

Tourism in the Context of Economic Growth and Sustainable Development

Claudia Sîrbulescu^{1*}, Mariana Chirilă², D. Chirilă², Liana Alda³, Ana-Mariana Dincu¹

¹*Banat's University of Agricultural Sciences and Veterinary Medicine "King Michael I of Romania" from Timisoara, Faculty of Management and Rural Tourism, 119, Calea Aradului, Romania*

²*Polytechnic University Timisoara, 2, Piața Victoriei, Romania*

³*Banat's University of Agricultural Sciences and Veterinary Medicine "King Michael I of Romania" from Timisoara, Faculty of Food Engineering, 119, Calea Aradului, Romania*

Abstract

Tourism is an important sector that has an impact on the development of a country's economy. Among the main benefits of tourism are income generation and job creation. It is the most important source of wealth in many parts of the country. The national economy can benefit from tourism as long as there is availability for investment to develop the infrastructure that will meet the needs of tourists.

Romania has tourist potential to develop coastal tourism and mountain tourism, but also other alternative forms of tourism.

The aim of the article is to present the impact of tourism on the economy, especially on income.

The paper presents tourism as an excellent potential, a catalyst for economic growth thus representing a key sector at the macro-economic level.

Keywords: benefits, economic development, investments, jobs, tourism

1.Introduction

The tourism industry is a sector of high importance in the European economy, the rate of job creation in this sector has exceeded the general average in the EU. For these reasons, the tourism industry is considered to play an important role in achieving the objectives defined by the European Commission through Agenda 2020. With an important tourism potential, Romania could implement an economic recovery strategy in which tourism and related economic activities support with significant effects propagated at regional level. [1]

Tourism is a key sector at the macro-economic level with an extraordinary potential that is also the catalyst for economic growth.

The development of tourism from an economic and social point of view is characterized by the increasing demand of the population for a wide range of services, respectively consumer goods. The demand of the population thus stimulates the sectors that produce and provide services, determining also the increase of the economic activity but also the internal consumption, independent of the consumption tendencies of the internal market. The consequence of the increase in tourist consumption is the upward seasonal movements of the population to certain tourist destinations of interest and the increase in the number of foreign visitors, which favorably influences the development of the economy of some tourist areas, determining the overall development of the national economy. on the development of the tourism industry. [2, 3]

Research on the role of tourism has highlighted the fact that it has „a considerable impact on the economies, societies and cultures of different

*Corresponding author: Claudia Sîrbulescu,
claudiasirbulescu@usab-tm.ro

reference countries". The action of tourism is illustrated by the positive effects observed on the multitude of plans, starting with the stimulation of economic growth and the improvement of the social structure, the improvement of the living conditions, then the superior valorization in case of natural and material resources.

Romania benefits from a multitude of relief forms, has an important cultural but also historical heritage, natural monuments, some unique in the world, introduced in the UNESCO patrimony. Consequently, Romania has the possibility to develop several forms of tourism. [4]

The possible forms of tourism in Romania are presented in figure 1.



Figure 1. The forms of tourism

Source: author's processing from multiple sources

Romania can focus on four major segments in order to increase the amounts spent and the average period of stay of international tourists in Romania: [5]

- Cultural heritage, cultural and historical tourism (punctuated with gastronomic experiences);
- Nature and adventure, which includes ecotourism and rural tourism;
- Health and wellness, with an emphasis on Romania's rich spa resources;
- Meetings, Incentives, Conferences and Exhibitions (MICE).

Domestic and sun, winter sports and skiing and City breaks are also important for domestic purposes, taking into account the fact that these represent approximately 80 percentage points of the total trips made in Romania.

Romanian tourism is not sufficiently exploited, and it can certainly become a source of attraction for tourists, but for investors, because there are the prerequisites for sustainable tourism. [6, 7]

2. Material and method

The research methodology is based on a diverse bibliography and consisted of collecting information from the literature and includes along with books, articles, papers and statistical data provided by INS. The information collected through documentation, was subjected to analysis, was processed formulating the conclusions.

3. Results and discussion

A basic component of the tourist offers and a condition of vital importance for the development of tourism is represented by the tourist potential.

The tourist circulation represents the main motivation for the tourist potential, analyzed by the size and diversity of its elements, by its value and originality. [8, 9]

The natural landscapes, the rich history are specific to the Romanian tourism. Romania is bordered by the Danube River, in the central area are the Carpathian Mountains, and in the southeast the Black Sea with the Romanian coast that has a length of 245 km and the Danube Delta, the largest delta in Europe. [10] The villages with the people who live in them have maintained the traditions for hundreds of years. Romania's tourist potential is also capitalized by the abundance of religious architecture, of the old cities where medieval castles are found.

The historical objectives contribute to the growth and development of tourism, by expanding tourist capacities in the nearby areas. We refer first of all to the monasteries in Moldova, to the tourist area of Maramureș, to the tourist specifics of the Danube Delta, which can attract a significant number of tourists, given that the tourist capacity will develop.

The role of tourism in the economy could be relevant if investments in this sector were substantial, and the effort of the authorities would become sustained, along with the application of carefully chosen promotion strategies.

The impact of the hotel industry on the world economy is on the rise, and the contribution to global gross domestic product (GDP) is growing. The total contribution (direct and indirect) of tourism to GDP in 2013 was 5.1% and increased by 5.2% in 2019. [11]

According to data published by the INS, the contribution of tourism to GDP should increase to about 4.25% in 2025

The direct contribution of tourism in the Gross Domestic Product (Figure 3) in Romania in 2013 was approximately 1.93%, below the world average of 5.2%, and in 2019 it reached 2.7%. [11]

The year 2020 has been a difficult year for all economic sectors, when domestic and international cultural and sporting events have been canceled, travel has been restricted and everyone's lifestyle has changed.

The Covid 19 pandemic has had devastating effects on global tourism, leading to a 3.82 trillion Euro revenue cut in 2020. If in 2019 tourism contributed 10.4% to world GDP (Figure 2), in 2020 there was a 49.1% decrease in the contribution of the tourism sector to GDP according to the WTTC Economic Impact Report.[12] They also lost approximately 62 million jobs, a reduction of 18.5% compared to 2019, the number of employees in the sector worldwide decreasing to 272 million employees globally (Figure 2).

According to the World Travel and Tourism Council, in 2019, due to the intensification of travel and tourism, one in four jobs were generated worldwide, with tourism contributing 334 million jobs (10.6%) worldwide.

However, the WTTC points out that the „threat persists”, as many jobs are still maintained by

state maintenance and reduced working hours, which without a full recovery in travel and tourism.[12]

Romania's Gross Domestic Product increased in 1721 by 17 billion euros compared to 2019, registering a value of approximately 1,190 billion lei.



Figure 2. The contribution of tourism to global GDP and jobs in 2019 and 2020

Sources: <https://incomingromania.org/industry/solutii-organizare-sustinere-turismului-romanesc-alianta-pentru-turism/>

GDP in 2021 increased by 21 billion euros compared to 2020 (218.9 billion euros) when we went through the economic crisis caused by the pandemic.[13,14]

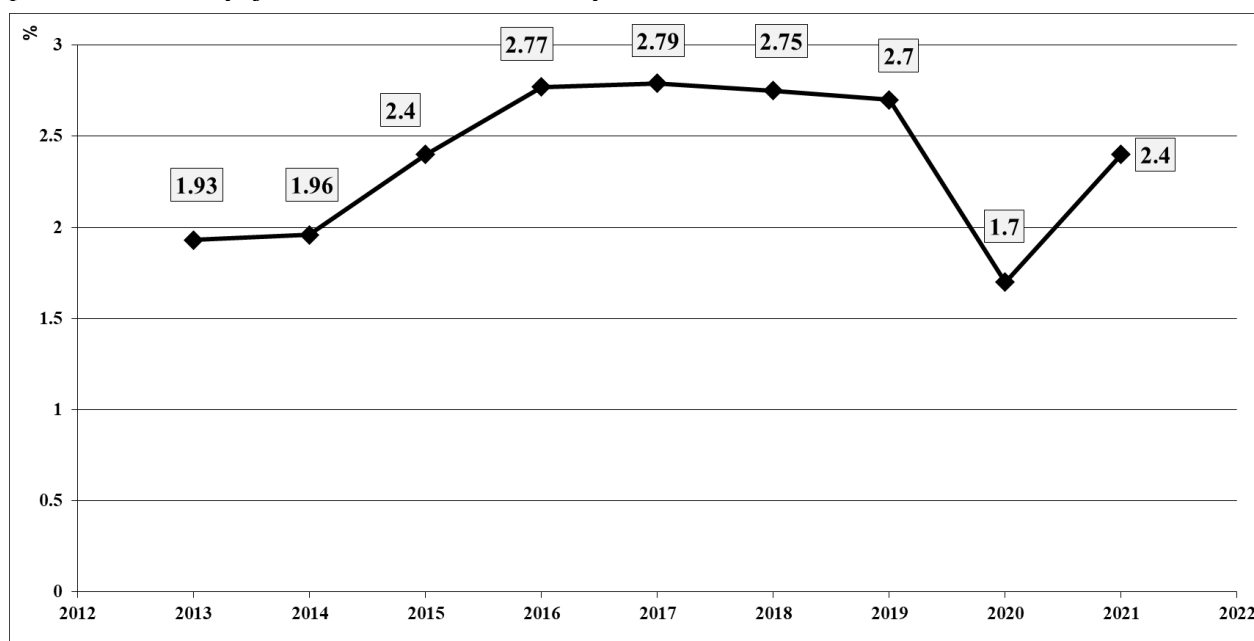


Figure 3. The evolution of the direct contribution of tourism in GDP in the period 2013-2021

Source: <https://insse.ro>

In order to become successful, tourism should implement a series of measures such as: increasing

tourism revenues, average tourist spending, extending the average length of stay of tourists,

increasing the number of foreign tourists and last but not least increasing jobs. in hotels and restaurants.

In 2021, tourists preferred shorter holidays and chose to travel to nearby destinations, the holidays were in the form of a „day trip”, they had nature, outdoor activities and the safety of their own transport and a minimal interaction. Holidays with family or small groups of friends also predominated and they traveled individually. [14,15]

Given that some have lost their jobs or are earning less from their current job, tourists have been more careful about what services they have paid for and have made the decision to buy more informed packages abroad. Even those with a better financial situation have been more careful where they direct their income.

According to the National Institute of Statistics, tourism has increased by over 30% in 2021 compared to 2020.

The number of arrivals according to the tourist reception structures in 2021 was increasing by over 31.4% (9,276,719), compared to 2020, the foreign tourists representing approximately 15.3%. The largest share was held by tourists from Europe (76.7% of total foreign tourists), and of these 77.3% came from European Union countries.

Overnight stays according to the information provided by the tourist reception structures in 2021 (20,653,053), increased by 30.1% compared to 2020. [16]

Regarding the index of net use of tourist accommodation places, in 2021, it was 21.6% of the total tourist accommodation structures, higher by 4.1% compared to 2020.

The departures of Romanian tourists abroad that were registered at the border points in 2021 increased by 42.7% compared to 2020. The most used means of transport were road (58.9% of the total number of departures) and air (40.5% of the total number of departures). [16]

Since the beginning of 2021, the arrivals registered in the tourist reception structures have increased by 44.3% compared to the similar period of last year.

The most numerous arrivals of foreign tourists accommodated in tourist accommodation facilities by country accommodation were from Germany (93,500), Italy (60,700), France (46,500), Israel (41,400), Hungary (39,500), USA. (38,900),

Poland (38,600) and the United Kingdom (26,400). [11, 16]

The 2021 tourist season was considerably better compared to 2020 in terms of revenue, but much lower than in 2019 at least on the coast. The lack of holiday vouchers in domestic tourism was also felt.

4. Conclusions

The development of the industry is the creation of unskilled or semi-skilled jobs. Given that the diversity of the tourism industry is complicated to assess, the effects on the workforce that tourism entails in a series of activities are equally difficult to quantify: leisure, accommodation, catering, trade, transport, etc. and the workforce working in the tourism supply sectors.

Romania's fantastic potential with all the existing resources to be able to develop tourism is well known. The proposed objectives for the development of tourism are never firmly established. Foreigners who visit us are actually impressed by the resources for sustainable tourism that they find here, but at the same time they are upset why nothing is being done to enhance this offering field.

There is also a low number of foreign tourists, the level of services in certain destinations does not rise to the level of requirements, the level of direct investment in Romanian tourism is quite low, the mentality of some owners is outdated, and the degree of satisfaction of tourists, Romanian and foreigners, is not the one necessary for a sought after and appreciated destination.

In conclusion, tourism must emerge from the critical state in which it is in the context of the crisis caused by the coronavirus epidemic, requiring a reset of the hospitality industry, a correct positioning, which takes into account what is happening worldwide in the field, to be inspired why not by successful international and local specific models.

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