



MASTER TOURISM

Specialisation in «Tourism, Hospitality and Food Studies»

FIRST YEAR DISSERTATION

The Development of Tourism in the Republic of Serbia

Presented by :

Jelena Ruzic

Academic Year: **2022– 2023**

Main supervisor: **Aurélie Sanchez**



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Acknowledgement

I would like to thank my thesis supervisor, Mrs Aurélie Sanchez for giving me precious advices and guiding me this year. My work would not have been the same without her.

I would also like to thank as ISTHIA for allowing me to write this dissertation and all the professors that were part of the process. I wanted to thank all the persons who participated in my survey because their answers helped me a lot.

On a personal side, I wanted to express my love and gratitude to all my family and friend because they encouraged me when I needed it the most. Hvala što ste bili tu za mene, volim vas. I'm also thankful for the person who travelled 2.000km with brochures in his suitcase just for the sake of this dissertation.

A special thanks goes to Solène Grandu for being an incredible source of support and motivation during this year.

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General Introduction

During a 2014 American television interview re-published in 2020, the famous American actress Elizabeth Olsen stated “*No one needs to go there. There is nothing uniquely Serbian because they have only been their own country for 13 years.*”¹ Besides the fact that this statement is historically incorrect, it raised multiple questions: Why does she consider Serbia as a bad destination? What could the country do to become more attractive? This interview pushed me to wonder about the situation of tourism in Serbia. I was asking myself why are people visiting this destination and most importantly what is changing in the Government’s thinking to improve the situation.

The following dissertation will focus on the development of tourism in the Republic of Serbia through the scope of economy, management and marketing. Various researchers have been working on tourism in Serbia in different disciplines. It is possible to mention Branka Novčić Korać who addressed the subject of Serbia’s image through the concept of branding. On the other hand, Tanja Armenski also published multiple papers on the competitiveness of Serbia. There are multiple processes available to measure the performances of a country but understanding the reasons behind these results is much more intricate. It raised questions on the strategies chosen by Serbia to increase its competitiveness in the international market and on the management of various factors like resources, image, economy...

This led me to the following research question:

“How has Serbia been developing its competitiveness as a destination in the tourism industry?”

The first part will focus on the place of tourism in the Republic of Serbia through several concepts used by researchers mostly in marketing, economy and management. The second part will explore the attitude of Serbia regarding tourism in terms of politics, social and economic and environmental consequences. Eventually, the last part will be dedicated to the general methodology used in this dissertation and the projects for next year.

¹Balkan Express (2021, April 5). *Elizabeth Olsen disrespects Serbes “There is no reason for anyone to visit Serbia” #Elizabeth Olsen*[Video]. Youtube. <https://www.youtube.com/watch?v=G03GYHarMVs>. Consulted on the 05/04/2023

This exploration has the following objectives:

- Analysing the main concepts related to the development of tourism from a multidisciplinary point of view;
- Collecting data on the evolution of the organisation and management of tourism in Serbia;
- Understanding the methodology process for a dissertation.

The writing of this dissertation followed several main steps: Finding a topic and hypotheses with the validation of my supervisor, setting the theoretical framework and the tools, creating a literature review and building a first survey for citizens then a second one for professionals, after that was the reflection on the method for this year and the next one, finally, it was time for the writing part with advices from my supervisor during meetings or e-mails. This process was made possible by the use of a Gantt chart to follow a specific planning.

Part 1: The growing role of tourism in the Republic of Serbia

Introduction to part 1:



Figure 1: Map of the Republic of Serbia, National Tourism Organisation of Serbia, 2022

It would be hard to write about tourism in Serbia without presenting the destination in the first place. This introduction will feature a short introduction with basic information then a presentation of the key historical dates of the country.

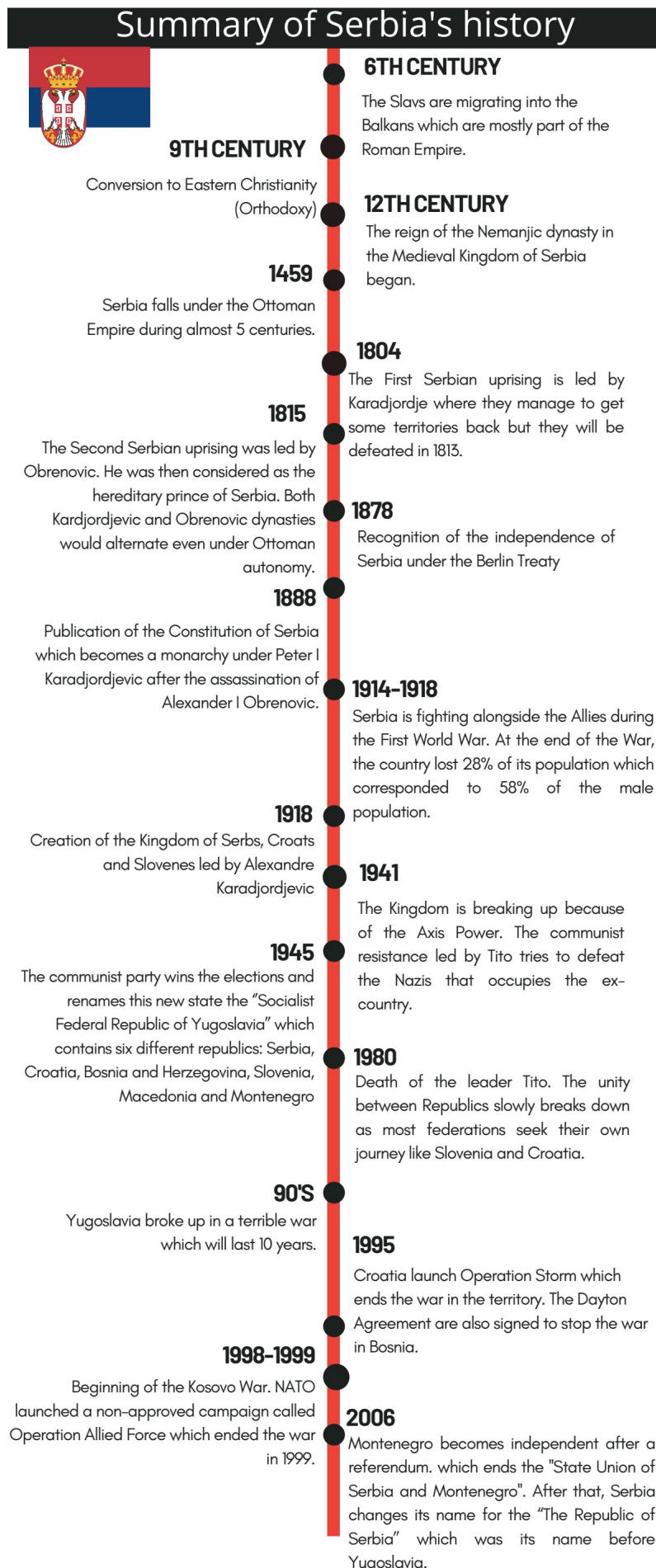
The Republic of Serbia is a country of 88,499 square kilometres located in South-East Europe near Hungary, Croatia, Bosnia and Herzegovina, Montenegro, Albania, Macedonia, Romania and Bulgaria. Its capital is named Belgrade (Beograd in Serbian). The main language used to communicate is Serbian which can be written interchangeably in Latin or Cyrillic alphabet. There are 6.909 million inhabitants.² Serbia obtained the EU candidate status in March 2012.³ The official currency is the Dinar (RSD).

After setting the geographical framework, it is appropriate to have a section on the main historical dates retracing the history of Serbia. This will allow a deeper understanding of the destination in terms of history and tourism.

² Tourism Organisation of Serbia, 2022, *Experience!Serbia*, https://issuu.com/serbiatravel/docs/experience_serbia, 24/10/2022, consulted on the 31/03/2023

³ European Commission, 2022, *Serbia* https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/serbia_en, 18/10/2022, consulted on the 31/03/2023

Figure 2: Timeline tracing the history of Serbia, Marković Sacha, "Civilisation BCMS" course, 2020



This contextual parenthesis is useful as it can bring up many questions. It is possible, for instance, to wonder how Croatia, Montenegro or Slovenia managed to become attractive destinations and not other ex-Yugoslavian countries. Indeed, the Republic of Serbia was proclaimed in 2006 which led a short time to become a staple for tourism competitiveness. But how can Serbia try to improve its position in the international tourism market? What are the steps? And even further why would Serbia choose to focus on tourism in the middle of its general development? What does it bring to the country? And can the tourism industry be sustainable and not damage the social and geographical environment of Serbia?

To analyse these questions, the first chapter will firstly focus on the history of Serbian's tourism to understand the main principles of the tourism industry and the evaluation of performances. Then, the second chapter will be dedicated to tourism economics and the advantages for the country. Finally, it will end with the challenges brought by sustainability in the tourism industry.

The main goal is to understand the main concepts and ideas through different aspects surrounding tourism and especially the ones applied to Serbia.

Chapter 1: The history of tourism in Serbia

In 2006, Montenegro became independent after a referendum and the State Union of Serbia and Montenegro ceased to exist. Starting from this, Serbia had to pursue its own path, find a new stability and develop itself alone. This process forced them to put tourism outside of their main focus for a few years (Ministry of Trade, Tourism and Telecommunications, 2016,p.6). The point of this chapter is to observe the strategic changes that appeared in 2016. A new national strategy was published which features a report of the general situation for tourism and what was decided to improve their performances. In order to understand the status of tourism in Serbia it is essential to have a look at the literature and research featuring tourism. This chapter will first briefly focus on the relationship between Serbia and the tourism industry through scientific articles addressing this subject with notions such as competitiveness. Then, it will move on to the organisation of tourism in Serbia with the main actors, partners, the functioning of the industry and the importance of investing. The last part will be dedicated to the impact on the development of sustainability in the tourism industry by presenting the measures taken and the interest of stakeholders.

1. The interest for tourism in the Republic of Serbia

According to Hall (quoted by Korać and Šegota, 2017, p.88), Serbian citizens had trouble defining their own identity as it was previously used as a tool for nationalists in the 90's. After the conflicts, citizens found it hard to know what they were and what they represented. It was difficult to trust the State and gather around a common identity. The first tourism campaign was launched in 1996 to promote landscapes but it was not extremely elaborated. In 2000, they decided to create a campaign around the culture but it was not enough for the population to get attached to a specific identity.

In 2006, they set up a Council for the Promotion of Serbia to promote the country with a new national strategy to be used by the government and shared at different levels (Korać and Šegota, 2017, p.90). This Council managed to organise the Eurovision in 2008 which shows its effort to give them a new image on an

international level. With the National Organization of Tourism and the Ministry of Trade and Tourism, they created promotional videos to present the country and its tourist offers. However, the Council quickly became the centre of many controversies as they were accused of not communicating essential information to the rest of the organisation so it was hard to benefit from their work. It reached a point where the media and the general public were criticising the Council for the Promotion of Serbia due to the large number of issues. The next logical step was to dismantle it, so the State decided to focus on other priorities and let the idea of nation branding and strategy down (Korać et al., 2020, p.313).

The National Tourism Organisation of Serbia was charged with carrying out the Council's work. This organisation has been around since 1994 to promote the country's tourism. Its role grandly evolved during time and they are now able to set up many different projects with the rise of new technologies. As it is one of the most important actors in Serbian's tourism, the second chapter will have a part dedicated to the description of the NTOS' work. This organisation is trying to improve the tourism campaign in order to attract more visitors whether they are citizens or foreign people. A few years ago, they noticed that Serbia's identity was not clearly established and they tried to work on implementing feelings and core elements in the promotional campaigns.

The goal of most tourism organisations is to be a competitive destination and strive on the international market. This notion of competitiveness in the tourism industry has been the interest of many researchers of this century.

1.1. The notion of tourism competitiveness

The first person to mention competitiveness between countries was Porter in 1990 (Popesku and Pavlović, 2013, p.200). It could be measured by the tourist's satisfaction in terms of delivering the expected experience. Each traveller has specific desires that need to be fulfilled by travelling to this destination. According to him (Porter, 1990), there are five different areas where it is possible to determine a competitive advantage:

- Natural resources;
- Knowledge resources;
- Human resources;

- Infrastructures;
- Capital resources.

All these elements can represent an advantage for a destination on the international market.

Of course, possessing specific resources is a great asset for a country but another aspect that should be taken into account is its management. In 2000, Ritchie and Crouch (Popesku and Pavlović, 2013, p.200) published an article where they wrote that competitiveness was based on the exploitation of inherited resources related to historical and cultural heritage as well as nature. This also illustrates the fact that competitiveness can depend on the management of resources and may vary over time. Indeed, organisations are supposed to find the most effective strategies with the aim of maximising the advantages of the destination. Naturally, all these elements can be influenced by political, economic, socio-cultural and environmental events. For example, in case of an economic crisis, both the resources and the country's management will not be sufficient to stay competitive in terms of tourism.

Another important factor in order to be successful is the adaptation: destinations should be able to change rapidly to meet the tourists needs (Nordin, 2005; Yeoman, 2012, quoted by Dwyer et al., 2014, p.1309), If a place is unable to respond to the tourists' needs, then it will not be in a favourable position on the market. Some researchers emphasise the fact that the destination should hold an additional value for travellers and that competitiveness is based on this fact. Tourists are looking for unique experiences and destinations can differentiate themselves if they do have a particular added value (Dwyer et al., 2014, p.1310),

There is also this idea of being innovative and ahead of time to be the favourite destination on the market. A country can try to find ways to differentiate themselves with the use of the newest technologies available (Slivar et al., 2016, p.39).

The researchers' interest in this topic was responsible for the creation of many different models to measure a destination's competitiveness. The initial model was brought by Porter, however he was not the only one to try to define competitiveness (Popesku and Pavlović, 2013, p.201).

When it comes to Serbia's, a research based on the Integrated model (Kim and Dwyer, 2003) showed that the country's most important assets were its resources, especially natural and inherited resources. Their weakest point was the ones linked to the awareness, image of the destination and the management (Armenski et al., 2011,p.1).

Based on another study on their level of competitiveness, the lowest grades attributed by the responders were on the information available, the river tourism, the legislation, transports and infrastructures. Their highest grades were concerning the social aspect, the restaurants and the heritage (Horwath Consulting and Faculty of Economics, 2005, quoted by Popesku and Pavlović, 2013, p.202).

These different studies illustrate the fact that the country does have the potential to improve its position, however it is not fully ready to accommodate the tourists in the best way as they lack information and awareness for example.

A third study led by Popesku and Pavlović (2012, p.208) found out that Serbia had great results in terms of cultural, historical and natural resources and poor results in destination management.

It seems that destination management is often classified as a disadvantage for Serbia's competitiveness. After gathering all this information, the next logical step is to observe how tourism is organised in Serbia. Who are the main players? How is the hierarchy? Who are the partners?

2. The actors of tourism in Serbia

As seen in the previous parts, Serbia had made some efforts to improve its image in order to be more competitive. The main organisation responsible for that are the ones made by the State. Institutions are supposed to take care of the management and give instructions to other structures. Their goal is to work in synergy with the rest in order to attract tourists according to their targets. This part is dedicated to the description of the main bodies to understand how tourism is organised in Serbia and how the missions are distributed between everyone.

2.1 The main players

The management of tourism largely depend on institutional organisations. They are the ones taking important decisions that have an impact on the sector hence the importance of understanding how does the system works in Serbia; 6 main organisations have been identified in this part.

Main actors in Serbian tourism⁴	Missions
Ministry of Trade, Tourism and Telecommunications	<ul style="list-style-type: none"> • Building up the strategy for tourism in the country • Planning activities to support the development • Implementing incentives and taxes • Helping in the promotion of tourism • Manage the value of tourism products • Giving instructions to private bodies (travel agencies, sports activities linked to tourism, catering...) • Managing and defining tourist areas, its activities, values, purposes, degree of protection, categorisation, the budget allowed and appointing the right body for each area • Monitoring the results and readjust

⁴Table created with data coming from the Ministry of Trade, Tourism and Telecommunications, 2016,p.69

National Tourism Organisation of Serbia

Their work is possible with the budget allocated by the State as well as their own revenues coming from their activities

Serbia Convention Bureau

Established in 2007

the tasks

- Coordinating the missions of other organisations such as private companies and stakeholders
- Carrying out the promotion of the destination by creating promotional material (prints, videos, websites, souvenirs...)
- Managing tourist public information
- Setting up the tourism calendar
- Being in charge of the official marketing of the country and its identity
- Organising international projects and cooperation with other national organisations for tourist
- Operating tourist offices located abroad
- Participating in all types of tourism events to reinforce its communication and advertise its missions in Serbia but also abroad.
- Working on attracting businesses for the MICE market

Tourism Area Management

It can be a public company or service, an autonomous province, a city or the Republic of Serbia itself and originates from the fact that the Republic of Serbia does not have the budget to develop the tourism industry alone nor the administrative capacity. The Ministry highlighted the work of the Tourist Organisation of Western

- Developing and defining Serbia's offer
 - Shaping the image of the destination for the international MICE market
 - Taking care of the positioning, the communication, the education of the event industry
 - Working with many partners through:
 - The Partnership Program to create a network of MICE partners to facilitate internal and external cooperation
 - The Association Program which was created by the organisation to reinforce the partnership with the MICE industry
- The idea is to promote the country alongside different associations and institutions and be considered as an ambassador if they contribute to the positive reputation of Serbia regarding the events industry.
- Carrying the programs and acts established by higher bodies
 - Coordinating the activities of the stakeholders and the development of infrastructures at the scale of the defined area
 - Valorising and taking care of the resources in a sustainable way and

<p>Serbia which is a regional tourism organisation and became a DMO. The goal of the Government is to form other regional organisations that could be transformed into DMO's.</p> <p>Tourist Office</p> <p>There are several Tourist Offices distributed in the territory.</p>	<p>do everything mentioned in the law</p> <ul style="list-style-type: none"> • Providing information for tourists • Guiding them through their stay in the area (region or city) • Analysing the market • Planning the development of tourism in the appointed area • Promoting this area • Cooperating with the other tourist offices in Serbia and abroad.
<p>Associations and Professional Unions operating in the tourism industry</p> <p>Examples: The Chamber of Commerce, the Tourist Guides associations of Serbia, HORES (The Business Association of Hotel and Restaurant), YUTA (National Association of Travel agencies)...</p>	<ul style="list-style-type: none"> • Play a role in the development • Helping in the coordination of the other actors. • Sharing the new standards, practices, skills, technologies

All the different organisations have to be coordinated to develop the industry of tourism in Serbia. The management of tourism is clearly defined, organisations have to perform various tasks depending on the law and the rest of the bodies. To ensure

the success of the destination, one of the indispensable actions is to cooperate with many different partners in the industry.

2.2 The Partners

Indeed, the principal partners are the members of the tourism association seen previously. It is in their best interest to stay close to the official organisation of tourism so they can stay informed and develop the industry. Associations and private companies can benefit from the Government's support to improve their businesses.

There is also the media, for example in 2018, the NTOS organised projects with National Geographic, CNN International and TV5monde which shows that the partnership can be made with indirect organisations.

One of the Government's strategy is to sign bilateral agreements with another country such as Qatar, China or Turkey to encourage the practise of PPP in tourism and other industries (Ministry of Trade, Tourism and Telecommunications, 2016,p.39).

Besides the internal partners, the Republic of Serbia is a member of different organisations operating at a larger scale⁵. It is the case for the Danube Commission intended to develop navigation on the Danube river and the relations with the rest of the countries from Hungary to Ukraine. Serbia is also a member of the RDA International Coach Tourism Federation which aims to unite the group tourism industry such as tour operators, museums, tourist offices, insurance companies...etc. They have around 3,000 members so the country does have an interest in this type of association⁶.

Serbia can also count on the EU to support the development of tourism as the country is a candidate since 2003. Their partnership is taking the form of adherence to several associations such as the European Travel Commission⁷ which is taking care of the research, the marketing strategies and advocacy in terms of general

⁵Tourism Organisation of Serbia, 2023, *About us*, <https://www.serbia.travel/en/about-us>, consulted on the 28/02/2023

⁶Germany National Tourist Board, 2022, RDA International Coach Tourism Federation, <https://www.germany.travel/en/trade/global-trade-corner/rda-international-coach-tourism-federation.html>, consulted on the 28/02/2023

tourism awareness. Another example is the cultural Romanesque route called “Transromanica” allowing tourists to visit the Romanesque heritage from Portugal to Romania.⁸

Finally, the Republic of Serbia has also been a member of the UNWTO since 2001 and benefits from their encouragement in terms of management, objectives and goals. After describing the organisation of tourism in Serbia with the main players and the partners, the third part will be dedicated to their actions.

3. Initiatives and new ideas

The position of a country in the international market depends on many factors that can be modulated. Many researchers attempted to classify the advantages and flaws of Serbia. The Government itself did a general assessment of the situation to display their ideas to be more competitive. The attractiveness of a destination also depends on the force of its marketing which is an element to take into account when elaborating the strategy of the destination. Finally, all the decisions depend on the allowed budget. The amount of investment is decisive to turn decisions into actions.

3.1 Focus on the advantages

To be competitive, a destination must achieve better performances than the rest in terms of the delivery of goods or services (Dwyer and Kim, 2003, quoted by Dwyer et al., 2016, p.1310). In order to get the best results on the international market, a country needs to define what are their strengths and weaknesses based on an in-depth evaluation of their performances.

In the Travel and Tourism Competitiveness Index, Serbia has a positive ranking for its cultural resources, safety and security, health and hygiene and tourism infrastructures (Dwyer et al., 2016, p.1312). Some other authors have drawn similar conclusions, the country seems to be more effective on the management of their cultural, natural and created resources with a special mention for the Vojvodina Province due to its particularly good performance.

⁷European Travel Commission, 2023, *What we do*, <https://etc-corporate.org/what-we-do/>, consulted on the 28/02/2023

⁸ Tourism Organisation of Serbia, 2023, *Transromanica*, <https://www.serbia.travel/en/explore-serbia/thematic-routes/transromanica>, consulted on the 28/02/2023

Both natural and cultural resources must be enhanced by the country to meet the tourist needs and to be an attractive tourism destination (Mihalic, 2008 quoted by Korać and Šegota, 2017, p. 83). This is quite logical as tourists are often looking for a cultural enrichment through travelling. They also want to contemplate the beauty of nature, especially if the landscapes are different from what they are used to.

The Government defined particular types of tourism as high priority, medium priority and priority added value for the *Tourism Development Strategy for 2016-2025*.

Figure 3: Serbia's priorities for the *Tourism Development Strategy for 2016-2025*, 2016, p.58



It is interesting to observe that all of these actors consider that the natural resources of Serbia represent an advantage for the country. The Republic of Serbia does have 7 national parks and many mountains and is right to emphasise this aspect as it is a way to differentiate themselves from the rest of the market. Identifying the suitable type of tourism can be beneficial for the country as it highlights where to focus to improve the competitiveness.

3.2 Identifying the target market to create a national strategy

The Republic of Serbia knew that they had issues with tourism in the past because it was not considered a sector that deserves a high level of attention. They needed to create an effective strategy to be able to attract tourists and be an interesting destination on the market. The Government published the *Tourism Development*

Strategy for 2016-2025 where they evaluated the current situation and announced the next steps to get to their goals. In this document, a SWOT analysis can be found detailing the positive and negative aspects of the destination.

Many researchers agree upon the fact that Serbia does have the potential to be more influential on the market, however, they need to invest more and fully exploit their resources. This written strategy was essential to be able to move forward and finally invest themselves in the tourism industry.

The participation of all the industry is essential to have a successful and attractive brand which is one of the bases in tourism (Segota, Mihalic and Kuscer, 2016, quoted by Korac and Segota, 2017, p.83). Creating a national strategy was a way to connect all the industries around a common objective. The tourism industry also must be aware of the trends as it is based on the tourists needs and desires. Identifying the motives of tourists can improve the offer and allow the destination to adapt themselves to the market. Of course, those motives are identified and classified. In the *Tourism Development Strategy for 2016-2025* (Ministry of Trade, Tourism and Telecommunications, 2016, p.59), Serbia decided to focus on the following themes: nature, enjoyment, entertainment, health, adventure, recreation, culture, sport and business. It makes it possible for them to have a tailored promotion campaign and the specialisation of their offers.

The Government understood that they did not have a favourable position on the international tourism market. They decided to take action and produced a strategy that detailed their current position, the goals to achieve and the points to emphasise on. Reuniting the stakeholders and partners around a common goal was the best solution to develop the tourism industry in Serbia. This needs to be accompanied by an increase in investments to maximise the efficiency.

3.3 New investments

These new projects certainly require a higher budget. Like in every company or industry, there is a need to invest to get more return on investment, the same goes for tourism. Serbia suffered from a lack of investments in the previous years which was not necessarily the case for the neighbouring countries (Slivar et al., 2016, p.

49). Destinations still need a certain amount of money in order to innovate, have the latest tools and be able to compete in general.

This country started to understand that they needed to boost the industry. The *Tourism Development Strategy for 2016-2025* specified that they wished to multiply the budget by two billion US dollars where less than half would be provided by the Government, the rest by the EU through special projects and by private and public investors (Ministry of Trade, Tourism and Telecommunications, 2016, p.49). In addition to that, Serbia was ready to make some efforts on their taxes and administrative process.

According to Pantić and Milojević (2019, p.102), investing in the capital is essential for the development of the economy and especially for Serbia as it is a country in transition. They added that the country should also attract foreign investments by setting up a favourable environment with advantages for them and easier administration.

This part is focusing on the financial aspect of investments but of course, the concept can be widened to infrastructures, technologies, constructions... Some researchers declared that Serbia was underperforming and far behind the rest of the competition. This was partly due to a low level of investments. However, the destination has a certain potential that could be highlighted with certain measures.

The first chapter was dedicated to the political context of Serbia and its history of tourism. The conclusion to draw is that it was not the main priority for the country and it started quite slowly with a limited space for competitiveness. It also featured the description of the main players and the principal partners. The Serbian's Government does have a sector for tourism with active participants as well as strong and effective partners. Finally, there is a need for new investments to develop the industry in the best possible way. Some questions now arise: why would the Government be willing to inject money in this particular sector? What would it bring to economy of the country?

Chapter 2: The benefits of the tourism industry for the country

Tourism has the unique ability to increase communication, encourage the transfer of ideas, make people aware of cultural aspects and increase education as well as employment (Onetiu and Predonu, 2013, quoted by Pantić and Milojević, 2019, p.96). It encompasses multiple activities. This industry is also linked to the image of a destination and its soft power. Indeed, tourists will be more likely tempted to travel to a place that they already considered attractive. It is in the best interest of a country to bet on tourism for multiple reasons as it is a way to create many jobs in different fields and could participate in the GDP. It also involves different stakeholders and sub industries such as hospitality, catering, transport and tourism.

Before explaining the benefits of the tourism industry for a destination, it is important to briefly describe the tourism economics through the prism of the literature review. After that, it would be logical to explain the tourism strategies to maximise the effects on the economy. Then, the last part of this chapter will indeed be centred on what tourism could bring to a country.

1.Tourism economics

Pantić and Milojević (2019, p.96) wrote that “tourism is one of the key activities of the tertiary sector.” It is considered as a wide industry that can bring a lot to a destination. There is a common belief that tourism is effective for the growth of the economy (Du and Lew, 2016, p.2). This industry mostly relies on transports, customers, infrastructures and destinations. This part will be dedicated to the basics of the tourism industry through travel motivation, the products and the organisations involved.

1.1 The importance of travel motivation

The tourism industry constantly needs to reinvent itself to adapt to the traveller’s desires. The actors must know what attracts tourists. Understanding their process to choose a specific destination is essential to anticipate and offer them what they are looking for. This also has an effect on the competitiveness of a destination (Navickas, Petroké, Bačiuliené, 2020, quoted by Podovac, 2022, p.94).

There are several reasons for wanting to travel: it could be personal, for business purposes, for cultural enrichment and for physical reasons (sport, medical interventions, retreat...). It is at this moment that the destination's image becomes important because a visitor will associate their needs to a specific place that could fulfil them.

One of the most famous models is Maslow's hierarchy of needs which helps the industry understand what the travellers are looking for in a general way. There are five levels: physiological needs that cover food, water and shelter, safety needs, sense of belonging, esteem (linked to the social status and the will to impress the social circle) and self-actualisation (improve personal skills). This model is still frequently used for tourism but also marketing.



Figure 4: Maslow's Hierarchy of Needs, Faure Camille, Strategic and Operating Management course, 2022

There are also many different tourist classifications depending on their behaviours, budget, age, familial situation...Cohen classified the tourists in two main groups: Institutionalised tourism and non-institutional tourism. The first one is for the travellers used to the industry that are part of the mass tourism or individual mass tourism looking for package tours with little less to no contact with locals. The second group is for the ones wanting adventure and independent decision with the profile of the explorer who are organising their trip alone and the drifter who are looking for sensation and a total immersion in the culture (Yousaf et al., 2018, p.204).

The classical visitor cycle of the 21st century is: Dreaming, Planning, Booking, Experiencing and Sharing⁹. It explains the possible thought process of a person wishing to travel. The sharing part definitely increased with the apparition of social media hence the importance of having a great image and a strong presence on the market.

Understanding the trends and desires of the market is the key to have a successful competitiveness on the market. It is not the only step yet, the destination must offer and advertise its tourism products.

1.2 Tourism products

Even if the tourism industry is considered as a service industry, there is still a large part encompassing the sale of products. Countries are the ones designing the type of products and their target. However, for every product, the potential visitors need the following elements: an easy access to the destination and a clear comprehension of what is being sold to them. Every destination needs to know how to market its products as it will have an effect on their tourism competitiveness. The easiest way to present them is to classify them depending on their nature such as medical tourism, sports tourism, business tourism or city tourism. Tourism products encompass transportation as well as accommodations, activities, Sales and Distribution (Camillieri, 2017, p.6).

Transports are then part of the product and depend on the country's investment and choices. Indeed, tourism relies on the fact that visitors are able to travel from one place to another in an efficient way (Camillieri, 2017, p.6). Tourists often want to travel effortlessly no matter if they are coming for business or leisure. Transports can include the journey from the starting point to the main destination, the return but also the inner travel from one activity to another. All these elements are important as it will play a major part in the tourist's perception of the destination and could determine if they will come back or not.

Of course, accommodation is essential to the industry as it represents the whole hospitality industry with all its subdivisions. There are many options such as hotels,

⁹ Source: Faure Camille, 2022, 'Strategic and Operating Marketing' (ISTHIA, First year Master's in Tourism, Hospitality and Food Studies)

camping, bed and breakfast, the rent of houses, apartments and others...Some include a part of catering but it is not mandatory and depends on the type of accommodation. It would be linked to the tourists' needs as well as the location.

The next main interest for tourists is the activities. It will once again depend on the type of tourism chosen but the destination must be particularly careful when presenting itself to be attractive. It is also linked to amenities and infrastructures and accessibility. This also includes the consumption of food and beverages as it can be enjoyable as like any other activity even if it covers a basic need. Finally, the sales and distribution refers to the steps separating the suppliers from the customers.

The main organisation behind the tourism industry contains the institutional tourism mentioned in the first chapter and all the industries linked to tourism in a direct or indirect manner. Tourism products do encompass a fairly large perspective but it is necessary as tourism itself contains many sub-divisions seen in this part.

2. Tourism strategies theories to maximise the benefits

In tourism economics like in every other economy, the idea is to provide goods and services in the most effective way possible to be prosperous. Various manners exist to evaluate and improve the competitiveness of a destination. This part will focus on three techniques used by the Republic of Serbia. Indeed, there is a wide literature available on tourism strategies but the ones featured in this part are the most common ones and used by Serbia. The first part will be on the power of branding which is an important concept for the country. The second part will be on the Private-Public model used to favour development and cooperation and the last one is about the importance of planning and setting up a strategy.

2.1 The role of branding

Branding is one of the essential in tourism, first used to obtain market shares and bring loyal customers (Dinnie, 2008, quoted by Korać and Šegota, 2017, p.78), the concept evolved and was used by destinations (Hanna and Rowley, 2010, quoted by Korać and Šegota, 2017, p.78). The point of branding is to differentiate itself from the competition and put its advantages forward. Creating a positive identity can be a long process, especially if the country suffers from a bad reputation like Serbia.

Nevertheless, it is absolutely unavoidable if they want to attract investors, workers and tourists.

There are several models to evaluate branding. Risitano (2005, quoted by Novčić and Štavljanin, 2015, p.265) separates the point of view of the creator and the consumer (the receptor) to see if the branding is effective or not. According to him, the creator of the brand is in charge of the elements composing the branding such as the name, the slogan, the culture... which will have an impact on the knowledge, the association, the image of the customer. It participates in the “dreaming” step where the tourist is looking for its future destination.

Simon Anholt (quoted by Korać and Šegota, 2017, p.81) suggested another model dedicated to nation branding where he considers it as a basis for nations to differentiate themselves among competition and target specific audiences. According to him, it must take into account historical, cultural, social and political aspects. Even if it is largely used in marketing, tourism branding has the particularity of selling a country which features both products and services.

The concept of branding is largely used by destinations to shape their image and present themselves under the best light to their targeted audience. But the public sector is not able to do it alone, it needs the support of private stakeholders.

2.2 The PPP model

In order to make the most out of the tourism products, private and public sectors should partner to increase their efficiency. The main advantage of this Private-Public Partnership (PPP) is the possibility to get private funds, expertise, knowledge, strategy, special events or plans (Armenski et al., 2017, Public/Private sector p.394). The PPP model is a great opportunity for the development of a destination as it allows bigger investments and is also attractive for private companies present in the country or abroad. There are different ways for cooperating: the private company can either finance, build, design, construct, operate or own the asset depending on the contract defined with the Government.

Destinations where the Government is not investing much like in the Republic of Serbia should use the PPP as a way to develop its competitiveness faster. This

partnership is a great way to reduce costs and have access to a qualitative and quick service with better management (Tekler and Tekler, 2012,p.7).

2.3 The importance of planning and having a strategy

Contrary to what it may seem, tourism requires conscientious planning and a great strategy to be beneficial for a country. It needs to set up goals and objectives that match the chosen plan to develop or improve the tourism related situation. As seen earlier, the tourism industry must adapt to the trends and the desires of the customers and be effective yet flexible. Long-term planning is a must and is most of the time integrated in the strategy.

One example of strategic planning features the definition of the most important missions and objectives followed by a SWOT analysis (Hill et al., 2004, quoted by Vukotić and Vojnović, 2019, p. 120). Indeed, the analysis of those elements is inevitable as it would help to maximise the advantages of the destination while being aware of the disadvantages.

Setting up a strategy planning does not necessarily have to be complicated but the more research is done, the easier it is to set it up. There are different levels of planning for a country but when it comes to tourist destinations, in addition to the management, the important aspects to have in mind are the attractive, organisational, functional and material elements (Jovicic, 2002, quoted by Vukotić and Vojnović, 2019, p.128). These are the basis to build a strategy to improve a destination's position on the tourism market.

After seeing the functioning of the tourism economics and the most important models to maximise the tourism benefits, it is possible to wonder what are the benefits of tourism for the country and its population.

3. Benefits for the country

As tourism covers a large amount of sectors, it does bring a lot of benefits for a destination. According to Mićović (2019,p.129), the tourist industry has a direct impact on the economic growth and is responsible for the creation of new jobs both for the country and smaller areas. Indeed, tourism can accelerate the development of a country by setting up new infrastructures and increasing the level of employment.

The benefits brought by tourism also depend on the destination's competitiveness on the international market (Armenski et al., 2011, p.20). It is logical that attractiveness and performances can influence the gains obtained by the tourism industry. If more tourists are visiting a destination, there will be a new need for goods and services and stakeholders would have to reinforce their workforce.

There is this idea that tourism is a virtuous circle, Minciu (2004, quoted by Bunghez, 2016, p.4) is talking about a "Multiplier effect" where tourists are purchasing goods and services that are responsible for the production increase and the growth of net income which will bring more investments and enable the country to develop further. Tourism can participate in the economy thanks to the direct tourists expenses but also the expenses of the tourism actors themselves to sell their goods and services. It is also possible to add possible government measures like taxes and fees that can support the economy and development of a country. Tourism can bring a lot to a destination in terms of employment, economic growth and development. A country has every interest to develop its competitiveness in the tourism market as it can bring multiple positive effects.

Tourism economics is a complex process involving many different industries and ways to define it. The most important aspects are understanding the travel motivations of tourists to be able to offer the best tourist products on the market. In order to do so, a destination must know the best strategies such as branding, maximising the use of the PPP model and having a great planning strategy. Finally, all of this work is beneficial for the country because it can participate in the development and an overall improvement at many levels.

Chapter 3: The challenges brought by sustainability in the tourism industry

The previous chapter focused on the benefits of tourism especially when it comes to development. But there has been an increased interest in sustainability since the last few years which has had an impact on the way to achieve a stable development. Partly due to climate change, sustainable measures are required for many industries especially tourism as it has direct consequences on the environment and local populations. According to the Institute for Tourism of the Republic of Croatia (Slivar, 2018, p.3), tourism should be sustainable and avoid affecting the environment and locals but encourage the creation of jobs, the protection of the environment and the rise of income levels. Sustainability should not be an obstacle to development but an axe to achieve better performances. It is even considered as a factor for competitiveness.

However, it is possible that stakeholders may not find an interest in the pursuit of sustainability. What if the goals of stakeholders are not compatible with sustainable measures? This chapter aims to analyse what are the sustainable measures required in tourism and how they interact with the stakeholders.

1.Sustainable measures in tourism

Sustainable development is becoming more and more important in society as the global situation calls for action at all levels. For the tourism industry, it is expressed through the introduction of sustainable tourism. The idea is to develop the destination while applying sustainable measures without compromising the future. Sustainability focuses on three areas: the environment, the economy and society. Tourism is deeply linked to these areas. In 1993, the United Nations World Tourism Organisation wrote that a sustainable development in tourism should respect the environment and consider the economic and socio-cultural needs of both the locals and tourists to ensure the economy of future generations (Brankov, 2019, p.127).

To be considered as sustainable, the development of a destination should be slow, controlled and qualitative. It should also involve a long-term vision with the cooperation of locals (Slivar, 2018, p.3). This sustainable development is all about ways to improve the situation of a destination without damaging it.

Many countries are willing to change and have adopted several measures to conform to these new demands. The most famous act is the Sustainable Development Goals signed by 193 which contains 17 goals to achieve by 3030. The objective is to improve the social, economic and environmental situation and invest in the future. Sustainable tourism is mentioned in goal 15 called “Life on land” as it could have an impact on all three areas.¹⁰

At an international level, it is also possible to mention the standards made by ISO (International Organisation for Standardisation) on sustainable tourism. There are several specific standards compatible with the tourism industry called ISO/TC228. For example, ISO 21401 is called “Tourism and related services-Sustainability management system for accommodation” and is obtained if the company is taking care of employees, customers, energy and water consumption but also the environment in general.

Indeed, a country or an organisation can implement its own goals even if they are encouraged to follow global measures to be in accordance with other countries. It is sure that sustainability is taking more space in development and has an impact on the competitiveness of a destination. The implementation will depend on some of the stakeholders which explains why the second part is dedicated to their interests. The objective is to get familiar with their identity and goals through literature review.

2.The interest of stakeholders

As seen earlier in the first part, stakeholders can represent many different actors of tourism whether it is direct or indirect. Tourism is a complex industry that can affect multiple sectors at different levels. The point of this part is to draw their identity and objectives in order to understand their potential role in the sustainable development of tourism. According to the *Sustainable Tourism for Development Guidebook* of the UNWTO¹¹, stakeholders are mostly divided between international agencies, the Government, the private sector, non-profit sectors, employees, local communities and tourists. This division is useful, quite simple and intuitive

¹⁰ Source: Republic Secretariat for Public Policies, 2021, *Serbia and 2030 Agenda*, Serbia, consulted on the 01/03/2023

¹¹ Source: UNWTO, 2013, *Sustainable Tourism for Development Guidebook*, Spain, consulted on the 01/03/2023

Ritchie and Crouch (2003, quoted by Anuar et al., 2012, p.70) consider that stakeholders are represented by three groups: the suppliers and supporting companies, marketing intermediaries and the consumers whether they are public, local or foreign consumers. The first group is in charge of responding to the last group's needs by offering goods or services through marketing intermediaries such as tourism agencies, MICE companies, advertising agencies, financial companies...etc. There is a direct comprehension of the relationship between the groups and how they can influence each other.

According to Pavlović (2003, quoted by Anuar et al., 2012, p.70), the tourism industry represents the supplier, tourists are part of the demand and the communities and environment are acting as the hosts. It is close to the classical supply and demand model in economy. It is possible to think that the suppliers cover transportation, accommodation, food and beverages and activities as well as tourism companies. The demand emanates from all types of tourists: domestic, foreign, for business, for leisure.... Which explains the link between them. Finally, the host is the context and environment translated by local authorities and communities as well as the territory they are in.

There are multiple ways to classify the stakeholders as they do not have a universal and official classification. What is sure is that all of these stakeholders have a role and the right to decide their actions at some point. Even further, their decisions are affecting other stakeholders so cooperation is a must. The PPP model mentioned earlier is an example of cooperation towards the same goal. They should work together to ensure the viability of the tourism business and maximise their benefits. Sustainability is about looking for balance between the stakeholders and the environment.

3. The potential relationship with sustainable measures in tourism

The main objective for tourism stakeholders is to have a prosperous economy and social situation (Miočić et al., 2016, p.102). They do not have an interest in disturbing the relationships between different actors especially because of the development of the PPP model which promotes cooperation. Mitchell, Agle & Wood (1997, quoted by Miočić et al., 2016, p.103) suggested three different actions for stakeholders: Power which regulates behaviours, legitimacy which is linked to status

and urgency which is associated with time and the right on results. It is logical that all stakeholders do not have the same priority based on the identity displayed later. This explains how problems could appear when new measures are decided, especially when it comes to sustainable development.

Indeed, the private sector is looking for profits and are in charge of the activities on the tourism market whereas the public sector defines the politics, plans and projects on their own or with higher organisations such as the EU. Issues can rise between the two if: there is a large amount of red tape, the government support is insufficient, one of some groups have too much influence, there is not enough guidance, a disagreement on the priorities, strategic measures or some groups are excluded from the discussions (Andreck et al., 2005; Byrd et al.,2009; Hall,2011; Waligo et al.,2014,quoted by Miočić et al., 2016, p. 104).

The private sector can benefit from it through the management of resources which could bring an economy of costs, government support, strengthened interactions with locals, a long-term profitability, qualitative staff... Given the global interest in sustainability, several industries have adopted a CSR which aims to take social and environmental issues into account in their business models. This means that some important companies or brands are moving towards this direction and are influencing competitiveness. Stakeholders that are not yet motivated by the sustainable perspective should start to take an interest because it could improve their position on the market.

Sustainability is taking more and more space in all spheres of society and so it is in the tourism industry. Actions are taken at many levels from international to local. There are multiple stakeholders in tourism which may have different objectives, however, setting sustainable measures could be possible depending on the measures and the management system.

The Republic of Serbia is a small country with a tumultuous history. The beginning of the 2000's were dedicated to the pursuit of political stability and the development of the country. Tourism was hence not in the Government's primary focus contrary to other areas. However this changed in 2015 with the implementation of a new national

strategy supposed to push it forward. Scientific literature holds the notion of competitiveness supposed to measure the destination's performances depending on the model. When it comes to Serbia's results, management was often considered as a disadvantage so a part focused on the main players and partners to observe the organisation. Nevertheless, Serbia also had advantages that the tourism organisation is aware of and wants to emphasise them. They identified the target market and made investments according to their projects. After that, there is the question of the potential tourism benefits for the country. To understand what they could be, it was essential to see the tourism economics through the prisms of literature with the notion of travel motivation, tourism products, tourism strategies, the concept of branding, partnerships and strategy planning. The last interesting aspect was to wonder how tourism can become more sustainable without compromising its competitiveness by looking at sustainable measures, the stakeholders' interest in tourism and their potential relationship.

These research briefly highlighted the versatility of the tourism industry. This part demonstrated that Serbia decided to focus more on tourism because, according to the existing literature, it could change some elements of the country.

This bring us to the following problematic:

“How does the development of the tourism have an impact on Serbia?”

In order to explore this subject, it was essential to focus on specific disciplines to observe the main theories and provide an appropriate framework. Tourism is a wide sector that can be studied under several disciplines. However, this dissertation features 3 main fields of study. The first one is economy because it is an economic activity in the country. Furthermore, it is expected that tourism may have an impact on the country. Many theories such as the integrated model, the demand and the supply, the Public-Private Partnership, etc... highlighted the importance of the economy in tourism development.

The second field of application is management through Porter's model of competitiveness, the notion of resources, planning, strategies, stakeholders...etc. These elements are vital in the tourism industry because of the power it can hold. The last notable field is marketing with the notion of travel motivation, Maslow's hierarchy of need which is largely used in this discipline, the visitor cycle, branding... It would be hard to wonder about the development of tourism without taking

marketing into account as it could have an impact on the destination. There is a flourishing offer on the existing literature of these disciplines. Many researchers decided to take Serbia into account to do some specific research. However, in addition to the literature, this dissertation could be enriched by surveys and interviews to collect new data.

The 3 following hypotheses were made in an attempt to concentrate the problematic into specific areas:

- Hypothesis 1: The development of tourism in Serbia was made possible by new political measures and investments. The idea was to transform the country into a more attractive destination by using new strategies, building appropriate infrastructures and implementing laws that would encourage tourism.
- Hypothesis 2: The development of tourism has a positive impact on Serbia as it improves the quality of life of the residents. This created access to new jobs, permitted better infrastructures and a growing economy.
- Hypothesis 3: This development of tourism is a threat for sustainable measures because it advocates for competitiveness. It was made to quickly respond to the changing needs of the industry. Tourism may not have taken sustainable practises into account and may be an obstacle for the sustainability of the country.

Part 2: The attitude of the Republic of Serbia towards tourism

Introduction to part 2:

“Political changes at the beginning of the century contributed to the economic recovery and intensified development of tourism (2004, quoted by Dwyer et al., 2014, p.1311).” According to Popesku and Hall, changes in politics could have resulted in a stronger development of tourism through direct or indirect interventions. Institutions are responsible for the law, investments and measures surrounding the tourism industry. New decisions could be the origins of factors’ modifications. The objective of this part is to extract the data found on the subject and try to see if it orientates my hypotheses towards a specific direction. This paper does not aim to respond to the hypotheses based on the problematic and previous literature review but just to notice the extensions.

The development of hypotheses will be based on the remaining scientific articles and data coming from official sources such as the *Tourism Development Strategy of the Republic of Serbia 2006-2015* and the *Tourism Development Strategy of the Republic of Serbia for 2016-2025*. A questionnaire was also created to interrogate Serbian citizens on the role of tourism in the country according to their point of view. It was conducted from the 27th February to the 5th March and gathered 52 responses. A similar professional questionnaire was answered by the Tourist Office of Zlatibor which will be used in this chapter.

Identifying the positive and negative aspects of the *Tourism Development Strategy for 2006-2015* will allow us to have a base and notice the changes made in the next strategy, to have an overview on the results obtained to better approach the hypotheses. The first *Tourism Development Strategy of the Republic of Serbia* was issued for the period 2006-2015. It opened with an analysis of the Eastern European countries that were considered as competition to observe the strategies used to develop tourism. Bulgaria and Prague opted for quick development through massive privatisation. They noticed that issues occurred as the Government had less weight in the tourism industry as they sold most companies and infrastructures. On the

contrary, Slovenia used protectionist methods while allowing both private and public capitals. The process was much slower but they kept control. Observing the neighbouring countries was a way to evaluate the results depending on the chosen strategy. At the time, Serbia had to choose an effective growth model to develop itself after the proclamation of their Republic in 2006.

The previous strategy (Ministry of Trade, Tourism and Telecommunications, 2016, p. 16) managed to make progress on:

- The reformation of legislative framework and share of planning documents;
- The selling of unused tourism infrastructures such as spa and hotels;
- The identification of tasks to improve sustainability;
- The apparition of international hotel brands such as the Crowne Plaza and the Radisson Blue;
- The implementation of vouchers for domestic tourists will less purchasing power;
- The number of arrivals and overnight stays.

Figure 5: Comparison of the Growth in the number of arrivals and overnights between 2006 and 2015, Ministry of Trade, Tourism and Telecommunications, 2016, p.11

SERBIA					
<i>Initial state in 2006 and state in 2015</i>	Initial state	2015	Difference	Index 2006/2015	% Growth
Arrivals	1,645,485	2,437,165	791,680	148	48
Overnights	5,609,437	6,651,852	1,042,415	119	19

By contrast, the latest strategy (Ministry of Trade, Tourism and Telecommunications, 2016, p. 10) noticed some of the following issues:

- The absence of link between departments for planning and infrastructure maintenance;
- The monitoring of global trends in tourism was not established;
- The insufficient use of EU funds especially in the development of technologies and the promotion of the destination.

Most importantly, even if the arrivals and overnights respectfully reached 2,437,165 and 6,651,852, they were far from the estimated forecast of 5,504,300 and 17,636,000. The chosen growth model was a mix of centralised and interventionist development through massive privatisation which resulted in the financing of many public sectors despite the needs of private companies that could be more profitable for the State. It could possibly be linked to the 2008 global crisis that affected all sectors. However, the main point is that the development of tourism moved forward but some important issues remained which is why the *Tourism Development Strategy for 2016-2025* is important.

The first chapter will be based on the assumption that developing tourism in Serbia was a political decision. The Government may have decided to change its attitude toward tourism. It will start by briefly analysing the previous national strategy and compare it to the new strategy in terms of regulations, investments and marketing. The second chapter will assume that tourism possibly improves the life of Serbian citizens as it could have an impact on different areas such as the economy, infrastructures and general consequences in daily life. And the last chapter will confront sustainability and competitiveness in Serbia to observe, based on my research, if a potential cooperation between both is possible or if there will be a conflict of interest.

Chapter 1: Developing tourism in Serbia, a political question

500,000 people visited the Serbian pavilion at the 2020 Expo in Dubai to discover the country through a presentation that shows the main personalities and culture.¹² It firstly shows that the destination can attract visitors from all around the world but most importantly that participating in this kind of events might have an impact on the development of tourism. In fact, it could increase the competitiveness of the country and attract new travellers. The Government is in charge of defining which events the destination must attend. Furthermore, It has the power to influence a lot of factors regarding tourism which is the subject of this part. It aims to gather all the information I have collected on the development of tourism in Serbia to try to evaluate, at a limited level, the impact of Government' and organisations' decisions on the development of tourism. The next step will focus on the actual strategy in order to examine the axis of development and how they managed to correct the previous mistakes.

The first part will begin with my research on the political measures linked to tourism in Serbia through the scope of regulations and cooperation. Then the second part will move on to foreign and national investments made by stakeholders in order to evaluate the possible impact on the Destination Serbia. The last part will be dedicated to the change in strategy and marketing actions as a possible axis of development for tourism in the Republic of Serbia.

1. Political measures regarding tourism in the Republic of Serbia

The expectations here are that political measures taken in Serbia can influence the development of tourism. Regulations and propositions from the relevant and authorised institutions could change the conditions of the tourism market and

¹²The Government of the Republic of Serbia, 2022, *Exceptional attendance of Serbian pavilion at Expo 2020 Dubai*, <https://www.srbija.gov.rs/vest/en/183286/exceptional-attendance-of-serbian-pavilion-at-expo-2020-dubai.php>, 08/03/2022, consulted on the 18/03/2023

produce different results like in the opening of the market to foreign companies. Not only did the Serbian Government analyse the previous strategy, they also did a SWOT analysis on the whole destination to identify which areas need to be improved. Observing some new rules on regulations and cooperation could bring awareness on the potential chosen axes of development.

1.1 Law and regulations of markets linked to tourism

One of the most expected steps in development is the new implementation of rules. Modifications are preferably coming from higher institutions to have a greater effect on the industry and on the market. Since tourism is triggering multiple markets, the effect margin could be even higher.

The *Tourism Development Strategy for 2016-2025* indicates that regulations would be made regarding the selected priorities and interest of the destination. Indeed, they should match the objectives and expectations. It was also stated that new regulations would also be aligned with European standards and that inspections will be multiplied to verify that the actors and stakeholders are following the rules. Furthermore, institutions would have to provide an annual report to monitor the implementation of the strategy. This could ensure quality, improve the goods and services of the destination hence increasing its competitiveness on the international market. Standards are a way to control the products available on the market and avoid negative experiences for guests and businesses.

Concerning tourism products, reviews and opinions of both foreign and domestic tourists will make it possible for the creation of a database to gather data. This information could help in the elaboration of more tailored products and bring more customers by addressing a specific segment of the tourism market. The previous strategy suffered from a lack of data in general and the *Tourism Development Strategy for 2016-2025* aims to correct this aspect. Indeed, tourism products play a great role in tourism economics and cannot be neglected.

Several measures were taken strictly regarding market rule. It was decided that low-cost airlines could enter the Serbian market and that customs and controls would be

facilitated. This has two consequences, the first one is the potential entry of new foreign businesses that could find an interest in setting up in Serbia and the other is the possibility of attracting new customers that were not in the target scope before. These low-cost companies could occupy a new space on the market and increase the number of tourists which is one of the objectives for the strategy plan and the destination in general. The opening of the market is not limited to low cost companies but to international brands in general. The previous strategy managed to attract notorious hotel brands but the plan is to push this project further.

These new market rules would be followed by incentives to invest in tourism. Investments are an inherent part of the development and supporting foreign or domestic companies could accelerate the process. Having a dynamic tourism sector through hotels, travel agencies, restaurants, transportation could bring a return on investment and guarantee the development of tourism. The Government also opted for the support of Micro and Small businesses and associations in hope to improve the existing tourism products and develop new ones corresponding to the needs.

The last measure regarding the market is the sale of unused or badly managed public facilities such as hotels and spas for three reasons. The first one is to be the subject of interest for major investors in the tourism industry. Indeed, they would have the budget to do the refurbishment and their business model could guarantee their profits. Secondly, the State would stop financing activities that are not profitable. Finally, the funds emanating from the sales could be used in the development of tourism for example to support the underdeveloped areas or to finance new public infrastructures. This was partially done thanks to the previous privatisation, however, there is more to do in the field.

The modifications regarding the tourism market are implemented in the hope of increasing the attractiveness of the Serbian market. The strategy attempted to correct previous mistakes and take new parameters into account such as opening the market. Another way to improve the competitiveness of Serbia is to increase the degree of cooperation between stakeholders to have a better apprehension in the implementation of the strategy.

1.2 Cooperation between stakeholders

Stakeholders are an important part of the tourism organisation but also of the tourism economics. The Republic of Serbia wanted to strengthen the relationship between stakeholders in order to offer better tourism goods and services. This could result in an efficiency of funds and a greater implementation of the strategy.

The first measure to be highlighted is the creation of a system of coordination of activities between institutions. This was made to have a better control of development with organisations aware of their missions and obligations which could encourage effectiveness and accelerate the implementation of the strategy. The *Tourism Development Strategy for 2016-2025* (Ministry of Trade, Tourism and Telecommunications, 2016, p.55) does have a space dedicated to help improve tourism products. This would be made possible through the establishment of a framework and the creation of an interdependence between the private and public sectors. The Republic of Serbia does wish to implement a greater use of the "Private Public Partnership model" to coordinate the interest of the Private and Public sector and increase communication and efficiency.

Another option was the implementation of a stronger institutional cooperation with all stakeholders thanks to a special programme called "Tourism for All" which would allow everyone to participate in the development of tourism at their own scale. Besides cooperation the solution to encourage development is to organise seminars and training for both institutions and private sectors. The *Tourism Development Strategy for 2016-2025* states that there is a need to organise seminars for the development of the management for national parks.

The development of the destination could improve thanks to the enhancement of tourism products. It could trigger a higher demand which would bring higher profits and return on investments. In order to get attractive tourism products, there is a need for effective institutions and stakeholders that are able to deliver successful performances.

2. New investments: A decisive decision for the development of tourism

Investments are part of the political measures decided by the Government. From a general point of view, the lack of financial resources is one of the obstacles for the development of tourism in Serbia (Slivar et al., 2016,p.48). It was quoted as a weakness in the SWOT analysis made by the State. The *Tourism Development Strategy for 2016-2025* (Ministry of Trade, Tourism and Telecommunications, 2016, p.75) concentrated its financial effort in the public sector but the financial help was lowered during the 2008 crisis and private companies took over. The private sector struggled during the crisis and the level of employment decreased. Even if Serbia was on the path of recovery and able to restore some previous objectives, the new strategy still had to include manners to re-boost the sector. When creating the new strategy (Ministry of Trade, Tourism and Telecommunications, 2016, p.75), they observed that some countries such as Greece and Ireland were concentrating their investments in small business with potential, education and eventual stakeholders.

The plans for the new strategy were hence to try to abandon the funding of public infrastructures and companies that cannot bring enough profits and help effective companies as well as those who could give a high return on investment such as small and medium-sized enterprises (Ministry of Trade, Tourism and Telecommunications, 2016, p.75). This change could be decisive for tourism because it could boost the apparition and development of direct or indirect tourism companies which could benefit from a reinforced support.

Besides that, it was decided that the budget would be increased by four times compared to 2014. The financing would be provided by the public sector according to the budget of the State and controlled by the Ministry for Tourism and also by the EU. This assistance would be materialised through special programmes such as the Instrument for Pre-Accession Assistance (IPA) 2014-2020 which allocated 39,800,000 euros to improve competitiveness, innovation and tourism development with the monitoring of results. Funds would also be coming from bilateral cooperation projects with different countries such as China, Qatar or even Turkey (Ministry of Trade, Tourism and Telecommunications, 2016, p.78).

The first part will focus on one way to develop tourism, which could be to invest in transportation to facilitate the tourists' movements. The second idea would be to invest in the building of new tourism infrastructures like stated in my hypothesis.

2.1 Investments to improve transportation:

At the 2015 International Tourism Fair, the Prime Minister at that time Aleksandar Vučić declared that the State would invest in infrastructures to improve the conditions for the development of tourism.¹³ Indeed in the Global Competitiveness Index 2012-2013, Serbia was ranked 77th rank out of 144 where Croatia was at 44 and Montenegro at 66. Looking at the details, the Republic of Serbia was ranked 130 in air transportation and 122 in quality of roads which expressed the need for new actions.

The *Tourism Development Strategy for 2016-2025* states that investments would be made for transportation that are important for tourism. There is a strong link between transportation and tourism as visitors need to access sites. The creation of new infrastructures is not necessarily done only for tourism purposes but it can have an indirect effect. The investment plans says that current projects involve the construction of international roads corridor 10 and 11 which connects Serbia to the other neighbouring countries while respecting EU legislation¹⁴.

Regarding the railway, an agreement was signed to rely Budapest and Belgrade, the beginning of the construction was set for 2021 and would be finished by 2024 according to the Ministry of Construction, Transport and Infrastructures. Connecting countries and cities through public transportation is mandatory to encourage tourism. Its quality plays a part in the visitors' perception which is something to take care of to improve the competitive position of the destination.

¹³The Government of the Republic of Serbia, 2015, *Investment in tourism one of pillars of country's development*, <https://www.srbija.gov.rs/vest/en/107151/investment-in-tourism-one-of-pillars-of-countrys-development.php>, 19/02/2015, consulted on the 19/03/2023

¹⁴Source. Koridori Srbije, 2023, *Corridor 11*, [Коридори Србије :: Corridor 10 \(koridorisrbije.rs\)](https://koridorisrbije.rs/), consulted on the 19/03/2023

Finally, the airport is also under re-construction since 2019 as VINCI Airports signed a 25 concession with a 732 million euros investments.¹⁵

2.2 Investments to improve tourism infrastructures

Besides transportation, special financing would be made regarding tourism and institutional infrastructures located in tourist destinations. One of the examples is the development of the Smederevo fortress through the reconstruction of the tower, the main entrance and bastion with the support of the EU. This is a huge mediaeval fortification near the river that could attract tourists if the site could deliver a range of products and services (IPA 2014-2020). Shaping the tourism products could help the destination in its search for competitiveness. Investing in cultural heritage sites is a way to develop specific tourist destinations which could attract new companies and enrich the offers.

The *Tourism Development Strategy for 2016-2025* also reminded that events infrastructures are necessary to attract local and international MICE events which have been classified as a high priority activity for Serbia. The MICE industry is deeply linked to infrastructures and transportation as it represents the visitors' needs. The diversification of the hotel industry could represent new opportunities for events organisation as it could create both conference rooms and accommodations in different destinations.

In addition, progress in tourism depends on financial but also human resources: there must be a sufficient number of qualified employees in order to deliver the goods and services. The possible way to respond to the industry's demand is to invest in the education system. The Government considers that the tasks to implement are the following: adapting the tourism education to international standards, teaching about the new skills and professions, developing new training to enhance the accessibility of tourism for persons with disabilities. Investing in education is important to support the extension of the tourism sector.

¹⁵ The Government of the Republic of Serbia, 2019, *Partnership with VINCI strategically important for the development of Serbia*, <https://www.srbija.gov.rs/vest/en/137453/partnership-with-vinci-strategically-important-for-development-of-serbia.php>, 13/02/2019, consulted on the 19/03/2023

As expected, progress in infrastructures through investments have multiple benefits for the whole country in terms of trade but it could also have an impact on the development of tourism as it connects various places. Another way to develop tourism would be to invest directly in cultural and event infrastructures. Lastly, a part of investments should be dedicated to training and education to ensure that the implementation of new decisions could be supported and that the industry possesses young talents.

The Republic of Serbia understood that investing in tourism could have a multiplying effect on the development of tourism itself but also the GDP in general if they manage to achieve their goals. This could lead to the participation of foreign and domestic investors and companies to pursue the reboost of the tourism sector.

3. The power of image and marketing for Serbia as a tourist destination

As seen in the second chapter of the first part, travel motivation has to be taken into account when developing the tourism sector of a country. Visitors are travelling to fulfil some of their needs and the destination has every interest in addressing those needs as accurately as possible. Improving the image of the Republic of Serbia is one of the objectives of the *Tourism Development Strategy for 2016-2025*. Taking care of it is particularly important for the destination as it had some issues in the past which will be the next focus to fully understand the reasons for the new objectives.

3.1 The image issues of the Republic of Serbia

The Republic of Serbia suffered from a deteriorated image and a blurry perception of its identity by its own residents (Novčić and Štavljanin, 2015, p.275). The historical events of the end of the 19th century had an impact on its image and reputation. After that, the country did not define tourism as a priority and the whole concept of image and branding was set aside. So the citizens could not picture their own identity as a nation. The image and tourism position had limited capacities and did some campaigns centred on wide themes such as landscapes and culture but they were not groundbreaking. The previous strategy tried to improve the overall image through

tourism campaigns. In 2015, the NTOS did a specific campaign with an internal and external focus so they could address the domestic and foreign tourists through 2 different campaigns. The aftermath was quite positive as the current strategy stated that the image and position had improved in 2015. Restoring the image of the Republic of Serbia is essential to develop the tourism sector and stimulates the demand. It would be quite difficult to increase the destination's competitiveness without trying to improve its perception.

3.2 New objectives:

The marketing goals for the *Tourism Development Strategy for 2016-2025* are:

- to position Serbia as a destination at an international scale by clearly defining its identity;
- to increase the number of domestic and foreign tourists through the marketing of tourism products;
- to improve the marketing systems of all destinations.

The positioning of the Republic of Serbia depends on the tourism organisations. Due to that, one of the decisions taken was to define the roles of each and encourage them to reach a consensus on the visions, objectives and strategies to develop the destinations. Cooperation between all the organisations is essential to deliver strong performances. One way to position Serbia on the international market is to define the brand and attach new values. Visitors must be able to associate certain personality traits to the destination to create a form of attractiveness and desire. The chosen values were: culture, passion, hospitality and fun. These values would be associated with some tourism products. Another idea submitted was to emphasise the Danube. It is one of the biggest rivers in Europe and crosses many countries. However, the other countries are not using it in their attributes so Serbia has a chance to differentiate itself on the market through the marketing of the Danube. The *Tourism Development Strategy for 2016-2025* estimated that tourism branding was the easiest manner to establish a positive image of the destination Serbia.

The second goal is to increase the number of visitors by taking care of the marketing of tourism products. The first measure to achieve it is to follow the trends in the

tourism industry. The tourism products are responding to the needs of customers meaning that they have to be adapted and modified through time.

The organisation also noticed that the marketing should be separated by following the divisions of the portfolio to be clearer and tailored to the market. Marketing is now unavoidable especially because of the digital marketing which helps the future visitor picturing its travel. This explains why improving international marketing is a major step to attract new markets. In my questionnaire, the Tourist Office of Zlatibor stated that one of the measures that improved the tourism situation in Serbia was the State support to attend international events.

The last decision to improve the tourism marketing of the Republic of Serbia according to the latest strategy is to create a marketing system which means that the marketing would have a specific organisation which would define the activities, campaigns and the necessary tools. The NTOS was designated as the central point of the system, it will mentor the entire network of organisations to represent the country and promote the products and services.

This chapter gave insight on the attitude of the Republic of Serbia by following three different axes. The first one is that the development of tourism is controlled by political decisions regarding the law, the market and cooperation between the stakeholders. The second axis was development through the prism of investments. They have the ability to change the infrastructures. Eventually, the compulsory move to make was improving the image and perception of Serbia because it had issues in the past. The researches and some elements of my questionnaires participated in the idea that the new political measures, investments and strategies might have played a part in the development of tourism in Serbia. It could have an effect on the competitiveness of the destination.

Chapter 2: Tourism as a possible way to improve the daily life of citizens

According to Pantić and Milojević (2019, p.96), tourism has direct and indirect effects on different macroeconomic indicators such as GDP, investment and employment. Tourism does have a wide scope hence its ability to impact different sectors. After seeing the political measures taken regarding tourism, it is possible to think that the Republic of Serbia could have an interest in the potential benefits brought by this large industry.

The idea behind this part is to try to picture the potential impact of the development of tourism in Serbia on the citizens' life. The first aspect to be analysed is the figures linked to tourism in Serbia to have an idea of the economic weight of this industry. This will enable a better understanding of the second part based on the impact on the life of residents in terms of employment, infrastructures and even domestic tourism.

1. Tourism in Serbia: Progress in the economy

In 2019, Tourism represented 10% of both employment and GDP at a global scale in. This industry is taking more and more space, the UNWTO predicted that its increase will continue in the next few years to reach 1.8 billion total arrivals by 2030 (UNWTO, 2019,p.7). The Republic of Serbia should hence try to improve its attractiveness in order to get the benefits of this future increase. In fact, tourism is part of the tertiary sector which is an important GDP generator in most developed countries because of its effects on the social and economic areas (Pantić and Milojević 2019, p.96). Developing tourism in Serbia might bring these positive effects and they could be multiplied in the future due to the increase in global arrivals.

It is important to first have a look at the data at the end of the previous strategy, in 2015, to situate the country in terms of economic figures. The next step would be to look at the latest data available to understand the opportunities to improve the citizens' life. Just observing some tourism data could allow us to settle the bases to better understand what benefits could bring the development of this activity to the Serbians.

1.1 Figures for 2015

The *Tourism Development Strategy for 2016-2025* collected the data from the previous years between 2010 and 2015 to understand the more recent data. Of course, the 2008 economic crisis grandly damaged the tourism industry but it was followed by a recovery period. The Republic of Serbia decided to consider the growth of tourism as a priority economic sector meaning that it recognised its multiple impacts.

In 2015, the total contribution of tourism to the Serbian GDP (Gross Domestic Product) was 6.4% with a 2.2% direct contribution (Ministry of Trade, Tourism and Telecommunications, 2016, p.17). The general percentage is between 4% for the low income countries and 9% for the global GDP (UNWTO, 2013, p.12). The exports of services accounted for almost 29% in the same year (Ministry of Trade, Tourism and Telecommunications, 2016, p.17). Both the hospitality and tourism industries were responsible for the creation of 30,000 direct new jobs and 157,000 new jobs in all activities linked to tourism.¹⁶ Another interesting aspect is the evolution of the number of hotels and accommodation.

Figure 6: The number of hotels, accommodation and beds between 2010-2015, Ministry of Trade, Tourism and Telecommunications, 2016, p.22)

Year	Number of hotels	Number of accommodation units	Number of beds
2010	251	15,537	24,186
2011	262	16,250	26,384
2012	297	16,723	28,296
2013	301	16,382	27,742
2014	328	16,963	28,501
2015	339	17,687	29,392

Source: MTTT, December 2015

There is a slow growth in the hospitality sector, in 2010 there were 251 hotels while in 2015 the number reached 339. This first means that the demand was increasing in the last few years. It also says that the industry was dynamic and some companies were investing in the destination. More accommodations also means that the need

¹⁶World Travel and Tourism Council, annual research, **2016**

for employees has certainly risen to keep up with the new demand which has a positive significance for the country.

The last and most important data to look at is the number of tourist arrivals and overnights. In 2010, the total number of arrivals was 2.000.597 and the number of overnight stays was 6.413.515. At the end of 2015, the numbers represented respectively 2.437.165 and 6.651.852 which shows a slow progress¹⁷.

The figures for the identified period are interesting considering the fact that the country is not oriented in the tourism sector. Now that the data from the years corresponding to the previous strategy has been collected, the next step is to analyse the latest data to observe if there has been any improvement or noticeable changes.

1.2 Figures for 2021-2022

The latest data is provided by the World Travel and Tourism Council *2022 annual research*¹⁸ for the 2019-2021 period in Serbia as it is the newest available. Taking these figures would give an insight on the role of tourism in the economy. Tourism represented 5.9% of the GDP in total in 2019, before the pandemic. In 2021, it accounted for 3.6% of the GDP in total while the contribution in the global data was 6.1%. The tourism sector hired 137.600 people in 2019 so 6.3% of the total jobs and 123.300 in 2021, 5.4% of the total jobs.

Figure 7: The number of tourists arrivals and overnight stays in the Republic of Serbia between 2019-2022, Statistical Office of the Republic of Serbia, 2023

		Territory - NSTJ		Turists			
				REPUBLIC OF SERBIA			
				Turists			
				Total	Domestic	Foreign	
Indicator	Data type	Period					
Tourists arrivals - annual data	number	2019		3689983	1843432	1846551	
		2020		1820021	1374310	445711	
		2021		2591293	1720054	871239	
		2022		3869235	2096472	1772763	
Tourists overnight stays - annual data	number	2019		10073299	6062921	4010378	
		2020		6201290	4936732	1264558	
		2021		8162430	5732833	2429597	
		2022		12245613	7306219	4939394	

¹⁷Statistical Office of the Republic of Serbia, 2015, Tourists arrivals and overnight stays-annual data

¹⁸World Travel and Tourism Council, 2022, Serbia 2022 Annual Research:Key Highlights, United Kingdom, World Travel and Tourism Council

The number of tourist arrivals was 3.689.983 in 2019 and 3.869.235 in 2022 while there were 10.073.299 overnight stays in 2019 and 12.245.613 in 2022. These figures are showing an interesting increase despite the pandemic period which is encouraging.

Gathering this data was a necessary step to try to observe the possible impact on Serbian citizens. Indeed, a dynamic tourism industry could have effects on other areas such as transports, businesses and most importantly employment. An increase in the number of tourists means that more goods and services would be sold and more workforce will be needed to deliver them. Corina Larisa Bunghez stated that tourism contributes to the economic mechanism, development and modernization of the economy and society in the 21st century (Bunghez, 2016, p.2). The second part of this chapter will hence be focusing on the role of tourism in the life of Serbian residents through different axes.

2. Impact on residents

“The goal of the Strategy [2016-2025] is to have a systematic approach to tourism, not only through economic indicator, but also through the multiplier effects that tourism has on the overall social development, local and regional development, the development of culture and education, the improvement of the environment and the development of complementary activities (trade, agriculture, construction, etc.).” (Ministry of Trade, Tourism and Telecommunications, 2016, p.6). The intention behind the development of tourism is quite clear for the Republic of Serbia. It does have many advantages that could possibly improve the life of inhabitants on a daily basis (Ministry of Trade, Tourism and Telecommunications, 2016, p.6). The first effect could be regarding employment and businesses then the overall infrastructures in the country. The final potential benefits could be around travelling from a domestic perspective.

2.1 The possible effects of the development of tourism on employment and businesses

The development of tourism could generate new jobs to satisfy a higher and new demand. The Tourist Office of Zlatibor confirmed that there are new job offers on the market in my survey for professionals released in 2023.

Hospitality and food industries have the largest number of employees in Serbia (Mićovic, 2019, p.129), It does mean that progress in tourism could expand the number of businesses and employ even more people. Tourism in general can be a lever of employment for specific groups that can be vulnerable such as women, young people, ethnic minorities...(Mićovic, 2019, p.129), Indeed, developing tourism could have a positive impact on employment but also on businesses in general.

Progress in the tourism industry should benefit the current and potential entrepreneurs. The *Tourism Development Strategy for 2016-2025* stated that one of the keys to enhance the competitiveness of the country is to enhance the business capacities and to create a favourable environment for existing and future businesses. An example of the actions taken is to have specific supporting funds for micro and small businesses. With the Government setting encouraging measures for businesses, citizens and entrepreneurs have every interest in opening a company in Serbia and participating in the enrichment of the market.

Therefore, the development of tourism could increase the number of people employed but also the number of businesses in Serbia in general. This could stimulate the economy and have direct or indirect consequences on infrastructures.

2.2 Infrastructures

Infrastructure are an important part of the tourism industry and visitors' experience. However, they also play a major role in the daily life of inhabitants. Developing tourism should not only be made with travellers in mind yet with all stakeholders such as the local community. 54.3% of the surveyed citizens think that national parks improved thanks to tourism. The research made by Brankov et al. (2019,p. 136) concluded that there was a positive perception regarding tourism in the local community of the national park of Tara and Đerdap in Serbia which support this idea that tourism can benefit the citizens.

50% of the respondents plus the Tourist Office of Zlatibor think that roads potentially improved thanks to tourism, 47.8% think the same regarding transportation. The improvement of roads and transports is a major challenge that could benefit both tourists and locals. Transportation was actually classified as a weakness in the SWOT of the destination in the *Tourism Development Strategy for 2016-2025* so improving this aspect under the scope of tourism could convey a positive image of

the industry to citizens. 39.1% of the surveyed think that the management parks in general have improved through different aspects such as greenness, signs and stairs. Finally, 32.6% believe that the quality of museums has increased thanks to tourism. This was supported by the Tourist Office of Zlatibor. Providing high quality tourism services is necessary to attract both locals and foreign people.

Locals could gain from the development of tourism in Serbia if it had an impact on infrastructures. Even if they might not be the direct target of the measures taken regarding infrastructures like roads, parks, museums, it would still improve their daily life. Another way for tourism to have a positive outcome for Serbian residents is simply to focus on their own access to tourism. The industry should not forget that domestic tourists are also part of the target so it should try to accommodate them as much as foreign tourists.

2.3 Improving domestic tourism

16% of the surveyed citizens declared that they were travelling at least once a year in Serbia. It means that domestic tourism should be taken into account in most decisions as they are part of the target. According to the Tourist Office of Zlatibor, the most meaningful and effective measure made by the Government was the distribution of vouchers to citizens. Indeed, the Ministry of Tourism distributed tourist vouchers to residents with less purchasing power to be used for hospitality and tourism services (Ministry of Trade, Tourism and Telecommunications, 2016, p.17).

The last strategy stated that this voucher system should be replaced by, for example, the creation of an incentive system for employers to further encourage domestic tourism. The organisation analysed what was done in other countries such as Hungary and France in terms of domestic tourism to have an insight.

33.3% of the survey respondents rated the visit of local heritage as their main interest out of 5. Serbian citizens have an interest in their own country and heritage so development tourism could only bring them to new locations and encourage their wish to travel. The Tourist Office of Zlatibor confirmed that the number of tourists increased in the last 15 years.

Developing tourism in Serbia can have a direct impact on the residents as they sometimes take the role of tourist themselves. The Government is aware of this fact

and tried to encourage domestic tourism through the implementation of specific measures. Serbian citizens want to explore their own country and discover the local heritage. 90.2% of the citizens believe that tourism will have a more important role in the future in Serbia which means that they could potentially feel the efforts made by all the tourism organisations and stakeholders. This chapter aimed to have an insight on the possible impact of tourism in the daily life of Serbian people.

The first axis of research was based on the progress of tourism in the economy to have an idea about the figures linked to tourism in Serbia. The second part was dedicated to the impact on the citizens in terms of employment, business, infrastructures and travelling. Tourism could possibly directly or indirectly impact those factors for the sake of citizens. The Republic of Serbia probably understood this ability, has classified tourism as a priority sector and is slowly pushing for the development of the sector.

Chapter 3: The relationship between sustainability and competitiveness

According to the UNWTO report, CO2 emissions for transport will grow by 5.3% in 2030 from the 5% in 2016 (UNWTO,2019,p.44). The tourism sector is heavily contributing to those emissions as aviation is one of the most used transport modes. Managing resources in a sustainable way is part of the vision for Serbia as a destination (Ministry of Trade,Tourism and Telecommunications,2016,p.44). The Government is yet pushing for the development of competitiveness stating that the country would become a “ a high-ranking popular destination” in tourism” in the same page (Ministry of Trade,Tourism and Telecommunications,2016,p.44). The question here is how the destination can encourage sustainability and competitiveness in the same and if the development of tourism is not an obstacle to sustainable measures.

In order to explore this aspect, the first part will be on a few measures taken by the Republic of Serbia regarding competitiveness. Then, the focus will move to the implementation of sustainable measures for tourism in Serbia.

1. Serbia's measure to improve competitiveness

The Republic of Serbia decided to emphasise on competitiveness for its *Tourism Development Strategy for 2016-2025*. One of their objectives is to improve the destination's position on the global market. According to the organisation behind the latest strategy, tourism products should correspond to the motivations of tourists to the market (Ministry of Trade,Tourism and Telecommunications,2016,p.52). Reaching a higher level of competitiveness should be made possible thanks to specific measures such as the support given for the creation of new businesses, the entrance of international brands to the market...There are multiple ways to be more competitive.

Furthermore, the Government expressed its wishes to attract travellers from Asian countries such as China and Japan for instance (Ministry of Trade,Tourism and Telecommunications,2016,p.52). This target market could be interesting in terms of target market, however, they are located quite far from Serbia which means that they will necessarily use non-sustainable transportation which contributes to the CO2 increase.

In the same way, one of their “high priority” products is short city breaks (Ministry of Trade, Tourism and Telecommunications, 2016, p.58) which could have a negative impact on the city in terms of carbon footprint, mass tourism (because many people will come at the same moment), consumption... City breaks could be suffering from having a high level of visitation.

After their research on the tourism competitiveness of Serbia, Dwyer et al. (2014, p.1323) concluded that sustainability should be taken into account by stakeholders and that the whole industry should encourage “green tourism” to minimise their impact and make sure that the development of tourism is made under sustainable principles (Dwyer et al., 2014, p.1332). Indeed, the Republic of Serbia is trying to develop tourism by advocating the improvement of the destination’s attractiveness. It wishes to attract more people and businesses through particular measures that could benefit them. Nevertheless, the main question is how they could also position themselves on sustainability at the same time.

Hence the fact that the next part will focus on the sustainable measures taken by Serbia regarding the tourism sector. This will give information on both aspects to have an insight on what could possibly be happening.

2. Serbia’s measure regarding sustainability

To begin with, the organisation for tourism in Serbia does consider sustainability as part of its vision for 2025. The country has implemented the 2030 Agenda for Sustainable Development that features 17 Sustainable Development Goals with the consultation of 28,00 citizens in 2015 (Republic Secretariat for Public Policies, 2022, p.3). Serbia is also an observing member of the ISO/TC 228 that aims to standardise tourism services and ensure their well-management.

At a national level, it is written in the *Tourism Development Strategy for 2016-2025* that the management model should let most important investors have the right to take decisions as long as they are respecting the law, documents for the regional planning and sustainable development (Ministry of Trade, Tourism and Telecommunications, 2016, p.74).

In terms of concrete actions, the Government wishes to adopt a programme regarding the management of renewable energy and its efficiency in tourism

infrastructures. It also stated the will to implement measures for the management of waste and water.(Ministry of Trade,Tourism and Telecommunications,2016,p.53). This programme would have a deadline to encourage stakeholders to comply. Such a measure shows that the Republic of Serbia is aware of the importance of acting towards more sustainable practices even if they are in a stage of development.

The organisation also wants to develop a programme for sustainable rural tourism to help stakeholders in managing resources and knowledge (Ministry of Trade,Tourism and Telecommunications,2016,p.89). They consider that rural tourism is an important opportunity for the country and that it should be developed. Integrating a specific programme that includes sustainability shows the willingness to respect the environment and locals. There is an entire section dedicated to the protected areas. Only 7% of the territories in Serbia are protected, the objective is to reach 15% to 20% by 2025 as they represent attractive locations for tourists and represent a great part of the tourism products (Ministry of Trade,Tourism and Telecommunications,2016,p.83). These tourist spots are quite attractive which could be an issue for their protection thus it is essential to try and protect them.

A guideline was written to manage the promotion of tourism in protected areas. The Government decided to establish the planning documentation for each concerned destination to manage the environment and cultural heritage with the description of the regulations and practices (Ministry of Trade,Tourism and Telecommunications,2016,p.84). The stakeholders will be directed to the use of specific tools for protection, management of visitors and ethical codes to guide them in the process. It is quite important to help the industry in implementing sustainable measures, especially in protected areas that require particular codes and regulations.

A sector that matters for tourism is education. It is important to train the future employees as they will become new stakeholders and possibly participate in the next strategies. That is the reason why sustainable tourism is a mandatory course in every tourism programme in Serbia (Dwyer and al., 2014, p.1326). Teaching them about the importance of sustainability and the corresponding process and measures would help shape the future of tourism.

The *Tourism Development Strategy for 2016-2025* has a whole section dedicated to the “possible negative impacts on Protecting Areas” where they explain that failing to manage and protect those areas could highly damage them (Ministry of Trade, Tourism and Telecommunications, 2016, p.84). Assessing the risks of failures is a way to warn about the importance of the measures taken for the protected areas. One of the most important possible negative impacts is that it could damage the aesthetic, culture, society and biodiversity of the location.

The Republic of Serbia is taking sustainable measures into account in their development strategy. The organisation understands that they are important for the industry and the country in general. Measures are taken regarding stakeholders, education and protected areas to guarantee the comprehension and share of sustainability according to the *Tourism Development Strategy for 2016-2025*. The development of tourism should not block any decisions for the protection of the society and environment.

Eventually, the development of tourism in Serbia is possible thanks to measures made to encourage the competitiveness of the destination. The Government is advocating for a better position on the global market and is trying to help the industry. The tourism products are shaped to correspond to the customers’ needs and desires. However, it does not mean that they do not care about sustainability. It is a part of their 2025 vision as well as competitiveness. Programmes and documents are issued to allow stakeholders and the industry to participate in sustainable actions. The management of resources and protection of the environment are essential not to comprise the future of destinations. Development should not harm them in the long-term. The 2016-2025 Strategy affirmed that poor management could degrade the resources and create emissions, waste, pollution, noise and damage the landscape (Ministry of Trade, Tourism and Telecommunications, 2016, p.84).

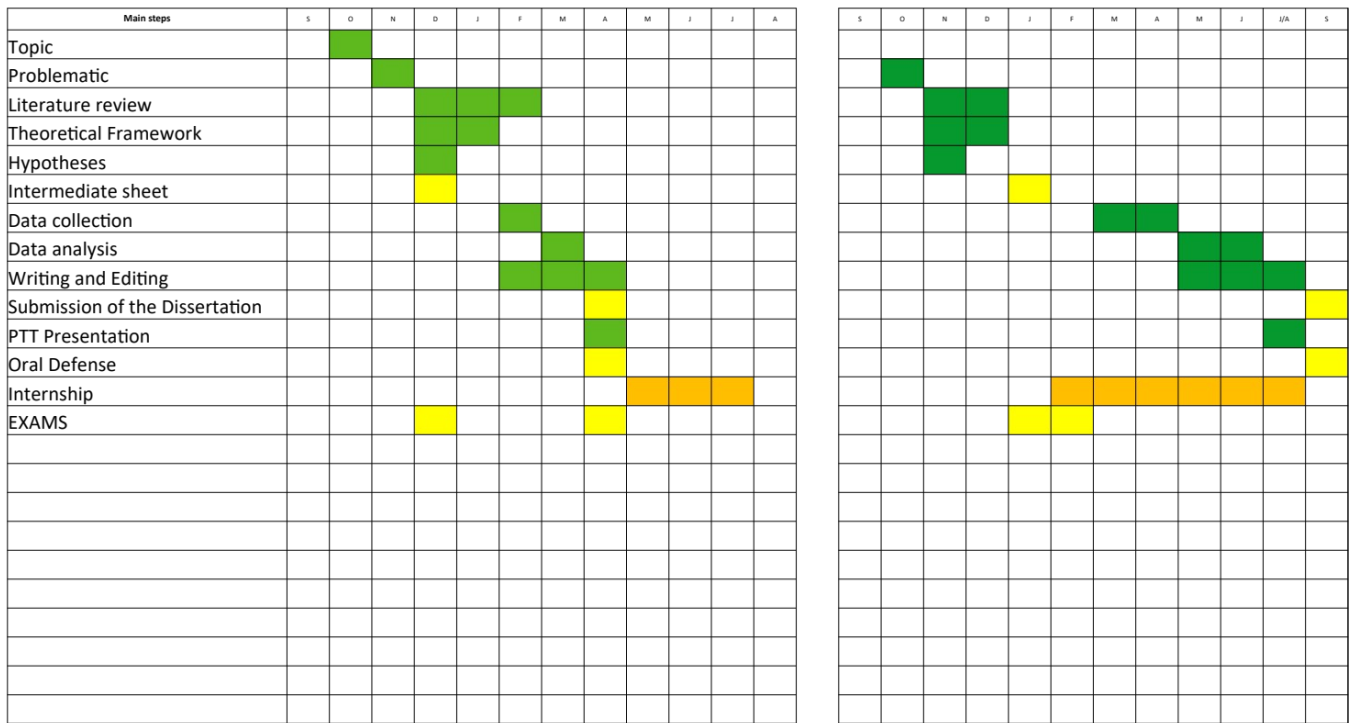
This part aimed to explore the formulated hypotheses by using the found data from the literature review, official documents as well as my own non-scientific survey. The first chapter was dedicated to the potential political aspect of the development of tourism in Serbia based on decisions on the law, cooperation, investments and marketing. The second chapter focused on the idea that tourism could possibly have a positive impact on Serbian residents in terms of economy, employment, business

and infrastructures. The last chapter explored the relationship between sustainability and competitiveness with Serbia's measures in these two areas. The next part will focus on the reflection regarding the methodology and the choices made.

Part 3: Choices regarding the general methodology

Figure 8: Gantt Chart for the planning of the two dissertation of the Master's studies

Planning of the two-year dissertation activities



This Gantt Chart provides the planning for this year and the following one in terms of organisation for the dissertation. The research for the topic and research question was sorted out in November, it was important for me to find a subject that resonated with me on a personal level. December was dedicated to submit the intermediate form, the setting of the theoretical framework and the writing of the hypotheses. The next logical step was to read the corresponding scientific articles, this was a long process to analyse the content. In the meantime, the data collection started at the end of February. It started on February 28 and ended on March 6 and gathered a total of 52 responses. Furthermore, the writing began in the same month to have enough time to write each part and slowly get accustomed to this new challenge. This task was carried out in March and the editing lasted 10 days to have the time to perfect this dissertation. The most important task was indeed the submission of the dissertation which happened on April 11. The rest of the days were dedicated to the exams and the preparation for the oral defence.

The second year of the master's will feature a second dissertation, more elaborated to explore the subject deeper. The hypotheses will be established as soon as the internship is confirmed in order to exploit the opportunity to be on site to subsequently provide a quality analysis. Hence the need to do it in Serbia to facilitate the collection of information through surveys and interviews. This process will take place in March and April but could be extended according to the needs encountered on site. The writing part will be done in May and June or even July if the data collection takes more time. The idea would be to leave August for the editing because the recommended period is one month. Since the oral defence would be happening in September after the submission, August will also be the time to prepare the presentation.

Therefore, these two years of masters require good organisation and efficient work. However, the first year is used as a test to learn and “propose a testing methodology to check the hypotheses” (ISTHIA,2022,p.6). The first chapter one will detail the research of the first year which symbolises the discovery of the dissertation project. It will focus on the tools used, the literature review, additional research as well as the leads that could contribute to the hypotheses' answers. The second chapter will be devoted to the planning for the next year by emphasising on the surveys, the internship and the interviews.

Chapter 1: The “Passive” research

The objective for the first year’s dissertation is to practise doing academic research. This part will focus on the tools to conduct research and write a dissertation in a “passive” manner. It means that my main mission was to read various sources and not create my own data like we will see in the second chapter. Here, the focus was to gather information from existing articles and other documents. The basic steps to write a dissertation are, indeed, to find a research problem and the corresponding hypotheses to give a structure to the research. After that, it is essential to choose the tools that were featured in this dissertation and those that could be used to test the hypotheses. One of the most important tools is in fact the planning as it structures the creation of the whole dissertation. Planification tools such as the Gantt Chart featured at the beginning of the third part are a way to visualise the process leading to the submission of the dissertation.

This chapter aims to describe the tools mainly used in the first year’s dissertation and what could be done to check the hypotheses. The first part will focus on the literature review which is an essential way of getting data and information. Then, the second part will feature the additional research that are not scientific articles but do provide important content for the purpose of the dissertation.

1. Literature review

The first year’s dissertation is mostly based on the literature review which encompasses all the scientific articles analysed in order to extract all the useful information. It was the principal technique to write this dissertation, many researchers were interested in tourism in Serbia through different perspectives. My main interest was the competitiveness of Serbia which was often measured with surveys and specific methods. This gave me a global vision of the situation in the country. I also did read articles dealing with the image and identity of Serbia through, for instance, the concept of branding and the evaluation of foreign and domestic perception.

Furthermore, I had to look at more general articles not necessarily focusing on Serbia to understand various concepts and organisations such as stakeholders, business strategies, sustainable development as they were the subject of my hypotheses. However, scientific articles are not the only method to obtain information. For the

purpose of this dissertation, additional research was needed to have different sources.

2. Additional research

Indeed, it happens that scientific articles cannot provide all the data needed to carry the research. Some other sources are required to move forward in the exploration of the subject and have a different insight. For this dissertation, Governmental documents were used which were found on the following official websites: Governmental, the Ministry of Trade, Tourism and Telecommunications, the statistical Office of the Republic of Serbia...Foreign websites were also used in the process such as the World Travel and Tourism Council, UNWTO, United Nations Development Programme...

Some elements of the data were directly available on the website but for the rest, I had to consult official documents. This was the case for the *Development of National Transport Strategy 2022-2030*, the *Tourism Development Strategy of the Republic of Serbia 2016-2025*, the *National Law on Tourism*, the *Transport-related CO2 Emissions of the tourism sector UNWTO report*, the *UNWTO Sustainable Tourism for Development Guidebook*, the *IPA 2014-2020*... All these elements were precious information that enriched both the explanations and the hypotheses in the dissertation process.

Therefore, retrieving information through readings was the main technique for the writing of the first year's dissertation. The majority was scientific articles dealing with various subjects linked to the problematic and the hypotheses, however, I also read official documents from the Government or international organisations to dig deeper in the research and offer a more complete insight. The literature review and additional readings were not the only resources used in this dissertation. Interrogating people through surveys and interviews is an interesting way to get information. Nevertheless, constituting a literature review for the second year's dissertation would also be useful to explain important terms and concepts. Moreover, some new articles or documents might be published in the next few months so keeping up could bring new elements to the dissertation. Regardless of the year, "Active research" is also an inherent part of the process which will be seen in the following chapter.

Chapter 2: The “Active research”

The bibliography is not the only method in order to write a dissertation. “Active research” which refers to the interactions with people or organisations regarding the subject of the dissertation can be essential in the process. The personal data collection and analysis can have an impact on the hypotheses. This year featured a first survey to get familiar with this type of method and be able to do it at a larger scale in the future.

This chapter will first describe the surveys as they are the best way to capture a large amount of data while controlling the parameters. Then, the next subject of interest would be the internship for the second year of the dissertation. This will allow me to write about the interviews to create my own content for the next year.

1.Survey

Surveys are great for capturing data on a specific subject. For this dissertation, I decided to interrogate Serbian citizens on questions deriving from my hypotheses. In total, the survey contained 10 directive questions listed below in English as the original survey was in Serbian to make sure that non-English speakers could still respond. The thinking behind the creation was to have a simple and intuitive survey that was easy and quick to fulfil. Anonymity was also a mandatory element to encourage people to respond.

However, this survey does not qualify as a scientific survey since my respondents do not represent an actual sample of the Serbian population. I do not have information about the actual population in terms of gender and other variables. I still added a question on the age range and the situation in order to have some elements of identification. This survey was talking about some themes such as improvements in Serbia in terms of infrastructures and job offers so the age of the respondents would give indications to the chosen answers. Most of the questions were closed-ended to facilitate the data collection and help the Serbian citizens participating in the survey.

The first year’s questionnaire on the opinion of Serbian citizens on tourism in Serbia gathered 52 different responses in 3 days. It was made on Google Form and shared on social media through friends and family. The main objective was to test this tool in the first year to master the parameters for the upcoming one.

Figure 9: Guideline for the first year's dissertation survey

- Age range (18-24 / 25-34 / 35-44 / 45-54 / 55-64 / 65 and over)
- Job or situation (student, unemployed, retired)...

- 1/ Do you think that Serbia as a great image?
Yes/No
- 2/ Have you travelled within Serbia? If yes where?
Short free answer
- 3/ How often do you travel in your own country for tourism during a year?
Short free answer
- 4/ Do you consider it as a nice destination?
Yes/No
- 5/ Rate what you like to do in order (1 as the main interest and 5 as the least important one)?
 - Festivals and events
 - Shopping
 - Walk
 - Local heritage site (Monuments, museums, monasteries, national parks)
 - Activities (skiing, spa, cycling, other sports)
- 6/ Do you feel like tourism improved infrastructures in Serbia?
 - Transports (1 to 5)
 - Parks and green spaces (1 to 5)
 - Museums (1 to 5)
 - Roads (1 to 5)
 - Healthcare (1 to 5)
- 7/ Have you seen new jobs offers in the tourism or hospitality?
Yes/No
- 8/ Do you feel like tourism will be more important in the future in Serbia?
Yes/No
- 9/ Do you think that natural resources and local heritage are compatible with tourism?
Yes/No
- 10/ Do you consider sustainability as an important criteria when travelling in Serbia?
Yes/No

The initial plan regarding the professional tourism sector in Serbia was to conduct several interviews. Nevertheless, due to time issues, this idea merged into a survey that was sent to a few Tourist Offices based in Serbian cities. The Tourist Office of Zlatibor responded to the questions which were used in the dissertation. It allowed me to have a first interaction with a tourism professional in replacement of the interviews.

Figure 10: Guideline for professional: first year's dissertation survey

Interviews with professionals

- Which organisation do you represent?

1/ Would you consider that the image of Serbia improved in the last 15yrs?

Short free answer

2/ Did the number of tourists increased since the last 15yrs?

Yes/No

3/ Have you seen new political measures that improved the tourism situation in the country?

Free answer

4/ Have you noticed progress in terms of infrastructures? (Check the boxes if you think so)

- Museum

- Health infrastructures

- Parks

- National Parks

- Roads

- Transportation

5/ Have you seen an increase in the number of domestic tourist in the last 15yrs?

Short free answer

6/ Do you consider that tourism improved the infrastructures in Serbia?

Yes/No

7/ Have you noticed an increase for job offers in tourism or hospitality?

Yes/no

8/ Do you think that tourism plays a more important part in the economy of the country?

Short free answer

9/ Do you think that sustainability plays an important part in tourism in Serbia?

Short free answer

10/ Do you think that natural resources and heritage are more protected than before?

Yes/No

11/ Have you seen an important measure targeting sustainability in tourism?

Short free answer

The project for the upcoming year is to do some interviews to have qualitative exchanges with tourism organisations in Serbia. Re-collecting data via the creation of a survey could also be a powerful tool to support my dissertation. The idea would be to have a larger sample and more precise questions to capture specific information aligned with the next year's problematic. Having the internship in Serbia could also have a massive impact in the development of the future dissertation.

Overall, the creation of a survey to collect data is useful for a dissertation. This allows the fact of having one's own sources and getting out of the "passive research" framework. Therefore, "active research" makes it possible to add a new dimension to the dissertation and to evaluate a defined part of the population on a particular subject. This gives the possibility of having to undertake its own research and collect

data tailored to the problematic. The next surveys would heavily depend on the location of the second year's internship due to my objectives.

2. Internship

To a certain extent, the internship can be used as a tool in a dissertation. It would allow the integration in a particular field or even organisation to make observations and create data. The internship choice will hence be decisive for my second year of the dissertation. The best for me would be to do it in Serbia, in order to obtain new contacts and possibly do another survey at a more meaningful scale.

The objective for the next year is to find an internship in a national organisation or a travel agency based in Serbia to be able to do my dissertation in the best conditions. Doing my internship in an organisation like the National Tourism Organisation for Serbia would allow me to work with the employees that are in charge of the promotion of the destination and the important tourism events. I could have access to internal data and do interviews with decision-makers. They would also have contact with other organisations and private companies which could enrich my data collection. On a personal side, I could participate in tourism events held in the country to meet new people. Being on site would make a great difference in the writing of the dissertation. I would have the possibility to interact with both citizens and stakeholders through surveys or interviews.

3. Interviews

The last tool that could be used in the dissertation is the interview. This allow the collection of data through another process. The exchange with the chosen interviewee would bring new elements to the dissertation and could have a weight in the checking of the hypotheses. It was not possible to conduct an interview in the first year of the dissertation because of both time issues and lack of contacts.

The plan is to conduct a few interviews with tourism professionals in Serbia working in the National Tourism Organisation of Serbia, in YUTA: the National Association for Travel Agencies, Tourist Offices, private companies...etc. It will depend on the internship and the problematic chosen. However, I would love to have at least one interview in the next year. Most would be semi-structured to come with prepared

questions but still have the possibility to have a choice margin depending on the direction taken.

Conducting interviews is a useful process to get new data in the dissertation framework. It can bring less constraints than surveys and reinforce the quality of the collected data. Hearing the voices of professionals can also bring a new perspective on some hypotheses or even the problematic which is why this method would be essential for the second year's dissertation.

This chapter covered the "active research" which is the process of creating data. The easiest tool is the survey as it is possible to have multiple respondents for statistical results. This dissertation contains one survey made to collect the opinion of some Serbian citizens. A similar survey was also filled by the Tourist Office of Zlatibor. Another method to capture data is the internship choice. Being in a specific organisation within Serbia could help me have access to new information and create new contacts for the interviews which is the last tool. Indeed, this process is useful to hear the voice of professionals and bring the field reality into the dissertation. The first year's dissertation could not cover all the "active research" which is why the second year's dissertation would have to focus more on these tools.

This third part was aiming to explain the choices made to write the first year's dissertation and the future steps for the second one. The Gantt chart in the introduction details the schedule for the two years with all the steps necessary until the end of the second year. The first chapter focused on the "passive research" of the dissertation, meaning the research based on existing supports such as scientific articles and various documents. This dissertation mostly relied on this type of research as it explained several concepts and facts described by multiple authors. However, it also required additional research with the use of official documents to explain the tourism situation in Serbia. The "active research" was also a part of the first year's process. A survey was made to test the data collection and provide another type of content in my dissertation. Serbian citizens were asked to fill it via social media, friends and family. Instead of an interview, the Tourist Office of Zlatibor did a similar survey which was mobilised in the dissertation. Doing my internship in Serbia next year would allow me to extend the data collection by facilitating the contact. I could also conduct several semi-directive interviews with professionals

which is a missing element in my first year's dissertation. Interviewing employees from private and public organisations could help me bring a new type of data in the second dissertation and ensure its qualitative aspect. This first year's dissertation was made by using different tools but next year's process could go further in the research, especially the "active" part in order to be richer and complete.

General Conclusion

The Republic of Serbia has had a new strategy since 2016 that took into account the previous success and failures in order to improve its position on the international market. Before this period, tourism did not occupy a large space in politics because it was not considered as interesting for the overall development of the country. However, tourism can bring a lot of benefits at many levels and be a lever of development. The interest for competitiveness could have some effects on sustainability and the management of resources. However, if all the stakeholders manage to cooperate and with the implementation of effective strategies, competitiveness and sustainability could work in synergy to promote attractive and well-managed destinations.

This paper tried to capture a general understanding of the tourism situation in Serbia, especially from the 2000's to nowadays by taking multiple sources into account. The main question was to study how does the development of tourism have an impact on the Republic of Serbia with 3 hypotheses stating that:

- This development was emanating from political measures and investments;
- That it had a positive impact on the life of residents;
- That it was a threat for sustainability as the country was focusing on competitiveness.

During the progress of the research, it was possible to understand that institutions were largely responsible for the development of tourism. Nevertheless, it is hard to evaluate the results at the moment as they were taken less than 10 years ago. It could take years before noticing the real impact of the development of tourism in Serbia. Regarding the investments, some projects are even still in discussions so it is too soon to be able to claim that they have an impact on Serbian tourism.

Moreover, deep research would be necessary to pinpoint the power of decisions, maybe some would be displayed in the next strategy and even this deadline seems too close to review progress at the moment.

It is also complicated to evaluate the impact of tourism in the life of Serbian citizens. Tournois and Djeric (2019, p.1675) stated that it depends on the perception that they

have on their environment and their expectations. Even in my survey, the responses regarding the improvement of infrastructures made for tourism were different as the link between both is not obvious. Is tourism responsible for changes in infrastructures or just the beneficiary of decisions made for other sectors?

Regarding sustainability, the difficulty lies in the fact that tourism is a wide industry meaning that some progress can be made in a specific area but not necessarily in others. Sometimes sustainable measures are largely compatible with competitiveness as they match international standards and do not require any modification and sometimes they clash.

Concerning the dissertation whole process, most information was found on the desired elements. Time management was also globally respected for this year. I managed to reach the objectives stated in the introduction and enjoyed educating myself on this particular subject.

Nevertheless, I encountered some limitations during the process. The first one being the difficulties to understand the whole process to write a dissertation. This aspect is purely personal but it did have an impact on my way of working and made me lose time. The second one is the difficulty to find all the official documents. Some are available on Governmental websites but not the majority of them, others are only available on Cyrillic Serbian which made the process more tricky. Another aspect to take into account is the lack of interviews for this year because of time and struggles to reach the right organisations. Finally, the survey made for this year is not considered as scientific because of the lack of sample. However, it was still a great exercise for the first year.

The next year will focus on a narrower aspect as I would have all the key principles thanks to this dissertation. The subject will depend on the internship but I could be on the promotion of the destination and branding because I considered it as the most interesting aspect so far. The plan for next year would be to have an internship at the NTOS to be able to work with decision makers and coordinators of the tourism sector which is also aligned to my personal objective for my career which is to work in institutional tourism in Serbia.

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Table of Acronyms

Acronyms	Definition
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EU	European Union
NTOS	National Tourism Organization of Serbia
MICE	Meetings, Incentives, Conferences, Exhibitions
UNWTO	United Nations World Tourism Organization
SWOT	Strengths, Weaknesses, Opportunities, Threats
PPP	Public-Private Partnership
ISO	International Organization for Standardization
CSR	Corporate Social Responsibility

Table of Appendix

Appendix A: SWOT analysis regarding destination Serbia featured in the Tourism Development Strategy of the Republic of Serbia p.37-39

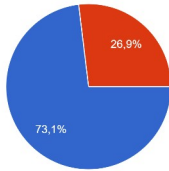
Appendix B: Results of the survey on tourism in Serbia for Serbian citizens, 2023

Appendix A: SWOT analysis regarding destination Serbia featured in the Tourism Development Strategy of the Republic of Serbia p.37-39

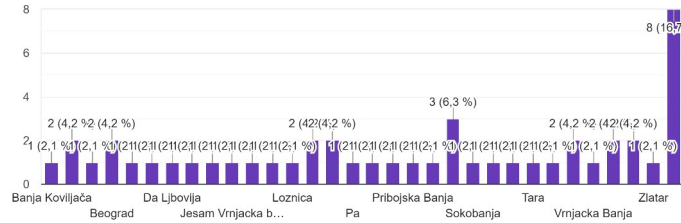
STRENGTHS		WEAKNESSES	
<ul style="list-style-type: none"> - Diverse resource and attraction structure of the Republic of Serbia as a basis for the development of a diversified tourism product portfolio (thermal springs, untouched nature, cultural heritage, internationally recognised protected natural areas and monuments, gastronomy) - Geo-strategic position of Belgrade and the Republic of Serbia (intersection of European Corridors VII, X and XI, intersection of Western and Eastern cultures, transit position, European river corridors and well developed network of waterways) 	<ul style="list-style-type: none"> - Failure to recognise the importance of tourism as an important factor of economic growth, balanced regional development of the country, and increase in employment - Ignoring contemporary global tourism market trends and a lack of their implementation in the programming and development of the tourism sector in the Republic of Serbia - A passive attitude towards tourism and a failure to establish leadership and consensus of relevant entities on the key issues of the development of the tourism sector of the Republic of Serbia - Poor incentive rates, non-financial and financial support for enterprises in the tourism sector and activities related to tourism - Small and insufficient investments - Insufficient or poor presence of the Republic of Serbia on the global tourism map (undeveloped national tourist identity/tourism brand of the Republic of Serbia) 	<ul style="list-style-type: none"> - Continuous lagging of the Republic of Serbia behind the competition and loss of potential market 	
<ul style="list-style-type: none"> - Identified visions for the development of key tourist destinations in the Republic of Serbia (in completed tourism master plans) - Modern regulatory framework for the planning of tourist destinations (tourism master plans as input for spatial plans/plans of detailed regulation of tourist destinations); - Inherent hospitality and openness of people in the Republic of Serbia (well-developed culture of providing service) - Initial recognition of the Republic of Serbia as an attractive destination for tourism by the global tourism industry - Entry of global and regional brands into the hotel market of the Republic of Serbia (Hyatt, Crowne Plaza, Holiday Inn - InterContinental, Radisson Blu - Rezidor, Luxury Collection - Starwood, and Falkensteiner) and overall improvement of quality standards in the hotel industry - Continuous growth trend in overnights by foreign tourists in the Republic of Serbia, especially in Belgrade, but also in other destinations - The largest and continuous increase in the 	<ul style="list-style-type: none"> - A large number of facilities, the ownership of which is not determined - Outdated register of tourism companies and other business entities, as well as monitoring of industry performances (lack of functional statistical data as a basis for decision making) - Lack of statistical monitoring of Tourism Satellite Accounts - Massive level of unregistered capacities and operations in the "grey zone" - Underdevelopment and congestion of road, rail and waterway infrastructure and poor presence of "low-cost" air carriers - Lack of general infrastructure in undeveloped tourist areas as a prerequisite for the development of "green-field" tourism projects and "brown-field" investments, particularly in spas - Insufficient and incomplete implementation of modern standards in hotel and tourism industry - Failure to comply with conservation measures in protected natural areas, dilapidated buildings and monuments under state protection, numerous cases of neglect and pollution of the environment and degradation of the area and insufficient coordination of the development of tourism and environmental protection 	<ul style="list-style-type: none"> - Successful Government reforms create conditions for the strengthening of PPP in order to attract more extensive foreign investments in health tourism, construction of new facilities, ski slopes, gondolas, hotels, marinas and docks, new resorts, spas and wellness centres, other infrastructure projects etc. - Selling, or granting concessions on, tourism facilities owned by the state, which cannot operate sustainably without state subsidies, or leasing such facilities to third parties in the name of the state (using PPP model) - A large number of bilateral agreements on economic cooperation were signed with developed countries and regions (Baden Wuerttemberg, Turkey, China, Russia, Qatar, Saudi Arabia ...) creating opportunities for investments through PPP in the tourism industry and other associated industries - Accelerated EU integration process and the opportunity to use a large number of programmes and projects for the support and funding of activities in tourism - Foreign policy of the Republic of Serbia - abolition of visas and visa facilitation for particular countries and simplification of issuing visas at the border (Turkey and China) - Changes in the habits and motivations of tourists on the global market towards searching for new experiences, attractions, products and preserved nature - Use of funds for social programmes related to redundancies in public administration for labour reintegration programmes in tourism - Dynamic growth and development of air transport (Etihad - Air Serbia strategic agreement) and opening doors to new destinations (Middle East, Asia and the United States) 	<ul style="list-style-type: none"> - Impact of modest economic growth in the world's leading economies, strong fluctuations of exchange rates, geopolitical tensions in the Middle East and North Africa, terrorism and safety risks, repressive budgetary policy, austerity measures that reduce disposable income available for travel etc. - Political tensions in the Balkans - Missed opportunities to use the reforms implemented by the government to abandon the long-standing policy of uncritical repetition of old practices and habits of funding only public institutions and publicly owned companies from the budget, instead of using the budget to support innovation, existing and new small and medium-sized enterprises - Abandoning the practice of selling off, or granting concessions on, all unprofitable assets owned by the state or public companies operating in tourism, the proceeds of which could be used to support existing and new small and medium-sized enterprises in the creation of greater added value and higher employment - Absence of reforms of the management and coordination system in the development of the tourism industry in the Republic of Serbia (no reform of the NTOS professional and branch associations, failure to form administration for tourist areas and destinations, insufficient involvement of local communities, associations of citizens and social organisations ...) - Disconnected and uncoordinated activities in the implementation of the Strategy and the Action Plan for the implementation of the Tourism Development Strategy of the Republic of Serbia from 2016 to 2025 (hereinafter: the Action Plan).
<ul style="list-style-type: none"> - number of arrivals and overnights in camps, both by domestic and foreign tourists - Major European tourist magazines recognised the cosmopolitan spirit of Belgrade, describing it as the "capital of fun, "capital of cool" etc. (without an active branding management of the capital city by domestic institutions) - Internationally positioned and professionally organised events (EXIT as the leader), which are raising awareness of the Republic of Serbia as a tourist destination - Athletes of the Republic of Serbia as "ambassadors and promoters" of the positive image of the Republic of Serbia. - Several developed airport runways that could be used by low-cost airlines, with minor investments 	<ul style="list-style-type: none"> - Outdated and inadequate model of tourism management, marketing and promotion of destinations, instead of products and attractions based on the visitors' experience - Low budget for the promotion of the tourism industry of the Republic of Serbia (significantly below the budget of competing countries) - Insufficiently effective inspection mechanisms - Lack of cooperation between the public and private sectors in the development of products, establishment of a comprehensive value chain and marketing activities - Inefficient implementation of the Law on Public-Private Partnership and Concessions ("Official Gazette of RS", Nos. 88/11 and 15/16), missed opportunity to capitalise on bilateral agreements on economic cooperation - Lack of innovation and new entrepreneurial projects - Insufficient involvement of professional associations, social organisations and associations of citizens in the planning and implementation of particular activities in tourism - Absence of effective cooperation between ministry departments in the planning and implementation of development programmes in the tourism industry, especially in terms of coordination in the development of road and utility infrastructure, and rural and cultural tourism - Insufficient participation of local self-government in the planning and development of tourism, inadequate coordination mechanisms at all levels of government in the development of tourism - Inadequate communication and joint planning of development of the existing and new products and attractions among tour operators and providers of catering, accommodation and transportation services - Quality of workforce in the tourism and hospitality industry - Enterprises in the tourism and hospitality industry are not sufficiently informed and do not sufficiently use the available and purpose-specific funds of the EU - Absence of practice of promoting best experiences in tourism development - Inadequate national internet platform and ICT applications for tourist attractions promotion, virtual guides and presentations 		

Appendix B: Results of the survey on tourism in Serbia for Serbian citizens, 2023

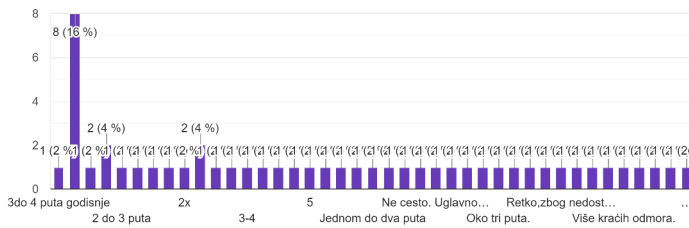
1/ Da li mislite da Srbija ima pozitivan imidž?
52 réponses



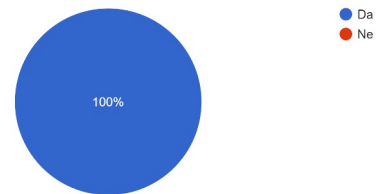
2/ Da li ste putovali po Srbiji? Ako da, gde (Poslednja destinacija)
48 réponses



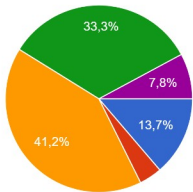
3/ U toku godine, koliko često putujete u Srbiji za odmor?
50 réponses



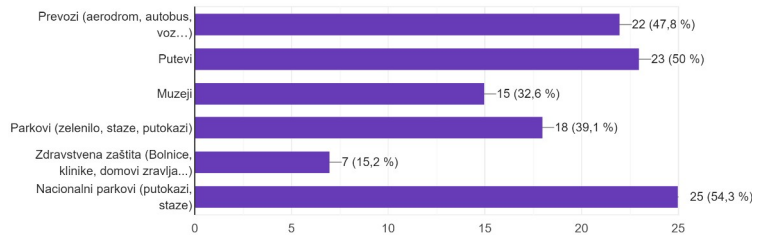
4/ Da li to smatrate da je Srbija lepo odredište?
52 réponses



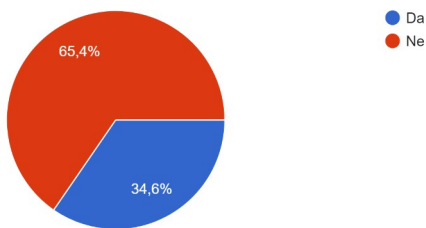
5/ Klasirajte šta volite da radite kad ste na odmoru (od 1 kao najmanje važan do 5 kao glavni interes)?
51 réponses



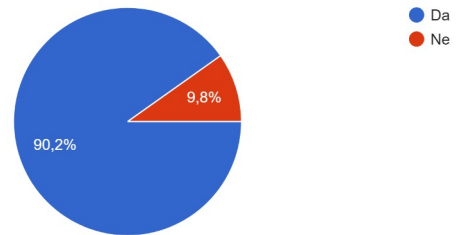
6/ Označite ako mislite da je turizam doprineo unapređenju infrastrukture u Srbiji
46 réponses



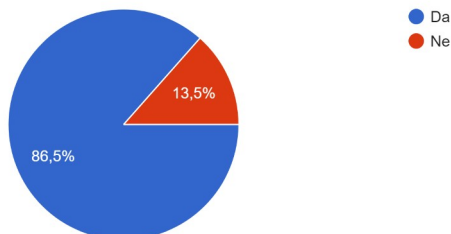
7/ Da li ste videli nove ponude za posao u turizmu ili ugostiteljstvu?
52 réponses



8/ Da li osećate da će turizam u Srbiji biti važniji u budućnosti?
51 réponses



9/ Da li mislite da su prirodni resursi i lokalno nasleđe kompatibilni sa turizmom?
52 réponses



10/ Da li je zaštita prirode važan kriterijum kada tražite destinaciju u Srbiji?
52 réponses

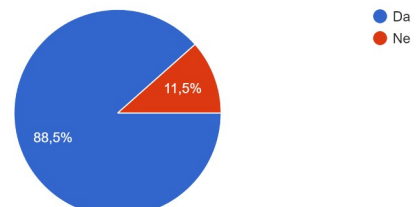


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Résumé:

Le développement d'une destination touristique est un processus complexe qui prend en compte de nombreux facteurs. Certains pays en voie de développement ont misé sur le marché du tourisme afin d'accélérer leur transition.

La République de Serbie a pourtant choisi de mettre l'industrie du tourisme de côté durant une longue période en optant pour le développement d'autres secteurs. Toutefois, le tourisme peut avoir de nombreux effets positifs sur le pays et c'est une des raisons pour laquelle la Serbie a décidé de s'y intéresser davantage et vise désormais à attirer des visiteurs.

Cette étude s'intéresse donc à l'impact du développement du tourisme en République de Serbie d'un point de vue décisionnel, économique et environnemental à travers l'étude de concepts scientifiques, de données provenant de documents officiels ainsi que d'enquêtes.

Mots-clés: Développement du tourisme, Serbie, économie du tourisme, management du tourisme, impact du tourisme

Abstract:

The development of a tourist destination is a complex process taking many factors into account. Some developing countries have focused on the tourism market to accelerate their transition.

However, the Republic of Serbia has chosen to put the tourism industry on the back burner for a long period of time, to develop other sectors instead. Nevertheless, tourism can have many positive effects on the country. That is one of the reasons why Serbia has decided to take a greater interest in tourism and is now aiming to attract visitors.

This paper examines the impact of tourism development in the Republic of Serbia from a policy, economic and environmental aspect through the study of scientific concepts, data from official sources and surveys.

Keywords: Tourism Development, Serbia, Tourism Economy, Tourism Management, Tourism impact