future, with the existence of numerous great cities of art such as Bucharest, Sofia, Kiev, Prague, Moscow, Warsaw, Tirana and Budapest, with their museums, art galleries and fine architecture. Eastern Europe is also rich in attractive **natural resources**, ranging from 'sea and sand' destinations such as Bulgaria, Romania, Georgia, Russia, Ukraine, to countries rich in lakes and mountain scenery, including Czechoslovakia, Hungary, Poland, and the former USSR. The Hungarians, with an entrepreneurial eye, have already made moves to attract more Western hunters into their vast forests.

The Black Sea countries, therefore, abound in destinations for a whole range of tourist activities. Even Siberia, for so long a by-word for the bleakest of environments and most sinister forms of repression, offers tourist possibilities (Stanciulescu, 1999).

According to some authors, the definition of eco-tourism includes a range of goals that this type of tourism should fulfill:

- 1 It should not damage the resource and should be developed in an environmentally sound manner;
- 2 It should provide long-term benefits to the resource, to the local community and industry (benefits may be conservation, scientific, social, cultural, or economic);
- 3 It should provide first-hand, participatory and enlightening experiences;
- 4 It should involve education amongst all parties – local communities, government, non-governmental organizations, industry and tourists (before, during and after the trip);
- 5 It should encourage all-party recognition of the intrinsic values of the resource;
- 6 It should involve acceptance of the resource on its own terms, and in recognition of its limits, which involves supply-oriented management;
- 7 It should promote understanding and involve partnerships between many players, which could include government, non-governmental organizations, industry, scientists and locals (both before and during operations);
- 8 It should promote moral and ethical responsibilities and behavior towards the natural and cultural environment by all players, such as: sustainable use, resource conservation, cultural

revival, economic development and diversification, life enhancement and personal growth, maximum benefits and minimal costs/impacts, learning about the natural culture and environment. (Waldeback, 1995).

At present eco-tourism is not only a world trend, but also a necessity due to the fact that the environmental degradation in some regions, the Black Sea area included (e.g. Sochi region in Russia), seems to be very serious.

The Black Sea countries are well endowed with tourism resources; to the various and attractive natural conditions there are added valuable and original cultural and historic vestiges and also a rural environment with traditions and customs kept for centuries, that cannot be seen anywhere else in Europe.

For instance, **Greece** has traditionally been one of the most popular tourist destinations on a global basis and each year, particularly in the summer months, the nation's numerous cosmopolitan islands get crammed with millions of international visitors. Unparalleled natural beauty, golden beaches, idyllic sunsets, a legendary nightlife and the world famous Greek cuisine combined with a unique hospitality and an impressively developing tourism infrastructure make Greece an irresistible hotspot for many people.

**Romania's** economy is characterized by a huge potential of tourism. Tourism in Romania has attracted €880 million investments in 2005 and doubled the amount of money invested in Romanian resorts. The Black Sea coast was until the 90s the most developed Romanian tourist region, where the investment and foreign tourists concentrated.

**Bulgaria** seems to be handling the crisis within the tourism sector very well; starting with the period of 1993–1994, Bulgarian tourism revived. Tourists from eastern Germany came back to the Bulgarian market, and Bulgarian tourists reconsidered the national tourist offer. The financial results of the 2005 season of tourism activity on the Black Sea coast shows a growth of arrivals, days of stay and total incomes in Bulgaria.

**Turkey** is in the top 20 most visited countries in the world and also in tourism income. Turkey has more to offer than sun, sand and health, especially in terms of cultural heritage. It has a big potential for ecotourism and sports, like golf, mountaineering, trekking, canoeing, rafting, cycling, scuba diving, paragliding and skiing. Travel & Tourism in the region is expected to grow, in real terms, by 5.8 % per annum between 2007 and 2016.

From the economic point of view, tourism brings many advantages, one of them being new

job creation. Tourism generates a need for hotels, catering services, guided tours and other facilities. There are many professions based on the tourism industry (Tasnádi, 2002). Besides the aspects already mentioned, tourism is the main source of income for many rural communities. Tourism also contributes through taxes to the budget of local governments. Hotels and other accommodation facilities are the main drive for growth in many regions. To summarize the factors influencing the growth of the tourism industry many variables should be taken into account. The tourism industry includes a wide range of services and facilities. According to a survey by the European Union, at present 10% of employees work in the service industries related to tourism. Tourism plays an important role in exchange rates, GDP growth and investment flow. The business functions of tourism in a national economy are the following: development of the market as well as sustainable economic development, the influence of the international balance of payments, new job creation, income and industrial output.

### **3.3. Internal Tourism Flows within Eastern Europe**

As is the case in Western Europe, tourism in most countries in the East is dominated by domestic tourist movements. However, a vast proportion of domestic tourists in all Black Sea countries are lodged, not in registered tourist accommodation, but by friends and relatives. (Taking this into account tilts the balance even further in favor of the dominance of domestic tourism.) In the past, domestic tourism was the only type of tourism tolerated by most of the regimes in the East, for their own citizens, and enormous difficulties were faced by anyone attempting to obtain permission to travel abroad, particularly to the West.

Domestic tourism served two important purposes: not only did it ensure that the spending power of these countries' citizens was exercised at home instead of abroad (thus preventing the 'leaking' of financial resources out of the country), but it also had the virtue of preventing these same citizens from being exposed to alternative, capitalist systems, which might have led them to question more the prevailing ideology of their own countries.

As well as serving the above economic functions, domestic tourism is used to serve social ends as well. Much of the tourism available to the citizens of Black Sea countries is social tourism. Reflecting the prevailing ideology of the times, it had, at least until recently, a largely organized, group character, emphasizing group solidarity at the expense of the individual. Youth tourism, in particular, was regarded as an important way of inculcating "socialist education" upon the minds of young citizens. A large proportion of the existing accommodation stock of some Black Sea



countries is still reserved for this kind of social tourism. In a recent study on the Bulgarian tourism, the tourism researcher and lecturer, Michael Pearlman, estimated that at least 50 per cent of that country's accommodation base is reserved for social tourism for the Bulgarians themselves. A certain amount of this accommodation offers potential for being converted to standards suitable for incoming tourists from the West.

Regarding international tourism by East Europeans, this is largely characterized by internal flows within that region itself. Except in the case of Bulgaria, (whose arrivals figures are distorted by the presence of so many Turkish guest-workers en route to Germany) the majority of incoming tourists for these countries originate in other Black Sea countries. During the 1970s, the need for those living in the East to obtain passports and visas in order to travel to another Black Sea country was abolished, and citizens were able to use their ordinary identity cards as travel documents, increasing the incidence of cross-border trips in the region.

Regional differences appeared and developed along times, fueled by geographical conditions on one hand, and economic changes, on the other hand. Regional policies are required for these countries when unacceptable differences arise, a situation encountered in the countries united by the Black Sea. It seems that the most important value these countries maintained is the cultural heritage that has to be known, and tourism is the opportunity. Trips abroad by citizens of the Black Sea countries are still made to other countries in the East, but an increasing number are using their new-found freedom to travel to the West. The demand for the latter has grown in recent years, with the improvement in the standards of living of certain classes of manual workers, and with the gradual opening up of borders in the East. There is clearly a great pent-up demand in the East to travel to those countries which have been inaccessible for so long, and tourism promotion organizations in the West are already making moves to capture a part of this massive new market which has recently become available.

**Table 3. Outbound Tourism, International Tourism Expenditure**

	(US \$ million)									
	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007*
<b>World</b>	<b>269,24</b>	<b>410,85</b>	<b>479,40</b>	<b>466,51</b>	<b>481,8</b>	<b>525,07</b>			<b>742,000</b>	<b>856,000</b>
<b>Central/ Eastern Europe</b>	<b>3,217</b>	<b>23,004</b>	<b>18,742</b>	<b>19,992</b>	<b>22,68</b>	<b>25,816</b>				
Armenia	-	3	40	40	54	67				
Azerbaijan	-	146	132	109	105	111				
Bulgaria	189	195	538	456	529	746	1,000	1,300	1,500	1,800
Georgia	-	-	110	107	149	130				
Rep Moldova	-	56	72	70	85	105	135			
Romania	103	697	430	451	393	478	530			
Russian Federation	-	11,599	8,848	9,285	11,28	12,880	15,700	17,400	18,200	22,300
Ukraine	-	210	470	566	657	789	2,500	2,800	2,800	3,300
<b>Southern Europe</b>	<b>16,714</b>	<b>24,095</b>	<b>30,231</b>	<b>29,421</b>	<b>30,80</b>	<b>36,987</b>				
Albania	4	7	272	257	366	489	-	-	-	-
Greece	1,090	1,323	4,558	4,165	2,410	2,416	2,900	3,000	3,000	3,400
<b>East Mediterranean Eu.</b>	<b>2,073</b>	<b>3,360</b>	<b>4,930</b>	<b>5,111</b>	<b>4,954</b>	<b>5,310</b>				
Turkey	520	911	1,713	1,738	1,881	2,113	2,500	2,900	2,700	3,300

<http://unwto.org/facts/eng/outbound.htm>

However, many East Europeans making the trip to the West for the first time have been taken by surprise by the cost of hotels, restaurant meals and the goods for sale in the shops. The relative weakness of their own currencies means that, for the majority of ordinary East-European visitors, their spending power falls far short of their being able to make such purchases. They have, therefore, been forced to improvise during their trips.

### 3.4. Foreign investments in the Black Sea countries

One of the major difficulties that Eastern Europe encounters in expanding its incoming tourism from the West in particular is its poor infrastructure, particularly its lack of good-quality hotels. Lacking the resources required to develop this infrastructure, the Black Sea countries have had to look to the West for financial cooperation and the provision of expertise.

**Table 4. Accommodation facilities of the Black Sea riparian countries – 2004**

Country	Total number of hotels	Total number of accommodations	Total number of seaside hotels
1. Romania	1077	166,362	306
2. Bulgaria	1336*	189,839*	807*
3. Turkey	2050	420,697	100
4. Georgia	250*	18,162	156
5. Russia	-	-	645
6. Ukraine	1232	51,686	523

Source: National statistics reports \*2005

Since the 1980s' relaxation of foreign investment in the Black Sea countries, many international hotel chains have become established there, often in joint-venture schemes, whereby a hotel is partly owned by the Western developer and partly by the East European state. A very common arrangement is the franchise agreement, by which hotels in the Black Sea countries are managed and marketed by Western companies. This arrangement offers the possibility of introducing into these hotels Western standards of hospitality and quality of service, which have traditionally been much higher than those prevalent in Eastern Europe (Stanciulescu, 1999).

**Table 5. Macro-economic indicators**

Country	GDP (PPC mil \$) 2007	Annual growth of GDP (%) 2007	Inflation 2007	Direct foreign investments (% of GDP) 2005	Unemployment rate (% of the total labour force) 2005	External debt (% of GDP) 2005	Revenue per capita (\$) 2005
1. Romania	229,897.00	6.5	4.5	7.2	7.0	41.8	3830
2. Bulgaria	81,214.00	6	5.3	8.3	13.7	66.1	3510
3. Turkey	708,053.00	5	8	0.9	10.3	53.5	4750
4. Georgia	17,005.00	7.5	6.3	9.7	11.5	39.3	1300

5. Russia	1,877,205.00	6.4	8.1	2.1	8.6	34.7	4470
6. Ukraine	373,671.00	5	11.3	2.6	8.6	33.7	1540

Sources: [www.euromonitor.com](http://www.euromonitor.com) and World Bank ([www.worldbank.org](http://www.worldbank.org))

Most of the examples of investment in the hotel stock of the Black Sea countries are aimed at satisfying the urgent and growing need for accommodation of business travelers. Four- and five-star hotels throughout Eastern Europe currently charge notoriously high prices, beyond the reach of most leisure tourists.

Joint ventures with companies based in the West offer these countries the possibility of overcoming some of the bottlenecks and financial obstacles restricting their tourism development. However, for a successful and comprehensive tourism industry, these countries will also have to equip themselves with the supply of good two- and three-star hotels which form the bedrock of the leisure tourism industry of most destinations. For the moment, the priority in the construction of hotels appears to lie almost exclusively at the top end of the scale, because that is precisely where the maximum profits are perceived to be.

Eventually, however, as private enterprise becomes more established in their countries, East Europeans will increasingly cater for tourists with more modest means than the average business traveler. In this way, tourism will have an impact on the process of economic reform, stimulating the growth of small and medium-sized privately owned businesses to serve the tourist trade.

Finally, there is one incoming tourist market for the East which will visit those countries in spite of the lack of hotels. East Europeans and their descendants now living in the West will take advantage of the new freedom of access to visit their friends and relatives in the East. This form of tourism offers a particular advantage to countries with an underdeveloped tourist infrastructure: the author Professor S. Medlik has recently made the point that, since many of those comprising the West-East flow will be visiting friends and relatives, they offer a prospect of tourism growth without the need for additional accommodation capacity.

#### **4. Conclusions**

There are many problems facing this area, addressing which could offer real solutions for this region. There are certainly some basic common needs, like:

- 1 the need to improve transportation links;
- 2 the need to provide well implemented customs procedure;
- 3 the need to provide tourist industry authorities with good managerial training;

- 4 the need to provide tourist industry staff with good operational skills;
- 5 the need for marketing knowledge;
- 6 the need for co-operation during the environmental issues approach;
- 7 the need for some decentralized control referring to the tourism development, the emphasis being laid on the local level;
- 8 the need for training, referring to the way of doing business with privately-owned companies and joint ventures partnerships.

The answers to such tasks demand some initiatives like setting up some “sustainable tourism centers” and “green itineraries.”

Another important conclusion refers to the achievement of a basic common level of comprehension regarding sustainable tourism in the Black Sea area. The tourist field objectives, targeted to develop sustainable tourism, refer to three main elements of durability: environment, economy and mankind. These objectives should be as follows:

- 1 sustaining a healthy environment, preserving the recreational quality of all natural or man-designed areas and full integration of the natural, cultural and human environments;
- 2 promoting and sustaining a competitive quality and a certain efficiency of the tourist field as business;
- 3 creating some satisfactory social conditions for both tourists and residents.

The basic orientation towards sustainable tourism in the Black Sea area is the objective for many groups and institutions. The main part concerns the WTO, which is perceived as a catalyst for tourist industry improvement in the area.

## REFERENCES

- Davidson, R.** 1992. *Tourism in Europe*. Paris: Pitman Techniplus.
- Dwyer, L.** 2003. "Destination Competitiveness: Determinants and Indicators". *Tourism*, 5(5). Available on-line at: <http://web.ebscohost.com/>
- Ekinci, Y.** 2006. "Destination Personality: An Application of Brand Personality to Tourism Destination", *Journal of Travel Research*, 45(2): 127-139. Available on-line at: <http://web.ebscohost.com/>
- Kantanen, T.** 2005. "Advertising in low and high involvement cultural tourism attractions: Four cases". *Tourism and Hospitality Research*, 6(2). Available on-line at: <http://web.ebscohost.com/>
- Laulajainen, R.** 2001. "The Unfamiliar Tourist Destination- A Marketing Challenge". *European Journal of Marketing*, 15(7). Available on-line at: <http://web.ebscohost.com/>
- Lindberg, F.** 2004. "A dialogic endeavor into the mediating forces of cultural tourism". *Scandinavian Journal of Tourism*, 4(3). Available on-line at: <http://web.ebscohost.com/>
- Middleton V.** 2001. *Marketing in travel and Tourism*. 3rd Edition. Oxford: Butterworth-Heinemann;
- Minghetti, V.** 2001. "From Destination to Destination Marketing and Management: Designing and Repositioning Tourism Products". *International Journal Tourism Res.*, 3: 253-259. Available on-line at: <http://web.ebscohost.com/>
- Richards G.** 2004. "The Impact of Cultural Events on City Image: Rotterdam, Cultural Capital of Europe 2001". *Urban Studies*, 41(10): 1931-1951. Available on-line at: <http://web.ebscohost.com/>
- Smiths R.** 2003. *Sustainable Tourism-Destination Development*. Available on-line at <http://web.ebscohost.com/>
- Stanciulescu, Gabriela.** 1999. *Management of sustainable tourism in the Black Sea riparian countries, Bucharest*. ALL Publishing House.
- Stanciulescu, Gabriela.** 2004. "Regional strategies and policies for the sustainable tourism development in the Danube space, Bucharest" *Publishing House of the Academy of Economic Studies*, 168-170.
- Stănciulescu G.** 2004. Strategii și politici regionale de dezvoltare durabilă a spațiului dunărean. Provocări pentru turism. Bucharest, *Publishing House of the Academy of Economic Studies*.
- Therkelsen A.** 2003. "Imagining Places: Image Formation of Tourists and Its Consequences for Destination Promotion", *Scandinavian Journal of Hospitality and Tourism*, 3(2). Available on-line at: <http://web.ebscohost.com/>