

CROSS-BORDER REGIONS AS POTENTIAL TOURIST DESTINATIONS ALONG THE SLOVENE CROATIAN FRONTIER

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Abstract

The competitiveness of border regions is generally lower than that of a country's interior regions. Typically being areas that mark the end of one entity and the beginning of another, border regions demonstrate weaker economic performance. Tourism, as a method of development, provides opportunities to develop destinations in places where tourism attractions and resources, and comparative and competitive advantages, exist. Our research focuses on tourism supply providers in the border regions of Slovenia and Croatia. We assess their attitudes on tourism, regional competitiveness, and potential tourism destinations as the outcome of cooperation between the two countries in the field of tourism. Results indicate the possibility of enhancing competitiveness through a strategic approach to planning and managing cross-border tourism destinations.

Keywords Tourist destination, Cross-border cooperation, Synergy, Networking, Integrated tourist product

INTRODUCTION

The modern comprehension of tourist behaviour (Gunn, 1972; Mayo and Jarvis, 1981; Mathieson and Wall, 1982; Gartner, 1993) illustrates an urgent need to create a tourist destination as a system. The offer must be integrated and well coordinated, encompassing all necessary amenities for an enjoyable stay. That is considered to be a step away from mass tourism, which is still present in numerous typical European coastal destinations.

Competitiveness is a concept present in the modern business operations of all industries and sectors, and because of the indirect effect it has on the profitability of business entities it is the focus of study and analysis for many researchers and professionals. Many authors seek to define this concept and describe its regularities and basic characteristics to make it easier to understand and apply in practise.

Research (Huang, 2006, Jogaratham and Law, 2006, Jurowski and Olsen, 1995) has shown the environment in the sphere of tourism and hospitality to be uncertain, unstable and highly changeable. Given this state of complexity, organisations must actively strive to consistently carry out environmental scanning. The environment in which we operate is a medium with which we communicate and to which we adapt, and the impact it exerts on us and on our operations is an incredibly intense force. This

makes it all the more necessary for us to take a definite stance towards this complex and dynamic phenomenon. This stance is a precondition to undertaking concrete activities and measures that will assist us in reaching our goals.

Despite numerous studies on and much debate about the competitiveness of tourism destinations, cross-border areas have, for the most part, been neglected. Specific reasons do exist, however, why it is essential to examine these regions more closely. These are (in our case) the abundance of tourism attractions in the observed area, the interest displayed by guests and tourism-supply providers, the level to which an integrated tourism product is interesting to third markets, and the opportunity of valorising borderland regions in compliance with the principles of sustainable tourism development.

In this paper, we take a look at the possibilities of cross-border collaboration for enhancing the competitiveness of tourism destinations from the perspective of borderland tourism-supply providers.

1. THEORETICAL FRAMEWORK AND HYPOTHESES

Today's tourism is characterised by emerging new destinations and increasingly fierce competition. At the same time, demand is increasing rapidly. From 1950 to 2000, the physical scope of tourism traffic has been growing at an average annual rate of 7% (Peric, 2002, p. 1356). Ritchie and Crouch (1993, pp. 47-48) also call attention to the spurs of globalisation for tourism to develop and enter into strategic alliances with other organisations and destinations.

1.1. Cross – border cooperation

Collaboration presupposes open communication and adaptability to be key components in addressing joint issues and maintaining productive and satisfactory cooperation and interaction. Integration into a broader area has become an economic and technical precondition to survival, with integration processes requiring networked spatial arrangements, a concept that in every way exceeds restrictions imposed by the concept of a national economy.

Although state boundaries have most often been viewed through history as visible barriers to interaction among people, today the number of examples of cross-border tourism cooperation in wealthy countries is steadily growing. The world is full of examples of neighbouring regions of different countries sharing priceless natural and/or cultural resources that have potential for joint tourism development. In some of these regions, the principles of sustainable development can be implemented more efficiently through cross-border cooperation. However, all of these cases require the support and approval of the state (government). In addition, a special tourism management structure is needed that will facilitate cross-border coordination, while respecting the sovereignty of all partners involved (Timothy, 2000).

Cross-border cooperation is of obvious importance for the mutual strengthening of the tourism industries of neighbouring countries (Grundy-Warr, Perry, 2001). The specifics of cross-border tourism cooperation need to be considered with great care and with an understanding of fundamental notions. For example, it should be clear that collaboration agreements in tourism planning entail very close contacts and communication (face-to-face) with all participants, from both the public and the private sector, and with an array of industries that take part in tourism planning. This type of collaboration can lead to effective dialogue and negotiations in building mutually acceptable interests and forwarding proposals for developing tourism in a given region.

The interdependency of the elements which together make up tourist destinations, and the balance of the effects of tourism (good or harmful) on various interest groups can best be understood from the perspective of a soft, open, system model. Every destination has a unique mix of characteristics which are determined by its geographical location, culture and history. These together with the area's degree of dependency on tourism, and the industry's seasonal and structural characteristics, influence the experiences of both visitors and residents (Laws, 1995).

System theory argues that the efficiency of the destination's operations will be affected by changes to any of the elements of which it is composed. That is why the system (destination) has to be planned, organized, managed, coordinated and continuously evaluated.

A tourism destination, in its simplest terms, is a particular geographic region within which the visitor enjoys various types of travel experiences (Goeldner, Ritchie, 2006). Destinations are defined as competitive tourism entities characterized by markets and the needs of guests, local factors and companies or products (Keller, 1998; Bieger, 2000; Laws, 1995, Pechlaner, 1999, Kušen, 2000). Pechlaner (1999, p. 334), however, makes the point that only by creating unique competitive advantages is it possible to convince shareholders involved in traditionally oriented destinations of the advantages of globalisation: the optimisation of organisation services, specialisation through cooperation, quality-offensive by suppliers and related industries, and lesser dependence on a small number of markets through internationalisation.

1.2. Networking and destination

Determining a destination's competitiveness entails determining general conditions such as marketplaces, locations and companies. It is becoming clear, however, that destination competitiveness depends on the perspective of potential guests, and not on result-oriented indicators that provide only a view of the situation and offer very poor support of a destination's development. Finally, if destination appeal depends on the perspective of potential guests it becomes necessary for a destination to exhaust all opportunities possible for effectively entering the marketplace and to affect service quality by directly approaching service providers (Pechlaner, 1999 pp. 337-338).

The system theory claims that a destination's operational efficiency will be affected by change to any one of its component parts. For destination management to perform successfully, the three most important facts to consider are (*Ibid.*, p. 37):

1. The effects on output resulting from change to inputs,
2. The way in which all subsystems and processes of a destination are linked, and
3. The way in which subsystems and processes are controlled.

Swarbrook and Horner (2001, p. 64) point out the importance of destination management, the responsibilities of which are divided among different organisations. Each of these, depending on their competencies and level of operations, contribute to achieving guest satisfaction in a destination. They include central government agencies, regional government agencies, associated public-private partnership organisations, private companies, and universities and faculties. The authors (*Ibid.*, p. 231) also stress the importance of coordinated action and management across all destination management levels, including partnerships between the public and private sectors to enhance competitive ability on the market.

Tourism development should not be left to a few politicians, civil service offices or entrepreneurs in tourism, but rather should be an issue addressed by the entire range of industries that are either directly or indirectly associated with tourism.

Destination stakeholders naturally have differing views on destination development. Although the competitive environment is subject to numerous forces and motives, customers and their needs remain the ultimate driving force behind competition and competitiveness: competitive actions derive from customer demand. The role of the public in a destination's competitive environment is a critical one. With the right communication, and interaction between the industry and these publics, a mutually supportive relationship can exist which ensures that, over the long term, a destination can develop its tourism industry in a way that benefits all stakeholders (Ritchie and Crouch, 2003).

Bramwell and Lane (2000) point out that partnership approaches to tourism planning have been well received by government and public agencies in many wealthy countries. Kotler (1999) stresses that the key reason for the growing interest in partnerships in tourism development is the belief that tourist destinations and organisations can gain competitive advantages by placing the knowledge, expertise, capital and other resources of partners into one 'mutual fund'. Some authors refer to the competitive advantages thus gained as 'collaborative advantages'.

The strategic approach is to ensure solutions with synergistic effects. When the strategic planning of a destination is grounded on the resource base that a given area possesses, to develop partnerships between different interest groups (the home public, government, industries) it is necessary to single out the advantages with which a destination is competing on the market, that is, which it provides to its market segment with an equivalent scale of attractions and appeals that the destination has to offer (Hunt, 2000, pp. 137).

In light of this, cross-border tourism collaboration between Slovenia and Croatia should be viewed as an opportunity for taking an innovative approach, innovations being the lever of development. By using and building upon innovations, we can ensure specific competitive advantages on the international tourist market.

Tourism development of a given region calls for the well-coordinated participation of all administrative levels (state, regional, local or destination, and municipal) according to their liability and competence within the tourism system. Partnerships between same-level administrative agencies are equally important, especially when natural or cultural resources located in the cross-border regions of two or more countries are involved. These partnerships can help to prevent the exploitation or poor valorisation of resources, as well as the economic, social and environmental imbalances that often arise on opposite sides of state borders.

2. METHODOLOGY

In this paper we explore the attitudes of tourism supply providers in the borderland regions of Slovenia and Croatia, the so-called decision-makers, on matters of cross-border cooperation and interest in increasing the competitiveness of the tourism offer by forming integrated joint tourism products. The hypothesis tested in this paper reads:
H1: The competitive ability of cross-border regions on the international market increases with the increase of the degree of cooperation.
H2: There is a high degree of interest among tourism offer providers for cross-border cooperation along the Slovene-Croatian state border.

A systemised questionnaire was used to investigate attitudes towards cross-border collaboration in tourism, previous experiences in cross-border collaboration, perceptions of the border and the level of cross-border collaboration. The questionnaire consisted of 41 questions, some containing secondary questions. The greater part of the questions was 5 scale Likert-type. A self-administered questionnaire was used to collect data. The planned samples for Croatia and Slovenia consisted of 272 and 327 respondents, respectively. We obtained 70 properly completed questionnaires from Croatia and 77 from Slovenia, representing response rates of 25.7% and 23.2%, respectively. This fairly low response rate is attributed to changes of addresses and activities, as well as a lack of interest in participating in the survey.

3. RESULTS

Comparison of the results of the surveys in Slovenia and Croatia pointed to some interesting differences in the socio-demographic structures of respondents and their attitudes towards particular research questions. One evident discrepancy is between the educational structures of respondents in the two countries; in Slovenia 53% have a high school degree and only 21% of them have a college education. In Croatia 44% of respondents have a college degree and only 25% of them have a high school degree. 4% of respondents in Croatia have a master's degree.

55% of Slovene respondents expect the responsibility for tourism management to be taken on the national level, and only 27% think that this is the responsibility of management at all levels (national, regional and local). In Croatia 47% of respondents think that responsibility is a crucial task at all levels, and only 3% think that the responsibility lies at the national level.

The following attitudes regarding cross-border organization are less divergent in the two countries: in Slovenia (36%) and Croatia (32%) a similar number respondents believe that cross-border tourism cooperation should be organized by regional developmental agencies: and in both countries a majority (in Slovenia barely, at 52%, a more significant 70% in Croatia) of respondents would choose formal (organized and managed) cooperation.

Table 1: Data for Slovenia

TOURISM IN THE DESTINATION	AV	1	2	3	4	5	TOTAL %
attitude on development	3.82	0	13.5	16.2	44.6	25.7	100
tourism's impact on development	4.62	0	0	1.4	35.1	63.5	100
involvement of residents in decision-making on tourism	4.18	0	1.4	6.8	63.5	28.4	100
tourism strategy	2.95	5.4	24.3	41.9	25.7	2.7	100

The results recorded are very similar to those obtained from Croatian respondents. With an AV of 4.62, the item *tourism's impact on development* ranks first, with as many as 63.5% reporting this impact to be highly positive. The lowest AV was measured for the item *cooperation is planned for in the tourism strategy* (2.79), testifying to the poor knowledge of relevant information.

Table 2: Data for Croatia

TOURISM IN THE DESTINATION	AV	1	2	3	4	5	TOTAL %
attitude on development	4.01	1.5	5.9	11.8	51.5	29.4	100
tourism's impact on development	4.70	0	0	0	29.4	70.6	100
involvement of residents in decision-making on tourism	4.30	0	1.5	1.5	61.8	35.3	100
tourism strategy	3.45	1.5	13.2	29.4	50	5.9	100

The highest AV was measured for the item *residents want more tourists* (4.17), followed by *regional competitiveness can be enhanced through cooperation* (4.13). Almost half (47.1%) of all respondents gave the latter item a rating of 4 (*I largely agree*). About 48.5% agree that *residents want more tourists*. The sharpest deviation was recorded for the item *local residents are intolerant towards tourists*, with 61.8% of respondents opting for 1 (*I strongly disagree*).

Table 3: Data for Slovenia

CROSS-BORDER COLLABORATION	AV	1	2	3	4	5	TOTAL%
experience in entering into collaboration	3.01	23	8.1	32.4	17.6	18.9	100
awareness of attractions in adjacent region	2.60	21.6	24.3	33.8	12.2	8.1	100
awareness of advantages of collaboration	2.39	21.6	36.5	28.4	8.1	5.4	100
compatibility of offers	3.58	5.4	6.8	21.6	56.8	9.5	100
knowledge about strategic partners	2.93	6.8	36.5	14.9	40.5	1.4	100
willingness to collaborate	4.06	0	4.1	10.8	59.5	25.7	100
considering collaboration	3.01	1.4	31.1	41.9	16.2	9.5	100
experiences in collaboration	2.58	5.4	45.9	37.8	6.8	4.1	100
assessment of collaboration experience	3.39	1.4	9.5	51.4	24.3	13.5	100
fear of competition	1.44	71.6	12.2	16.2	0	0	100
barriers to collaboration	2.85	8.1	32.4	31.1	23	5.4	100
opportunity to increase tourism offer through collaboration	3.37	1.4	24.3	20.3	43.2	10.8	100
opportunity to create an integral product	3.66	8.1	6.8	13.5	54.1	17.6	100
having own ideas on integral product	3.48	2.7	18.9	14.9	54.1	9.5	100
perceptions regarding the border	3.31	6.8	27	14.9	31.1	20.3	100
life in the borderland	3.70	2.7	14.9	20.3	33.8	28.4	100
degree of cross-border collaboration	3.25	17.6	18.9	12.2	23	28.4	100
improving competitiveness through collaboration	3.54	6.8	10.8	18.9	48.6	14.9	100

The highest average value was measured for the item *willingness to collaborate* (4.06), with 59.5% of respondents expressing their interest. The item *opportunity to create an integral product* has an average value of 3.66, with 54.1% of respondents agreeing with the statement that they perceive their offer within the framework of an integral offer. This is followed by the item *improving competitiveness through collaboration* with an average value of 3.54 and 48.6% of respondents agreeing with the statement, and the item *having own ideas about an integral product* with an average value of 3.48 and 54.1% of respondents having such ideas. The item with the least average value (1.44) is *fear of competition*, with 71.6% of respondents having no fear at all of competition.

Table 4: Data for Croatia

CROSS-BORDER COLLABORATION	AV	1	2	3	4	5	TOTAL %
experience in entering into collaboration	3.47	19.1	0	22.1	32.4	26.5	100
awareness of attractions in adjacent region	3.22	10.3	13.2	33.8	29.4	13.2	100
awareness of advantages of collaboration	2.82	16.2	30.9	22.1	16.2	14.7	100
compatibility of offers	3.73	1.5	4.4	23.5	60.3	10.3	100
knowledge about strategic partners	2.95	4.4	38.2	17.6	36.8	2.9	100
willingness to collaborate	4.48	0	0	1.5	48.5	50	100
considering collaboration	3.38	1.5	13.2	44.1	27.9	13.2	100
experiences in collaboration	2.79	7.4	30.9	39.7	19.1	2.9	100
assessment of collaboration experience	3.58	1.5	4.4	42.6	36.8	14.7	100
fear of competition	1.73	41.2	45.6	11.8	1.5	0	100
barriers to collaboration	2.72	5.9	36.8	36.8	20.6	0	100
opportunity to increase tourism offer through collaboration	4.32	0	0	5.9	55.9	38.2	100
opportunity to create an integral product	3.95	1.5	2.9	13.2	63.2	19.1	100
own ideas on integral product	3.36	1.5	19.1	30.9	38.2	10.3	100
perceptions regarding the border	3.77	2.9	11.8	11.8	51.5	22.1	100
life in the borderland	3.92	0	2.9	17.6	63.2	16.2	100
degree of cross-border collaboration	3.13	13.2	30.9	11.8	17.6	26.5	100
improving competitiveness through collaboration	3.83	1.5	4.4	19.1	58.8	16.2	100

This dimension is central to our study and the results obtained are positive. The item *willingness to collaborate* has the highest average value (4.48) with 48.5% of replies for answer 4 (*I am interested*), followed by the item *opportunity to increase tourism offer through collaboration* with an average value of 4.32, answer 4 (*I agree*) accounting for 55.9%. Other items having a high average value are *improving competitiveness through collaboration* (3.83) and *opportunity to create an integral product* (3.95), with answer 4 (*I agree*) accounting for 58.8% and 63.2%, respectively. The lowest average value was measured for the item *fear of competition* (1.73), where 45.6% of respondents *disagree* and 41.2% *strongly disagree*.

CONCLUSIONS

A successful tourist destination is seen in tourist eyes (and the marketplace) as a complex of different tourist offers and services at the same place. For them the destination is a functional unit that has a unique spirit. This perception is correlated with the fact that the only sensible tourist product in destinations is integral: that which is comprised from many different combinations of particular tourist products and services that represents different tourist's choices at a specific time.

Just as it is impossible to imagine a tourist destination isolated from the indigenous population, so it is impossible to imagine this same destination separated from the environmental framework within which it exists. This leads us to conclude that each destination is determined by and subject to the impacts of the natural, cultural, social and historical dimensions of the space it occupies. These impacts work both ways, and must be taken into serious consideration in strategic planning and destination management.

Our research focuses on tourism supply providers in the regions of the Slovene and Croatian border. We assess their attitudes on tourism, regional competitiveness, and potential tourism destinations as the outcome of cooperation between the two countries in the field of tourism. Results indicate the possibility of enhancing competitiveness through a strategic approach in planning and managing cross-border tourism destinations.

The survey has shown that, in the field of research, the tourism industry has been recognised as a method of developing border regions. The awareness of respondents regarding the development function of tourism in border regions is at a very high level. Destination appeal received the highest rating, and destination organisation, the lowest, in both countries. In other words, there is no dispute regarding destination appeal. More problematic is the sphere of destination organisation, which comprises destination management and destination development strategies.

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