

CLUSTERS - BASIS OF TOURISM COMPETITIVENESS IN SERBIA

Jelena PREMOVIC*, Ljiljana ARSIC, Zoran MILICEVIC

¹Faculty of Economics in Kosovska Mitrovica, Serbia
(Corresponding author: jelena.premovic@gmail.com)

Abstract

The aim of this paper is to emphasize the importance of clusters as a key factor to enhance the competitiveness of tourism in Serbia. The formation of tourism clusters in order to improve positioning Serbia as relevant destinations on the international tourism market is the basis of tourism development strategy. The Strategy of tourism development highlights the importance of clusters in increasing the competitiveness of the tourist offer of Serbia. The strategy is designed layout of clusters in Republic of Serbia, which is not based on current administrative boundaries that exist within the country, but on a rational basis in the various forms of economic experience, which in some parts of the country can develop. At that way four clusters are defined: Vojvodina, Belgrade, Serbia Southwest, and Southeast Serbia. Institutional infrastructure for the development of these clusters does not exist today. It will be gradually formed, as the existing Tourist Organization of Belgrade and Vojvodina, and the Western Regional Tourism Organization of Serbia and the emerging Regional Tourism Organization of Eastern Serbia. Cluster development should be aligned with the further progress in the process of regionalization of Serbia. Positioning of individual clusters should point out the following elements: geographical location, products that can be placed on the international market, a clear link with Europe, and points out the connection to the cultural, spiritual and emotional values of the climate and the people who create entertainment.

The paper will give benchmark analysis of clusters in Serbia in the field of tourism in order to emphasize their necessity in the process of utilization existing tourist potentials of our country.

Key words: *clusters, tourism, regional development, benchmark analysis.*

Introduction

Connection into a cluster involves cooperation and innovation of active partners, companies of all sizes in various fields, citing on education, training, development and introduction of new technologies into business processes. Clustering is offensive involvement in international developments flows; that is the process of creating new opportunities, not just following existing. The key clusters advantage lies in multidimensional proximity of all stakeholders - not only geographical but also cultural and institutional proximity and alignment. Proximity allows sharing power and resources, joint activities require a shared vision and goals, and personal and social relationships and strengthen the confidence and allow faster flow of information. The effects of connecting the clusters are well-reflected only in a sufficiently large number of interconnections. Cluster development in Serbia is at an early stage, although knowledge of all the advantages and disadvantages of clustering are known. Since each concept, an idea, policy, etc. has its good and bad sides, either cluster is no exception. Clusters in today's business world enable companies to certain benefits that they would not have if they work as separate legal entities. In contrast, there are exemptions to certain limitations, especially if the cluster concept is understood as a "panacea" or as the

solution to all problems. Benefits subjects business association in clusters are: the increase in production and employment, increase innovation, strengthening the expertise and know-how, improve quality and productivity, increased exports, better use of resources through cooperation, reduce costs, increase flexibility, access to new technologies, successful change management and better access to global financial markets. While the disadvantages of mergers in clusters subjects business are: government's attempts to develop clusters, although businesses are not interested, small coincidence structure and corporate culture of partner companies, the lack of legal or financial opportunities, lack of entrepreneurial spirit, the low level of trust within the cluster, lacking knowledge partners, insufficient inclusion in the network of collaborators, lack of informal connections, unclear or unrealistic expectations of members who enter the cluster tourism as a highly dynamic industry, naturally attractive than other areas for the introduction of flexible regional development policy. Economics, form that enables the achievement of regional development through innovation, increased productivity, competitiveness and export orientation of the economy are the clusters.¹ To achieve such results is a complementary grouping charge of economic and non-economic entities and institutions associated with the same interest. Therefore, the model of clustering in tourism accepted worldwide as a powerful framework for sustainable destination development with economic, social and environmental point of view. The ability of providing greater values through the cluster model, allowing the region to be more competitive and expect better results to through numerous activities in the tourism value chain².

Conditions of tourism in Republic of Serbia

On the threshold of a new stage of tourism development, Serbia is faced with the need for rapid revitalization of the inherited structure and the wise use of many untouched attractions and design of new products. Certainly the rehabilitation of structures inherited a priority not only for the economically more efficient solution is to return to the international market, but the fact that he inherited and around the destination in the easiest possible way to raise the capacity supply and the level of competition, and thus create a stronger base for marketing activities.

The Strategy of tourism development of Republic of Serbia points out to opportunities for tourism development in relation to trends in world tourism, the tourism strategic positioning, selection of priority Serbian tourism products and competitiveness plan, investment strategy, plan the necessary investment and marketing plan. The expected results of applying the strategy to achieve increased competitiveness of Serbian tourism, increase foreign exchange earnings, growth in domestic tourist traffic, as well as job growth through tourism in order to transform Republic of Serbia in the competitive tourist destination. Republic of Serbia is the crossroads where the place intense adaptation to European integration and where to show a strong growth in the competitive capacity of institutions, companies and individuals. Tourism in this context, there is such an essential complex with increasing potential untapped. Serbian coach potentials are far underutilized, because tourism has never been a serious subject of development policy of Serbia. On the other hand, many states with similar or even lower potential in recent years have made efforts that brought them to the world tourist map of important countries. Examples of Republic of Hungary, Czech Republic, Bulgaria, Romania and Poland confirm it the best. Republic of Serbia today has

¹Barilovic, Z., Funda, D., Clusters as the possibility of economic development, http://www.famns.edu.rs/skup1/radovi_pdf/barilovic_funda.pdf, downloaded, 5.09.2012.

²Djurasevic, S., (2009), Clusters as a basis for regional development in tourism, the Montenegrin Journal of Economics, No. 9, p. 101-109.

only comparative advantage in tourism, because it has a variety of tourist structures, located near the traditional and emerging tourism markets, has a long history and a general recognition, preserved natural resources, and the proportion of good communication has great human potential. The transformation process of comparative into competitive advantage in the tourism industry of Republic of Serbia is a part of the reform process, as well as the political attitude towards tourism as an important creator of national prosperity.

According to the study of the World Economic Forum (The Travel & Tourism Competitiveness Report 2011) among 134 countries, Serbia on 85th place ranking is worse than Slovenia (which is 32), Croatia (33), Montenegro (36), Macedonia (76) and better in respect of BiH (97), when be considered in relation to the countries from the former Yugoslavian region³. So, in addition to numerous tourism potentials, the Serbian tourist products are not adequately developed or commercialized in the global tourism market. From the current approximately 87.000 accommodation facilities in old buildings, Serbia does not achieve business results not nearly as competitive countries. Because of the closed market delayed the process of restructuring and privatization, there were no significant investment from home and abroad, so there was no development of new forms of tourism. Due to the high centralization there were no investments in infrastructure maintenance inherited tourist destination because communities are not financially able to meet the requirements of their particular maintenance and new development. The value chain of tourism of Republic of Serbia, in Belgrade, except to some extent, is not built. This raises the question of standards, quality of service and loyalty to Republic of Serbia as a tourist destination. Tourism development goals and interests of Republic of Serbia in tourism are as follows⁴:

1. promote economic growth, employment and quality of life of residents through the development of foreign tourism;
2. ensure the development of their own positive international image;
3. ensuring long-term protection and integrated management of natural and cultural resources in the interest of sustainable tourism development;
4. ensuring international quality standards of tourists protection according to contemporary European practice.

Popular tourist positioning of Republic of Serbia must be based on the professional insight into factors that have a crucial impact on the overall success of Republic of Serbia as a tourist destination. It is a minimum of three key factors:

- an objective interpretation of the central elements of the offer in the field of resources and attractions, and defined strategic potential for success in the tourism industry;
- analyzing and assessing the value of current and expected trends in the global tourism and realistic assessment of opportunities for market penetration and development of Serbia;
- analysis of the competition, which includes structural and procedural knowledge in the real state of the competitive circuit.

Tourist structuring of Republic of Serbia

Schedule of characteristic tourism clusters in Republic of Serbia is based on administrative boundaries that currently exist within the country, but primarily rational strongholds in various forms of experience economy, which in some parts of the country can be developed. One of the ways to achieve drivers of innovation and competitiveness in the

³ The Travel & Tourism Competitiveness Report 2011, World Economic Forum
<http://www.weforum.org/issues/travel-and-tourism-competitiveness>, accessed 5.09.2012.

⁴ The Strategy of Tourism Development of Republic of Serbia, p. 8., or www.srbija.gov.rs, accessed 5.09.2012.

modern business environment is the association and cooperation of enterprises in the cluster. Clusters through horizontal and vertical integration of enterprises and strengthening the links and relationships between these companies, strengthen the competitive advantage of companies and institutions involved in clusters⁵. Based on the concentration of different types of resources in some parts of the country it is possible to offer a principal theme for differentiated positioning of individual clusters, namely⁶:

1. Vojvodina;
2. Belgrade;
3. Western Serbia with Kosovo;
4. Eastern Serbia.

The proposed framework tourist structuring of Serbia contains all the essential elements:

- a) point out commonly known geographical term for which the binding of Republic of Serbia is relatively fast and at low cost travel could identify with foreign tourists;
- b) indicate that the products would initially be placed on the international market;
- c) recommend a clear relationship with Europe;
- d) recommend a link with the cultural, spiritual and emotional values of the area and the people, making the tourist offer in the broadest sense of the word.

Projections of the basic parameters of the tourism sector of Serbia and their regional (cluster) distribution based on the following assumptions:

- 1) socio-economic development of Republic of Serbia, which will take place towards the inclusion of Serbia into the European integration;
- 2) the development of tourism in Republic of Serbia is responsible centralized state agency or other form of organization to support the development of entrepreneurship in the tourism industry of Republic of Serbia;
- 3) to immediately take the necessary action to be as soon as possible and commercialize products that are internationally "and MICE Business Tourism", "city breaks", "Events", "touring", "special interests" and "cruising" where should i start an international campaign building awareness of the country as a tourist destination;
- 4) taking the necessary actions to begin with the removal of the identified "bottlenecks" and open development processes identified product "Marine", "Health tourism", "Mountains and Lakes" or the "Rural Tourism", which due to high initial investment in hardware and software can not be immediately commercialized in the international market.

Today's Serbian tourist destinations/clusters and national tourism policies are in limbo, primarily due to the fact that the tourism policy of Serbia does not have the instruments to influence the development, growth and competitiveness in tourism. If she wants to build international competitiveness in tourism, Serbia must accept the fact that the very business mission of national tourism policy must be subordinated to this, at least until the establishment of the mature stage of development. Therefore, there is a direct correlation strategy to create a competitive tourism sector and the current capacity of tourism policy of Serbia. Realization of these and other activities and tasks that are detailed in the plans of competitiveness, investment and marketing, building a vision, strategic positioning and development of the national tourism policy. Emphasizes the issue of commitment required for the construction of tourism policy of Republic of Serbia. Only in this way it can be moved toward the realization of pre-defined and ambitious development goals.

⁵Pejanovic, R., Njegovan, Z., (2009), Current problems of agriculture and rural areas Serbia, Industry, Institute of Economics, br.1/2009, p. 87-99.

⁶ The Strategy of tourism development of Republic of Serbia, p.17., or www.srbija.gov.rs, accessed 5.09.2012.

Establishing institutional infrastructure for tourism development of Serbia

Although tourism policy until recently was not considered important, today is the starting point of the thought process in the tourism industry. It is focused on the tourism development at all levels and as such needs to create a long-term development perspective. The traditional state policies on tourism are gone. Government of some countries or support already built a competitive framework for the actors in the tourism process (for example, Austria and Switzerland) or are actively involved in entrepreneurial and competitive environment for the construction of tourism (Greece and Turkey at the start of his tour of ascent, Egypt and even today). At the level of state policy, it is recognized that the tourism competitiveness creating on the level of tourism clusters and products, rather than on the national level. In this regard, the government should support the competitiveness of clusters tourism development variety of investment in infrastructure, as it is now no longer speaks about tourism competitive states than the states with more or less competitive tourism clusters/destinations. Been classified on the Serbian tourism clusters is performed based on the strong needs of the individual clusters Serbia/destinations regulate our own position, so to achieve competitive advantage on its own. In this way will be the most successful and distinguished oppose competition. Key competitive tourism product portfolio strategies by clusters have been set up with the goal and the way to open the way for the establishment of their international competitiveness. This practically means that Serbian tourist clusters should do the same, better or different than competitors. In essence, the meaning of competitive activity is to Serbian tourism clusters marketing experience, which they cannot be experienced with the least possible effort for the guests. Competitive clusters activities, their operational efficiency, or "diamond competitiveness" which stimulates them, represents three instruments that define the concept of competitiveness. They can be successfully developed only with the cooperation and partnership between the private and public sectors. This partnership must, however, be based on mutual interest and maximum transparency. No one can strengthen the competitiveness clusters instead of actors who appear in it. State authorities in Serbia still only privatization can affect the structure of private actors in the cluster, which can only take responsibility for building competitiveness. The only way to effectively influence the long-term competitiveness of the cluster (considering the options, reach agreements and make available their intellectual, technical and financial resources) is to establish cooperation and partnership between stakeholders of the public and private sectors.

Conclusion

We can conclude that if she wants to revitalize inherited offer protection and planning and use their own potentials quickly, Serbia must decide what kind of interventionist development model competitive tourism products and tourism clusters she needs. Creating and operating a professional enterprise concerned, not only as the initiator and public sector partners at the destination, but also to all domestic and international investors and fund a possible solution to an increasingly competent subjects deficit on the local market. Otherwise, Republic of Serbia in the near future will be difficult to quickly improve their operational efficiency and competitiveness of the tourism industry. In fact, without the development of tourism in their own expertise and competent cannot be sustained in the long term.

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