

THE POSITION OF TOURISM IN SLOVAK REPUBLIC

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ABSTRACT

With the rise in living standards tourism has become an integral part of everyday life. The tourism industry very sensitive lyresponses to a wide range of diverse factors and its development is influenced by a variety of global and regional events. The tourism potential in our country consists of interesting position of Slovakia in the heart of Europe, suitable natural conditions, cultural and historical wealth too. In spite of these facts, the Slovak Republic is loosing its competitiveness in different parts of the tourism industry. The present paper outlines the position of tourism in Slovak Republic.

KEY WORDS: tourism, competitiveness, Slovak Republic

INTRODUCTION

Tourism is an interdepartmental industry, which directly affects the sphere of economy, industry, trade and services, finance, transport, regional development, culture etc. It started to form in the late 19th and early 20 century. In the 20th century reached a high stage of development in the world and became a part of consumption and lifestyle mostly of people living in economically developed countries. Tourism plays important role in economic growth, balance of payments and achieve the highest level of employment. As a socio-economic phenomenon is very sensitive to any positive, but mostly negative changes, especially political, social, economic conditions, not only in specific areas, regions and countries, serving as a destination tourist destinations. Unstable development in terms of statistical indicators at the national level in recent years may be associated with its fragmented, chaotic development without strategic direction.

MATERIALS AND METHODS

The main objective of this scientific paper is evaluation of the position of tourism in Slovak Republic on the basis of data taken from The Statistical Office of the Slovak Republic. Tourist accommodation services data are obtained from statistical units that are registered in the Business Register of the Slovak Republic and individuals who are registered in the Trade Register of the Slovak Republic. To solve this problem were used information taken from strategy document the Tourism Development Strategy of the Slovak Republic until 2020 of the Ministry of Transport, Construction and Regional Development of the Slovak Republic and also information taken from the World Economic Forum and the Slovak Agency for Tourism.

Examined data were statistically processed and analyzed in Microsoft Excel 2010. Simple indicators of mathematical and statistical methods, comparative method, analysis and synthesis show detailed view of the examined issues.

RESULTS AND DISCUSSION

One of the prerequisites for Residential Tourism development in the state is accommodation capacity, its size, structure and quality. In recent years Slovakia's capacity, but also quality structure of accommodation has been significant changed.

Residential tourism is associated with at least one overnight stay in visited place. Important is existence of accommodation facilities in structure and quality which correspond with demand.

An important indicator is number of visitors and number of overnight stays by visitors in accommodation of facilities.

Output of accommodation facilities in Slovak regions correspond to their level and attractiveness of regions and specific destinations. In the Slovak Republic can be found about 21 tourism regions. Each of them has different degree of attractiveness and importance. In 2007 was located 27.40% of accommodation facilities in the Žilina Region and only 5.91% in the Region of Bratislava.

Table 1: Number of accommodation facilities in regions of the Slovak Republic

	2007	2008	INDEX 08/07	2009	INDEX 09/08	2010	INDEX 10/09	2011	INDEX 11/10
Region of Bratislava	188	199	105.85 %	198	99.50%	197	99.49%	203	103.05 %
Region of Trnava	213	218	102.35 %	212	97.25%	208	98.11%	195	93.75%
Region of Nitra	241	267	110.79 %	282	105.62 %	270	95.74%	262	97.04%
Region of Trenčín	274	275	100.36 %	271	98.55%	253	93.36%	249	98.42%
Region of Žilina	872	988	113.30 %	895	90.59%	826	92.29%	781	94.55%
Region of Banská Bystrica	465	483	103.87 %	473	97.93%	436	92.18%	424	97.25%
Region of Prešov	572	625	109.27 %	605	96.80%	585	96.69%	551	94.19%
Region of Košice	357	379	106.16 %	356	93.93%	351	98.60%	346	98.58%
Accommodation facilities total	3182	3434	107.92 %	3292	95.86%	3126	94.96%	3011	96.32%

Source: the Statistical Office of the Slovak Republic (regional statistics database) - own calculations.

According to data taken from the Statistical Office of the Slovak Republic, the number and capacity of accommodation facilities in Slovakia had been developed favorably until 2008. Next year the total number of accommodation facilities has been decreased about 142 (4.14%) compared to the previous year 2008. From Table 1 can be seen downward trend in number of accommodation facilities in the Slovak Republic and in each region of Slovakia from 2009. Positive change (+3.05%) was recorded only in Region of Bratislava in 2011.

Taking into account the earlier data not only further observed years 2007-2011, as a result of the Statistical Office of the Slovak Republic, it can be concluded that the evolution of the number of tourists had a fluctuating trend in some periods there was a decrease in the number of other tourists rapid growth and increase the number of overnight stays until 2008, when the number of visitors accommodation stood at 4 082 645.

Trend of number of visitors in accommodation facilities in examined period can be seen from table 2. In 2011 number of total visitors was increased from 3 392 361 to 3 571 093 (+5.27%). In this year total number of visitors consists of 1 460 361 foreign visitors and 2 110 732 domestic visitors. Number of foreign visitors was increased about 10.080 percent from 2010 to 2011. There can be seen also positive change about 2.179 percent in number of domestic visitors. The Global Financial Crisis has negative effects on number of visitors in Slovak Republic, when in 2009 the number of visitors was reduced about 17 percent compared to year before that. In this year from Table 2 can be also seen significant reduction in number of foreign visitors (-26.518%) and domestic visitors (-10.053%) too.

Table 2: Number of visitors in accommodation facilities

	2007	2008	2009	2010	2011
Visitors Total	3 777 754	4 082 645	3 381 354	3 392 361	3 571 093
<i>CHANGE</i>		+8.07%	-17.18%	+0.33%	+5.27%
Foreign visitors	1 684 526	1 766 529	1 298 075	1 326 639	1 460 361
<i>CHANGE</i>		+4.868%	-26.518%	+2.200%	+10.080%
Domestic visitors	2 093 228	2 316 116	2 083 279	2 065 722	2 110 732
<i>CHANGE</i>		+10.648%	-10.053%	-0.843%	2.179%

Source: the Statistical Office of the Slovak Republic (regional statistics database) - own calculations.

In 2007 total number of visitors was increased to 3.8 million, which consisted of 1.7 million domestic and 1.1 million foreign visitors. Unfavorably was proceeded average number of overnight stays by visitors in accommodation of facilities. It was decreased to 3.04 overnight stays in 2007. This trend indicated that, capacities were grown faster than number of visitors. There can be seen increase of capacities and also slow growth of visitors number. On the other hand this is consequence of it. The capacity of the market is determined by effective demand. It can stagnate due to lack of complex products supply, European trends in tourism, but also little support from the state marketing.

Table 3: Number of overnight stays by visitors in accommodation facilities

	2007	2008	2009	2010	2011
Region of Bratislava	1 752 709	1 859 033	1 575 664	1 569 404	1 743 196
<i>CHANGE</i>		-6.07%	-15.24%	-0.40%	11.07%
Region of Trnava	1 137 552	1 204 167	981 084	997 376	985 625
<i>CHANGE</i>		5.86%	-18.53%	+1.66%	-1.18%
Region of Trenčín	1 096 544	1 217 739	1 034 864	972 937	928 461
<i>CHANGE</i>		+11.05%	-15.02%	-5.98%	-4.57%
Region of Nitra	619 711	750 119	651 396	691 440	631 572
<i>CHANGE</i>		+21.04%	-13.16%	+6.15%	-8.66%
Region of Žilina	2 358 745	2 535 960	2 106 609	2 135 892	2 227 731
<i>CHANGE</i>		+7.51%	-16.93%	+1.39%	+4.30%
Region of Banská Bystrica	1 517 215	1 624 485	1 371 169	1 357 156	1 360 168
<i>CHANGE</i>		+7.07%	-15.59%	-1.02%	+0.22%
Region of Prešov	2 357 265	2 447 577	2 008 277	2 024 817	2 027 582
<i>CHANGE</i>		+3.83%	-17.95%	+0.82%	+0.14%
Region of Košice	726 891	825 024	662 006	618 308	620 403
<i>CHANGE</i>		+13.50%	-19.76%	-6.60%	+0.34%

Source: the Statistical Office of the Slovak Republic (regional statistics database) - own calculations.

In 2011 about 1 321 740 (90.51%) visitors came from Europe as can be seen from table 4 referring a structure of foreign visitors in accommodation establishments. In 2009 was recorded significant fall (-27%), when substantial reduction was noticed by Polish tourists (-46%) and Hungarian (-37.74%), Czech (-20.81%), Austrian and Ukrainian tourists (-28.55%) too. In 2007 the most important foreign visitors of accommodation establishments in Slovakia came from the Czech Republic, Poland, Germany, Hungary, the United Kingdom, Austria and Italy. Number of overnight stays by visitors coming from these countries represented 76 percent of a total overnight stays number.

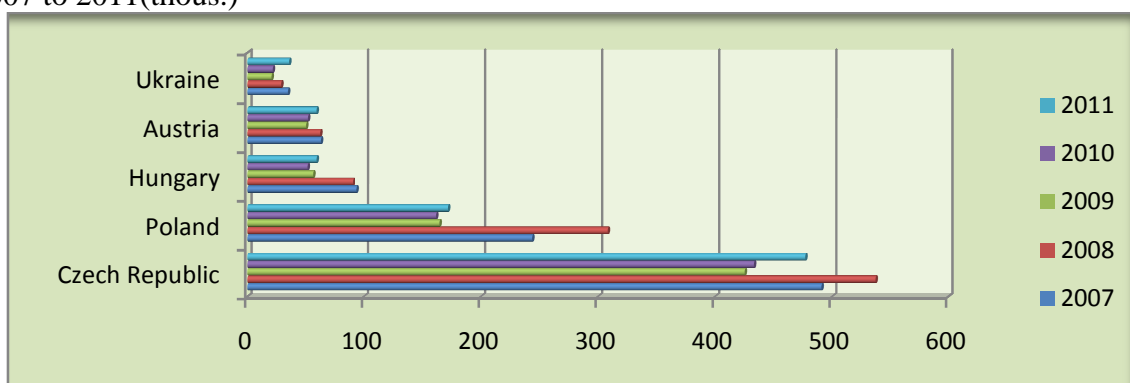
Table 4: Structure of foreign visitors in accommodation establishments in SR in 2007-2011

	2007	2008	2009	2010	2011
Europe	1 545 504	1 633 528	1 198 716	1 206 704	1 321 740
<i>CHANGE</i>		+5.70%	-26.62%	+0.67%	+9.53%
From this Czech Republic	490 986	537 180	425 414	433 321	477 159
<i>CHANGE</i>		+9.41%	-20.81%	+1.86%	+10.12%
Poland	243 917	308 437	164 712	161 851	172 001
<i>CHANGE</i>		+26.45%	-46.60%	-1.74%	+6.27%
Hungary	93 797	90 123	56 111	51 324	59 000
<i>CHANGE</i>		-3.92%	-37.74%	-8.53%	+14.96%
Austria	62 661	62 052	50 065	51 678	58 983
<i>CHANGE</i>		-0.97%	-19.32%	+3.22%	+14.14%
Ukraine	34 612	28 858	20 618	21 659	35 616
<i>CHANGE</i>		-16.62%	-28.55%	+5.05%	+64.44%
America	43 697	41 456	30 137	36 198	43 172
<i>CHANGE</i>		-5.13%	-27.30%	+20.11%	+19.27%
Africa	5 868	3 851	2 462	3 235	3 505
<i>CHANGE</i>		-34.37%	-36.07%	+31.40%	+8.35%
Asia	81 103	79 972	61 477	73 959	84 023
<i>CHANGE</i>		-1.39%	-23.13%	+20.30%	+13.61%
Australia and Oceania	7 168	6 507	4 721	5 636	5 351
<i>CHANGE</i>		-9.22%	-27.45%	+19.38%	-5.06%
Other	1 186	1 215	562	907	2 570

Source: the Statistical Office of the Slovak Republic (regional statistics database) - own calculations.

As can be seen from figure 1, the most important foreign visitors of accommodation facilities in Slovakia were tourists coming from the Czech Republic. They participated in the greatest measure of the total number of foreign visitors of Slovakia in examined period (Figure 1).

Figure 1: Development of foreign visitors from neighboring countries of the Slovak Republic from 2007 to 2011 (thous.)



Source: the Statistical Office of the Slovak Republic - own calculations and processing.

Ranking and number of foreign visitors in tourism accommodation establishments in Slovak Republic (TOP 15) can be seen from table 5. In 2010 and 2011 the most important foreign visitors came from the Czech Republic, Poland, Germany, Hungary, Austria and Italy. These are markets on which our entrepreneurs and promotional activities of Slovak Agency for Tourism should be focused.

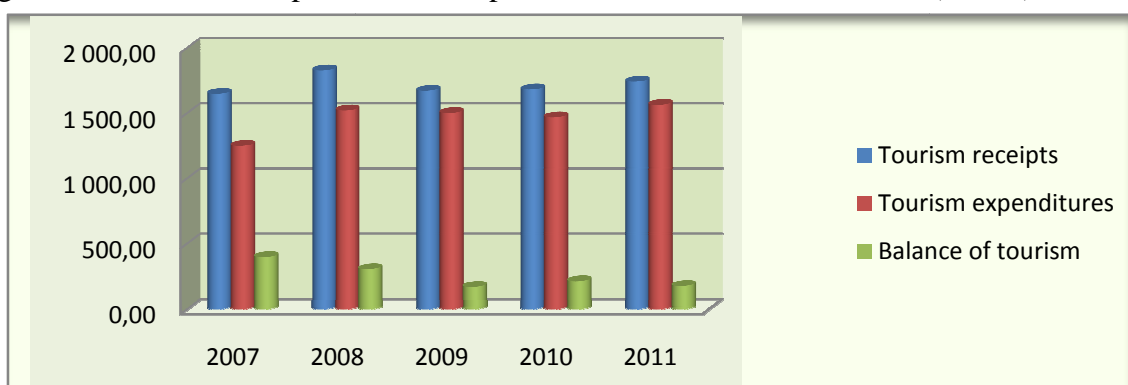
Table 5: Foreignvisitors in tourismaccommodationestablishments in the Slovak Republic – TOP 15

2010			2011		
Ranking	Country	Numberofvisitors	Ranking	Country	Numberofvisitors
1.	CzechRepublic	433 321	1.	CzechRepublic	477 159
2.	Poland	161 851	2.	Poland	172 001
3.	Germany	131 674	3.	Germany	133 431
4.	Italy	54 439	4.	Hungary	59 000
5.	Austria	51 678	5.	Austria	58 983
6.	Hungary	51 324	6.	Italy	51 957
7.	UnitedKingdom	40 961	7.	UnitedKingdom	39 476
8.	France	32 967	8.	France	35 931
9.	RussianFederation	26 968	9.	Ukraine	35 616
10.	SouthKorea	23 419	10.	RussianFederation	35 122
11.	UnitedStates	22 051	11.	SouthKorea	27 176
12.	Ukraine	21 659	12.	UnitedStates	26 482
13.	Netherland	18 776	13.	Romania	20 551
14.	Romania	18 381	14.	Spain	19 635
15.	Spain	16 926	15.	Netherland	18 499

Source: theStatistical Office ofthe Slovak Republic.

There was a significant increase in revenues and tourism balance in year 2007 as well as 2008. In 2009, on the contrary, there was a significant drop in revenues and tourism balance. An increase by 3.6% compared to the previous year reached the foreign exchange earnings from incoming tourism in 2011 (€ 1 744.7 mil.). The tourism expenditures of Slovak citizens in the specific year amounted to € 1 566.8 mil., as compared to the previous year 2010, it represents an increase by 6.53%. A significant decrease by 16.9% can be observed in the balance of incoming tourism, which is still active in the amount of € 177.9 mil

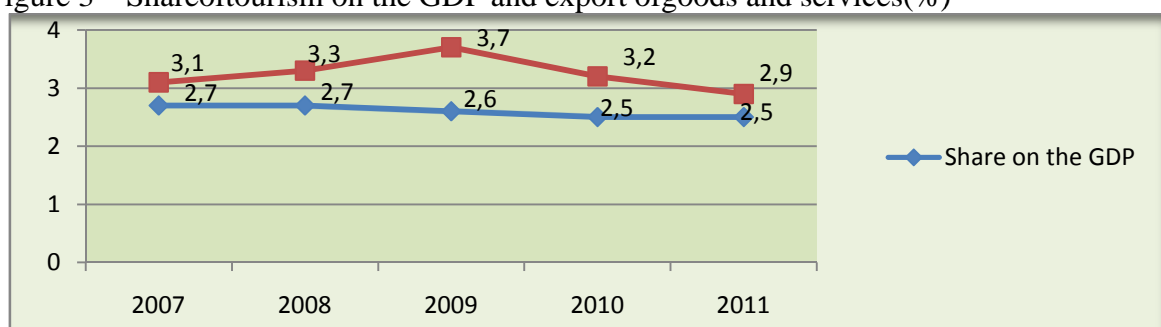
Figure 2 – TourismReceipts, TourismExpenditures and BalanceofTourism (mil. €)



Source: theStatistical Office ofthe Slovak Republic - own calculations.

A significant increase of share of tourism on goods and services export was recorded in 2007, 2008. Share of tourism on the GDP and export of goods and services does not show a positive trend, mainly when compared to the countries with lower potential for its development as can be seen from figure 3. Especially since 2009 has been seen decline of trends. In 2010 was recorded significant decline of share of tourism on export of goods and services and also on GDP. Share of tourism on export of goods and services recorded the highest value 3.7 percent in 2009 compared another years in examined period.

Figure 3 – Share of tourism on the GDP and export of goods and services (%)



Source: the Statistical Office of the Slovak Republic - own calculations.

In the strategy document the Tourism Development Strategy of the Slovak Republic until 2013 were stated main strategic goals like tourism industry empowerment in the national economy, growth of tourism competitiveness in European area, growth of residential tourism and also structural improvement of visitors. One of the most important strategic goals of tourism development in the Slovak Republic was increasing the competitiveness of the tourism industry of the Slovak Republic in European area. The main strategic goal shown in the Tourism Development Strategy of the Slovak Republic until 2020 is the same. This has to be done by better exploitation of tourism potential with the aim to balance regional disparities and to create new work opportunities.

Tourism competitiveness is an important economic indicator. It is a major element in economic stimulation packages. Tourism is among the largest employers in most countries. Encouraging travel boosts consumer and business confidence, it strengthens two-way trade and promotes export income.

The Travel and Tourism Competitiveness Index (TTCI) is composed of three subindexes: the T&T regulatory framework subindex; the T&T business environment and infrastructure subindex; and the T&T human, cultural, and natural resources subindex. These subindexes are, in turn, composed of the 14 pillars of T&T competitiveness shown below: policy rules and regulations, environmental sustainability, safety and security, health and hygiene, prioritization of Travel & Tourism, air transport infrastructure, ground transport infrastructure, tourism infrastructure, ICT infrastructure, price competitiveness in the T&T industry, human resources, affinity for Travel & Tourism, natural resources, and cultural resources.

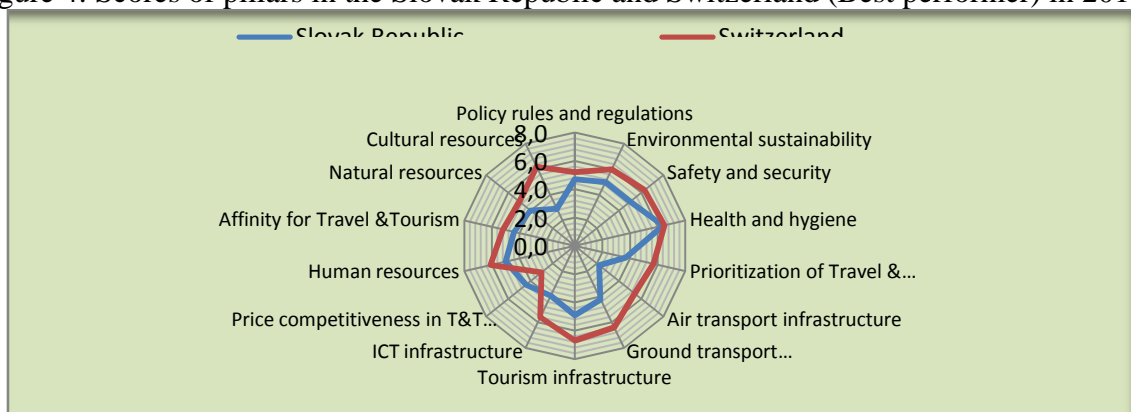
Table 6: The Travel & Tourism Competitiveness Index of the Slovak Republic in detail in 2013

INDICATOR	SCORE	RANK
1st pillar: Policy rules and regulations	4.7	45
2nd pillar: Environmental sustainability	5.0	39
3rd pillar: Safety and security	5.0	54
4th pillar: Health and hygiene	6.4	12
5th pillar: Prioritization of Travel & Tourism	3.7	107
6th pillar: Air transport infrastructure	2.2	123
7th pillar: Ground transport infrastructure	4.2	48
8th pillar: Tourism infrastructure	4.9	39
9th pillar: ICT infrastructure	3.9	44
10th pillar: Price competitiveness in T&T ind.	4.4	81
11th pillar: Human resources	5.0	52
12th pillar: Affinity for Travel & Tourism	4.4	96
13th pillar: Natural resources	4.0	51
14th pillar: Cultural resources	2.9	54

Source: the World Economic Forum.

The subindexes are calculated as unweighted averages of the included pillars. In 2013 was recorded the lowest score (3.92) of Business environment and infrastructure subindex, consists of air transport infrastructure, ground transport infrastructure, tourism infrastructure, ICT infrastructure, price competitiveness in the T&T industry, compared to another two subindexes. With this fact the Slovak Republic ranks 60th from the overall rankings of the 140 economies. And the highest score 4.96 of T&T regulatory framework from all three subindexes (43th positions). This subindex consists of policy rules and regulations, environmental sustainability, safety and security, health and hygiene, prioritization of T&T. The highest score was recorded by 4th pillar – health and hygiene (6.4) and with this score the Slovak Republic ranks 12th from the overall rankings economies.

Figure 4: Scores of pillars in the Slovak Republic and Switzerland (Best performer) in 2013



Source: theWorldEconomicForum- own processing.

Switzerland is ranked 1st out of all countries in the 2013 TTC, a position it has held for a few last years. Germany, Austria complete the top three.

In many parts, the competitiveness of the Slovak Republic started to weaken not only compared to TOP tourism countries, but also countries which started with tourism development at the same time like Slovakia. By following results in The Travel & Tourism Competitiveness Report 2013 published by the World Economic Forum can be seen, that the Slovak Republic is ranked 32th in region (Europe) and 54th position from the overall rankings of the 140 economies in this year. This is the same position comparing year 2011. This is significant decline comparing to year 2009, when Slovak Republic ranked 46th position from the overall rankings of the 131 economies round the world. In 2009 it was declined another 8 positions compared to results recorded in 2008. In mentioned year Slovak Republic was stable at 38th position. This negative trend is necessary to return. In crisis years 2009 – 2010 many countries, unlike Slovak Republic, implemented exceptional support measures, including financial incentives and support domestic tourism to mitigate the impact of the economic crisis on tourism.

CONCLUSION

The Slovak Republic has the potential for tourism development, but it cannot be able to fully used and finally its potential impact on job creation and the overall economy of the Slovak Republic also is not sufficient. At these days the Slovak Republic is lagged in the European tourism industry. In tourism competitiveness it has been occupied lower position from year to year compared to other countries. Perceptible of the Slovak Republic is relatively low. Slovak tourism industry was influenced by the accession of the Slovak Republic to the European Union. This fact was followed by a few positive changes like: simplification of border procedures, number of tourists visited new member states of the European Union was

increased and so on. On the other hand there are many disadvantages for example increased competition joining with specialization. According to this fact it is important to change the position of marketing and create a positive image of the Slovak Republic in international benchmark. With the main aim of the positive influence on the growth of Slovak tourism competition in the Europe Area are several activities like: stronger financial support for state promotion of the Slovak Republic as a tourist destination, ensuring the maintenance and restoration of historical monuments supported by the European Structural Funds and others, which can support achievement of the strategic goal. Preserving favorable ratio of quality to price will be the guarantee of the Slovak tourism industry success in international competition.

The general problem of the Slovak tourism industry is disobeying of existing legal norms, the non-application of penalties, the phenomenon of the shadow economy and disobeying of conditions for classification into categories of accommodation facilities and so on. The Slovak Republic is determined by the change of the position in european or worldwide measure as other countries.

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