

THE EUROPEAN COUNTRIES AND TOURISM ENTREPRENEURSHIP

SERGIU RUSU^{1,2}, RADU CURETEANU¹, FLORIN ISAC¹

¹ Aurel Vlaicu University of Arad

² University of Oradea

Abstract: *The tourism is the industry that has a rapid growth all over the world. It is starting to affect many aspects of life inside the European Union as well. Still there are differences among the various cultures, and so are the experiences the tourists expect when visiting different places.*

Key words: *tourism, entrepreneurship, Europe, culture*

INTRODUCTION

The European Union has sought to develop entrepreneurial skills among its citizens. The European Union has tried to help entrepreneurship training, especially among women and ethnic minorities. This work was funded in part by Leonardo da Vinci and Socrates programs. In this way, the EU hoped to help develop new business. [Lupan, 2008].

MATERIALS AND METHODS

In European tourism SMEs represent 99% of the business, and more than 94% of them being microoperators that employ less than ten people. [Tassiopoulos, 2008]

Table 1

International tourist arrivals by region, 1996- 2006

Countries	Arrivals (millions of people)		Market share (%)		Average annual growth rate
	1996	2006	1996	2006	1996-2006
Africa	22,2	40,7	3,9	4,8	6,0
Americas	114,5	135,9	19,9	16,1	1,8
Asia-Pacific	90,4	167,2	15,7	19,8	6,7
Europe	332,1	460,8	57,8	54,4	3,3
Middle East	15,8	41,8	2,7	4,9	10,4
World	575,0	846,0	100,0	100,0	4,0

Source: United Nations, Study on the Role of Tourism in Socio-Economic Development, Economic and Social Commission for Asia and the Pacific, New York, 2007, http://www.unescap.org/ttdw/Publications/TPTS_pubs/pub_2478/pub_2478_fulltext.pdf, (accessed April 2011), p.5

Table 2

Tourist arrivals and revenues from international 1980-2020

Year	1980	1990	2000	2010	2020	2020/1998
International tourist arrivals (millions)	287	456	687	1047	1602	558,1
Revenue from international tourism (billions \$)	102	264	473	1055	2000	1960,7

Source: Neacșu N., Băltărețu A., Economia turismului. Lucrări practice, statistici reglementări, Editura Uranus, 2005, p.279

Table 3

Estimation of international tourist arrivals in Europe from 1995 - 2020

Area	1995		2020		Raise (%)	
	Arrivals (mil.)	%	Arrivals (mil.)	%	2020 / 1995	Average annual growth rate
Total Europe, from which:	335,6	100,0	717	100,0	213,6	3,1
Central/Eastern Europe	77,2	23,0	245	34,2	317,4	4,8
Northern Europe	36,2	10,8	98	13,7	270,7	4,0
Southern Europe	94,1	28,0	155	21,6	164,7	2,0
Western Europe	116,7	34,8	184	25,6	157,7	1,8
Eastern Mediteranean Europe	11,4	3,4	35	4,9	307,0	4,6

Source: World Tourism Organisation, www.wto.org/english/tratop_e/serv_e/results_e.doc+tourist+arrivals+2020&access=p&outout+xml_no_dtd&ie=ISO-88591&client=english_frontend&site=English_website&proxystylesheet=english_frontend&oe=UTF-8 (accessed February 2011)

The main factor that will contribute to the sustained growth of tourism in the Central/Eastern Europe is the growing power, while from the low initial level, a more frequent demand for particular forms of tourism (outdoor, adventure, etc.). in all areas, but especially in Central Europe/Eastern Europe. As a result there will be a substantial increase intraregional demand for this area. [Snak, Baron, Neacșu, 2001]

On the other hand, in emerging destinations or in destinations in recovery stage, know a strong dynamic development based on sustainable development strategies.

Customers in each country have different perceptions of needs and this applies to each level of a country. So-called European homogenization did not occur, the markets continued to be mixed. [Brackenbury, 2004] Anon quoted by Saayman and Slabbert said: "As we integrate more in the world, the more we want our experiences to differentiate." [Saayman, Slabbert]

In Europe, major tour operators depend on technological innovation. Comparing brochures with sun and Mediterranean beaches 20 years ago, we can see that the language used is different now, there are indeed more detailed photos and quality, but what about the actual experience? Experience at the airport is definitely worse. On the other hand it offers high quality services today. But back to our destination, we can see that things have not changed much, perhaps there are more restaurants, clubs, sailing and diving opportunities, but offer no real change. [Saayman, Slabbert]

Organization of the productive forces in the countries of the periphery, in favor of capital accumulation by powerful nations, limits the growth entrepreneurial activities in these areas. Existing distortions in the economies of the periphery can lead to the marginalization of local tourism businesses. This, in turn, can reduce local entrepreneurs to organize the management and growth of the tourism industry in these regions.[Sinha, 2002]

As developing countries become more prosperous, domestic tourists have become more significant, often using the same facilities as foreign tourists.[United Nations, 2007]

RESEARCH RESULTS

According to the study conducted by Gunnar Johannesson [Jóhannesson, 2002] in Iceland the regional policy is more or less geared to create entrepreneurs and stimulate entrepreneurship in rural areas. On the one hand "the single, heroic entrepreneur is wanted and described as the saviour of rural areas. On the other, the significance of strong infrastructure, effective research institutions and efficient flow of information is emphasised.. "

Johannesson develops further stating that "The problem of Icelandic regional policy is that it does not clarify two interrelated ideas regarding entrepreneurship and innovation. First is the idea of innate qualities of entrepreneurs and second is the idea of the entrepreneur being independent from other social actors. As long as these points are not accounted for, the regional policy will remain grounded in the ideology of entrepreneurship originating from Schumpeter's former definition of entrepreneurs." [Jóhannesson, 2002]

This study shows that even in Iceland things are not perhaps as it should be, government bodies unable to move from theoretical studies their application in practice.

Bodil Stilling Blichfeldt [Blichfeldt, 2009] conducted a study on innovation and entrepreneurship for a trailer park in Denmark. Conclusions reached are at least surprising: the analyzed business has been continuously growing as a result of seeking opportunities for growth and innovation efforts. Seasonality, which is often seen only in terms of its negative effects on the tourism industry, in this case could lead to increased innovation capacity, as entrepreneurs, during off-season, can dedicate their time and resources to find a new next season.

Xie Xuying [Xie, 2007] in a doctoral study on a new business-resort in Östergötland, Sweden called Västra Lägern Resort, noted that its major problems are related to entrepreneurship and marketing. The company was founded in 2006, its purpose being to create a holiday park accommodation in bungalows and a host of recreational activities for tourists. The author made an analysis of the marketing mix, noting that resort Västra

Lägern Resort enjoys a competitive location, given the tourist region that is growing. Future long-term owner strategy depends on ideas about profit reinvestment or business reconfiguration.

Vlatka Skokic and Alison Morrison [Skokic, Morrison, 2010] conducted a study on entrepreneurship and small hotel hospitality in Dalmatia, Croatia. A particularly important discovery was the social and cultural impact of hotel owners and managers. Social and cultural situation proved to be an integral part of entrepreneurship in tourism and hospitality in the area. The two authors concluded that entrepreneurship in tourism, especially in the hotels analyzed, can not be separated from social and cultural factors, but rather must necessarily include these essential elements.

Alison Morrison with Rivanda Teixeira [Morrison, Teixeira, 2004] also studied tourism in the UK small business sector aimed particularly at the travel and accommodation in the Scottish city Glasgow. The analysis revealed a number of problems affecting the small business such as human and financial resources available, the goals of entrepreneurs, their motivations and even lifestyle.

A trip of exploration to northwestern Ireland in august 2008 confirmed that there are a number of travel companies. Marchant [Marchant, 2009] analyzed two regions of interest: Bundoran, County Donegal and Lahinch, County Clare, where they were examined various travel companies both individually and collectively, to determine first, how they work and secondly, how interacted. The author observed that there were young and dynamic entrepreneurs, willing to collaboration, even with competitors. Many of them have gained experience working in other places or areas, and traveling for pleasure and tourism location were in many cases the catalyst for launching their own business. They were actively involved in tourism product development in local businesses.

Leo Paul Dana [Dana, 2005] investigated entrepreneurship in Central and Eastern Europe and in his studies on Hungary he discussed with Zoltan Vereczkey from the Chamber of Commerce and Industry, and with Janos Fonagz from Ministry of Business, who said that entrepreneurship has its own problems in this country. There are three types of entrepreneurial firms in Hungary, which are: craft companies, small independent subcontractors and hi-tech innovators. Many entrepreneurs are working in these firms but only part time, and that in fact only about a third of companies registered are operating. At the same time, however, some of the 600,000 Hungarians in Romania and Slovakia have begun to develop cross-border business network, helping entrepreneurial phenomenon in this way.

Polish State encourages the promotion of rustic tourism, supporting people who make accommodation available to tourists, by providing credits at agriculture banks or savings banks. [Mitrache, 1996] Tourist villagers are also relieved from certain taxes on revenues from tourism services. In early 2001 the Enterprise Development Agency was created in Poland, and its mission and purpose is to implement economic development programs in small and medium enterprises, and in 2002 it launched the Development of Entrepreneurship and Employment Program. Yet entrepreneurs in Poland seem to be unhappy because of bureaucracy and taxes. [Dana, 2005]

In Germany in 1980 was inaugurated a project development from the North Sea to the Alps which proposed the construction of 2,000 holiday apartments. Most developed regions in terms of rural tourism are Schwartzwald and Messen. This development is due to anti-trust legislation, encouraging ongoing business and not least because traditional German concept of family. [Mitrache, 1996] Thus in Germany, tourism policy does not intervene where solutions could be found by the tourism industry itself. The tourism

industry has the know-how and the necessary impetus necessary for innovation. [Krüger, 2004]

One of the innovation in tourism studies [Mayer, 2009] have looked at the cable cars in the mountain tourist resorts in Austria. Gondolas, cable cars and ski lifts can be considered a good example of innovation in tourism, being important entrepreneurship factors in the mountains and ski areas. But that is not enough to have a thriving tourist activity, requiring other related investments like quality slopes or accommodations and meals. That's because cable cars themselves are not an attraction, is only a means, more convenient indeed traveling at the desired tourist destination.

According to Small and Medium Enterprises Agency in Sofia Bulgaria, 99% of all firms are in fact SMEs, 92% of which are in fact micro-companies with low capital. Many of them depend on public transport, which unfortunately bypasses much of the mountainous areas and lack machinery and equipment. Black Sea tourism is well developed though.

There is a more pronounced sense of "entrepreneurship" in the broadest sense of the word in Bulgaria. This is evident in some parts of the private sector, but also among many NGOs and state agencies. Bulgaria was not able to invest significantly in programs supporting entrepreneurship and SME development. The European Union is now an obvious source of funding. According to investigations by Rhodri Thomas [Thomas, 2009] there are still flourishing business cases directly related to the development of SMEs in tourism and have come to light during this study: "Authentic Bulgaria" (www.authenticbulgaria.org), and "Association for Regional Development Agencies and Business Centres."

Greece is one of the favorite tourist destinations in Europe. In fact, Greece is ranked 15 in the world as a tourist destination - according to data of the National Statistics Service of Greece, the country receives more than 13 million tourists each year. [www.leadershipclassics.org/ModernGreece.html]

The tourism industry is of great importance in Greece. Greek tourism season is from May to September, as three quarters of the flow of tourists choose this time of year to visit Greece. The country is made up of nearly 2,000 islands, but only 169 of them are inhabited. These are the most popular tourist destinations in Greece, especially in summer. Even with the problems caused by the current economic crisis, tourism in Greece has much to tell the world.

Development of entrepreneurship and new business models to tourism, in order to remain or become competitive, was considered extremely important in the context of the tremendous pressure faced by small firms. [Perivoliotis-Chrysovergis, 2007]

Compared with other countries, Greece has a significantly higher than average share of businesses in a start-up phase and currently operational businesses (entrepreneurship rate). Nevertheless, the fact that the country is slightly below-average on the entrepreneurial activity index is due mainly to the outstandingly high share of "push" entrepreneurs. Indeed, nearly two thirds of Greek entrepreneurs are of this type, having a low risk-tolerance and having created their business out of necessity rather than out of opportunity. Greece also has a high-rate of second-generation entrepreneurs and entrepreneurship among the over 55 age group. [www.internationalentrepreneurship.com/european_entrepreneurship/greece_entrepreneur.asp]

In Greece there are a number of associations that are geared to help entrepreneurs such as:

a) O.E.SY.N.E. (Federation of Hellenic Associations of Young Entrepreneurs) is the leading association of young entrepreneurs up to age 45 in Greece. It was created to

encourage exchanges among its members and to promote cooperation and networking at national, European and global levels. Their primary objectives are (1) to support young entrepreneurs and innovators, and transfer best practices from Europe to Greece and vice versa, and (2) youth entrepreneurial culture through various activities.

b) Hellenic Entrepreneurs Association which was founded in 1995 and aims to promote entrepreneurship at all levels of society, pursuing opportunities that are connected with innovation and value creation activities that occur in society.

Montenegro is the only country in the world that has built into the constitution the declaration that will be an "ecological state". Government, with assistance from the United Nations Procurement Division (UNPD) and the Rockefeller Brothers identified three areas - tourism industry, energy, and wood - where it strives to implement sustainable practices. Montenegro tourism sector is focused on developing small-scale tourism focused on nature and culture built around rural and mountain ranges. Along the coast, Montenegro continue to follow traditional tourism strategy focused on the package "sun and sand". [www.undp.org/cpsd/countrylaunches/serbiamontenegro.html]

CONCLUSIONS

Tourism is the fastest growing industry in Europe and contributed greatly to the emergence and development of services economy. Entrepreneurship remains a key factor in the tourism industry, allowing small businesses to understand the nature of the market and to develop on a higher level.

Superficial treatment of entrepreneurship is a strong limiting factor for tourism development, and at the same time globalization is a phenomenon which in turn affects both entrepreneurship and tourism.

The economic policies developed inside the European Union are supporting the SME's and entrepreneurship. In the case of tourism entrepreneurship there are some issues that still need to be solved, from country to country, from region to region, and of course on a more global scale as well.

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