

Safety and Security as factors of tourist destination competitiveness

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Abstract

Competitiveness on the global market represents one of the key factors of challenges for tourism industry and all its activities. The goal of this paper is to point out the significance of tourism industry for economic development and employment, and also to discuss and conclude on the importance of safety as the factor of competitiveness of the Republic of Serbia as tourist destination. The analysis has been done in order to reach the insight on Serbian competitiveness, compared with the destinations inside region of Southern and Western Europe. Also, the time series have been used to present the specific pillars of the tourist destination competitiveness and development in Serbia, especially Safety and Security pillar. In this paper, we are presenting some of the implications of so far positioning Serbia as tourist destination, based on using and analyzing the index of competitiveness of the Republic of Serbia.

Key words: safety and security, competitiveness, tourist destination, index of competitiveness, the Republic of Serbia.

1. INTRODUCTION

According to the database of the United Nations World Tourism Organization (UNWTO), the tourism industry has been on the rise despite crisis and natural disasters. Globally, international arrivals increased from \$25 million in 1950, to \$278 million in 1980, \$527million in 1995, and \$ 1,133 billion in 2014. Also, the incomes from international tourism industry have increased from \$2 billion in 1950, to \$104 billion in 1980, \$415 billion in 1995, and \$1245 billion in 2014 (<http://www.e-unwto.org/doi/pdf/10.18111/9789284416899>). World Travel and Tourism Council (WTTC) states that tourism industry provides 277 million working places, and participates in global GNP with 9,8% in the year 2014(<http://www.wttc.org/>).

The competitiveness of the state is the capability of the country to specialize and implement its resources in terms of increasing its real income and maintaining positive equilibrium of the current account balance, based on a transparent and effective national macroeconomic policy and strategies in its different industries.

The World Economic Forum (WEF) in Davos issues every year the reports on the competitiveness of the countries, like Global Competitiveness Report starting from 1979. For tourism and travelling, there has been issued Global Travel and Tourism Report biennially, starting from 2007.

2. CHARACTERISTICS OF SAFETY AND SECURITY FACTORS

The Travel & Tourism Competitiveness Report (<http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/>) offers methodology for measuring competitiveness in tourism. The Travel & Tourism Competitiveness index (TTCI) represents the measure of the factors and policies which enable sustainable development of travel and tourism sectors that contribute competitiveness of the country. The TTCI is being published and presented every two years. In 2015, there were 141 countries participating in the index calculation and measurement. The global index includes 4 sub-indexes (favorable production conditions, travel and tourism policies and incentives, infrastructure, and natural and cultural resources). Each of these sub –indexes is divided into pillars (14 in total), and each pillar is divided into indicators (90 in total).

During past recent years, (<http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/>), the terrorism has been on the rise, while the world has been facing geo-political tensions in the Middle East and Ukraine, South East Asia, fear and threats of global crisis on the travel and tourism industry such as safe traveling and accommodation for leisure and business travelers etc. Until now, the effect of the mentioned troubling factors and effects has been differently treated in different countries. While some countries faced the significant decrease in inbound tourism, some other countries did not have that problem. In the future, one can expect the issue on uncertainty of the travel and tourism sector will continue.

On one hand, developed economies are facing low rates of economic development while developing countries are facing slow economic development. On the other hand, the world is continuously in the process of constant globalization. Heaving that in mind, the theme of the WEF TTCI report for year 2015 is “Growing through Shocks”. This report represents current global context and complexity of the situation, which has to be solved so to contribute future economic development.

The tourist market is sensitive to social or political instability within a destination. Accordingly, significant declines in tourist arrivals occur during periods of warfare or other conflicts.

The negative effect of war on tourism is not necessarily confined to the actual war zone or period of conflict. In large part, the decline in arrivals was due to global uncertainty, associated with both the prelude and aftermath of the particular incident (Weaver & Lawton, 2010).

Deliberate targeting of tourists and tourism facilities by terrorists represents an increasingly disturbing trend that resulted in several factors. Among these factors is the knowledge that the disruption of tourist flows can have severe economic and sociopolitical repercussions on countries where this sector makes a significant contribution to GNP.

Beyond the macro level forces of war, unrest and terrorism, destination viability is affected by the extent to which tourists perceive a place to offer a high level personal safety in terms of everyday health and well-being. Dissuasive factors include high crime levels, susceptibility to natural disasters such as earthquakes and hurricanes, unsafe drinking water and food, and the prevalence of diseases such as malaria and AIDS. Tourist deaths and injuries associated with traffic-related and other accidents can also generate negative market perceptions, prompting some destinations to pursue strategies that attempt to minimize their occurrence.

Tourism is sensitive to crisis, the one caused by economic factors, and also to crises caused by non-economic factors. Also, tourism has proved the high extent of the ability for its recovery,

which resulted in positive tendency in its development, accompanied by occasional periods of stagnations caused by negative environmental factors.

Negative environmental changes has led to changes in tourism activities in sense of reducing the number or redirecting of the regular travelings (Živković, 2014).

Special attention on travellers and tourist safety was intensified in the 80s, when also started to develop the trend of increased number of dangerous situation tourists were facing. The problem of safety and security becomes the problem of tourism institution and the whole country, since guaranteed safety insreases the likelihood of visits to the particular destination.

Panic and insecurity among tourists, especially in hotel industry, is most usually caused by fire. Tourist health can be seriously jeopardised by poor hygiene and infections (www.tripadvisor.com). However, ecological catastrophes are epidemie are by far the most dangerous threats for the tourist and tourism destinations.

Most comonly, travelers experience abrupt and dramatic changes of ambiantal conditions, which can have bad influence on their health and well-being. Travelings also include changes in altitude, temperature, and humidity, as well as being exposed to the bites of dangerous exotic animals and insects. Negative contact with accidental changes in the environment can be reduced by taking precautious measures (Popesku et al, 2008; Becken, 2010).

Environmental security is always seriously jeopardised by local and regional crisis which main characteristic is their abruptness. Those crisis usually accompany some global change or disaster, such as: civil riots and wars, ethnic conflicts, illigal migrations, trafficking, smuggling of narcotics and weapons (Shelley, 2014). Tourism itself is sensitive to changes in political and security environment, especially in terms of war and terrorism risks (Mata-Lima et al., 2013).

2.1. Unfavorable state of environment and natural disasters

Natural disasters are caused by climate changes, hydro meteorological and biological activities, which directly influence natural and urban environment (Mata-Lima et al., 2013). One of the common characteristics of natural disasters is their abruptness, like with earthquakes and landslides. However, contemporary science and modern technologies enable prediction of some of the disasters, their time, place and intensity.

One can conclude that the disasters are pretty complex in their nature. Thus, the consequences of the accidents could be enormous and tragic, leading to serious disruptions in natural and social sphere, followed by human and material loss, spread of diseases etc.

Natural catastrophes should be approached by complex prevention, through establishing strong cooperation among science, high technologies and civil education on dealing with the changes and their consequences.

Among the numerous aspects of natural disasters, climate changes are one of the strongest and should be pointed out. Climate changes have a strong influence on the operation activities in tourism industry. One of the conclusions of The Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 2014 was that climate changes are unambiguously the result of human activities, especially emissions of CO₂ into the atmosphere. The fatal changes of

the emissions is clearly visible in all regions in the world: global warming, green house effect, etc (CISL, 2014).

There has been present a strong attempt for implementing the connection among positive climate activities, existing tourist destinations and sustainable development. Important factors that should be considered and included into the process are: air temperature, wind chill effects, humidity, radiation etc. Also, some other elements, such as wind speed or snow depth may be important when planning recreational activities in particular tourist destinations. The climate parameters can be jointly considered into a single index, which is used to indicate adequate places for planning and managing specific tourist activities (Becken, 2010)

2.2. Political uneasiness and the security situation

According to numerous researches, the highest amount of uncertainty and concern tourists connect with personal physical unsafety, which is extremely visible during political and war crisis. Nowadays terrorism represents the strongest threat to physical safety. Most people agree that the world changed after the attacks in London, Madrid, and New York. Terrorist attacks could occur anytime and anywhere.

The Global Terrorism Index shows the direct and indirect influence of terrorist attacks in 162 countries, expressed through particularly indicators. This study is produced by the Institute for Economics and Peace (IEP), and is considered to be the most comprehensive global dataset on terrorist activity.

According GTI, over 80 per cent of the lives lost to terrorist activity in 2013 occurred in only five countries – Iraq (10), Afghanistan (9.39), Pakistan (9.37), Nigeria (8.58) and Syria (8.12)¹. In 2014, rang and score for the countries in region were (T.1.):

Table 1. Rang and scores, Global Terrorism Index, 2014

rang	country	GTI
75	Macedonia, FYR	1.45
86	Bosnia and Herzegovina	0.76
87	Montenegro	0.7
89	Serbia	0.58
105	Croatia	0.23
107	Albania	0.19
124	Slovenia	0

Source: Institute for Economics and Peace (IEP)

Data in this report are essential for contributing risk management of future terrorist attacks in countries where there are present low levels of movement.

¹GTI ranks and scores (1-10), 2014

2.3.Epidemics, road traffic accidents, violence and injuries

Every travelling is connected with health risk. Most of the risks can be avoided or significantly reduced by education of people, health promotion, prevention of diseases, and environmental protection. These activities ask for responsibility of professionals such as tourism and health workers, and also of the tourists themselves.

Health protection and safety risks, especially those connected with tourism companies, are related to business risks as they come from such a business processes which are highly labor intensive. Tourism product is complex and comprise a high extent of service elements. It is being consumed on the spot, while being produced, and asks for interaction not only between personnel and natural, physical environment (facilities, equipment etc.) but also with the tourists who actively participate in the production of the tourism product. Accordingly, professional, health, and safety risks are being multiplied which increase negative consequences on the business goals and strategies of tourism companies, and also on the employees and the tourists themselves (Dimitrov, 2009).

Unsufficient health protection can be regulated by perception of poverty connected with the tourist destination, as well as with the incidence of different diseases such as malaria, colera, AIDS, hepatitis etc., which represent a serious threat to the health of tourists and their fear connected with the destination.

Key factors which determine exposure of tourists to the risks(http://www.who.int/ith/precautions/travel_related/en/):

- destination
- length of visit
- purpose of visit
- accommodation and hygiene
- tourist behavior.

Traffic accidents have become the most usual cause of the tourist accidents. Traffic accidents and violence are significant risks for travelers in many countries, especially in developing countries, where professional help is usually poor and not always on disposal.

Accidents and injuries may occur in different places, such as recreation facilities, swimming pools, scuba and surfing spots, etc. The most significant risks for health of tourists are drownings, head and spinal injuries. The data show that at least half a million of deaths are caused by drowning every year. Also, one of the key causes of death in tourism is freezing. In shore water the incidence of infection is high, as a result of large number of pathogenic microorganism inhalation due to human and animal factor, and water pollution effects (http://www.who.int/ith/precautions/travel_related/en/).

Tour operators, tourist agencies, airline and shipping companies should be responsible for health protection of their travellers. Health protection and tourist safety should be the interest number one of the entire tourism and travel industry. The goal is reduction and avoidance of the potential problems during travelling abroad. Thus, highly professional tourist agencies organize meetings with their tourists before trips and journeys, in order to inform them about the situation in the tourist destination (<http://www.who.int/ith/ITH2009Chapter1.pdf>).

3. SERBIAN TRAVEL AND TOURISM COMPETITIVENESS

Direct contribution of Travel and Tourism sector (T&T) to Serbia GDP was 2, 1% in 2014, with a forecast of rise by 5, 2%, from 2015-2025 (2, 5% of total GDP). Total contribution was 6.1%, with long-term forecast by 7, 2% of total GDP.

In 2014, T&T sector directly supported 35.000 jobs (2.6% of total employment). In 2014, the total contribution of Travel & Tourism to employment includes jobs indirectly supported by the industry and equals 6.4% of total employment (87,500 jobs) (<http://www.wttc.org/>).

According to WEF available data, from 2008, it is evident that there is a decline in Serbian rank according to the related factors. The decline can be traced to factors such as TT human (5.1 in 2008 - 4.29 in 2014), cultural and natural resources (2, 73 and 2, 27 in 2008 – 1, 61 and 1, 90 in 2014) and TT regulatory framework (4, 27 in 2008 and 3, 83 in 2014) (WEF, 2015).

Enabling Environment embraces general assumptions necessary for the development of activities of the country: 1. Business Environment, 2. Safety and security, 3. Health and hygiene, 4. Human resources and labor market, 5. Capability to use information and communication technologies. Table 2 gives an overview of global and regional index, as well as values of five pillars engaged in Business Environment in the tourism sector of The Republic of Serbia and some countries of Southern and Western Europe.

Table 2. T&T index and Enabling Environment Pillars, values, 2015

country	Global rank	Southern and Western Europe rank	Business Environment	Safety and Security	Health and Hygiene	Human Resources and Labor Market	ICT Readiness
Spain	1	1	4.09	5.97	6.11	4.87	5.26
France	2	2	4.52	5.44	6.52	4.96	5.55
Germany	3	3	5.32	6.06	6.85	5.18	5.51
Croatia	33	19	3.65	6.00	6.33	4.41	5.03
Slovenia	39	23	4.03	6.20	6.05	4.69	5.07
Montenegro	67	33	4.39	5.69	5.71	4.85	4.42
Macedonia, FYR	82	34	4.87	5.75	5.99	4.47	4.47
Serbia	95	35	3.38	5.46	6.04	4.29	4.45
Albania	106	36	4.11	5.34	5.22	4.68	4.07
S&W Europe average			4.56	5.95	6.23	4.87	5.14

Source: Adapted from <http://www.weforum.org/issues/travel-and-tourismcompetitiveness/ttci-platform>, 2015

Security is a key factor which determines competitiveness of tourism sector. A great likelihood is that the tourists are to refrain from traveling in dangerous countries or regions, which make the sector less attractive for development in these destinations. For calculating the index of security it will be taken into consideration the total cost that are incurred, due to the existence of crime, violence and terrorism, as well as, to what extent one can rely on police service in providing protection from crime.

Table 3. presents an indicator structure of security index for Serbia in year 2015. First three indicators presented in Table 3 are derived from the World Economic Forum’s Executive Opinion Survey, and are always expressed in a 1-to-7 scale (1 = worst score, 7 = best score). The other two are derived from the other relevant international databases, such as International Air Transport Association (IATA), the International Union for Conservation of Nature (IUCN), the UN World Tourism Organization (UNWTO), and The World Travel & Tourism Council (WTTC).

Table 3. Safety and Security values structure, and global rank, Serbia, 2015

Safety and Security	5.5	59
<i>Indicators</i>		
Business costs of crime and violence [†]	4.2	86
Reliability of police services [†]	3.8	89
Business costs of terrorism [†]	5.5	58
Index of terrorism incidence*	7.0	79
Homicide rate*	1	30

Source: T & T Competitiveness Report, 2015

Regarding **Safety and Security**, together with **Health and Hygiene**, Serbian tourism is better positioned compared to other pillars, especially International Openness Pillar, Infrastructure Pillars and Natural and Cultural Resources Pillars. Nevertheless, according WEF T&T Competitiveness Index 2015, in the Southern and Western Europe, Serbia takes second to the last place.

4. SUMMARY

According to the results of the survey on competitiveness in 2015, and the additional quantitative and qualitative data and analysis, T & T industry continues to grow and could be considered as “shock-proof”. In addition to that, new trends are appearing, providing benefits to the countries capable of using new potentials for development. Growth and development of T & T sector create potentials for development of other countries regardless their wealth, offering employment positions on different levels, which is also very important for Serbia as a tourist destination.

Encouraging geographical position and accessible natural and cultural resources, contributes to a convenience for tourism development during the whole year and positioning Serbia as tourist destination.

According World Economic Forum available data, the downturn in Serbian competitiveness rank is obvious. The downturn is indicated in the human resources pillar, as well as in cultural and natural resources pillar. Especially, significant downturn is evident in policy regulations pillar, which can be explained by incompatible access to the strategy of development in tourism sector accomplished by national institutions.

In this paper, also, we have presented that The Republic of Serbia, as a tourist destination, still does not use well enough all the benefits and potentials, based on the factors and indicators from the period 2007-2014. Risk perception, in context of tourism industry, can be defined as perception of tourist experience in process of buying and consuming tourism products and services, which is based on possible dissatisfaction or problems connected with it. The concept comprises different risk categories, among which the most significant would be financial,

physical, psychological, social, political (instability and crisis), health, terrorism, etc. In order to promote and develop The Republic of Serbia as a competitive tourist destination, there has to be established continual research and analysis between risk perception and travel intentions of tourists and visitors. Identification of safety and security risks, as well as their reduction, should lead to the increase of tourist satisfaction and building better image of Serbia as tourist destination.

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