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MASTER DEPARTMENT

MASTER

POSITION OF SERBIA ON FRENCH TOURISM MARKET

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1 Introduction

In the last decades the tourism has become a significant payer on the market by continued growth in tourist arrivals. In 2012 it surpassed for the first time in its history 1 billion of tourists. The traditionally biggest markets, as Europe and America are still in the dominant position but new destinations are emerging every year as the tourist demand becomes more and more marked by the urge of new things to see, explore and experience. In this respect the sub region of Eastern-Central Europe has marked the biggest increase in tourist arrivals in 2012. This impact can be seen in our country too where the groups of international tourists can be seen and, Russian, English, German, French and other foreign language can be heard more often.

At the same time, the sustainability has been mentioned not only in tourism as a target but in other activities of companies, governments and nonprofit organizations too. The long term objectives appear as the only possible ones in the highly competitive market. The tourism needs to be developed in sustainable way by process of planning and management which will put together the interests of various stakeholders in sustainable way. The meaning of sustainability needs to be understood by all participants involved in sustainable development as this will enhance the promotion of sustainable tourism and contribute to understanding of importance of cross sector partnership.

This was the kick-start for thinking about Serbia, and its position on the market which has been starting to change after the landlocked situation, economic sanctions throughout the 1900s and NATO bombing raids in 1999. Its position on the intersection of the most important roads, in the Eastern Europe explains why Serbia has long been a crucible of conflicts beginning with Ottomans pressure in Middle Age, through First and Second World War, ending with NATO aggression in 1999. All these historical periods have marked deeply the history of our country and their traces, not only they marked the behavior and mentality of the people but they create the heritage which can make the valuable attractions for the visitors and position of Serbia as the future destination in the mind of the tourists. This is the first and the most important step and despite of difficulties, we will try to find out how is it possible to achieve this favorable position.

The modest and shy opening of Serbia to the international market can be seen also through festival tourism which may explain why we took the hosting of the 2008 Eurovision Song Contest so seriously, as it marked the return to international acceptance after years of ostracism.

Thus, we will try to discover how our beautiful country may attract tourists by putting in evidence all the possibilities of the touristic fields which have not been used for so long time in appropriate way, due to different factors, in order to make more people come to visit it. We are aware that this will depend to an extent on political stability and rhythm of approaching to the requirements for EU accession and projection of stable and welcoming environment for foreign direct investments and national tourism. Through the small door Serbia is knocking on the mind of the international tourists concerning destination choice for short, city break, festival or rural tourism reasons.

Strategic planning is a systematic process of determining the rational needs and building relationships and consensus on priorities among key stakeholders with a combination of long-term perspective (vision, mission and goals) and short-term measures (projects which can be undertaken in defined period of time in advance, usually in period of 5 years).

In the case of the Republic of Serbia this work should serve as a document that will open up the vision and show the components and elements on which we can count in terms of development in the years ahead.

1.1 Subject, Task, Goal and Methods of research

1.1.1 Subject

The subject of the paper should be planning the direction of the development of tourism and hospitality services as a condition of total tourism development of our country where the general approach involves the creation of conditions for tourism enhancement of existing tourism products. By this approach, we want to give opportunity to represent the cultural, rural, and urban and transit through Danube as the major products of strategic development of Serbia, all in the function of integral protection of these products in context of sustainable development.

1.1.2 Task

The main task is based on the assessment of the current situation of the offers of the Republic of Serbia (diagnose) with the aim to find guidelines for building and nurturing long-term strategic potentials on both the local and international market that is constantly changing under the influence of increasingly complex demand. Therefore, it is necessary to find and present solutions to increase tourist traffic with better use of existing capacities.
Thus, this work has for object the scientific goal which includes scientific description of all or almost all elements connected to the subject of the development of the Republic of Serbia as attractive tourism destination with necessary classification elements. The social goal of the research is to provide the helpful, alternative solutions to the organizations in touristic field of work in order to

overcome all the problems linked to the development of the Serbia as touristic destination and defining its position on the international market.

We will start with **diagnose of the actual Serbian tourism market** for the last ten years and after we will try to shed light on almost all significant **touristic products** and potentials and comparative advantages of the Serbia, as well as the actual tourism demand trends on the international market, in order to make Serbia more attractive destination for the foreigner tourists, with special stress on French market.
Some of the questions to which we will try to give answers are:

How is possible to make Serbia to be more competitive destination in the light of increasing the competition on the tourism market due to emerging of new destinations?
What are the current products that Serbia should develop in order to make a good positioning on international market with stress on French one?
How to increased international mobility?

The indispensable element to achieve this fixed goal is to know very well the trends, culture, interests and demands of the tourists in order to rouse their interest for Serbia because the secret of marketing success is lying in forecast of the human needs in the following years. As Kotler, world-renowned marketing guru says: „We must know who the king is = customer„. In other words, the demands of the international tourists, without neglecting the local ones, must be in the center of the attention not only of the tourism but of the political organizations and companies in charge of providing tourism service. Therefore, one part of this research will be dedicated to **description and analyze of the French market** as outbound tourism market.

The motivation for choosing French as the country of source is lying mostly in the following elements:

*France as an outbound tourism market is one of the most important on the international tourism market by 208 million of nights made abroad.
* The growth in French tourist arrivals to Serbia is recorded in last years from 16.324 tourists in 2008 to 24.281 in 2014. By this number tourists from France are among first twenty outbound markets on Serbian market.
* There is significant number of French tourists coming in Serbia by cruises on Danube.
* Personal interest; as a French professor and first steps as a tourist guide, I wanted to discover what elements Serbia needs to put in evidence in order to make French people coming in bigger number.

1.1.3 Goal

The objective of the research is that given analysis provides guidance for strategic development of tourism in Serbia through organized planning. Determining the competitiveness of tourism products and their impact on the environment should be basis for strategic directions for sustainable tourism

development. The aim of this paper is to present Serbia as an attractive and competitive destination and through the number of tourism contents to identify the priority tourism products and provide a place on the map of Europe and the world that Serbia deserves. Thus, as incorporated into the objectives of this study appear also the increase in tourist mobility, increase in employment, developing a positive image of Serbia and the long-term protection of resources, improving the quality of life.
As today changes in tourism occur very quickly in terms of new approach and interpretation of travelling, each destination can be competitive exclusively if its attractions are developed skillfully and professionally while respecting certain rules that apply to the world market. As our country is at a historical crossroads on the road to European integration with the growth strategy of the whole economy, the tourism, with untapped potentials, occurred to be the indispensable economic sector of growth.

1.1.4 Hypothesis of research

- Transforming Serbia into attractive destination, with notion of safety, with quality content through the well integrated supply and higher quality and protection of cultural and natural heritage.

- Sustainable tourism can and must contribute to sustainable use, presentation of natural and immovable cultural heritage. Thus, it will provide economic prosperity of the country in whole, and regional and local communities and the conservation of socio cultural identity.

- Analyzing and comparing the actual tourism Serbian market and trends on French market as outbound tourism market, **what segments (niche) of Serbian offer could find the short and middle term position on the French market.**

Taking these hypothesis as a start of the research it composition would be the following

- In the first part we will give general explanation of the characteristics of tourism market; its integral elements and definitions and modern trends on international tourism market.
- In the second part we will analyze the actual situation of the Serbia on the international tourism market by providing data of the tourist arrivals/nights, accommodation facilities and actual Serbian tourist products.
- In the third part we will analyze the French market as outbound tourism market by pointing out the factors of the tourism demand, criteria for taking trips abroad, the actual trends on French market and position of France as outbound tourism market on international market.
- The forth part is dedicated to proposition of what tourism product Serbia should develop and do positioning on French market in order to make Serbia the attractive destination for French people. This positioning will be analyzed in the framework of sustainable development values.

1.1.5 Secondary sources

In accordance with the usual practice of writing this kind of work, the paper applied the relevant methodological procedures. These include the use of different sources of information available. The most important secondary sources of information are the following:

- World Tourism Organization – UNWTO
- Direction générale des enterprise - DGE- statistics for French market
- National Institute of Statistics and Economics Studies, INSEE
- Statistical Office of the Republic of Serbia – tourism sector
- Touristic organization of Serbia – TOS
- Touristic organization of Belgrade – TOB
- Chamber of commerce and Industry of Serbia

1.1.6 Methodology

On the information obtained from secondary sources we have applied analytical –statistical method. Deductive method with use of methods such as statistical methods, descriptive method, and the SWOT analysis for the estimation of the strength and weakness on one side and the opportunities and threats from the other side is used in the work.
In the course of the research the use of historical method in the analysis of the prior state, both in Serbia and in France is applied too.

1.2 Tourism in brief

From the simple, pure need of people to take a rest and relax by going to different place from the one they are living, tourism has become with time, at the functional level, one of the major players in the international market with its continued growth since the last decades of XX century. It plays the important role in developed and developing countries and has gone through the different transformations as well as the society and the world in whole in the last decades.

1.2.1 Tourism as a social phenomenon

One of the positions to analyze the tourism is the tourism from a social and cultural perspective as pointed out by Boniface et al. (2012, p. 14-16). This approach put the stress on conceptualization of forces that impact the tourism. Tourism can be described as an activity which tourist as an individual undertakes in order to broaden its mind, to contribute to its self-development and to satisfy the need of self-fulfillment through new experiences.
After those new experiences the person returns to its place of living enriched and regenerated. This shows the role **of tourism as reinforcing factor of social values** and norms with contribution to the social harmony.

And this is easy to lose from the sight. Choosing destination is a process which doesn't occur ad hoc. It starts with anticipation phase when future traveler filters the information in his "mental map" of the world in order to make decision about the future travel destination. The anticipation phase is followed by realization phase which represents the destination in which the traveler is going with the purpose of fulfilling his expectations. And the process ends up with recollection phase which comes after the trip. In this phase the traveler examine if the quality of the experiences met the expectations and this phase will influence the future traveler destination decision.

1.2.2 Tourism market as sui generis

Tourism market is usually in the literature defined as a special kind of market or so-called *"sui generis"*. According to its constituent elements, there is no difference between it and other markets but in the process of its functioning and relationships between these elements certain particularities appear that make the tourist market significantly different from the other markets. (Popesku J., 2013, p. 9 - 15)

Constituent elements of tourism market are the same as for other markets:

- supply and demand (market subjects)
- services and goods as the objects of trade (market objects)
- price as a cash expression of value in exchange

In the basis of the tourist demand is the tourist need as a prerequisite. The tourist's need could be considered as a collection of individual needs which jointly meet the needs of an individual or group of consumers in their intention to rest and to renew their mental and physical condition.
What makes the tourism market specific is the focus of the tourism demand on the supply and not vice versa. This concept suggests the great importance of the space, as an element of tourism supply, and the tourism movement, as a precondition for satisfying the needs.

The most important particularity of the tourism market is tourism expenditure (consumption) which shows the following features in regard to other form of consumption:

- Tourism consumption is very heterogeneous economic category as it comprises the consumption and use of diverse goods and services. It is caused by the characteristics of tourist needs.
- Natural resources and natural elements are also included in the commercial relation through the tourism consumption. These attractive factors of tourism supply are valorized on the market through the tourism.
- Through tourism consumption the redistribution of national income is done in regard to domestic tourism. As to international tourism, the spillover of national income between outbound and inbound touristic destination.
- The place of consumption is not limited just to the destination where the tourist goes. It comprises the place of origin too, before the trip. (services and goods purchased before the trip and related to the trip)

The main characteristic of the tourism market is its complexity and heterogeneity as a result of great number of products and services which have the common objective – to satisfy the tourist needs. In addition, it is always connected with certain place/destination with its attractiveness. We could cite the following characteristics of it (Popesku J., 2013, p. 14):

- The temporal and spatial coherence of all participants involved in tourist offer.
- Seasonality of tourist movements which has negative impact on tourism offer as the capacity of the offer is not used equally. This is pointed out by the nature of the tourism services as they are produced and consumed at the same time. It is not possible to store it.
- Tourism demand is focused on tourism offer and not vice versa.
- Limited impact of the law of value on the tourism market.
- Relatively high elasticity of tourism demand in regard to income.

On this unique market, **market sui generis**, with many different actors, demand and supply are geographically separated but production and consumption takes place at the same spot.
It comprises the following characteristics:

- extremely variable demand
- extremely inelastic offer
- price shows some limitation and paradoxes

1.2.3 Tourism demand

When we look what factors influence the tourists' destination choice we can realize that there is a large palette of elements that affect tourism demand as: (Boniface B., et al. 2012, p. 20 - 32)

- level of economic development (income or expenditure – this variable, whether it is income concerned in inbound tourism demand or expenditure, concerned when outbound tourism demand is analyzed, is expected to have positive influence on tourism demand-the higher are tourists' income, more they will spend on tourism
- political factors (as abolition of borders within EU, same currency; political instability)
- population factors (if there is an increase in population in outbound country then it will result in an increase in demand)
- personal features as
    - Life style – income, employments, holiday entitlement, education and mobility
    - Life cycle – the age and domestic circumstances of an individual affect the amount and type of tourism demand

      Naturally, these factors should be seen as complementary and interrelated
- Paid holiday entitlement
- Price of the travel to the destination and the cost of living for tourist in the destination
- Unique events – the extraordinary events have impact on tourism demand and could be positive such as hosting Football World Cup or Olympic Games and negative when they are connected with terrorism and instability.

These are some of the most important and frequent determinants affecting the tourism demand which give the precise idea of how the tourism demand is complex and how important is to have strategic approach in positioning the tourism destination.

1.2.4 Tourism supply

Tourism supply comprises all assets, services and goods to be enjoyed or bought by visitors during their visits. It consists of an amalgamation or mix of attractions and shapes the demand for tourism in a country. The supply involves the provision of the key elements of the tourism industry by the host responsible tourism government sector and stakeholders on one hand, and the tourism resources from natural to man-to man, on the other hand. They all make the integral part of the supply. The supply cannot be seen without infrastructure (telecommunications, accommodation and transport) as well as without tour companies, visitor information offices, transport rental offices…
In brief, the supply is complex phenomenon because of the both the nature of the products and the process of delivery.
Principally it is perishable (cannot be stored) and intangible (cannot be examine prior to purchase and it is necessary to travel to consume it) (Popesku, J., 2013, p 4-7).

1.2.5 Tourism today

Tourism is a dynamic and competitive industry that requires the ability to adapt constantly to customers' changing needs and desires, as the customer's satisfaction, safety and enjoyment are particularly the focus of tourism businesses. Over decades it has become the key to development, prosperity and well-being with substantial potential for further growth.

The three main features characterize the tourism today:

- development
- diversification with new destinations
- sustainability

1.2.6 Tourism as engine for development

One of the strongest socioeconomic arguments in favor of tourism development is the IDE (income distribution impact) which can be taken at spatial and functional level. At the spatial level, tourists prefer to travel in regions with a little industrial development and little agricultural value. For these reasons, the tourism becomes a dynamic force in regional economies and a key sector that could contribute to job creation drive. The income generated tends to favor employment which is estimated to contribute more to the total value added of the industry than other favors do, because so much of tourism involves personal services.
In many countries, tourism acts as an engine for development through foreign exchange earnings and the creation of direct and indirect employment. According to UNWTO[1] the tourism in 2013

[1] UNWTO, Tourism Highlights, 2014 Edition, p. 2

contributes 9% of the world's GDP. It accounts for 6% of the world's exports in services being the fifth largest export sector after fuels, chemicals, food and automotive products. Tourism is responsible for 235 million jobs (more than 98 million people directly, representing 3 % of all employment) or one in every 11 jobs worldwide which makes it one of the leading jobs creators in It is also forecasted that from 2010 up to 2030 the international tourist arrivals will increase by an average of 3.3 % a year to reach 1.4 billion by 2020 and 1.8 billion by 2030. In numbers than means that the growth of international tourist arrivals will be about 43 million a year in comparison with an average growth of 28 million a year in a period from 1950 to 2010.

New destinations are emerging every year and they have invested a lot in tourism and turned it to be a key driver of socio-economic advancement and development through export revenues, creation of new jobs and investment in infrastructure in order to develop it.
In the last decades, tourism has experienced the continued growth and diversification and has become one of the fastest growing sectors in the world.
This expansion of tourism is the result of the almost uninterrupted growth of international tourist arrivals from 1950 (25 million) up to 2013 (1.087 million).[2]
As to emerging destinations, it is expected that they will see the increase in international tourist arrivals at double pace in comparison to advanced economies. +4.4 % for new emerging economy destinations of Asia, Central and Eastern Europe, Eastern Mediterranean Europe, Latin America, the Middle East and Africa in regard to +2.2% a year for advanced economies.
The emerging destinations will also increase the part in market share. From 30 % in 1980 to 47 % in 2012, it is expected that they will reach 57 % by 2030.



From UNWTO, Tourism Highlights, 2014, Edition

[2] UNWTO, Tourism Highlights, 2014 Edition, p. 2-3

In 2013 the tourism recorded the growth of 5 % in international tourist arrivals (overnights visitors) which reached 1087 million, after topping the one billion tourists globally for the first time in the history in 2012 (1035 million). As in 2012, in 2013 this increase in arrivals is equal to the 5 % growth in tourism receipts reaching US$ 1159 billion. These data of comparable growth in arrivals and receipts are encouraging to see due to the continued economic challenges and they confirm the strong correlation between these two tourism indicators.
From the table 1. on the page 13, we can see clearly that Europe as sub region represents the biggest inbound market with the highest number of international tourist arrivals since 1990
(261.1 thousands) up to 2013 (563.4 thousands) although the annual growth of 2.9 % for 2013/2012 is lower than twenty years ago and in comparison with emerging economies with annual growth of 4.8 %. The significantly fast and the biggest annual growth in 2013 compared to 2012 is linked to Asia and the Pacific as sub region (6.2 %)

Table 1. International tourist arrivals per (Sub) regions

	International Tourist Arrivals (million)							Market share (%)	Change (%)		Average annual growth (%)
	1990	1995	2000	2005	2010	2012	2013*	2013*	12/11	13*/12	'05-'13*
World	**434**	**528**	**677**	**807**	**948**	**1,035**	**1,087**	**100**	**4.1**	**5.0**	**3.8**
Advanced economies[1]	**296**	**334**	**421**	**459**	**506**	**551**	**561**	**53.4**	**3.8**	**5.4**	**3.0**
Emerging economies[1]	**139**	**193**	**256**	**348**	**442**	**484**	**506**	**46.6**	**4.4**	**4.5**	**4.8**
By UNWTO regions:											
Europe	**261.1**	**304.0**	**386.2**	**448.9**	**484.8**	**534.4**	**563.4**	**51.8**	**3.6**	**5.4**	**2.9**
Northern Europe	28.2	35.8	46.6	60.4	62.7	65.1	68.9	6.3	0.9	5.8	1.6
Western Europe	106.6	112.2	139.7	141.7	154.4	167.2	174.3	16.0	3.5	4.2	2.6
Central/Eastern Europe	33.9	58.1	69.3	90.4	94.5	111.7	118.9	10.9	8.3	6.5	3.5
Southern/Mediter. Eu.	90.3	98.0	132.6	156.4	173.3	190.4	201.4	18.5	1.9	5.7	3.2
- of which EU-28	229.7	267.3	332.3	363.8	380.0	412.2	432.7	39.8	2.7	5.0	2.2
Asia and the Pacific	**55.8**	**82.0**	**110.1**	**153.5**	**204.9**	**233.5**	**248.1**	**22.8**	**6.9**	**6.2**	**6.2**
North-East Asia	26.4	41.3	58.3	85.9	111.5	122.8	127.0	11.7	6.0	3.5	5.0
South-East Asia	21.2	28.4	36.1	48.5	70.0	84.2	93.1	8.6	8.7	10.5	8.5
Oceania	5.2	8.1	9.6	10.9	11.4	11.9	12.5	1.1	4.0	4.7	1.7
South Asia	3.1	4.2	6.1	8.1	12.0	14.6	15.5	1.4	6.2	6.1	8.4
Americas	**92.8**	**109.1**	**128.2**	**133.3**	**150.6**	**162.7**	**167.9**	**15.5**	**4.3**	**3.2**	**2.9**
North America	71.8	80.7	91.5	89.9	99.5	106.4	110.1	10.1	4.2	3.5	2.6
Caribbean	11.4	14.0	17.1	18.8	19.5	20.7	21.2	2.0	3.0	2.4	1.5
Central America	1.9	2.6	4.3	6.3	7.9	8.9	9.2	0.8	7.3	3.7	4.9
South America	7.7	11.7	15.3	18.3	23.6	26.7	27.4	2.5	5.0	2.6	5.2
Africa	**14.7**	**18.7**	**26.2**	**34.8**	**49.9**	**52.9**	**55.8**	**5.1**	**6.6**	**5.4**	**6.1**
North Africa	8.4	7.3	10.2	13.9	18.8	18.5	19.6	1.8	8.2	6.1	4.4
Subsaharan Africa	6.3	11.5	16.0	20.9	31.2	34.5	36.2	3.3	5.8	5.0	7.1
Middle East	**9.6**	**13.7**	**24.1**	**36.3**	**58.2**	**51.7**	**51.6**	**4.7**	**-5.4**	**-0.2**	**4.5**

Source: World Tourism Organization (UNWTO) © (Data as collected by UNWTO May 2014)

[1] Classication based on the International Monetary Fund (IMF), see the Statistical Annex of the IMF World Economic Outlook of April 2012, page 177, at www.imf.org/external/pubs/ft/weo/2012/01.

1.2.7 Tourism marked by new emerging destinations trend

We are witness that there are a lot of emerging destinations, particularly in Asia, where a number of countries are now competing with Western Europe and North America as a major generators of

tourism demand. According to data collected by UNWTO[3] the average growth in a period 2005-2013 is stronger in emerging economies (+ 4.8%) as compared to advanced economies (+3.0%) a trend that has marked the sector for many years. By sub –region it is interesting and important to see that Central/Easter Europe destinations experienced the best results in tourist arrivals in 2013 compared with 2012 (increase of 6.5%) followed by Northern Europe (increase of 5.8 %)

Thus, in order to make the most benefits from the tourism sector, each country is invited and even forced to make sustainable positioning in ever more complex national and international market.

Table 2. International tourism demand: the changing regional picture percentage of international arrivals by UNWTO regions

Region	1950	1960	1970	1980	1990	2000	2005	2010	2012	2013
EUROPE	66, 5%	72.5 %	70.5 %	68.4%	63.5 %	57.8 %	54.8%	50.9%	42.5%	52%
AMERICAS	29.6 %	24.1%	23.0%	18.9%	18.8%	18.4%	16.6%	15.9%	20%	15%
EAST ASIA & PACIFIC	1.0%	1.3%	3.6%	7.8%	12.1%	16.6%	19.3%	21.7%	30%	23%
AFRICA	2.1%	1.1%	1.5%	2.5%	3.4%	3.9%	4.6%	5.3%	3.1%	5%
MIDDLE EAST	0.9%	1.0%	1.4%	2.4%	2.1%	3.3%	4.8%	6.4%	4.3%	5%

The World Travel and Tourism Council (WTTC, 2009a) in its long-term forecasts points to a mature but steady phase of growth for world travel and tourism up to 2020. Growth is expected to average 4.4% per annum over the period, supporting 297 million jobs and 10.5 % of global GDP by 2018.

Although there will be undoubtedly challenges due to stock market's volatility, the weak of US Dollar, higher fuel costs and fuel availability concerns, in addition to concerns about climate change, the continued strong expansion in emerging countries (both as tourism destination and as an increasing source of international visitors) means that the industry's growth prospects remain bright. In the term of regional performance, East Asia and Pacific and Africa are experiencing higher growth rates than the world average, in the term of tourism demand and travel.

1.2.8 Tourism and sustainability

Global economists forecast continuing international tourism growth, but the amount will depend on the location. As one of the world's largest and fastest growing industries, this continuous growth will place great stress on remaining biologically diverse habitats and indigenous cultures, which are often used to support mass tourism. Tourists are invited to become sensitive to these dangers and to seek to protect tourist destinations, and to protect tourism as an industry.

With this continued growth the UNEP & UNWTO (2005, p. 9-10) permanently points out the following concerning sustainable development:

- Economic sustainability, with need to ensure that tourism is consumed in sustainable manner. In another words, to minimize the negative impacts of the tourism on environment and

[3] UNWTO, Tourism Highlights, 2014 Edition, p. 4

cultural heritage and to maximize the benefits for residents of tourism destinations in order to maintained the viability of activities and enterprises in the long term.

- Social sustainability with emergence of "pro-poor tourism "as attempt to redress this issue due to the fact that the tourism is perceived as an activity for the privileged. The equal opportunities should be offered to everyone and equitable distribution of benefits is required in order to alleviate the poverty.
- Environmental sustainability with increased awareness of global climate change, the need for tourist to change their behavior in offsetting carbon emission generated by their demand to travel. The minimization of air, land and water pollution and conservation of natural heritage and biological diversity.

1.2.9 Sustainability through niche tourism product

Today the approach to the tourism market is marked by need to do the segmentation of the market. The global approach, the same offer to the market in total is not possible if some country wants to make long-term position on the market. As tourism today is more and more affected by volatile and ever changing demand on one hand and saturated tradition tourism market, the new approach to offers is requested. The urge is to create more flexible, customs tailored offers which will have greater possibility to fulfill the customers' expectations more and more demanding and complex. Today we have new tourist who is in position to have easily all necessary information and have more freedom in holiday's organization and seek more meaningful experience. By more travelling all around the world, the tourist has been marked by cultural diversity experience. So, the more individual approach is appearing in opposition to detrimental developments of mass tourism. This new approach, more specific and marked by segmentation pattern is referring to niche tourism. It tends to abolish the environmental degradation and socio-cultural perturbation as mass tourism do. From an ethical and moral perspective, niche tourism suggests the development compatible with environmentally sustainability and social care.
As Novelli M. (2005, p. 1-2) suggests the niche tourism has more moral legitimacy as it connoted to more tailored and individualized service carrying the smaller scale of operations, involving more careful and selective approach in determining markets and taking into consideration tourist's sensitivity. From sustainable point of view, the more beneficial consumption to host community is underlined in this kind of tourism.

1.2.10 New tourists

Novelli M. (2005, p. 7) points out that with a wide segmentation of the tourism markets and emergency of new types of tourism as, niche tourism, a notion of new tourist appears too. Who is that person?
It is a responsible individual who shows more respect to the environment of the destination where he or she travels, respectful of the host's culture, wants rather to take involvement in activities and experience than to be passive. He or she is seeing the more meaningful, seamless experiences and insists on value for money. Therefore the destination choice in not just a simple choice without any deep meaning but it reflects the identity of that new tourist, some kind of identity search. It is evident

that the tourists have evolved over time by becoming more sophisticated in their preferences and having increasing level of experience of being tourists. Today, they are aware that they have an important role and influence as a consumers in the world and are increasingly attentive to have their needs met. Consequently, the consumption has become a mean of creating social bonds and expressing the patterns of identity.

So, can Serbia be interesting destination for those new tourists? Can Serbia provide these meaningful experiences to the tourists? We will try to shed light on these issues in the following chapters in the context of Serbian tourism market and products to offer.

2 The position of the Republic of Serbia as tourism destination on the international market

2.1 Serbia - General characteristics of destination

As the base year of this survey we have chosen the year of 2001 as the 5. October of 2000 marked collapse of undemocratic regime and taking power by democratic forces. The period of 90s is marked by considerably and extremely negative international tourism arrival which logically resulted from political instability that started with collapse of communism in Eastern Europe, the unification of Germany, the imminent collapse of Soviet Union which consecutively all served to erode the Yugoslavia's political stability. Eventually it ended up with breakup of Yugoslavia, imposition of economic sanction by UN in May of 1992 up to 1995, war in Croatia and Bosnia and Herzegovina which caused hundreds of thousands deaths and displaced million from their home. This fighting in Balkan, as the most horrific since the end of Second World War, continued with violence erupted in Kosovo and NATO bombing campaign of Serbia in 1999. These difficult political and economic changes caused a radical decrease in number of tourists, especially foreigners, and led to the quite negative perception of Serbia on the global tourist market.
From 2001 the situation started to improve and Serbia enhanced its opportunities for positioning on European tourism market. However, due to still unfavorable image created in the mind of potential foreign tourists, Serbia still has a small number of tourists and low income of inbound tourism. But, despite not significant increase of foreigner tourist, we must acknowledge that Serbia records the continued increase in inbound tourism since 2001 up to 2013 and this trend is set to be continued. This increase is especially due to the political stabilization and support of international organizations which led to submission of EU membership request by Republic of Serbia in December 2009.
With this act, Serbia has demonstrated its clear and firm orientation towards becoming an EU Member State. European integration as a basic strategic-political orientation and as a strategic framework for overall democratic and economic development of the country, implies continuing the European integration process and fulfilling numerous, complex and interrelated demands. To achieve this goal, it is necessary to develop stable institutions guaranteeing democracy, the rule of law, and respect and protection of human and minority rights, develop a market economy which can face the

pressure of competition within the European Union, increase employment opportunities and harmonize national legislation and obtain substantial infrastructure investment.

2.2 Climate and geographical position

With its position in the central part of Balkan Peninsula, the Republic of Serbia is situated on the intersection of the roads between Western Europe and Middle East and Turkey. The north part of Serbia, Vojvodina, is covered by plain intersected by the rivers Danube, Sava, Tisa while the south and central part is dominated by hills and mountains. There are 31 mountain peaks superior to 2000 m. Serbia contains 55 % of arable land (of what 60 % is cultivated) and 27 % under forest.
Serbia has moderate continental climate characterized by cold winters and hot summer. Last years with all global changes, the transition from one season to another is neither precisely evident nor manifest.
Serbia has a lot of natural attractions (5 natural parks, 20 parks of nature, as several places under UNESCO protection) which with adequate valorization, environment protection, necessary development of infrastructure, have real potential to considerably contribute to touristic attraction of the country.

2.3 Transport

The importance of the development of transport and infrastructure of each country or region is more than evident as it is directly interrelated to the economic development. Geographical position on one hand and its determined orientation towards EU integration, point out the importance of transport and infrastructure factors of the Republic of Serbia. This favorable position is underlined by high possibility of integration into European corridors.
From all European corridors there are two which are relevant for the Republic of Serbia: Corridor X (road and railway going from the North of Serbia in the direction of the south by diverging into two directions, towards Bulgaria and Macedonia/Greece.) and corridor VII which represents in fact the Danube River with the length of 588 km through Serbia. From the European corridors map, the favorable position of Serbia is quite evident which was confirmed during whole history too. This geographical position makes Serbia quite accessible destination by road, railway, plane or ship.
However, if we put geographical position on one side, and take into consideration the quality of roads network, supply of transport means, the price of the transport, the percentage of transport supply contribution to the overall tourism offer, we could deduct that Republic of Serbia is not enough developed in that field. The European roadway Corridor X, connecting Austria, Hungary, Slovenia, Croatia, Bulgaria Serbia, Macedonia and Greece should be complete end of 2016.[4] On Corridor X the highway from Šid to Belgrade and from Subotica to Belgrade is built, but it remains to be completed the so called Y arm from Subotica to Kelebia in the length of 22 km.The highway from Belgrade to Niš and Leskovac on the Corridor X has been constructed previously and the southern extension towards border with Macedonia needs to be completed.

[4] http://www.putevi-srbije.rs/

The poor and bad diagnostic could be applied for the railway too which contains a large number of outdated trains whose speed doesn't succeed 70 km per hour.
Two airports, airport of Nikola Tesla in Belgrade and airport in Niš, make Serbia accessible by air, although there are 17 airports with tarmac more which are not appropriate for receiving people and goods.

2.4 Economy

In the last decade of the XX century, the economy of the Republic of Serbia could be summarized by the following elements caused by instability of the country after break-up of the ex -Yugoslavia[5]:

- Drastic decrease of whole economy
- The largest decline in GDP and output
- Uncontrolled inflation and its harmful effects on the economy
- Loss of the market due to the break-up of the unified Yugoslav market
- Financial drain of the fighting wars in Croatia and Bosnia and Herzegovina
- An oligarchy of tycoons controlling the large state-owned and private business enterprises
- Large grey economy and black market
- Inefficient fiscal system, lack of investments

This list of problems that emerged during the nineties is not exhausted. But this is sufficient to show that the initial conditions under which true transition started in Serbia were extremely difficult.
After overthrow of Milošević in October 2000, the real political changes start only at the beginning of 2001 with new government who undertakes social democratic strategy reform which directly affected the standard of living of Serbian citizens as the GDP per capita in 2011 was almost 2.5 times bigger than in 2001.
The average growth of net incomes in the period of 2001 to 2011 was 10% what in reality gave the increase from 100 euro in 2001 up to 360 euro in 2011. (3.6 times)

2.5 Development of tourism in Serbia

2.5.1 Characteristics of tourism arrivals and nights

After dramatic decrease in tourist arrivals from 1990 up to 2000, caused by different negative political factors, the aforementioned, the year of 2001 marks a new positive start in foreign tourism arrivals as a part of overall positive economic changes in Serbia. This positive trend is primarily due to stability in the country as this is one of the essential keys for traveling in some destination. After 2000, as the global situation improved, our country enhanced its opportunities for attracting tourists from European tourism market. The following tables will however show that Serbia still have a small number of tourist and low tourism receipts of inbound tourism which might be explained by unfavorable picture created in the mind of international tourists due to former warfare situation. Its

[5] http://www.pks.rs/sadrzaj/files/cmip/brosura%20pks%20sr.pdf

reminiscences represent a heavy legacy that takes a long time to vanish from the mind of international tourists.

Table 3. GUESTS' ARRIVALS PER YEAR IN REPUBLIC OF SERBIA 2001-2014. (thousands)

Year	Arrivals					
	Total	Base Index(2001)	Domestic	Base Index(2001)	Foreigner	Base Index(2001)
2001.	2129	100	1886	100	243	100
2002.	2210	103,8	1898	100,6	312	128,4
2003.	1998	93,8	1659	88,0	339	139,5
2004.	1972	92,6	1580	83,8	392	161,3
2005.	1989	93,4	1536	81,4	453	186,4
2006.	2006	94,2	1537	81,5	469	193,0
2007.	2307	108,4	1611	85,4	696	286,4
2008.	2266	106,4	1620	85,9	646	265,8
2009.	2018	94,8	1373	72,8	645	265,4
2010.	2001	94,0	1318	69,9	683	281,1
2011.	2069	97,2	1304	69,1	765	314,8
2012.	2080	97,7	1270	67,3	810	333,3
2013.	2192	102,9	1270	67,3	922	379,4
2014.	2192	102,9	1163	61,7	1029	423,5

Source: SORS from the Statistical Year Book 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014

For the interpretation of these statistical data we need to stress that *arrival* means guests' number spending one or more nights in accommodation facility during their visit to destination spot.
The *nights* mean night's number realized by guests in an accommodation facility.
The excursionist or visitor is the same day passenger, in other words, it is the individual who uses all the tourism facilities, except accommodation, and has impacts on host community and the environment.

From the table 3 we can see that in 2001 there were more than 2 million of tourist arrivals from what more than two hundred thousands of foreign tourists who came to Serbia and this positive, although quite modest trend, will continue with a slow growth till 2006. In 2007 the increase in number of foreign tourists' arrivals could be explained as a result of counting tourists coming from Montenegro among foreign ones. (Montenegro proclaimed independency in May 2006).
For the first time, the decline in foreign tourists' arrivals is recorded which is due to the political instability provoked by proclamation of the independency of Kosovo in 2008 on the one hand and to the shortage and shortfall of Serbian tourism offer in promotion on international market on the other hand. From the table we can conclude that the total increase of foreign tourist arrivals in Serbia was 279.4 % from 2001 up to 2013 with the increase in nights with around 203 % while the domestic tourists' arrivals do not record the same positive trend. Total number of tourists in 2013 amounted to

2.192 thousand, whereof the number of domestic tourists amounted 1.270 thousands. In the same time, the number of foreign tourists who visited our country amounted to 922 thousands, presenting the increase of 13, 8 % when compared to 2012 and they made 42% of total arrivals.

But, there are two flows of these statistical data that need to be pointed out:
- The same-day visitors, which should not be neglected as their number is quite significant. They mostly come to Serbia by corridor VII (Danube River) and visit Belgrade and Novi Sad. It is foreseen that they represent 30% of total foreign tourists' arrivals.
- Complementary accommodation not recorded (some foreign visitors stay at private rooms, hostels, camps… which do not declare the same visitors)

On the other hand it is very interesting to know how in the years before break up of Former Yugoslavia the Republic of Serbia performed in international tourist inbounds (Table 4.).

Table 4. Tourists 'arrivals and nights in the Republic of Serbia per year

SERBIA (in thousands)								
	Arrivals			**Nights**			**Average number of nights**	
Year	Total	**Foreigners**	Base Index 2001	Total	**Foreigners**	Base Index 2001	Total	**Foreigners**
1948	480	17	7,0	3161	80	13,5	6,6	4,7
1966	2460	473	194,7	5774	826	139,5	2,4	1,7
1970	3323	686	282,3	7676	1136	191,9	2,3	1,7
1975	4021	842	346,5	9967	1382	233,4	2,5	1,6
1980	4328	868	357,2	12028	1467	247,8	2,8	1,7
1985	4746	847	348,6	13897	1473	248,8	2,9	1,7
1988	4507	930	382,7	12891	1433	242,1	2,9	1,5
1990	3940	1621	667,1	11670	2930	494,9	3,0	1,8
1996	2197	247	101,6	7647	726	122,6	3,5	2,9
1997	2144	239	98,4	7275	615	103,9	3,4	2,6
1998	2301	227	93,4	7947	508	85,8	3,5	2,2
2001	2129	243	100,0	7195	592	100,0	3,4	2,4

[1]the average number of nights in calculated by division of number of nights by number of tourists

Source: Statistical Year Book of Serbia 1999 and 2002

From the table 4.we can see that international tourism inbound was higher in 1988 and 1990 in comparison to 2014 which recorded 1,028 thousands of international arrivals.
Serbia is still lagging after the performances of those years but it is on right direction to catch the rhythm and even surpass it in the following years as this positive trend is very encouraging for all participants involved in tourism sector and positive image connotation of Serbia in the mind of

international tourists which has been starting to prevail over the negative connotations dating from the 90s.

Table 5. International tourism, number of arrivals - comparison Serbia / France

Year	France	Serbia
2001	75.202.000	243.000
2002	77.012.000	312.000
2003	75.048.000	339.000
2004	74.433.000	392.000
2005	74.988.000	453.000
2006	77.916.000	469.000
2007	80.853.000	696.000
2008	79.218.000	646.000
2009	76.764.000	645.000
2010	77.648.000	683.000
2011	81.550.000	764.000
2012	83.013.000	810.000
2013	**84.700.000**	**922.000**

From http://www.factfish.com

The table 5 shows us historical data in the last decade in the context of international tourists 'arrivals in Serbia and France as a world leading destination. It can give us an idea where is Serbia in comparison to France.

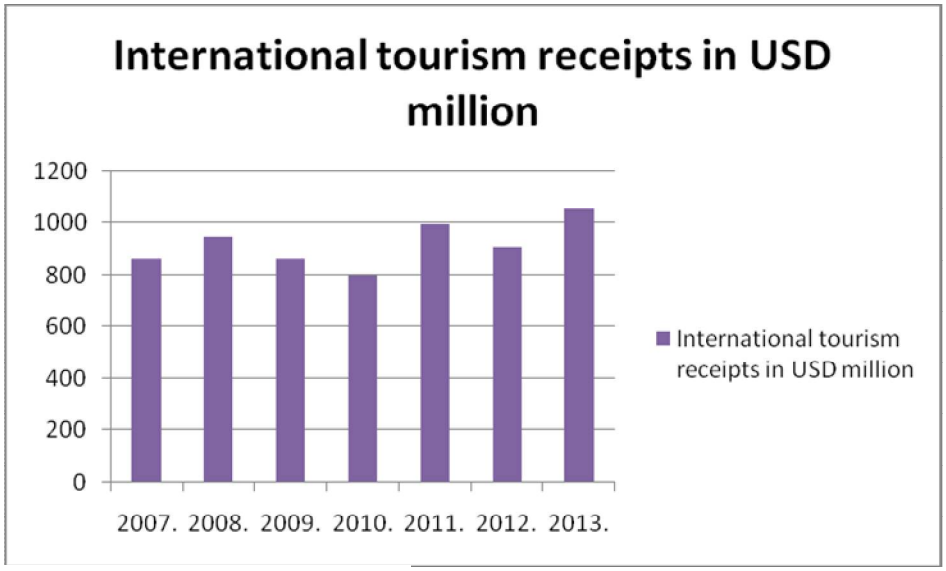
Table 6. GUESTS' OVERNIGHTS PER YEAR IN REPUBLIC OF SERBIA 2001-2014 (thousands)

	Nights					
Year	Total	Base Index(2001)	Domestic	Base Index(2001)	Foreigner	Base Index(2001)
2001.	7195	100	6603	100	592	100
2002.	7207	100,2	6469	98,0	738	124,7
2003.	6685	92,9	5893	89,2	792	133,8
2004.	6643	92,3	5792	87,7	851	143,8
2005.	6499	90,3	5507	83,4	992	167,6
2006.	6407	89,0	5392	81,7	1015	171,5
2007.	7329	101,9	5853	88,6	1476	249,3
2008.	7334	101,9	5935	89,9	1399	236,3
2009.	6762	94,0	5293	80,2	1469	248,1
2010.	6414	89,1	4961	75,1	1453	245,4
2011.	6645	92,4	5002	75,8	1643	277,5
2012.	6485	90,1	4688	71,0	1797	303,5
2013.	6567	91,3	4579	69,3	1988	335,8
2014.	6086	84,6	3925	59,4	2161	365,0

Source: SORS from Statistical Yearbook 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014

The table 6. leads us to conclusion that from 2001 up to 2014 the foreign tourists spend each year more nights in Serbia and this positive resulted with 265 % more spent nights in 2014 than in 2001. In another words, the international market has outperformed the domestic tourism in terms of overnight volume. This positive data show that tourism market in Serbia has started to wake up and to attract travel-hungry tourists of 21st century. In opposite to our neighbors, Slovenia, Croatia and Montenegro, Serbia needed to battle with negative image imposed by wars in 90s. This was a hard heritage to deal with and to recreate a new, positive image on which direction is the Republic of Serbia with its determined resolution to join EU.
This change is visible in internet site presentation of different institution as French Embassy, on which a few years ago was indicated that the Republic of Serbia is a rather not secured county with a lot of criminals and terrorist involvements and where one of the most stressed advices to the French people travelling to Serbia was that the streets are not so safe ant that all kind of people gathering, in the streets, football pitch need to be escaped. Hopefully, new positive information can be seen today.
The third element which shows the positive tourism development in Serbia, besides tourist arrivals number and spent nights is the international tourist receipts.

Table 7. International tourist receipts in the period 2007-2013.



Source: National Bank of Serbia

Table 8. Receipts in USD (million)[6]

2007.	2008.	2009.	2010.	2011.	2012.	2013.
865,3	944,3	865,4	798,4	991,7	907,0	1053,0

Source: National Bank of Serbia

According to the table we can see a big increase in international tourism receipts from the 2008 which is due to the methodology system measurement changes undertaken by National Bank of

[6] http://www.nbs.rs/internet/cirilica/80/platni_bilans.html

Serbia which started to take into account the amount spent by tourists outside the accommodation. Thus, the recorded increase is not followed by the real increase in tourism arrivals and nights and can't be compared with the previous years.
In the main, the calculating methodology of the USD receipts is outdated as it does not take into consideration the considerable impact of tourism on other sectors of the economy which are interrelated with tourism, such as transportation, commerce, agriculture. Hence, it the imperative to initiate the Tourism Satellite Account (TSA) adopted by UNWTO in 2000, as a mechanism for measuring the demand for goods and services generated by visitors to a destination. On this level it would be more accurate and evident to measure the impact of tourism on consumption, GDP, employment, investments… Every delay in setting up this mechanism put into question all data gathered by this way and the makes evident the discrepancy of them with data of the other countries.

2.5.2 Structure of the tourists' arrivals by types of tourism resorts

In order to have a complete look on the tourism in Serbia, we need to make research of the type of places preferred by the international tourists. For representing these data we have used the criteria of the Statistical Office of the Republic of Serbia (Statistical Yearbooks 2001-2014) by which the tourist resorts are divided into 5 following areas:

- Main administrative centers (Belgrade and Novi Sad)
- Spas
- Mountain resorts
- Other tourist places
- Other resorts

After the difficult period of 90s the situation is slowly improving as the recession hit the market at the beginning of its redevelopment phase but this positive growth of foreign tourist arrivals is a good sign for a future growth indicating the need for increase in supply-side capacity and provision of a complex tourism product that should be able to meet evolving demand.

From the table 9. (page 24) we can conclude that there is a positive increase in foreign tourist arrivals from 2001 up to 2014. In 2013 they accounted 1028 thousands which represent 323 % more than in 2001. The city tourism dominates as the main administrative centers, Belgrade and Novi Sad, receive the majority of the foreign tourists, around 664 thousands which represents 64.6 % of total international tourist arrivals. At the second place by the number of arrivals of foreign tourists are other touristic places.
The table leads us to conclusion that there are plenty of possibilities to develop other resorts of the tourism offer of the Republic of Serbia, in particular spas and mountain. In difference to the domestic market from 2001 up to 2014 which was rather no active as the Serbians were more interested in spending their vacations in the countries of ex-Yugoslavia, notably in Montenegro due to its coast, the international market did a better, but with slight decrease since 2008 till 2010. The increase in 2010 could be explained by entrance of low-cost carriers (LCC) on our market. Today we have the following LCC from our airport "Nikola Tesla" in Belgrade: Aegean Airlines, EasyJet, Germanwings, Norwegian Air Shuttle, Pegasus Airlines, Vueling Airlines and Wizz Air.

Hence, one of the reasons of healthier increase last couple of years could be driven by low-cost demand.

Table 9. Foreign tourist arrivals and nights by type of tourist resorts (in thousands)

Year	Total arrivals	Total nights	Main administrative centers arrivals	Main administrative Centers Nights	Spas Arrivals	Spas Nights	Mountain Resorts Arrivals	Mountain resorts nights	Other touristic places arrivals	Other touristic places nights	Other resorts arrivals	Other resorts nights
2001	243	593	167	383	12	54	12	49	46	92	6	15
2002	312	738	210	473	14	59	15	57	64	128	9	21
2003	339	792	236	507	15	63	14	54	64	139	10	29
2004	392	851	264	551	15	58	18	60	83	155	12	27
2005	453	992	300	633	17	65	21	70	101	196	14	28
2006	469	1015	309	631	17	70	26	92	98	184	18	38
2007	696	1476	471	940	25	92	36	128	135	258	29	58
2008	646	1399	411	834	23	101	40	136	145	276	27	52
2009	645	1469	407	909	24	97	39	125	152	291	24	47
2010	682	1452	436	891	25	104	42	129	154	279	26	48
2011	764	1643	491	991	34	132	47	148	166	325	26	47
2012	810	1796	522	1064	37	134	49	155	176	393	26	50
2013	**922**	**1988**	**597**	**1166**	**55**	**181**	**61**	**194**	**180**	**383**	**29**	**64**
2014	**1028**	**2160**	**665**	**1284**	**62**	**201**	**71**	**215**	**191**	**374**	**39**	**86**

Source: SORS from Statistical Yearbook 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014

In the table 10. (p.25) we will take a more attentive look on what places the domestic and foreign tourists find out as the most attractive ın 2014. The total number of tourists in 2014 has remained at the same level as in 2013 with 2 192 268 tourists of which domestic tourists with total arrivals of 1 165 536 have recorded decrease of 8 % in comparison to 2013 and have made 53 % of total number of tourists.

The foreign tourists continue a positive growth trend with increase of 12% in 2014 which gave total number of 1 028 732 foreign tourists in 2014 or 47 % of total number of tourists.

Concerning the type of tourist resorts, we can clearly see that Belgrade is leading destination as capital where foreign tourists come for professional purposes as well as for leisure. It has absorbed 56,4 % of foreign tourists with 580 thousands of international tourists' arrivals which is far away above Novi Sad which accounted just 84 thousands of them or 8,2 %.

Domestic tourists have shown preferences for spas although the number of 323 635 arrivals in this type of resort represents decrease of 8 % in comparison to 2013. At the second place are mountain

resorts that domestic tourists have found as the most attractive despite the decline of 11 % in comparison to 2013 with 301 704 domestic arrivals.

Table 10. Tourists' arrivals by types of tourist resorts in 2014
Comparison 2014/2013

	Total	% 2014/2013.	Domestic tourists	% 2014/2013.	Foreign Tourists	% 2014/2013.
Republic of Serbia	**2,192.268**	**0 %**	**1,165.536**	**- 8 %**	**1,028.732**	**+ 12 %**
Belgrade	719.993	+ 5 %	139.328	- 15 %	580.665	+ 11 %
Novi Sad	130.733	+ 11 %	46.132	+ 4 %	84.601	+ 16 %
Spas	486.345	- 5 %	323.635	- 8 %	62.170	+ 13 %
Mountain resorts	372.672	- 7 %	301.704	- 11 %	70.968	+ 17 %
Other touristic places	489.026	- 1 %	297.784	- 5 %	191.242	+ 6 %
Other resorts	93.499	+ 6 %	54.953	- 7 %	38.546	+ 31 %

Source:http://www.srbija.travel/

Beside the international tourists 'arrivals it is important to see the situation in context of international tourists' overnights.

Table 11. Tourists' overnights by types of tourist resorts in 2014
Comparison 2014/2013

	Total	% 2014/2013.	Domestic tourists	% 2014/2013.	Foreign Tourists	% 2014/2013.
Republic of Serbia	**6,086.275**	**- 7 %**	**3,925.221**	**- 14 %**	**2,161.054**	**+ 9 %**
Belgrade	1,337.322	+ 5 %	231.237	- 16 %	1,106.085	+ 10 %
Novi Sad	266.543	+ 11 %	87.544	+ 13 %	178.999	+ 10 %
Spas	1,852.036	- 13 %	1,650.862	- 15 %	201.174	+ 11 %
Mountain resorts	1,411.822	- 9 %	1,196.851	- 12 %	214.971	+ 11 %
Other touristic places	995.332	- 12 %	621.077	- 17 %	374.255	- 2 %
Other resorts	223.220	- 1 %	137.650	- 15 %	85.570	+ 35 %

Source: http://www.srbija.travel/

These data show us that tourism sector is dependent in significant measure on business travel to the capital Belgrade, although the mountain resorts as well as Danube have come in center of development through public sector initiatives by destination management and competitiveness building.

From the table it is clearly presented that 64, 7 % of total foreign tourist arrivals is focused on main administrative centers with dominant position of Belgrade with 56.7% of the total tourist arrivals.

The same trend is noticed about the overnights which present 59, 5 % of total nights from what Belgrade makes 51,1 % of total overnights made by foreign tourists.
The second most visited area by foreign tourists is mountain resorts which recorded 6,9 % of total foreign tourists' arrivals and 9,9 % of total overnights. Whether we talk about arrivals or overnights made by foreign tourists, there is an increase in 2014 compared to 2013 (12 % increase in arrivals and 9 % increase in overnights) which represent a

As the mountains dominate the vast majority of Serbia's territory, some hills in the north part of the country, in the region called Vojvodina, than the central part called, Šumadija (šuma – means forest in Serbian) and these mountain ranges continue all the way to the south, till the border with Montenegro and Macedonia, it is logical to conclude that this resort attract a significant share of domestic tourists' arrivals and night while the international market is still in its early stage of development.
The spas show almost the same trend as mountain resort with 6 % of total tourists' arrivals in 2013 or 9,1 % of total overnights recorded by foreign tourists. Thus, it is fair to say that Serbia is not known on international market in this health/wellness tourism segment which is very developed on our neighbors' tourism markets –Hungary and Slovenia. Yet it is clear that the country has a huge potential in this segment with over 1000 cold and warm mineral springs, abundance in mud, air and some other characteristics which facilitate, help or accelerate healing process. In majority of spas, geothermal and mineral water is presented but there are also spas which are rich in medicinal mud and the ones, called "air spas" as Sokobanja, spa Ivanjica… due to their location in the mountain areas and fresh air. These data lead us to conclusion that main purpose of foreign tourist to come to Republic of Serbia is business while leisure and recreation are far away to be encouraging. The purpose to visit Serbia needs to be developed in the future with integral and holistic approach of all agents involved in tourism industry of the Republic of Serbia, public and private sector collaboration.

2.5.3 Structure of foreign tourists' arrivals per type of accommodation establishments

When the foreign tourists come to Serbia, they prefer to stay in hotels according to the data provided by our Statistical Office of Republic of Serbia[7]. In this type of accommodation establishment they made in 2013 65,6 % of the total registered nights in the Republic of Serbia. The private type of accommodation as, private rooms and houses, trend which is boosting in other countries, recorded just 3.1 % of total nights.
The foreign tourists who stayed in hotels, they used mostly the hotels with 4 stars (47,8 %) and 3 stars (26,7 %) in 2013. It is quite interesting to notice that the percentage of foreign tourists stayed in 5 stars hotels (11,4 %) is almost the same as in the case of 2 stars hotels (11, 9 %)

2.5.4 Accommodation structure in the Republic of Serbia

The integral part of tourism offer is accommodation and catering facilities which cannot be neglected at all. They create the one of the essential elements of the touristic destination as after each day spent

[7] SORC, Statistical Yearbook, 2014, Belgrade

whether on city tour, business event, shopping, night life, each tourist returns to chosen accommodation facility[7].

Table 12. Overlook of the hotels, Apartments and beds number in the period 2005- July 2013

Year	Hotels units		Appartment		Beds	
2005	212		/		/	
2006	217		13995		22143	
2007	225		14426		24900	
2008	239		14134		24786	
2009	231		14558		23613	
2010	251	8%	15537	7%	24186	2%
2011	262	4%	16250	5%	26384	9%
2012	297	13%	16723	3%	28296	7%
July 2013	**305**	**3%**	**16646**	**0%**	**28196**	**0%**

Source: http://www.hores.rs/docs/broj_hotela.pdf

Consequently, the level of accommodation development is also the sign of tourism industry development in the destination. So, if we follow the number of hotels from 2005 up to 2013, the increase in capacity can be seen which show us that the hotel industry is still developing in Serbia.
But here, we must stress that data differ from one source to another one. We present the statistical information from HORES (Business association of hoteliers and restaurants Serbia) in the table 12. which leads us to conclusion that the increase of international arrivals in last decade is followed with the increase of hotel units from 212 in 2005 up to 305 in 2013.

Table 13.Total number of categorized unites per type - overview 17.7.2013.

Nº	Total	Number of units	Number of apartments	Number of beds
1	Hotels	227	14215	23630
2	Garni hotels	70	1376	2112
3	Apart'hotels	8	315	983
4	Hotel annex	21	740	1471
	Total 1+2+3+4	**305**	**16646**	**28196**
5	Motels	16	371	599
6	Resorts	3	189	342
7	Apartment resort	1	25	120
8	Pensions	3	78	117
	Total 1+2+3+4+5+6+7+8	**328**	**17309**	**29374**

Source: http://www.hores.rs/docs/broj_hotela.pdf

Today, Serbia has close to 30 thousand rooms in hotels, apart'hotels and other similar accommodation, although it is quite difficult to evaluate how much of them are up to international standards. The country has few internationally branded properties which have very important position in Serbian accommodation offer, especially for foreign tourist who can imagine what kind of service and quality they can expect in them. These hotels are also the sign of improvement of touristic industry in Serbia and its integration on international market as well as they give confidence to the tourist what is quite important for our country due to all the events from past.

Prior to 2011 there were only two internationally branded hotels in country, Hotel Hyatt Regency, 5 stars hotels in Belgrade (302 room) and Holiday-Inn (140 rooms) and two franchise proprieties part of Best Western chain .

In December 2012 we saw opening of Falkensteiner hotel (170 rooms) in New Belgrade, a brandy modern hotel with 4 stars and the other more, belonging to the same group, in the mountain resort, Stara Planina.

In the December 2013 after nearly three and a half decades of successful work as Hotel Intercontinental and then as Continental Hotel, one of the tourist symbols of capital after the renovation has become the most modern Crowne Plaza Hotel in Europe, with the reputation as one of the best business hotel in the world. It offers 416 rooms, 12 meeting rooms, two restaurants, a lobby bar and pastry shop. The hotel also has a fitness center and spa, as well as the largest hotel pool in Serbia.

In December of this year, the Carlson Rezidor group hotel "Radisson Blu Old Mill "was opened which contains 236 rooms.
But, the majority of hotels are outdated and rather small with 3-stars segment which is the criteria of Serbia's own official classification. They account for the largest share and are followed by two-star and four –star proprieties.

From table 14. on the page 29. we can see that the majority of the tourists visiting Serbia choose the hotels to stay in. The four stars hotels are the most numerous option of foreign tourist (46,56 % of all hotels in 2013), followed by three stars hotels (27, 28 % of all hotels in 2013)
Garni hotels seem to be one of the most preferred option with 199 001 night spent in it in 2013.
For students and young tourists with not so considerable disposable income, the hostels remain one of the options. The tourists made 127 183 nights in it during 2013.
The private rooms turned to be better and more chosen options than one star hotels.

Table 14. Foreign tourists nights by type of accommodation establishments in 2013

TYPE OF ACCOMMODATION ESTABLISHMENTS	Total Nights
Total	**1.988.393**
of which	
Hotels	**1.260.798**
5-star hotels	155.655
4-star hotels	587.038
3-star hotels	343.972
2-star hotels	147.371
1-star hotels	26.762
Garni hotels- all	**199.001**
Apart hotels- all	**19.193**
Boarding houses - all	**5.796**
Motels - all	**17.062**
Tourist settlements - total	**14.900**
Tourist apartments - total	**12.382**
Camp sites - total	**5.902**
Private rooms - total	**39.807**
Private houses - total	**29.846**
Overnight stays	134.510
Hostels	127.183
Spa cures	56.914
Climatic cures	10.042
Mountain shelters	625

Source: SORS from Statistical Yearbook 2013.

In the table 15. on the page 30. we will have a look in which type of accommodation establishment the foreign tourists mostly made a choice to stay.
A very positive trend which deserves to be mentioned is that main accommodation establishments have started to overcome a very big limitation that faced a few years ago- limitation in terms of online booking. This very slow adaptation of Serbia's hotel sector to new technology seems to be successfully overpassed. If we take a look on hotels 'sites, a presentation in different languages, as well as online reservation could be seen.

As the country is on the determinative path for joining EU, opportunities for the accommodation sector are improving by creating a better environment for investments and a more stable base for

tourism development. Radisson Blue, Crown Plaza… show that Serbia's hotel sector is on the right direction and that the hotel market is in the transition period with the modernization process started with renovation and new construction projects in hotel industry.

Table 15. Foreign tourists' nights per type of tourist resorts and accommodation establishments, 2013

	Total	of which			
		Spas	Mountain resorts	Other touristis' resorts	Other resorts
All	**1.988.393**	**181.202**	**194.280**	**383.341**	**63.470**
Hotels	1.260.798	57.317	113.432	222.227	38.187
Motels	17.062	/	389	12.317	4.356
Apartments	12.382	339	8.117	1.364	206
Touris settlements	14.900	/	7.800	2.011	/
Overnight stays	134.510	12.525	13.921	65.646	14.795
Inns	9.537	1.187	/	7.529	728
Garni hotels	199.001	14.940	/	43.496	1.791
Apart hotels	19.193	4.431	14.733	29	/
Spa cures	56.914	56.449	/	465	/
Climatic cures	10.042	1.093	8.949	/	/
Youth and children's resorts	6.087	23	2.803	2.964	297
Hostels	127.183	/	12.133	14.063	/
Private rooms	39.807	5.574	1.855	8.529	301
Private houses	29.846	24.491	324	3.249	1.782
Camp sites	5.902	72	121	81	/

Source: SORS from Statistical Yearbook 2013.

2.5.5 The structure of tourists' arrivals and nights by market

The structure of tourists' arrivals and nights by market shows that East Europe, with domination of neighboring countries, generates the major share of Serbia's arrivals accounting for eight top places of top ten places in arrivals. On the leading position in 2013 are Montenegro and Bosnia and Herzegovina. It could be said that in the period from 2007 up to 2013 Slovenia, with its position on third place it has done a little bit more than stagnate. After these three countries come Germany, Croatia, Italy, Russia, Bulgaria, Greece, Macedonia, and Romania. Thus, the most important source markets are Serbia's neighbors, part of the SFRY in the past.

Montenegro gave 112 thousands tourists, the year after it split from Serbia and became independent state. A big drop in Montenegrin arrivals could be explained by the fact that many Montenegrins also hold Serbian nationality and therefore are not registered as tourists. Bosnia and Herzegovina gives a constant number of tourists in the period from 2007 to 2012.

The most important west European outbound markets are Germany and Italy as these two countries also represent the most important foreign investments countries in Serbia in the field of automobile industry (Italian company – Fiat Automobili Serba), banking (Banca Intesa- Delta Banka) and pharmaceutical industry (German company, Stada-Hemofarm). Austria, Greece and France are behind them.

Table 16. International arrivals by market (2007-2014 in thousands)

Market	2007	2008	2009	2010	2011	2012	2013	2014	%change 2014/2013
Slovenia	65	46	55	67	75	66	67	64	-4,5
Montenegro	112	93	62	57	67	65	68	62	-8,8
Bosnia-Herzegovina	63	65	64	64	66	62	68	75	10,3
Germany	36	37	39	43	48	51	55	60	9,1
Italy	37	40	37	34	38	51	43	46	7,0
Croatia	39	38	40	46	51	47	53	64	20,8
Macedonia	28	28	30	32	34	35	35	40	14,3
Bulgaria	24	23	25	25	28	35	43	51	18,6
Romania	16	21	23	24	31	32	35	37	5,7
Russia	16	16	17	22	25	32	43	51	18,6
Greece	24	24	24	25	26	27	37	43	16,2
Austria	23	20	21	24	25	25	25	25	0,0
Poland	19	20	22	21	22	23	30	39	30,0
Turkey	13	12	14	14	19	21	32	45	40,6
France	**18**	**16**	**17**	**18**	**18**	**20**	**22**	**24**	9,1
Hungary	17	15	16	16	19	20	24	24	0,0
UK	22	18	16	18	20	20	22	23	4,5
USA	15	11	12	14	15	17	18	19	5,6
Netherland	11	12	10	12	13	14	15	16	6,7
Switzerland	6	6	7	8	10	11	13	18	38,5

Source: SORS from Statistical Yearbook 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014.

Among the top three leaders, Slovenia, Montenegro and Bosnia and Herzegovina, only Bosnia and Herzegovina recorded increase of 10.3 % in 2014 in comparison to 2013. Slovenia recorded a slight decrease of 4, 5 %, and Montenegro, in the same negative trend as Slovenia, a drop of 8.8 %

We could say that Serbia was discovery for Turkish people as they recorded the best growth with 45 thousands tourists (40 %) in arrivals, followed by Poland and Croatia (30 %) and Russia (18.6%)

France, as outbound market, recorded increase of 9.1 % in 2014 compared to 2013 and this positive trend is likely to continue.

It is interesting to compare these data from 2007 to 2014 with the data of the international tourist arrivals from sixties, seventies and eighties which recorded higher arrivals of French tourists in Serbia as represented in the table 17.

Table 17: Tourists' arrivals by country of origin in 60s, 70s, and 80s (in thousands)

	SR SERBIA- Arrivals			SR SERBIA- Nights		
	1966	**1975**	**1988**	**1966**	**1975**	**1988**
Total	2460	4021	4507	5774	9967	12891
Domestic	1987	3179	3577	4948	8585	11458
From Bosnia	97	365	320	185	572	787
Montenegro	61	108	241	116	239	396
Croatia	128	463	263	222	649	571
Macedonia	98	228	212	222	430	447
Slovenia	73	166	259	127	241	387
Serbia	1530	1849	2282	4075	6454	8870
Foreign	**473**	**842**	**930**	**826**	**1382**	**1433**
SR Germany	64	154	167	108	214	212
France	**40**	**75**	**36**	**58**	**100**	**51**
Czechoslovakia	34	16	15	56	44	31
Greece	31	40	64	44	50	83
Italy	31	75	70	58	120	108
Great Britain	31	25	19	45	42	47
Austria	28	37	55	43	51	67
Turkey	26	62	47	33	70	53
Bulgaria	24	12	7	44	23	14
SAD	24	24	35	45	51	60

Source: Statistical Year Book of Serbia 1999, p.497-498

As shown in the table 17, French tourists were at the second place among international tourists who visited Serbia. The number of 36, 40 or 75 thousands French in Serbia in 60s, 70s and 80s, seems rather far away in comparison to 20 or 22 thousands of French in 2000s. Nevertheless, these numbers could be a motivating momentum that it is possible to attract more French tourists in Serbia.

It was possible in the past, why not in the future too?

Table 18. International arrivals and nights by market 2014 (thousands)

Market	Arrivals	Nights	Length of stay
Slovenia	64	112	1,8
Montenegro	62	137	2,2
Bosnia-Herzegovina	75	164	2,2
Germany	60	115	1,9
Italy	46	104	2,3
Croatia	64	117	1,8
Macedonia	40	77	1,9
Bulgaria	51	89	1,7
Romania	37	77	2,1
Russia	51	154	3,1
Greece	43	77	1,8
Austria	25	47	1,9
Poland	39	64	1,6
Turkey	45	82	1,8
France	**24**	**53**	**2,2**
Hungary	24	42	1,7
UK	23	56	2,4
USA	19	49	2,6
Netherlands	16	33	2,1
Switzerland	18	40	2,2

Source: SORS from Statistical Yearbook 2013 and report n*19

In the terms of overnight stay, we can see from the table above that the top ten markets are the same as for arrivals, Bosnia and Herzegovina, Montenegro and Slovenia on third position. Tourist from Bosnia –Herzegovina and Montenegro tend to stay longer (2.2 days in average) than neighbors from Slovenia (1.8 days). The big variation and difference in average length of stay can be seen among tourists from Western Europe who tends to stay longer than tourists from neighboring countries. The Russians are positioned at the first place with average length of 3.1 days, followed by Italians 2.3 days. These tourists stay the longest, followed by British (2.4 days) and Americans (2.6 days). The average stay of French tourists (2.2 days) is almost on the same level as from the neighboring country Bosnia-Herzegovina and Montenegro.

It is important to stress that the international market has also outperformed domestic tourism in terms of overnight volumes which fell by 4.3% per annum in the period of 2007-2012 while international overnight volume increased by 4%.

As for interpretation of these data, it is important to point out that the arrivals are counted in each destination visited in Serbia. So, if a tourist stays in more than one place, he is counted twice or more, depending of number of visited places and the average length of stay in the country is understated. Since there are no details about number of visited places per tourist, the extent of double counting is uncertain.

The previous pages have illustrated us where the French tourists are among the international tourists coming to Serbia. Although their number is not dominant, the motivation and belief that they can come in greater number exists as the data from the 60s, 70s and especially 80s have shown us. In order to define what segments of tourism offer Republic of Serbia should develop and to which to give the importance and particular attention in order to attract more French it is important and necessary to make the analyze of French tourists and their reasons and motivation to decide to go to specific destination on holidays. This will be the subject of the following chapter.

3 France as outbound market

3.1 About France – Introduction

France as one of the founders of EU is a leader among European nations with Germany. Worldwide it is very well known through the wine, baguette and extended variety of cheese. The complexity of the country is summarized in famous quotation of the French president Charles de Gaulle in 1962, who said: "How can you govern a country which has two hundred and forty- six varieties of cheese?" A broad palette of diverse landscapes from the sandy Mediterranean cost in the south, rocky Atlantic coastline topped by cliffs in the western part, passing by central part depicted with vivid villages where the traditional deeply rooted French spirit of pride to live in "Douce France" so called "Sweet France" can be felt until the northern regions, heavily industrialized, where just a few drops of the rain are enough for total gloom to descend. This is just the visible part of iceberg which explain why France is the irresistible magnet attracting the biggest number of foreign tourists. As in 1980, the France is world's leading tourist destination in 2013 too.

The country is a permanent member of different organization ... France such as the United Nations Security Council, NATO, the G-8, the G-20, the EU, NATO… In the early 21st century, five French overseas entities - French Guiana, Guadeloupe, Martinique, Mayotte, and Reunion - became French regions and were made part of France proper[8].

3.1.1 About Geography

France is the largest country in Europe with about 551 000 km2. It has the shape of hexagon and therefore is very often called the "Hexagone". It is a land of diverse landscapes: in the Alps and the Pyrenees rise the mountain ranges; the highest peak is Mont Blanc with altitude of 4807 m. Valleys and basins in Normandy alternate with hills in the interior. River Seine and Loire form attractive river valleys where the promenade among the castles introduce you with the rich and turbulent French history, the cost and sandy beaches of Côte d'Azur are known throughout the world. France has access to three seas: the North Sea and the Mediterranean and the Atlantic Ocean! In the Mediterranean sea is situated the mountainous Corsica, known as "the island of beauty".[9]

The neighbor countries are Belgium and Luxemburg in the north, Germany, and Switzerland in the east while Italy and Spain have borders with France in the south.

The total surface of France comprises two parts: the Metropolitan France (the continental part) and overseas territories colloquially called DOM and TOM (départements et territoires d'outre-mer) which include the islands in Indian, Pacific and Atlantic oceans, French Guiana in South America continent and some islands close to Antarctic.

[8] http://about-france.com/in-brief.htm

[9] https://www.cia.gov/library/publications/the-world-factbook/geos/fr.html

3.1.2. About Metropolitan France

Metropolitan France is divided administratively into 22 regions i.e. continental France plus island of Corsica[10]. Beside them, there are five overseas regions. The complex multi- tiered administrative network from the top to the bottom begins with regions as principal territorial units of France, after come counties (departments), the local areas (communautés de communes) and boroughs (communes).
Each region has its regional council presided over by a regional president and possesses the extensive powers in the fields of transport, infrastructure, economic development, tourism and education. The regions have been working hard over the years to develop a regional identity. The regional structure is going to change and might perhaps be in place by 2018 when we will possibly see the number of regions reduced to 18. There are 96 departments in metropolitan France and 5 overseas departments which are also classified as regions.

3.1.3. About History

The France of today has approximately the same area as the Gaul region in which very long ago lived an ancient Celtic people called Gauls[11]. The Roman emperor Julius Caesar conquered the Gauls in the first century BC, and they adopted the Latin language and culture. From the Latin will eventually develop the French language. From the second to the fifth century BC the inhabitants of Gaul had accepted Christianity. In the 4th century, the eastern Gaul was overwhelmed by Germanic tribes, mostly Franks, which influenced the creation of the name France. France became a separate state division of the Frankish empire by the Treaty of Verdun in 843 when the Carolingian empire split into 3 parts, while the western part corresponds to France. Initially, the core of the French state was suited in the feudal domain of the kings of the dynasty Capet (in the area around Paris).
Towards the Kingdom and the Republic the dynasty Capet, Valois and Bourbons alternated on the throne of France and they all worked on the unification and expansion of the Kingdom. French monarchy reached its peak in the 17th century during the reign of Louis XIV. At this time, France had the largest population in Europe and was the most important factor in European politics, economy and culture.

The French Revolution of 1789 destroyed nearly 1,200 years of monarchy and introduced the republic form of government. Napoleon Bonaparte took over the leadership of the Republic in 1799, and proclaimed himself emperor of France in 1804, his army fought across Europe, conquered many countries, and Napoleon's relatives have become the new rulers of conquered states. During his reign, was composed the Napoleon's code referring to the civil rights, which became a model for many legal systems in the world. After the final defeat of Napoleon in 1815 in the Battle of Waterloo, France has once again become a monarchy. After starts the period of instability which is marked by alternation of Republican, Napoleonic-imperial and monarchical forms of governance. Since the fall of Napoleon III, in 1870, France is a republic.

[10] http://www.insee.fr/fr/methodes/default.asp?page=definitions/france.htm
[11] http://www.histoire-france.net/

3.1.4. About Economy

In 2012, France was the fifth economic power in the world after USA, China, Japan and Germany[12]. More than 70% of the active population is involved in it.
Agriculture with domination of livestock (cattle, poultry sheep) plays the prominent role, larger than in the other industrial countries. It is the foremost world's wine producer with the vineyards in Bordeaux region, Burgundy, Loire and Rhone valleys and Champagne.
The industrial sector produces especially chemicals, automobile, building and public works, aircraft, rail, textile, food, energy, and pharmaceutical and cosmetics sectors. The transport sector comprises the efficient road and extensive railway network.
Industries of advanced technology are also very important as the tourism sector which is developing all the time. France as the world's leader in number of tourists 'arrivals is at the third place concerning international tourism receipts. This is the starting point for French government to make additional efforts and program in order to improve this segment too.

3.1.5. About Transportation

The whole country of France is covered by developed road and rail transport network[13]. The motorways make more than 10 000 km and cross the France in all directions, from North to the South and from West to the East and the whole transportation system is one of the best in Western Europe.
It benefits of the high speed rail lines of which the first was completed in 1983, linking Paris to Lyon.
From Paris by TGV (train à grande vitesse) it is possible to come in short period of time to every other town not only within the France but to the neighbor countries too. With "Chunnel" completed in 1994, it is possible to reach London from Paris in 3 hours.
Almost every bigger city has the airport and Paris with its Charles de Gaulle possesses one of the largest international one.
Beside the railway network, in the large cities the public transportation is very well developed through metros, tramways and bus system.

3.1.6. About Tourism

Tourism is a key sector of the French economy, contributes with more than $ 54 billion in revenue in hotels, restaurants, shopping, recreation, etc. It creates almost a million of jobs and contributes to the employment rate in the country. It is evident that an entire industry of hotels, restaurants, cafes depend on the contribution of the tourism.
As a number one tourist destination in the world by international tourists arrivals, the expenditure of those visitors together with the French ones, account for over 7% of GDP[14].

[12] www.cia.gov
[13] www.cia.gov
[14] http://www.veilleinfotourisme.fr/etudes-rapports-et-statistiques-une-cartographie-des-connaissances-strategiques-du-tourisme-92181.kjsp?RH=ECO&RF=1325687059292

France is positioned as a county of culture with great abundance of cultural institutions such as museums, theatres, galleries, numerous monuments reflecting the rich historical and cultural heritage as the festivals do.
The essential tourism organization responsible for promotion of France within the country but on the international stage too is AtoutFrance, national agency established in 2009.
There are very important lows that have been adopted in the past in order to develop or improve variety of facilities with aim to attract more tourists to the sunny coastline areas or in mountain regions. One of them was "plan Snow", (plan Neige) from 1964 with a concept of very functional mountain resorts, ski services, and initiation of a unique partnership with communities in order to develop a new generation of high performance stations that will be able to attract foreign tourists.
All those big national plans have had an impact on the economy of the areas through the improvement of the infrastructure and reception equipment.

The Coastal Law on management, protection and development of coastal areas was adopted in 1986. It responded to a requirement to protect the natural environment in these areas affected by tourism. France is actively working to increase the added value of tourism by developing the new trends such as business tourism or some segment of religious tourism as this is the only way to stay in the global game of highly competitive industry in Europe. The overseas departments are also in the promotion as their beautiful lagoons and wild beaches have the potential to attract more tourists.

3.2 Factors influencing the demand

Human needs to travel for tourism purposes and the payment capacity of the holders of the tourist demand create the basis of tourist demand according to S.Unkovic and B. Zečević (p. 148, 2012)
The tourist demand is very sensitive and influenced by a large variety of different factors which can be classified by different criteria.
According to Unković S. and Zečević B. (2012, p. 149-151) the factors influencing the tourist demand can be grouped in the following way:

- General factors
- Specific factors

General factors affect the tourism demand in general, in other words they cause the occurrence of tourism demand in a particular tourism environment i.e. source of demand.
Specific factors determine tourism demand for services of specific destination or company.

In the following lines we will provide the key factors affecting tourism demand on French market.

3.2.1 Holiday entitlement

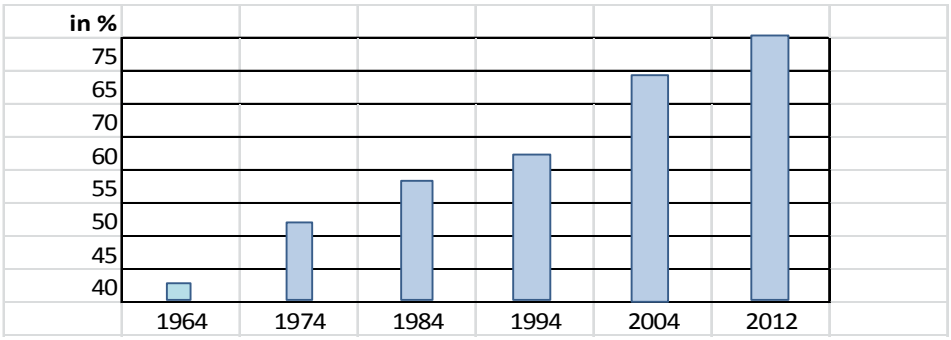
In France, the concern for employees is very significant and is manifested through the laws about working time and paid leave (holidays). France was one of the first countries which established the paid leave. The legal workweek is set at 35 hours, regardless the company with a working day which can't exceed 10 hours.

Today the legal paid leave is calculated by 2.5 days per month of actual work for the same employer. This means that the holiday lasts for 30 working days (5 weeks) for a full year of work during the period considered.
The French employees in permanent contract had in 2010 in average more than 6 weeks of paid holidays. These holidays are in general concentrated during the school holidays as well as for public holidays.[15]
Therefore the holiday entitlement is at the base of massive tourism development in France.
The importance of holidays is stressed by the government's assistive tool, so called "holiday check" which encourages the departure on holidays for all category of employees with low incomes as the "holiday for all " is the right of each citizen of France.

3.2.2 Structure of people going on holiday

In the period from 1964 to 2012 the number of French people going on holidays has been increasing every year. Their starting rate for trips undertaken for private purposes rose from 43 % in 1964 to 75.1% in 2012 according to dossier "Le tourism en France" (p. 31-32, 2008. People born between 1940 and 1944 were the first to experience a high rate of departure. The habit of going on holiday then spread from generation to generation.
In the same dossier it is stated that in 1964, 43% of French population went at least one time of holiday for a minimum stay of 4 nights. Ten years later they were 51 % and in 2012, 75.1% with the average stay of 5.7 nights.
This departure rate increased rapidly between 1964 and 1989 and then progress more slowly.
The increase is primarily due to a generational behavior; the new generations systematically undertake more vacations than the older generation at the same age. The generation born between 1940 and 1944 is the first to grow at an average starting rate above 60% throughout their life

Table.19 Evolution rate of holiday departure (1964-2012)



Source: Dossier „Les vacances des Français depuis 40 ans", p.31 and calculation on my own

[15] http://www.insee.fr/fr/ffc/ipweb/ip1422/ip1422.pdf

3.2.3 Who goes on holiday?

The number of people who leaves on vacation increases every year as the travel behavior is changing.

Table 20. Holidays in 2010 by certain demographic factors

	Number of days	**Number of weeks**
Total	37	6,2
Men	36	6,1
Women	37	6,2
Age		
from 15 to 29 years old	33	5,6
from 30 to 49 years old	37	6,1
50 years old or more	39	6,6
Type of family		
Single parent	38	6,3
Living alone	37	6,2
Couples with children	37	6,2
Couples without children	36	6,1
Complex household	29	4,8

Source: Insee Première, enquête en continu sur l'année 2010, p.1

In 2010 the French employee had in average 37 days of holidays which corresponds to 6.2 weeks as pointed out in dossier " En 2010 les salaries ont pris en moyenne six semaines de congé" edited by Insee Première. (p.1)

The personal characteristics don't affect too much the number of holiday days as the men and women take in average the same number. The same statement refers to type of family as there is no much difference between single parents or couples with or without children.

By this enquire from 2010 we can see that only age reveals different situation: the employees aged less than 30 years take less holidays (33 days) than their older colleagues (37 or 39 days) These difference could be partly explained by some advantages gained over time in the company or additional free days linked to seniority.
The same enquire showed that employment status has a very important influence on number of holiday days. The executive sectors (directors, civil servants…) and intermediate occupations take the biggest number of holidays days (41 days or 6.8 week) while the workers and employees take in average 32 or 35 days respectively.

3.2.4 Trends in French behavior in tourism in 2012

In 2012, three-quarters of the French, 76 % went on holidays for personal reasons with average number of trips 4.7 per person. That means that in Metropolitan France we can count on about 48 million of French as possible tourists. Number of trips within the borders of France remained the same as in 2011, but declined concerning the trips abroad. From the table 21, we can see that French people have preference to spend their holidays in France than to go abroad.

French tourists have shortened their stays, particularly in France. Their number of nights was decreased in France (- 1.4%) and abroad (- 4.0%). Attendance at commercial accommodation which had jumped 8.1% in 2011 fell by 4.9% in 2012.
However, spending on travel in France (43.3 billion euros) increased slightly (+1.3%) due to growth in average spending per night (+ 2.7%).Nevertheless, spending on travel abroad (27.3 billion euros) fell despite stability in spending per night.

Table 21.Depature rate by short/long trips and destination

	Departure rate (in %)							
	2005	2006	2007	2008	2009	2010	2011	2012
Total trips and all destinations	79,2	79,1	78,3	78,2	78,8	76,6	76,7	76,0
Short trips (1 to 3 nights)	56,0	55,3	55,9	56,0	56,7	53,5	54,4	53,6
Long trips (minimum 4 nights)	71,1	69,6	69,0	68,9	68,5	66,9	67,1	66,3
In metropolitan France (1)	76,1	75,6	74,7	74,6	74,9	72,8	73,4	72,2
Trips abroad or in overseas France (2)	27,0	26,3	26,8	f26,7	25,8	25,6	25,9	25,2
Exclusively in Metropolitan France (3)	51,7	52,3	51,5	51,6	53,0	51,0	51,4	50,7

(1) Percentage of French people who are or over 15 years old and who went at least one time to metropolitan France.
They could also make one or more trips abroad.
(2) Percentage of French people who are or over 15 years old and who went at least one time abroad or in overseas France.
They could also made one or more trips in metropolitan France
(3) Percentage of French people who are or over 15 years old and who went exclusively to metropolitan France.

Source : Dgcis, survey SDT.
„Bilan du tourisme 2012", p.19-20

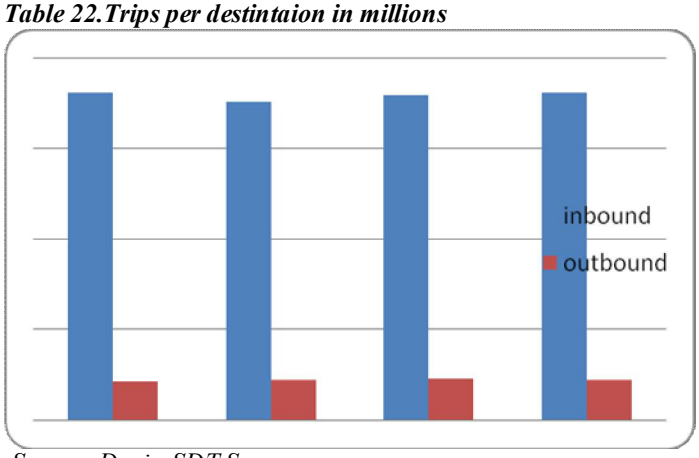
Despite the decline in the rate of departure (- 0.2% 2011/2012), the total number of trips made by the French for personal reasons is unchanged in 2012. It is settled at 203 million, slightly above the recorded levels in 2008 and 2009 (202 million) after 198 million in 2010, however, it remains lower than in the years 2005 to 2007 when the 210 million threshold was exceeded.

3.2.5 France, dominant destination among French tourists

The French is the nation that pays a special attention to the holidays as they are highly attached to it. With total 203 million trips made in 2012, only the 22 million or just 12.5 percent of total trips are made abroad as accounted by „Bilan du tourisme en 2012",(2012, p.19-22). This preference can be understood easily if we just take a glance on the rich abundance of landscape variety in France: three very different coastlines distributed over Mediterranean Sea, Atlantic and North Sea; vivid countryside with rich cultural heritage and mountain regions in Alps and Vosges. The choice is quite

extended and completed by highly easy accession to the destination spots thanks to very well developed transportation network. The most loved destination are the South and Cote azure for the period of July and Aguste when is the highest concentration of holidays during the whole year.

Table 22.Trips per destintaion in millions



Source: Dgcis, SDT Survey

Table 23. Trips of residents of metropolitan France (in millions)

Year	2009	2010	2011	2012
In metropolitan France	181	176	180	181
Abroad	21	22	23	22
Total	202	198	204	203

Trips within the borders of France in 2012, a large majority (89.0%) continue, with a very slight increase 0.2% in comparison to 2011, while trips abroad or in overseas fell by 3.1%. These developments are without the favorable orientation of 2011, when travel in France had increased by 2.6% and outbound trips by 7.0%. Traveling in France in 2012 maintains a level close to those of 2008 and 2009, with 181 million, but still lower by about 10 million people in the years 2005 to 2007 trips. Trips abroad amounted to 22 million and, despite their steep decline, remain somewhat above the levels seen 2008-2010, almost the same level as in 2005 and 2006.

The slight increase in travel in France (0.2%) results from the increase of 0.4% short travel (from one to three nights), offset by a slight decline in long trips (- 0.1%). The decline of 3.1% foreign travel was due entirely to his hand by the negative evolution of long trips (- 4.3%), while that short trips continued to increase (+1.4%).

3.2.6 Outbound trips per destinations

Althought the French prefere to stay in France for the holidays, there are among them some who decide to dare the trip abroad[16]. This trend is in expension especially due to the increase of low cost companies which make the deplacement very economic. Europe is at the first place concerning destination choice.

In 2012, over 72,3 % of outbound trips were made in this continent as shown in diagram 1.

[16] www.veilleinfotourisme.fr

(page 43). At the second place is the continent of Africa with 10.8 % of French tourists in front of the Americas which greeted 7.7 % of French people in 2012.

Diagram 1. Trips made by French tourists by destinations in 2012.

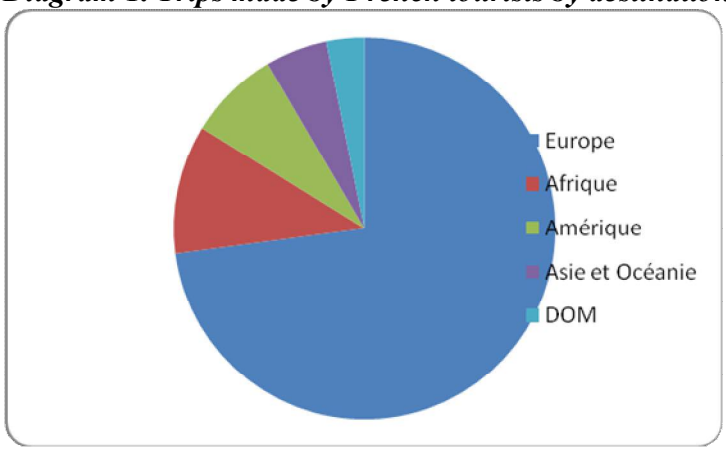


Table 24. Trips to overseas France and abroad by destination

Destination	Structure in 2012 (in %)
Europe	72,3
of which Spain	16,1
Italiy	10,9
Africa	10,8
The Americas	7,7
Asia, Oceania	5,2
DOM- Overseas France	3,2
Totalabroad + DOM	**100,0**

Source : enquête SDT (Dgcis).

The preferred European country is Spain with 16.1 % of share before
% ("Bilan du tourisme en 2012." p.24)
Afrer Europe the French show predilection for Africa and after the Americas (7.7%).
When we compare the rates between 2011 and 2012 we can conclude that only Italy registered the increase of 2.1%, while the Europe as continent registered the decline of – 2.7 %. The same negative trend is stated for the continent of Africa (-4 %), the Americas (-4.3 %) and Asia and Oceania (-4.9%).

Table 25. Trips by destination- evolution 2011/2012

	Trips		
Destination	Structure in 2012 (in %)	Evolution 2012/2011 (in %)	Contribution to total evolution (in points of %)
Europe	72,3	-2,7	-1,9
of which Spain	16,1	-0,4	-0,1
Italiy	10,9	**2,1**	0,2
Africa	10,8	-4,0	-0,4
The Americas	7,7	-4,3	-0,3
Asia, Oceania	5,2	-4,9	-0,3
DOM- Overseas France	3,2	-2,3	-0,1
Total abroad + DOM	**100,0**	**-3,1**	**-3,1**

Source:enquête SDT (Dgcis). "Bilan du tourisme en 2012",p. 24

The table 26 will illustrate in more details the preferred countries by French tourists.

Table 26. The outbound destinations in more details

For 2012	**Trips (in thousands)**	**Overnights stay (in thousands)**	**Average duration of trip (in number of nights)**
Europe	**16,194**	**122,457**	**7.6**
of which Spain	3,720	34,771	9.3
Italy	2,52	18,589	7.4
Great Britain	1,307	8,380	6.4
Belgium + Luxembourg	1,419	4,836	3.4
Germany	1,257	6,279	5.0
The Americas	**1,771**	**25,851**	**14.6**
of which United States	802	11,418	14.2
Africa	**2,507**	**28,350**	**11.3**
of which Morocco	747	8,993	12.0
Tunisia	704	7,205	10.2
Asia, Oceania	**1,203**	**19,225**	**16.0**
Total trips abroad (excl. overseas France)	**21,675**	**195,883**	**9.0**
Overseas France	**737**	**12,122**	**16.5**

Source: Dgcis, SDT Survey in Memento du tourisme, édition 2013“, p.98

The SDT Survey in „Memento du tourisme, édition 2013“, p.98 has shown that Spain recorded the biggest number of French tourists in 2012, more than 3.720 thousands trips or 16,1 % of all outbound tourists travel.

The rank in 2012 is the following according to Dgcis:

1. Spain (3 720 thousand trips or 17.2 % of share)
2. Italy (2 520 thousand trips or 11.6 % of share)
3. Belgium and Luxembourg (1 419 thousand trips or 6.5 % of share)
4. Great Britain (1 307 thousands trips or 6 % of share)
5. Germany (1 257 thousands trips or 5.8 % of share)
6. Portugal (871 thousand trips or 4% of share)
7. Switzerland (760 thousand trips or 3.5 % of share)
8. Turkey (550 thousand trips or 2.5 % of share)
9. Greece (516 thousand trips or 2.4 % of share)
10. Holland (476 thousands trips or 2.2 %)

These top ten European destinations make in total 61.7 % of all outbound trips.

3.2.7 Outbound trips by length

According to „Memento du tourisme 2013“p. 95, French tourists made over 203 million of trips (domestic and abroad trips) in 2012 with average duration of 5.7 nights per stay. The short outbound trips (1-3 nights) represented 2.39% with average stay of 2.3 nights while the long outbound trips (4 + nights) represent 8.63% of the total trips undertaken in 2012 which is showed in the table below.

Table 27. The average duration of trips in 2012.

Trips in 2012.	**Trips (in thousands)**	**Overnights stay (in thousands)**	**Average duration of trip (in number of nights)**
Total trips	**203,184**	**1,163,528**	**5.7**
of which Metropolitan France	180,772	955,523	5.3
Abroad + overseas France	22,412	208,005	**9.3**
Short trips (1 to 3 nights)	**105,949**	**195,843**	**1.8**
of which Metropolitan France	101,083	184,838	1.8
Abroad + overseas France	4,866	11,005	2.3
Long trips (4 nights or more)	**97,235**	**967,685**	**10.0**
of which Metropolitan France	79,689	770,685	9.7
Abroad + overseas France	17,546	196,999	11.2

Source: Dgcis, SDT Survey in “Memento du tourisme 2013 p. 95

When we take into consideration the average duration of trip for the period from 2005 up to 2012. The features are the following:

Table 28. ***Average duration of the trips (in number of nights)***

	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Total trips for personal purposes	**5,9**	**5,9**	**5,8**	**5,9**	**5,7**	**5,8**	**5,8**	**5,7**
of which Metropolitan France	5,5	5,5	5,4	5,5	5,3	5,3	5,4	5,3
Abroad + overseas France	9,4	9,2	9,3	9,6	9,3	9,5	9,4	9,3
Short trips (1 to 3 nights)	**1,9**	**1,9**	**1,9**	**1,8**	**1,9**	**1,8**	**1,9**	**1,8**
of which Metropolitan France	1,9	1,9	1,9	1,8	1,8	1,8	1,8	1,8
Abroad + overseas France	2,2	2,3	2,2	2,2	2,2	2,2	2,2	2,3
Long trips (4 nights or more)	**10,2**	**10,2**	**10,1**	**10,3**	**10,1**	**10,2**	**10,1**	**10,0**
of which Metropolitan France	10,0	10,1	9,9	10,0	9,8	9,9	9,8	9,7
Abroad + overseas France	11,2	11,0	11,1	11,7	11,3	11,5	11,2	11,2

Source: Dgcis, SDT Survey, « Memento du tourisme 2013 », p. 95

We can see that the average duration of trip has not been changed considerably in the monitored period. When French people go abroad they have preferences to stay longer than when they travel within the boundaries of the France. The interesting data for the Republic of Serbia is that the average duration of the short trip abroad is 2.3 nights which needs to be taken into consideration regarding Serbian tourism development oriented toward France as the outbound market and the choice of tourism products aimed to make the favorable positioning on the French market.

Table 29. Average duration of trips (in number of nights) by destination

	2010	2011	2012
Europe	7,6	7,6	7,6
The Americas	14,5	15	14,6
Africa	11,7	11,7	11,3
Asia, Oceania	16	15,4	16

Source: Dgcis, „Memento du tourisme 2013“, p.98

Over the period 2010-2012, the average length of French tourists holidays in Europe remains the same with an average of 7.6 days Concerning the Americas and Africa, it shows a decrease in 2012 compared to 2011 while for Asia and Oceania it has increased.
When the French travel outside Europe they tend to stay longer with an average stay of 16 days in Asia and Oceania and 11.3 days in Africa. As the destinations in Europe are closer, this proximity encourages shorter trips. The contribution to this trend is given by low cost transportation too.

***Table 30. The average duration of the trips by** country*

Destination	Average Duration of the trip (in number of nights)
Europe	**7,6**
Of which Grait Britain	6,4
Ireland	7,9
Germany	5,0
Begium + Luxembourg	3,4
Holland	4,1
Spain	9,3
Portugal	12,0
Italy	7,4
Swizerland	5,0
Austria	7,2
Scandinavia	11,1
Grece	8,7
Russia	10,7
Croatia	10,1
Check Republic	4,2
Turkey	9,9
Other european countries	8,4

We can see that French spend fewer nights in neighboring as in the case of Belgium and Luxembourg (3.4 nights) or in Germany (5 nights)
More the European county is farther more the number of nights rise.
Thus, 4.1 nights spent in Holland against 11.1 nights in Scandinavia or 10.7 days in Russia and 10.1 days in Croatia.
The highest average duration of the trips belongs to Portugal as there is a considerable number of Portuguese in France who emigrated from Portugal too long ago. In the period 1960 to 1970 the number of Portuguese in France passed from 50 000 to more than 700 000 and today this trend continues as Portugal is affected by economic crisis. Therefore, these Portuguese who work and live today in France return to their natal country for holidays to visit family and friends.

The Americs	**14,6**
of which US	14,2
Canada	16,9
Mexico	14,5
Dominican Republic	12,1
Other countries of the Americas	14,5
Africa	**11,3**
of which Marocoo	12,0
Algery	14,1
Tunis	10,2
Egypte	8,8
Senegal	10,3
Other countries of the Africa	11,8
Asia and Oceania	**16,0**
of which Middle Orient	9,6
Japon	15,5
China	15,0
Vietnam	18,1
Australia	25,6
India	17,1
Thaïlande	13,6
Other countries of Asia and Oceania	17,2
Total abroad * (excl. DOM)	**9,0**

Source:Dgcis, „Memento du tourisme 2013“, p.99

3.2.8 Outbound trips marked by seasonality

As the holiday entitlement lies in the basis of the tourism demand, the school holidays have the predominant role in the decision making about the period to go to holiday. It is estimated by Eurostat that about 60% of the outbound trips take place from April to September (“Bilan du tourisme 2013”, p. 22) The second factor is the rule in the private and public sector to take holidays during summer and there are as well the companies which have the option of collective holiday in summer period (shot down of majority of production units…)

The third reason encouraging holiday in this period is favorable climate and some public and religious holidays (the national holiday of 14th of July, the religious holidays such as Ascension in May, Pentecost in June, Assumption in Aguste) which create a good possibility to make so called „bridges“, the extended week-end.

The third quarter of the year (July, August and September) accounts 34.95 % of the departure rate in 2012. The month of August has the highest rate with 26 797 thousand of trips in Metropolitan France (14.82 %) and with 2.049 thousands trips abroad (16.73%).

Table 31. Number of trips by French residents per month in 2012.

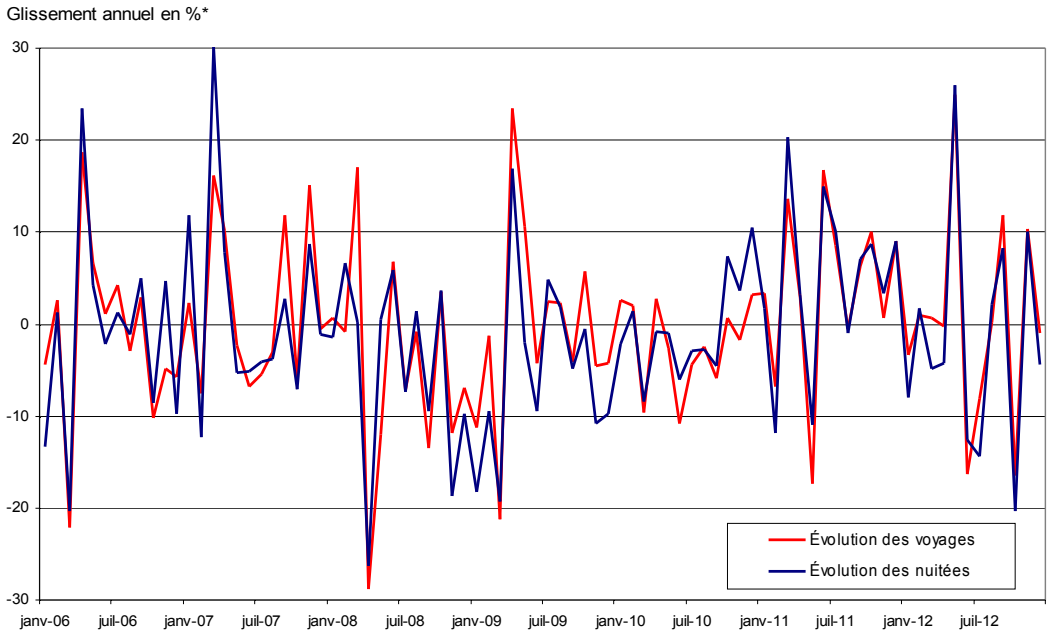
	Number of trips (in thousands) for personal purposes by French residents in 2012			Average duration of trip (in number of nights)
	In metropolitan France	Abroad or DOM	All destinations	Abroad or DOM
January	11.119	940	12.059	9,7
February	10.646	1.177	11.823	8,6
March	10.990	1.317	12.306	9,3
April	16.764	2.188	18.952	7,5
May	17.909	2.785	20.694	7,9
June	12.842	1.796	14.637	8,5
July	**19.721**	**2.085**	**21.806**	**10,2**
August	**26.797**	**3.749**	**30.546**	**12,8**
September	**15.268**	**2.049**	**17.316**	**9,8**
October	11.170	1.628	12.797	8,1
November	12.232	1.612	13.844	7,4
December	15.315	1.087	16.402	8,0
Total	**180.772**	**22.412**	**203.184**	**9,3**

Source : Dgcis, enquête SDT „Memento du tourisme 2013", p. 112

Monthly changes were particularly encountered in 2012, mainly reflecting the timing effects .The first half February advantage of an extra day (February 29), in March of a calendar school, the holiday was later than the previous year, with Parisian holiday with this year overflowed March and May was more favorable for making bridges.

On the other hand, June suffered from good month of May and July suffered from the combined effects of adverse weather effects, with a start date of summer vacation later that year before and no bridge for July 14. Similarly, the French are gone in October, and many more In November. The Thanksgiving holiday was in 2012, located mainly in November and extended for half of week. Delayed Christmas holiday also affected the French tourist mobility in December.

Diagram 2. Evolution of tourism (travel and overnights stays by French residents since 2006



Source: „Bilan du tourisme 2013“, p.22

3.2.9 Expenditure during trips

According to enquiry made by Dgcis (in „ Bilan du tourisme 2013“, p. 26) the travel spending in France after two years of strong growth (+4.9% in 2010 and 10.9% in 2011), the expenditure of French tourists for personal reasons crumbles 0.6% in 2012, which is in line with the downward trend in travel and especially nights. But this overall decline covers contrasting trends depending on destination: 1.3% increase in spending during trips within Metropole France and a decline of 3.7% of expenditure incurred when traveling abroad.

The table 32. (page 50) shows us that spending on package and non-package accommodation retreats significantly by 7.6% and 6.3 % respectively. On the other hand the transportation expenditures out of package rose up slightly for trips abroad (0.3%)
The total amount spent reached EUR 67.0 billion of which 23.7 billion was spent on the trips abroad or overseas.
The average expenditure per night is estimated at 45 euro for trips in France and 114 euros for trips abroad.

Table 32. Expenditure of French tourists abroad

Type of expenditure	Amount 2012 in billion of EUR)	Structure of expenditure by sector in 2012 (in %)	Evolution 2012/2011 (in %)	Contribution to total evolution (in points of %)
Package	9,9	41,7	-6,3	-2,7
Accommodation (out of package)	2,9	12,2	-7,6	-1
Transport (out of package)	17,9	17,9	0,3	0
Others (out of package)	28,2	28,2	-0,4	-0,1
Total	100	100	-3,7	-3,7

Source enquete SDT (Dgcis) „Bilan du tourisme 2013“, p.27

By expenditure the French people are ranked at the 6th place after Chinese who tend to spend the most during their holidays, Germans, American, British and Russians.

Table 32.

World's Top Tourism Spenders

Rank	International Tourism Expenditure (US$ billion)				Local currencies Change (%)		Market share (%)
	2005	2010	2011	2012*	11/10	12*/11	2012*
1 China	21,8	54,9	72,6	102,0	($) 32,3	($) 40,5	9,5
2 Germany	74,4	78,1	85,9	83,8	4,7	5,8	7,8
3 United States	69,9	75,5	78,7	83,7	4,2	6,4	7,8
4 United Kingdom	59,6	50,0	51,0	52,3	-1,6	4,1	4,9
5 Russian Federation	17,3	26,6	32,5	42,8	($) 22,1	($) 31,8	4,0
6 France	31,8	39,0	44,1	38,1	7,6	-6,4	3,5
7 Canada	18,0	29,6	33,3	35,2	8,2	6,7	3,3
8 Japan	27,3	27,9	27,2	28,1	-11,2	3,1	2,6
9 Australia	11,3	22,2	26,7	27,6	7,0	2,9	2,6
10 Italy	22,4	27,1	28,7	26,2	0,8	-1,0	2,4
11 Singapore	10,1	18,7	21,4	22,4	5,7	3,9	2,1
12 Brazil	4,7	16,4	21,3	22,2	($) 29,5	($) 4,6	2,1
13 Belgium	15,0	18,9	22,1	21,7	11,1	6,6	2,0
14 Hong Kong (China)	13,3	17,5	19,2	20,5	9,7	6,7	1,9
15 Netherlands	16,2	19,6	20,5	20,2	-0,4	6,5	1,9

Source: World Tourism Organization (UNWTO) © (Data as collected by UNWTO April 2013)
$ = percentage derived from series in US$ instead of local currency

3.2.10 Type of transport used for going on holidays

According to „Bilan du tourisme 2013“(p. 26), the French have used mainly the road in 2012 for travelling to all destinations. More than 77% of trips have been made by road (77.9%), mainly by car. For travel abroad, the air remains logically mode majority of transportation (58.8%), followed

by road (32.7%). For travel within France, the trips by road are the highest (83.5%), well ahead of rail that affects nearly a trip of seven (14.4%).

3.2.11 Type of accommodation

The same report shows (p.26) that the majority of French overnights stay within France is realized in non-rented accommodation 60.3 % while abroad the overwhelming trend is for rented accommodation 69.2 % of which the hotel accommodation turns out to be the most preferred with 44.1 %
The non rented accommodation within Metropolitan France is explained by the fact that usually the relatives, or friends assure the accommodation or it is done in second home.

Table 34. Overnight stays made by French residents in France and abroad in 2012

	Overnights stay in total (France +abroad)			**Overnights stay in France**			**Overnights stay in abroad + DOM**		
Tourism by type of accommodation	Number of nights 2012 (in millions)	Structure of stay by type of accommodation in 2012 (in %)	2012/2011 in %	Structure of stay by type of accommodation in 2012 (in %)	Evolution 2011/2012 (in %)	Contribution to total evolution in%	Structure of stay by type of accommodation in 2012 (in %)	Evolution 2011/2012 (in %)	Contribution to total evolution in%
Hotel	143	12,3	-11,7	5,3	-14,2	-0,9	**44,1**	-10,3	-4,8
Camping ground	94	8,1	-2,7	9,0	-0,6	-0,1	3,5	-22,1	-1,0
Rentals, self-catering, bed and breakfast	159	13,6	-14,4	13,5	-18,3	-3,0	14,3	7,9	1,0
Other rented accommodation	67	5,8	57,5	5,4	88,4	2,5	7,3	1,2	0,1
Rented accommodation	**462**	**39,7**	**-4,9**	**33,3**	**-4,1**	**-1,4**	**69,2**	**-6,6**	**-4,7**
Vacation home	165	14,2	2,4	16,8	2,1	0,3	2,1	15,1	0,3
Family	422	36,3	1,8	40,0	2,0	0,8	18,9	-0,6	-0,1
Friends	89	7,6	-3,3	7,8	-5,9	-0,5	6,8	13,0	0,8
Other non rented accommodation	26	2,2	-20,8	2,0	-24,7	-0,7	3,0	-5,4	-0,2
Non-rented accommodation	**701**	**60,3**	**0,2**	**66,7**	**0,0**	**0,0**	**30,8**	**2,6**	**0,7**
Total accommodation	**1.164**	**100,0**	**-1,9**	**100,0**	**-1,4**	**-1,4**	**100,0**	**-4,0**	**-4,0**

Source : enquête SDT (Dgcis). "Bilan du toursime 2013" p.26

3.2.12 Internet as a main tool for organizing the trips

In 2012, about 45 % of French personal travels have been booked. The booking concerns transportation, accommodation or activities on site, or a combination of these elements, totaling 91 million of trips. Of these, 78% are booked for Paris. The number of trips booked progresses strongly for traveling in France (+6.3%) and for trips abroad (+9.6%). Trips s are always reserved for

majority of traveling abroad (89%) and concern 39% of travel s in metropolitan France as stated in „ Bilan du tourisme 2013“ (p.23)
The same report shows that using the Internet to book one or more components of the trip (accommodation, transport, etc.) continues to grow. Thus, in 2012, the French have gone through Internet for 66% of trips booked. This rate is more important for trips abroad: 70%, against 65% for travel s within France. These proportions are high regardless the destination.

Table 35. Number and classification of trips by destination and type of reservation methods

Tourism by type of booking in 2012	Metropolitan France	Abroad +DOM	Total
Booked trip (in thousands)	70,99	19,94	90,93
of which Travel agencies and tour operators (in%)	7,3	41,6	15,0
Service providers (in%)	68,2	42,5	58,3
Other reservation bodies (in %)	29,5	16,9	26,7
Shared of booked trips (in%)	39,3	89,0	44,8

Source: *Dgcis, enquête SDT in “ Memento du tourisme 2013”, p.114*

With development of internet services, the organization of trips has become easier for each peerson and doesn’t need to involve some travel agency. Tourists have the freedom and possibility to create their own trips. The survey, made by the European Commission, “Attitudes of Europeans towards tourism” (March 2013), showed that 50% of French organized their holidays thanks to the internet in 2012. Only 13% of them did it through a travel agency.

Table 36. Percentage of trips arranged by different methods

Did you arrange your holiday in 2012 using any of the following methods?							
	The Internet	Through someone you know	Over the phone	Over the counter at a travel agency	On-site (place of holidays)	Over the counter of a transportation company (airline company, railway company ...)	By post
EU27	53%	21%	19%	19%	11%	6%	3%
FR	**50%**	**25%**	**19%**	**13%**	**13%**	**8%**	**6%**

Source: „Attitude of Europeans towards tourism in 2012.“ p.36

3.2.13 Purpose for travelling

As the French people give priority to their country concerning holiday destination, we have analyzed their trips by purpose in France. This analyze might give us the idea about the motifs encouraging French tourist to go to holiday within France but abroad too.
The countryside continues to be the favorite destination of French and greet over a third of travels before cities (29% of trips) and the coast (22%), far ahead of the mountain (11%). Only cities continue to rise, with 2.8% after 0.9% in 2011. Nevertheless, the mountain, which was very favorable in 2011, is in decline in 2012 (- 3, 2% off the mountain resorts and - 4.7% for ski resorts), the coastal areas are also down (- 1.8%) after a good year in 2011 Trips to countryside are, on other hand, unchanged (+0.2%).

Table 37. Number of trips by type of destination in metropolitan France in 2012.

Trips in metropolitan France by type of destination in 2012	Number of trips (in thousands)					Percentage of trips in 2012
	2008	2009	2010	2011	2012	(in %)
Seaside	**41.160**	**41.412**	**39.735**	**41.046**	**40.289**	**22,3**
of which countryside	22.363	22.321	21.409	22.758	21.778	12
City	18.797	19.091	18.326	18.287	18.511	10,2
Mountains	**19.889**	**19.353**	**18.909**	**19.873**	**19.109**	**10,6**
of which Non ski resort	11.154	11.066	10.583	11.325	10.960	4,5
Ski resort	8.736	8.287	8.326	8.548	8.149	6,1
Countryside	**63.235**	**62.721**	**60.301**	**61.783**	**61.934**	**34,3**
City	**51.277**	**51.386**	**51.332**	51.778	53.227	**29,4**
Not reported	5.790	6.130	5.652	6.002	6.213	3,4

Source Dgcis,"Memento du tourisme 2013." p.104

Based on the data from the table we can conclude that French stay more nights on seaside, when they go on holidays than when they go on countryside. The number of nights decreased in 2012 in seaside, mountains, countryside in comparison to 2011. Only the number of nights spent in city increased in 2012 for 1.13 % in comparison to 2011.

Table 38. Number of overnight stays in 2012 by type of destination in metropolitan France

Trips in metropolitan France by type of destination	Number of overnights stay (in thousands)					Percentage of overnights stay in 2012
	2008	2009	2010	2011	2012	(in %)
Seaside	**309.275**	**303.335**	**293.214**	**299.055**	**294.530**	**30,8**
of which countryside	187.116	183.832	176.866	184.899	177.572	18,6
City	122.159	119.502	116.348	114.156	116.958	12,2
Mountains	**135.533**	**127.809**	**124.862**	**134.873**	**128.506**	**13,4**
of which Non ski resort	71.832	67.022	65.975	74.747	71.178	7,4
Ski resort	63.701	60.787	58.888	60.126	57.328	6,0
Countryside	**306.266**	**296.434**	**290.572**	**296.677**	**289.819**	**30,3**
City	**205.400**	**199.076**	**196.175**	**202.584**	**204.875**	**21,4**
Not reported	35.505	35.221	34.755	35.969	37.793	4,0

Source Dgcis, „ Memento du tourisme 2013. ", p.104

The survey "Attitudes of Europeans towards Tourism" (March 2013) shows that the main reason stimulating French for going on holiday is visiting friends/relatives/family. 45% of them gave this answer.

Table 39. What were your main reasons for going on holiday in 2012?

Sun/ Beach	Visiting family/ friends/relatives	Nature (mountain, lake, landscape…)	Culture (e.g. religious culinary, purposes arts)	City trips	Wellness/Spa/ health treatment	Sport related activities (e.g. scuba-diving, cycling)	Specific events (sporting events/festivals clubbing)
41%	**45%**	**24%**	**19%**	**19%**	**17%**	**8%**	**5%**

Source: „Attitude of Europeans towards tourism in 2012. ", p.27-29

As a second reason, the French indicated Sun/Beach (41%) which leads to conclusion that after domination of social life through fastening links with family, friends and relatives, French like relaxing from stressful working life by going to seaside. This explains why Spain is the most popular destination among French people. In addition, we might conclude that weather condition also contributes to this.

The natural features, as the main reason for returning to the same place for holiday, seems quite logic due to the fact that French prefer countryside as the place to spend their holidays. Surprisingly, the quality accommodation comes on the second place as the reason to visit again the same destination (29%). This is an important point to be taken into account concerning the positioning of the Republic of Serbia on French market.

Table 39.Which of the following would make you go back to the same place for holiday?

The natural features (landscape, weather condition, etc)	The quality of accommodation	The general level of prices	Cultural and historical attractions	How tourist are welcomed(e.g. Customer care	The quality of activities /services available transport, restaurants, leisure activities ...)	Accessible activities for people with special needs (e.g. disabled, elderly family with children)
48%	**29%**	**24%**	**22%**	**28%**	**16%**	**5%**

Source: „Attitude of Europeans towards tourism in 2012.", p.13

This research about French tourist, their motifs for taking holidays and the habits during holiday has helped us to perceive a general profile of the French tourist. The profile which is useful for positioning Serbia today on French market, which is quite demanding job as tourism is developing and growing at the significantly rapid pace and where Republic of Serbia needs to be especially persistent and attentive to everlasting changes in tourism demand.

Understanding why and how changes in tourism occur today, what motivates people to go to some specific destination and how their patterns of tourism affect destination and communities are

penetrating changes that Republic of Serbia is facing today with ministry of tourism and all agencies related to tourism activity.
We all are witness that tourism has become one of the leader's in today's industry and that it has gone through several changes from „ elite tourism" to „mass tourism" in the second part of XX century to become today more specific, sophisticated with the products focused more to satisfy the more specific and individual needs of tourists.
In this light the niche tourism seems to be a key of success for sustainable positioning of the Republic of Serbia on French markets.

4 Niche-tourism product as a key of success for sustainable positioning

Tourism as a fast growing economic sector and one of the largest industries in the world has been making the both positive and negative impacts at the same time, on the environment, society and tourism industry in the last decades. The positive impacts could be seen in its contribution to the important increase in source of income, in rise in employment rate as it creates a lot of direct and indirect jobs related to tourism industry and in wealth of many countries where it has become the engine of economic growth in large sense. But, simultaneously with these considerable economic benefits to many countries, regions and communities, its rapid growth and expansion has brought the detrimental impacts on natural and socio cultural environment. In the tourism developed regions which have been receiving the large number of tourists, the natural resource depletion and environmental degradation are associated with tourism. The sites can't withstand all that traffic without serious negative consequences.

Therefore, as a response to this traditional, mass tourism, the more ethical and moral tourism form has emerged, **niche tourism** (Novelli M., p.1-2, 2005). This specialty tourism is compatible with social care and environmentally sustainability and it plays on the pejorative connotation that has been followed mass tourism and its negative impacts on environment and its socio-cultural disturbance. Its travelers, so called niche travelers are more sophisticated and sensitive to the natural and cultural environment and are keen to engage to social life of the communities and broaden their cosmopolitism. Novelli (p. 7, 2005) says that the niche tourism is the way of identity creation via social encounters in authentic rather than staged settings. It is considered as a search for sense, social bonds, social distinction and status.

In such as context, the Republic of Serbia has a large pallet of diverse activities to offer to the niche travelers who will certainly enjoy the engagement in the unique lifestyle of the Serbian people still conserved from globalization, especially in the villages. These patterns, still at the level of the attractiveness, Serbia needs to shape in appropriate way in order to transform them in competitiveness.

So, for the destinations which want to become popular and attract more tourists, among which is Serbia too, there is a choice between mass tourism with large number of tourists in staged settings and the niche tourism involving the small number of tourists in authentic settings as shows the graphic from Novelli (p.9, 2005).

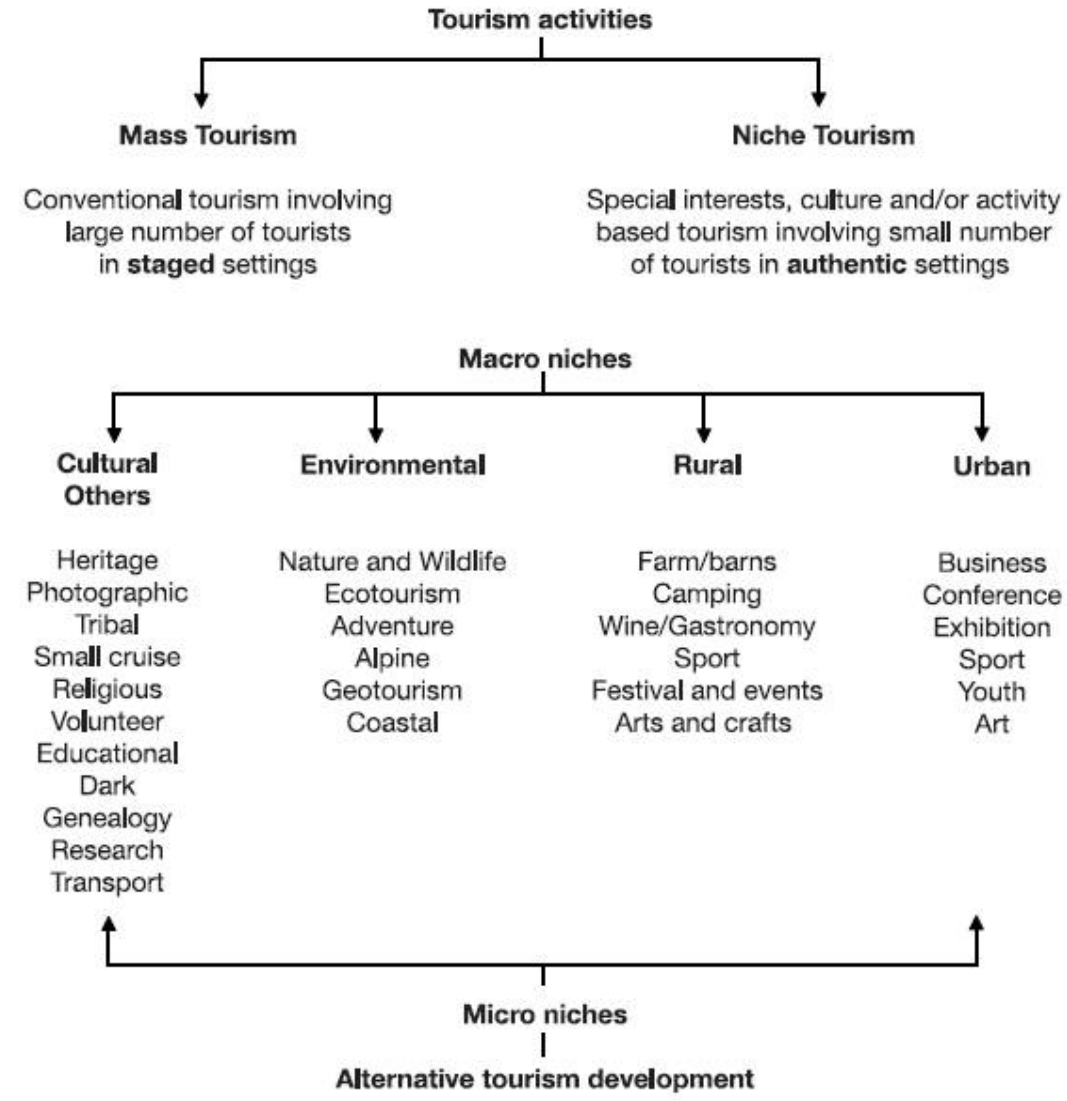
It shows us a variety of micro-niches emerging from the most appealing characteristics, locations of destination and tourists' interests. This underlines the diverse nature of niche tourism and its related products. Given this various nature of niche tourism and its connected products, different approaches might be appropriate to employ as stated by Novelli (p.9, 2005):

Geographical and demographic approach - by which the location with its inhabitants, where the consumption is taking place, has the key role. The most important is the **specific activity** in which the tourist wants to participate in an urban, rural, coastal or alpine environment within developed or developing surroundings.

A product related approach – in which the stress is on so called destination mix (comprising activities, attractions, settlements, food and other amenities), shaped according to **specific tourists' needs and wishes.**

A customer related approach – in the center of this approach are the tourist's expectations and requirements as a base to ensure the relation between the demand and supply. The essential is to provide to the tourist the **specialty activities** which will bring him a satisfactory experience. This specialty activity could be just a simple birds watching, nature observation or direct participation in ordinary unique lifestyle of the host community.

Diagram 3. Niche tourism and macro niches



Source: Novelli (2005, p.9)

In this light the Republic of Serbia which is not yet positioned on international market, whose tourism product was very fragmented[17], and neither enough developed nor commercialized at the

[17] http://www.un.org/esa/agenda21/natlinfo/countr/serbia/nsds_serbia.pdf, p.92

international market due to the excessive centralization which hampered maintenance of inherited tourist destinations due to lack of investments, needs to make a correct, long term choice between these two approaches. The short term reward must not outweigh the long term planning as the condition of the sustainable development which brings benefits to tourist, environment and host community.
Serbia has a variety of factors in other words, comparative advantages which should be valorized and transformed into competitive attractions and positioned on domestic and international market. The country of 464 natural protected resources through 5 national parks, 17 nature parks, 16 landscapes of exceptional features, 69 natural reserves, 2 protected habitats, and 316 natural monuments, 39 areas of cultural and historical significance has all rights and "legal" hope to be positioned on tourism market.
At the same time, Serbia ought to be aware of the actual tourism situation on global market where a small group of the countries attract almost three quarters of international tourists. In this perspective most destinations and Serbia among them, will be at best, niche players in the competition on the margins with the stress on the effective, target tourism products, focused branding strategies that have the possibility to take the maximum value from limited budget. The niche tourism products are the response today to changing global tourism demand.
This task is difficult but possible with long term commitment to destination branding and use of all possible tools in order to create a positive image of the destination. Serbia is already on that direction what can be seen in the conception of Tourism Development Strategy (2006) and 16 master plans focusing on development of priority tourist products related to **Mountains** (Kopaonik, Golija, Stig Kučejske planine i Beljanica, Stara Planina, Tara, Zlatibor i Zlatar, Besna Kobila), **Spas** (Soko Banja, Novo Milesevo), **Lakes and Rivers** (Palić, Vlasina, Gornje Podunavlje, Donje Podunavlje) and **Cultural and Historical Heritage** (Put rimskih careva, Bač Bački Petrovac Bačka Palanka, Sremski Karlovci)

In this context, if Republic of Serbia focuses on French market as a specific one, it needs to think thoroughly what segments of its offer it needs to present to French market. It is of primordial importance to do it with long term development vision and attention of our neighbors' offers as the closest competitors and with the full consideration of the motives encouraging French tourist to travel.
Therefore, the competitive analyze is needed in order to have clear picture in which segment Republic of Serbia could find the competitive advantages in comparison to the closest neighbors.

4.1 Competitive analyze with our neighbors

In order to make the efficient and long term strategy in positioning Serbia on international market it is essential to take into consideration the offer and tourism products of countries in our neighborhood as they will be our closest competitors. When we talk about international tourism, it is clear that Serbia still has a long way ahead in order to catch up with more successful neighboring states in particular Croatia which attracted some 10 955 million arrivals in 2013 while Republic of Serbia around 922 thousands. Anyway, Croatia has a much easier tourism product to sell, so called SSS (sun, sand and sea) with its long and beautiful coast line, which was a very tough competitor over

past decades to more traditional sun & beach sunspots in the western Mediterranean (Spain, Italy, France)
In the second place in the Balkan popularity is Slovenia, offering a wide variety of tourism products, with 2.2 million arrivals in mountain resorts and well developed coastline. Slovenia is in favorable position thanks to EU membership since June 2004 and to being part of Euro zone since January 2007.The price stability is also one of important factor which contributed to boost demand.

Table 41. International tourist arrivals in seleceted Balkan States (in thousands)

Country	2005	2010	2011	2012	2013
Croatia	7.743	9.111	9.927	10.369	10.955
Slovenia	1.555	1.869	2.037	2.156	2.259
Montenegro	272	1.088	1.201	1.264	1.324
Serbia	453	683	764	810	922
Bosnia and Herzegovina	217	365	392	439	529

Source: UNWTO & Statistical Yearbook of Serbia and Statistical Yearbook of Republic of Montenegro

4.2 Competitiveness of the Republic of Serbia as tourism destination

Tourism product is an amalgam of different goods, services and benefits whose aim is providing a tourism experience to consumers during their stay in chosen destination. To determine the nature of tourism product from the marketing point of the view, its classification into partial and integral tourism product is highly valuable. (Kozak M. et ad., 15-16, 2009) The integral tourism product comprises the process of making the product at the level of touristic destination through integration of several partial products with objective to make one complete product capable of satisfying the demand. Thus, it is imperative to be aware of the ever changing trend demand which has become last couple of years very complex and influenced by numerous elements. With all innovations in different tourism sectors, transportation, telecommunication and etc. the customer can now decide how and when to access travel, where to get the necessary information and how and through which process he will access and purchase the travel and tourism arrangements. This benefit for the customer is coming as a result of improved communication, cheaper travel, extend use of internet, cheaper accommodation and all other opportunities that each traveler can take today.

In view of the aforementioned calls of demand, a more collaborative and coordinated approach to the management of the destination and more proactive approach are requested.

The elements of the integral tourism product, which counts for Serbian tourism product too, are the following:

- Attractiveness of the destination (natural beauties, cultural-historical monuments…)
- Communication (access possibilities, transport facilities…)
- Reception facilities (accommodation and accompanying facilities rendering different services)

All these elements are interrelated and create together, in integral part, the competitiveness of any country, including Republic of Serbia, on tourism market.

The model of competitiveness, based on the national competitiveness diamond, was introduced by M. Porter and it is based on the experience that tourist gains in a tourist destination. That experience as an internal feeling caused by something that tourist personally lived, saw, felt is the fundamental product in tourism. On the one hand, the travel is considered as a "tool" as an event containing the attractiveness in itself and on the other hand, the competitiveness of any destination lies in its capacity and ability to deliver to tourist the desired experience which will be greater compared to competitive destinations. (Popesku J., Pavlović D., 2013, p. 199-210). The real and unique experience which is rooted in the precise destination. Thus, the experience-oriented strategies which will focus on the delivering of authentic experiences to the tourists are required.
Prior to competitiveness of any destination, which is the case of the Republic of Serbia too, it is necessary to consider the basis of comparative advantages and afterwards as an upper step the concept of competitive advantage as remarked by Popesku and Pavlović in the same article. The uniqueness of comparative advantages based on the richness of the factor conditions provides a special long term attraction. Those factor conditions can be seen as inherited resources (e.g. natural factors) and created (e.g. infrastructure) ones which are used as a tool for achieving the competitiveness. As those conditions can be changed over time that will make the comparative advantage to be changed too. As conclusion, we can say that competitive advantage of any destination in whose basis lie the comparative advantages, is in fact the ability of any destination to use those resources in effective and long term way. Every destination decides how it will use the existing wealth of those factor conditions which possess the multi-dimensional nature and determine the strength of tourist destination on the market.

As to models of tourist destination competitiveness there are many of them in the use but the special one is the Forum Travel and Tourism Competitiveness Index (TTCI) which contains specific competitiveness factors classified into three groups referring to:
* Regulatory framework (development policy of tourism industry)
* Business environment and infrastructure (tourism operators, general and tourism infrastructure)
* Human, cultural and natural resources as backbone for tourism development and creation of the destination competitiveness.

According to the WEF TTCI Report for 2013, Serbia was ranked 89 out of 140 in the terms of global competitiveness indicators.

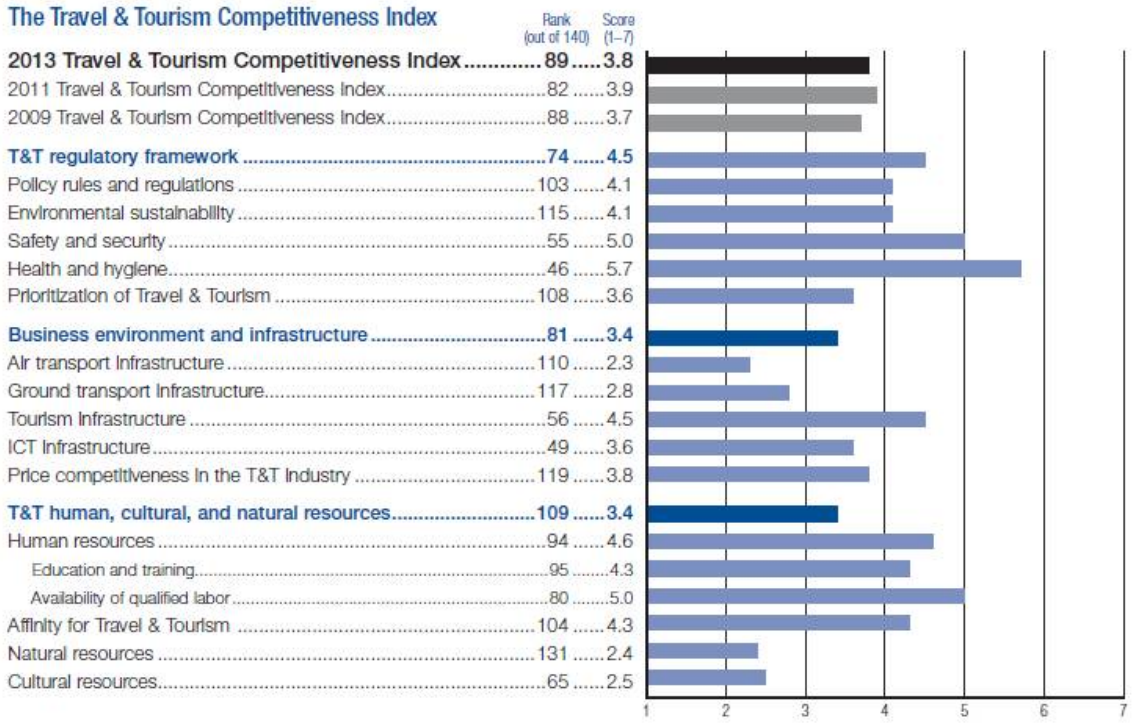
Table 42. Competitiveness of Serbia – global and European level

	2013	2011	2009	2008
Rank (World)	89/140	82/139	88/133	78/130
Rank (Europe)	40/42	38/42	38/42	37/42
Index value	3,78	3,85	3,71	3,76

Source: WEF TTCI report for 2013, 2011, 2009 and 2008. (p.306)

The following table points out the competitiveness of Serbia by three sub-indices in more details.

Table. 43. Competitiveness of Serbia by sub-indices:



Source: WEF TTCI Report for 2013, p.306.

According to the date in the table above, Serbia has especially poor competitive position in natural resources, price competitiveness in the T & T industry, ground transport infrastructure and environmental sustainability. This information leads us to conclusion that Serbia lags far behind its competitors such as Bulgaria, Hungary, Romania, Slovenia, Slovakia and Poland.
Although TTCI has its flaws, as prevailing the developed countries, it is important to use it in order to establish the key factors of competitiveness and to have the clear idea about the countries from competitive set.

In 21st century, abundant in often complex challenges amid profound changes, marketing turned out to play a key role in addressing those challenges. The first decade of 21st century proved that by challenging firms to prosper and even to survive in the face of the unforgiving economic environment.
Therefore, the good marketing is no accident, as Kotler (2012, p.3) said. It is a result of careful planning and use of art tools and technics in order to identify and meet human and social needs; to create, deliver and exchange offerings that have value for customers and society. This leads us to the conclusion that marketing has become an art and science in the same time as the marketers are seeking to find new, creative solutions to complex challenges which have marked the 21st century and created new marketing realities. In this context, marketing represents the only key to address these challenges.

In tourism field, the competitiveness of each destination starts with the positon in the mind „mental map" of the consumers in respect of the competitors. Therefore it is essential to create and have a specific image reflecting the accurate and reliable positioning of the destination in accordance to its values and specifics.

The primary marketing objective of Republic of Serbia as a tourist destination should be the creation and its presentation as a new, attractive, desirable tourist destination. The element of attractiveness refers to space which has some values in providing experience to tourists and meeting their needs. Those values could be natural factors (climate, flora, fauna, relief…) and anthropogenic factors (cultural-historical heritage, fairs, events, festivals…)
This task seems to be very difficult for Serbia as the international tourist do not possess the real, clear image about Serbia due to negative warfare reminiscences in media. But in the new millennium, perceptions have started to shift.

4.3 Competitiveness of main tourism products of the Republic of Serbia

It is widely acknowledge that "destination lies at the very heart of the travel and tourism system representing as it does an amalgam of products that collectively provide a tourism experience to consumers". (Fyall A., Garrold B. and Tosun C., 2006, p 75)
According to UNWTO the destination or main destination of tourism trip is defined as place visited that is central to the decision to take a trip. It is determined by wishes, preferences, and needs of tourists and represents the place where the largest number of tourism products is created.
Tourism destination is above all the collection of different components which all together have aim to provide a tourism experience to the tourists by meeting their needs. In this sense, the tourist destination is described as set of location attractiveness, facilities and services that tourist or a group of tourists choose to visit or the area with a variety of natural features characteristics or attractiveness which attract non local visitors or same day visitors. Package of services and accommodation is not possible to separate from geographical location. Therefore, the destination and product are identical.
Key tourism products of Republic of Serbia need to be those which can achieve competitiveness on local and international tourism market and which can help Serbia to catch up on these both markets and which can be commercialized immediately or in clearly determined period.
The Tourism Development Strategy of the Republic of Serbia (p. 118) points out the possibility of tourism development in relation to the trends in tourism worldwide, strategic positioning, selection of priority products for Serbia, plan of competitiveness, investment strategy, plan of the necessary investments and marketing plan. The strategy has recognized nine key tourism products as the opportunities for tourism development in Serbia.

- City break
- Round trips ("touring")
- Business tourism and MICE
- Health tourism (spa and wellness)
- Mountain and lakes

* Nautical tourism
* Events
* Rural tourism
* Special interest

These tourism products including total experience that meet the expectations about housing, natural and cultural attractions, transportation, catering, entertainment, costs…can be divided into two groups:

- Short term – "quick win" – products with the greatest opportunity to be quickly placed on market. In this group are: City break, Round trips, Business tourism and MICE, Events and Special interests.
- Long term- "long run"- products that require large investments, in other words, long term successful products. In this group are: Health tourism, Mountain and Lakes, Nautical tourism and Rural tourism.

Based on the analyze of results of French market research in previous pages and the motifs inspiring French people to travel and make decision to spend their holidays in a specific destination, in the following pages, we will analyze the tourism products that we think to be the most interesting for developing and positioning on French market.

4.3.1 NAUTICAL TOURISM as a tourism product

One of the tourism products that could be developed and used as allurement to attract French tourist to come to Serbia is the nautical tourism.

It is connected, as it says by its name to the world of waters, in other words, it is present on lakes, rivers, channels, in both salt and fresh water.

This segment of tourism includes the use of infrastructure such as marinas, ports, accommodation and catering facilities, entertainment, culture…

The main features of nautical tourism are the following: (Luković T., p, 403- 404, 2011)

- Strongly connected to sea and fresh water activities
- Generally take place under some kind of local concession
- Strong element of seasonality

Luković (p. 403, 2011) points out three core segments of nautical tourism:

- The marina – individual floating on a small boat, from two up to four persons. Usually, it is the owner of the boat with his friends, family.
- The charter – Charter industry, as a subtype of nautical segment, is generally associated with marinas and it would not exist without them. Charter, in terms of renting and providing services related to work on vessels, expands the range of its activities, in addition to which hiring a professional skipper is quite common. It is estimated that one charter yacht in five includes the hire of skipper. In general, it is about the vessel capacity from four up to twelve persons.
- The cruising – cruising is the most developed nautical industry and offers a rich and varied range of potential regarding vessels.

The majority of trips on river last from seven to twenty one days and include several countries. The specific characteristic of these trips is the daily floating and stopping at night in the ports based on set patterns in advance. Package includes city sightseeing too as the tourists on these trips are keen of guided tours and visiting cultural and historical attractions, excursions, activities with special interests, enjoying in local gastronomy and entertainment.

For individual users, the existence of quality infrastructure is necessary (marina, ports, petrol station) while for the charter users, the existence of the charter companies is essential. The organized cruising requests the coordination and collaboration between specialized tour operators and destination DMC.

In Serbia, the special cruise organizers who are in charge of organizing cruises on the rivers, in collaboration with partners from Serbia, organize comings of boats to the Belgrade's and Novi Sad's quays. The daily visits of these cities start with guided sightseeing of the most important cultural and historical monuments and finishes with a dinner in some of the tradition restaurants where tourists can taste the authentic Serbian food.

The Republic of Serbia has a great potential in this segment of tourism as it is abundant in water network with prominent domination of Danube and Tisa, in the region of Vojvodina, with unique location of big agglomerations as Belgrade and Novi Sad on Danube's navigable way. The dominant potential has Danube, as an international river, with its navigable flow of 588 km through Serbia which connects Serbia via Budapest, Vienna with developed countries of Western Europe on the one hand, and via Bucharest with Romania and Black sea on the other hand. It offers a beautiful variety of landscapes and stunning sceneries, boasts with rich cultural and historical heritage on its coasts, gastronomy which contributes in total to river cruising development.

The sector is placed among long term objectives of the Republic of Serbia as the current situation requires a lot of investments especially in infrastructure and supra structure (Second report, p. 75, 2006)

- development of marina system for "garage and service" of vessels,
- development of collaboration between public and private sector with goal of nautical tourism development coordination
- river system regulation and signalization
- development of specialized DMC as organizer of the nautical tourism product and its packages.
- organization, management and commercialization of nautical tourism product on domestic and international market
- charter renting
- river cruise

4.3.2 Reasons for developing NAUTICAL TOURISM as a tourism product on French market

From the tourism products that Serbia has chosen as the essential for positioning on global market the most convenient to be offered to French could be cruising by beautiful blue Danube with sightseeing of Novi Sad and Belgrade as cities which possess a plenty of attractiveness to be shown to the tourists, navigation through the Iron Gate gorge and visit of archeological place of Lepenski Vir. The cruising could be used as the initial tourism product to be developed and positioned on French market with idea to attract French in Serbia and then to make them interested for other tourism products, as city break and rural tourism to which the French are highly attached. Therefore, one of the priority tasks of the ministry in charge of tourism and national tourism organization (TOS) is to work on creation of positive and attractive image of Serbia in world, which will be helpful tool for positioning of Serbia as tourism destination. At the same time, for positioning on French market, from the portfolio of tourism products, Serbia could chose as the most competitive one to promote, the cruising with spillover effect to some other tourism products and rural tourism which correlates to a lot of other sub products.

Additionally, the **cruising** has been become a new way of passing holidays in France in the last 25 years. From the verdict of cruising expensive, old and boring way to pass holidays it has been transformed into formula of family vacation, accessible, friendly which can be compared to one week of passing holidays in mountain.

Since 2003 the number of French interested into cruising has been increasing every year according to Conseil National du Tourisme (p. 21, 2010). In 2003 it accounts 212 000 for reaching 587 thousands in 2009 (evolution 2009/2008 is about 18%) of which 160 thousands on river cruising. Thus, the Republic of Serbia has a real possibility to attract some percentage of French tourists in this segment.

4.3.3 SWOT analyze for cruising

The SWOT analyze for developing this tourism product shows the following:

STRENGHTS • geostrategic position of the Republic of Serbia • hospitability of people • recognition of Danube as European tourism resources • Danube integrates a number of Serbian tourism attractions in its most attractive part • Belgrade on its flow as the third Danube's metropolis, after Vienna and Budapest, is the attractive destination characterized by cosmopolitism, hedonism and authentic gastronomy identity • untouched landscape of canyon of Đerdap • visit of archeological site Vepenski Vir
OPPORTUNITIES • Danube as corridor VII is favorable for spill over development • More and more French tourists interested in this segment of tourism to wake up the wish for city break or rural tourism in Serbia during second visit

• to collaborate with French cruising tour operators • there are certain travel agencies specialized for cruising which have stop in Belgrade and/or Novi Sad (Rivages du Monde, Abcroisère, Croisèrenet)
WEAKNESS • Serbia still doesn't have created image as tourist destination in France • Only two adequate ports exist, in Belgrade and Novi Sad. • Shortage of accommodation capacities near ports • no river cruise organizers • no adequate navigation infrastructure • no collaboration among private and public sectors • not enough developed consciousness among citizens about importance of tourism in global • not enough developed protection of environment • not enough material in French about cruising on Danube • not enough professionals in tourism industry knowing French language
THREATS • constant climate changes affect Danube too

Based on strengths and opportunities that Serbia has in this segment it is highly urgent to start the collaboration with some specialized cruising operator in France in order to present Serbian offer and to be presented on tourism fairs with Danube cruising option as Iron gate is one the unique and one of the most beautiful scenery in this part of the world where Danube changes its width from a few kilometers to just a few hundred meters. It starts to wind and create a mighty gorge topped by high rocky cliffs. Danube offers exceptional promenade through natural beauties, Neolithic settlement of Lepenski Vir 8000 years old, old Roman fort and Medieval Castle; the unique mixture at one place of natural and cultural, old and modern through one link – Danube.

4.3.4 SPILL OVER - CITY BREAKS with spirit of "JOIE DE VIVRE "through cruising

Cruising on Danube could be the initial step forward presenting tourism product of city break of Belgrade and Novi Sad. As the stops during the cruises, these cities with great potential and authentic identity and rich heritage can solicit the French tourist to come again and spend a weekend in our country as the data from previous pages has shown that the average stay of French during city breaks is 2.3 days which is favorable in the case of main administrative centers in Serbia. Therefore, a positive experience of tourists during just sightseeing within day is highly important as memorable

and distinctive sense of place encourages repeat visits and creates enthused ambassadors for destination.
In this context the TOS must use all possible tools of communication (online, attractive brochures, fairs, innovative street banners and person) to point out so called "soft factors" as stated by Morgan N. et ad. (p.230, 2004) Architecture, people, place's stories, heritage, feel are more important than infrastructure, economy, accessibility of the place.
The **"joie de vivre "** of the vibrant, every day dynamic Belgrade and Novi Sad must be preoccupation of TOS to bring to life and transfer this unique feeling to the visitors. The positioning of these tourism products are taking place alongside the requirement to EU accession by alignment of its legislative and economics institutions and practice to Europeans ones. The picture of Serbia in whole as country of "joie de vivre" and rich cultural and historical heritage must be driven at the same time with the notion of safe, stable and welcoming place.

4.3.5 Reasons for developing CITY BREAK as a tourism product on French market

In recent times cities have come to be principal centers of human activity where majority of the world's population works, lives, engages in recreational activities. Towns and cities define distinct areas where people concentrate and where economic companies are located, providing the opportunity for the production and consumption of goods and services. Consequently, cities are the places that facilitate a diverse range of social, cultural and economic activities and where tourism, leisure and entertainment form the major services components as stressed by Page and Connell (p. 15, 2006).
The city as geographical entity is playing an increasingly significant role in the growth of international tourism. A few decades ago, most of the industrial cities of Europe were suffering from the difficult economic situation but today the picture is different: numerous urban centers now boast a range of significant features including convention centers, new or renovated museums, theaters, market places… City centers are beginning again to buzz from social, leisure and work activities which a vast multitude of new tourist can found. Not surprisingly, given its growth in recent years, urban tourism plays a pivotal role in economic development strategies of city government around the world as it is stated by Judd D.R. and Frainstein S. (p. 37, 1999)
We, as travelers are also witnesses of this trend whenever we go to visit some capital city in Europe or farther more.
Tourists who are interested in this kind of tourism product tend to visit cities for limited, short duration. Law (p. 30-47, 1993) gives the definition of a short break holiday as one to three nights away from home. Many visitors would want to visit city only for a short break as they would be able to achieve all they wanted at that time.

It is acknowledge the recent years that city break is one of the fastest growing tourism products on European tourism market as it goes in line with new holiday trend: more short trips per year. Changes in preferences have seen a move from mass consumption of standardized holiday products towards more specialized niche market holidays involving cultural and heritage active pursuits and festival and events.
There are several characteristics defying a profile of urban tourists:

Length of stay: People usually have tendency to visit cities for short time. As stated by Law (p.30-47, 1993) short break holiday is often described 1-3 nights away from home and it is supplementary or additional to the main holiday with the possible exception of visit friends or relatives.
Socio-economic grouping- a lot of urban tourism demand statistics suggest that urban tourist tend to come from higher socio-economic groupings as pointed by Dune (p. 20, 2009)
Household composition – Dune says that in general, the high percentage of urban tourists travel without children
Timing- urban tourism has a less pronounced seasonal peaking in the opposite to beach or winter resorts dependent on weather. The flow of visits to cities is remarkable throughout the year. Thus, hotels in cities experience only minor seasonal variation in demand as remarked by Law (p.111, 1993)
Distance - Increased growth in recent years of short haul traffic to cities due mainly to the expansion of low cost travel and the popularity of city break trips.
Expenditure- Law (p. 168, 1993) has also remarked that visitors to cities tend to be more affluent and therefore higher spenders. In addition, higher spend of business and conference tourist is indicated. They spend around twice as much per day as visitors to other destinations. But it is also important to acknowledge the presence of so called "budget tourists".
However, it is evident that this portrait of urban tourist is not the definite one as urban tourists are as diverse as the cities they visit. Page (p.121, 2006) has seen that the following changes have contributed to the rise in secondary trip taking to urban destination:

1. Increased holiday and leave entitlements
2. Availability of national and public holidays which encourage “long weekends” which are ideal for short city breaks
3. Rising prosperity from double income families with greater disposable income
4. Changing perception of travel with relative reduction in price, convenience and availability of transport option making it a social, psychological and recreational necessity for many.
5. Improvements in transport technology have made access to destinations for short city breaks a reality. Low cost airlines have given a huge contribution in growth in urban secondary trip.

As in past decade, the city break has been one of the strongest growing sectors with steady increase and long term potential, this kind of tourism product is very important for the Republic of Serbia.
The most valuable destination for developing this kind of tourism product is the capital, Belgrade whose strengths are the following:[18]

- Geostrategic position in Europe
- Existence of low cost airline companies connecting Belgrade with other European cities and making it very accessible (Wizz air, Pegasus, Vueling, Easy Jet…)
- Rich cultural and historical heritage (the fortress of Kalemegdan, Temple of Saint Sava, churches, museums, theatres…)
- Transiting city for many visitors
- Events such as Belgrade Marathon, Bear Fest, Belef…
- Shopping center and good hotel accommodation and catering facilities
- Dynamic nightlife

[18] The tourism development strategy of Serbia (Horwath Consulting and Faculty of Economics,2005)

As aforementioned, Belgrade, as a vibrant city with favorable position in south-east Europe, has a very good potential for city break development and with some small investments can be quickly in short term placed onto international market with market adjustment to demand's request and stronger promotional activity. Its variety of entertainment and cultural pursuits could make it an attractive tourism destination worth of visiting.
Beside Belgrade, the second city in Serbia, favorable for this kind of tourism product development is Novi Sad. This city could be developed by its own as a destination for city break or in combination with Belgrade.
The potential for city break development can be seen in the case of Niš too.
This kind of tourism product the Republic of Serbia should place on international market by targeting couples without children in European countries as Germany, Great Britain, France, Italy, and Spain which all presents the main source market for city breaks.
The weakness for development of this kind of product in Republic of Serbian needs to be also taken into consideration, such as[19]

- Lack of accommodation establishment and facilities satisfying international standards.
- Insufficient number of two and three stars hotels
- Lack of strategic mechanism and investments in quality increase of accommodation facilities
- Insufficient coordination between hotel sector and trip organizers
- Lack of branding image and positioning
- Lack of specific information about activities of city break product
- Lack of DMC (destination management companies)
- City card program does not exist
- Insufficient number of souvenir shops
- Defects in organization and promotion of important events
- Poor quality of infrastructure (not satisfying roads quality)
- Access by air is limited due to small number of flights towards the most important international markets
- Low quality level of public transport (buses, trams, taxi)
- Shortage of organized sightseeing tours
- Low level protection of cultural and natural resources

4.3.6 SWOT analyze for CITY BREAK

The strengths of city break tourism product for French market:

*Belgrade has already started to attract more and more tourists every year as best east European metropolis with dynamic night life. It has the reputation of "Barcelona of the East"
* Direction of the country to EU re-builds positive image of Belgrade and Novi Sad as safe places.
*the effect of positive surprise when French come as they haven't imagined in so positive
* Accessibility by Air Serbia (Belgrade- Paris direct flights), by Wizzair (Belgrade- Balle, direct flights 2 times per week)

[19] The same as 20

*cheapness in certain degree in regard to French life standard
* rich architectural heritage (churches, fortress, authentic buildings from Ottoman period- Konak de princess of Ljubica, Tavern Znak pitanja, Manak's house, Miloš's konak)
* Internet site of TOB has French version as well as FB page
* Welcoming, hospitable, open and friendly citizens.
* Quality accommodation and catering facilities; new worldwide famous hotel brands has entered recently in Belgrade
* A lot of green areas in the city center
* Restaurants with authentic gastronomy

The weaknesses:

*image creation of the country not developed and positioned till end
*not enough persons in tourism industry who speak French (tourism offices)
* only one low cost air line company with direct flight Belgrade – Paris/Mulhouse Basel
*not enough tourism info offices in different parts of Belgrade (only 3 exits: in the pedestrian street of Knez Mihailova, at the airport and at railway station)
*no receptive Serbian travel agency with program in French
*in Paris the only window to Serbia is Serbian cultural center where French as potential visitors can find some information about Serbia.
*not enough public toilettes and tourism infrastructure
*only the majority of hotels in Belgrade and Novi Sad give the opportunity of internet booking while the situation in the other parts of Serbia is quite alarming in this context
*not enough developed system of environment protection
*some cultural institutions have been renovated for a long period of time- National museum
*in museums not enough brochures in French language
*limited number of direct flights (it used to be 3 direct flights Belgrade – Mulhouse per week which was favorable for city break – Tuesday, Thursday and Saturday- today just 2 times, today just two Monday-Friday)
*only one guide in French exists for Republic of Serbia (le petit Futé)
* Portions too large in restaurants
* Seasonal work not developed
*Belgrade or Serbia not proposed as touristic destination on French market

Opportunities:

*developing of niche products in Serbia goes in line with global tourism demand oriented to new destination.
*Belgrade and with it the whole Republic of Serbia might be perceived as refreshed, attractive, new tourist destination.

*entrance of new hotel chains, famous in the world will give more confidence to French about destination and its safety.

*new investments in maintenance and improvement of public transport, accommodation facilities.

* developing the complementary activities starting from Belgrade /Novi Sad (events as Bear Fest, Exit; visit of Fruška Gora with monasteries, wine cellars, Forest of Boljevac, salash Stermen…)

Threats:

*not collaborative and holistic approach in tourism management (private and public sector)
*limited budget for tourism development
*political situation might harm tourism industry efforts
*economic instability
*concurrency of neighbor countries

Belgrade has all real potential to attract French tourist as they will enjoy it surely what was confirmed by a small personal research I have undertaken among my French friend via mail.

4.3.7 Personal research

This could be interpreted as a result of personal research (research based on my French friends aged between 35 and 55 coming from big towns, as Paris, Lyon and director of the French cruising agency "Rivages du monde" situated in Paris. Their impressions could be summarized as:

- After several years of persuasion to come and visit Republic of Serbia, they have done it in 2013. This decision delay could be explained by fact that Serbia is not yet positioned as tourism destination (there are other more attractive destinations that exist in their mental map about next trip) and no confidence in safety of the country
- They were positively surprised with the visit and stay in Belgrade as it wasn't at all what they had in mind before trip.
- Serbia is very close to France, just 2 hours needed by plane
- Airport Nikola Tesla in Belgrade very easy for orientation and baggage pick up very rapid; airport close to city center
- Belgrade perceived as green city decorated with a lot of nicely maintained parks as Park of Tašmajdan, park of Kalemegdan, park of Topčider.
- Hospitability of persons in restaurants, cafes.
- Cultural heritage
- Good value for money
- Serbian speak too loud so they have impression that Serbian are arguing
- Belgrade is the city for all generations: children, teenagers, adults and retired people as it has what to offer to each group

We really believe that city break to Belgrade would be a positive discovery for French tourists keen on history, architecture, good eating, actual social and political situation. Belgrade is not only

attractive way of spending weekend for seniors and working age people but also for young people interested in night life and clubbing. Everyone would find the activities which will meet his or her expectations. In French media it is possible to see some recommendation and proposal to spend a weekend in Belgrade, „Barcelona of the East". (Media review 2013 of TOS, p.43)

4.3.8 Rural tourism as a tourism product

As the segmentation in offer is today's trend on global tourism market in the context of maintaining the competitiveness, one of the possibilities for differentiation could be seen in rural tourism today. The stress, buzz, every day chaos, high consumption, loss of traditionally rooted family values, social destruction and the imperative to earn more…all these negative trends have led the tourist as a human to return to the nature. The natural philosophy of Jean Jacques Rousseau is back with its call "back to the nature". His thoughts about man who is blessed in the state of nature liberating him of the repressive apparatus of the society and returning him a freedom is today a trend in tourism industry. More individual, specialized, custom tailored trips are required with aim to bring fulfillment to the customer through the satisfaction of his deep personal needs and identity search.
In the larger sense the rural tourism could be defined as the "country experience encompassing a wide range of attractions and activities" or "tourism taking place in any kind of agricultural or non-urban area". It doesn't include just farm based tourism but more other products as eco-tourism, hunting and angling, walking, arts and cultural heritage tourism, adventure, special interest in nature, educational, festivals… all these segments marked by direct experience of agricultural and or natural environment. The specific feature of rural tourism product is to ensure personal contact to the visitor, a sense of physical and human environment in rural areas, and as far as it is possible to give the opportunity to the visitor to participate in activities and life style of local people.
This is so called alternative tourism in the way that it highlights the contact and understanding of inhabitants' way of living and the local natural environment. (Irshad, p.5, 2010)
Irshad (p.6, 2010) points out in the Overview that rural tourism includes the diversity of attractions such as the:
Heritage tourism: referrers to leisure travel whose primary purpose is experiencing of places and activities that represent the past. It comprises the leisure and recreation as riding, hunting, fishing… and cultural, historical and archeologic element of the place
Eco-tourism/nature based tourism: refers to the process of visiting natural areas for the purpose of enjoying the scenery, including plant and animal wildlife. Nature based tourism can be either passive in which observers tend to be strictly observers of nature, or active (increasingly popular in recent years) where participants take part in outdoor recreation or adventure travel activities.
Agro tourism: refers to visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm or operation. It includes taking part in wide range of farm based activities including farmers markets, petting farms…and visiting agricultural related festivals, museums…

Driving forces or so called push factors in rural tourism can be summarized as: (Knowd, 2001, p.10)

- The stress of urban life and the remoteness from the natural environment has created the desire for escape from city. Rural locations offer a release from stress and opportunity to re-engage with a simpler, quieter way of life.
- Green issues have raised attractiveness of rural experience as ecologically sustainable tourism

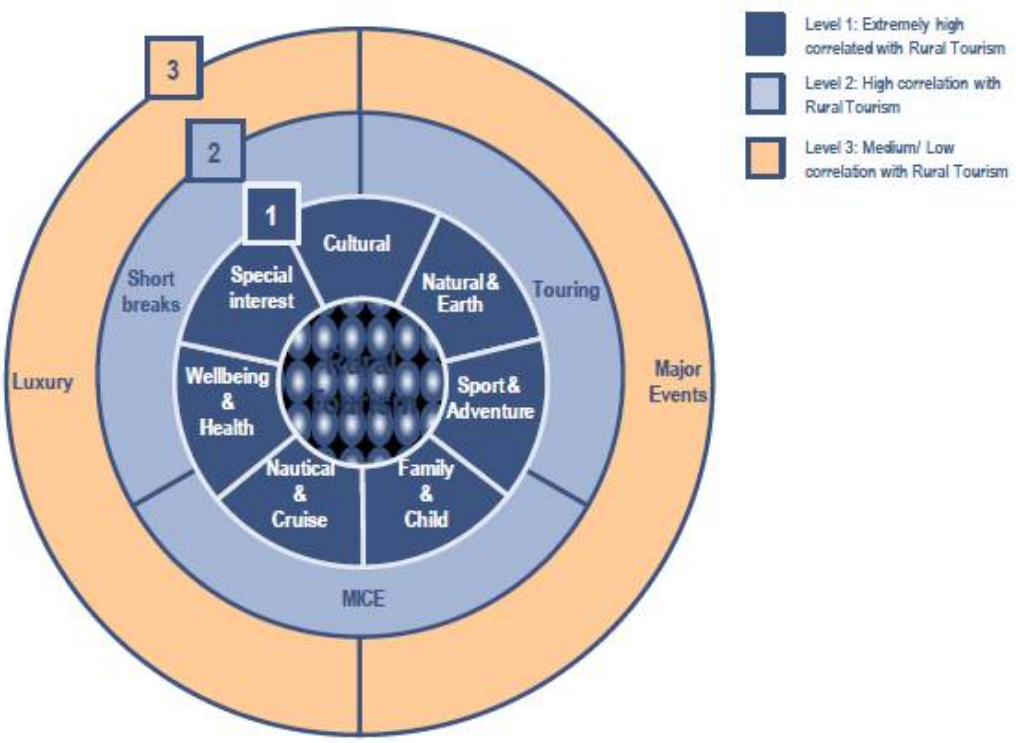
- A move towards short break holidays; changing work patterns have increased the popularity of short breaks that minimize the absence from work
- Increased number of FIT (free independent traveler) due to the increase in capacity, especially in long haul transport modes.
- Better educated travelers have increased interest in outdoor recreation; ecotourism and special interest tourism; rural tourism can satisfy the needs for unique experience due to its diversity of offerings and fragmented nature
- Rural areas are perceived as healthier, offering fresh air, clear water and healthier food.

Serbia has favorable conditions for developing rural tourism. In the first place it has preserved nature, mild climate, clear air, unpolluted rivers and lakes, rich flora and fauna. These conveniences are noticeable especially in mountain areas on the slopes of Tara, Ozren, Divčibare, Rtanj, Bukulja and Stara Planina. Most villages are located in surrounding of cultural and historical monuments. A considerable cultural value can be seen in building of traditional architecture with characteristics of particular region, as well as in the products of old craft and handwork reflecting the rich cultural heritage. It is possible to visit exhibitions, especially those of naïve paintings, as well as tourist events and traditional shows which present the national customs of rural life.
On the site of National Travel organization of Serbia (TOS), we can see that villages in Serbia are categorized into:[20]
Salashes: have come into revival becoming very important element in Serbian tourism. They are, in majority located in the north of Serbia, in the region of Vojvodina.(Cvejin Salaš, Salaš 137, Salas 84, Perkov Salas…)
Ethno parks: represent elaborately reconstructed ambience of Serbian villages from one to two centuries ago and mostly they are built of stone and wood. (Tršić, Sirogojno, Drvengrad, Zeleni čardaci near Tara, Rajac taverns…)
Eco-ethno villages: villages in harmony with nature and almost all food products, both of animal and plant origin are grown in their own farms: the most reliable guardian of tradition.

Rural development has been identified as an economic and social priority by the Government of Serbia as it presents the direction for needed for the improvement of quality of life, reduction of poverty and fight against social and environmental degradation as stated in Diagnostic of Rural tourism in Serbia (2011, p.7)
Rural Serbia covers the majority of the Serbian territory with 85 % of the land which is rural with 44% and 55% of population living in it. Despite these natural resources, villages in Serbia are still suffering from unemployment, low productivity and depopulation. In this context, rural tourism is seen as the tool which could lead the rural diversification through new business initiatives and partnership between current agricultural activity and tourism. (Diagnostic of Rural Tourism in Serbia, p. 13)
In the same Reports it is pointed out that rural tourism is already developed in north part of Serbia (Vojvodina), Western and Central Serbia and that the synergy between rural activities and other tourism products exists as represented here below on the diagram. (p.15)

[20] http://www.srbija.travel/destinacije/sela

Diagram 4. Rural tourism and its correlation with other types of tourism



Source: Diagnostic of Rural Tourism in Serbia, p.16

In Serbia, the revitalization of villages is of crucial importance and development of rural tourism can give its contribution to it as the tourism is a powerful agent for change. But, the development needs to be guided and managed in the sustainable way, as the rural environment is the fragile one. This target is not easy to achieve as the concept of sustainability involves itself some ambiguity and its implementation is equally problematic as a lot of different parties with different aims and understandings are implicated.

Nevertheless, the Lane B. (1994, p. 13-15) points out the following in order to achieve the successful sustainable rural development:

- The tourism needs to support and maintain the culture and character of host communities
- To preserve the landscape and habitats
- To encourage the rural economy
- To enhance the tourism industry which needs to be possible in long term- and this will in return be the promotion of successful and fulfilling holiday experiences.
- To make holidaymakers to understand all possible dangers of too much reliance on tourism and to encourage them to work towards the balanced rural development.

4.3.9 Potential of Serbia for rural tourism development

Serbia as mainly agricultural country has the possibility to develop this tourism product for French market especially due to favorable condition of preserved nature, mild climate, fresh air, rich flora and fauna, unpolluted lakes and rivers, beautiful green landscapes on one hand and the favorite trend among French (in 2012 34.3 % of all trips were made to rural areas).
Serbia possesses authentic villages whose architectural conception derived from past and history on one side, and due to geological position on the other side. From the so called "salash" in the north part of Serbia in mostly plate landscapes till villages in mountain areas. Beside recognized authenticity in outlook of houses and villages, it can be seen and felt in life of local residents, creation of manifestation, preservation of the environment.
Rural tourism as one of the priority tourism products to be developed by the Republic of Serbia will not only prevent the exodus of rural areas but will bring the development of rural areas in Serbia, and the economic growth to the local community but will also contribute to protection of the environment through the strategy of sustainability. It is perceived as the powerful tool for solving the current main problems: depopulation, unemployment, undeveloped economy and decrease of natural resources.
The strengths for developing this tourism product are the following:
*Serbia has already made the Program for development of sustainable rural tourism in the Republic of Serbia with aim to decrease poverty, to increase life quality, to preserve cultural heritage of the country, to protect environment and to contribute to more balanced development. According to this program:
* 85 % of the surface is covered by rural areas where between 44 % and 55% of population live in it.
*the country possesses a rich diversity of natural and cultural resources that are very attractive for the development of rural tourism (protected sites of nature and landscape, national parks, parks and nature reserves, rivers and gorges, thermal springs…)
*the country possesses a rich diversity of very attractive cultural resources, rich cultural heritage and 7 locations of cultural heritage under UNESCO protection.
*there are a lot of cultural events and festivals which become attractive not only on local and regional level but on international as well.
*there are several ethno parks as Drvengrad
*gastronomy, wine and spirits (rakija) are high quality products. As Lonely Planet [21] has quoted one of the reasons to visit Serbia in 2015 is the spirit as it is still available today before joining EU.
*hospitability, friendliness are valuable resources
Weaknesses:
*not enough developed natural and cultural resources to be used in tourism; shortage of activity centers for enjoying in them; inadequate management and not sufficiently developed presentation and promotion of these resources.
*the persons from villages are not in adequate measure informed and educated about rural tourism and all its benefits to the local community and hosts.

[21] http://www.lonelyplanet.com/best-in-travel/countries/07-serbia?detail=1

*degradation of natural and cultural values, traditional style life and rural areas as a result of uncontrolled construction. Regular problems in management and protection of natural and cultural resources
*large gaps in tourism value chain and lack of synergy among agricultural sector and tourism
*low quality of roads, rails leading to the majority of villages which prevent the access to those areas
*lack of international standards and control of quality in tourism sector in global and especially in accommodation offers in villages.
*not enough skilled persons in tourism industry who has the awareness about values of natural and cultural resources

4.3.10 Personal recommendation for rural tourism development

There are a lot of real potentials for Serbia to develop the rural tourism and this development must be very well planned through the program of competitiveness of Serbia as touristic destination and program of sustainability which will contribute to long term competitiveness of the destination. The first step leading to affirmation of rural products goes from **education**. The national tourism organization via their collaborators, local tourism organization needs to provide necessary formation and trainings (workshops) to local people about rural tourism, its basis, offers, and ways of sustainable developments so that they can create the households which will provide the quality and satisfying level of tourism supply. This rural development needs to be planned, strategic, clearly explained, realized and controlled at every moment. When principles are well explained, people will start to understand the significance of them and to change their behavior towards the others and nature.
The cooperation among all participants needs to be stressed out as local community need to understand that long term development and success is possible only through the system where everybody helps each other and understands the problems and needs of the others. The typical Serbian narrow and egocentric way of thinking ("I wish my neighbor's cow would die") must be overcome. The sustainability is possible only through the system where all participants are full of understanding and where the common goal of prosperity of the community through sustainable development must be in interest of everybody. One for all, all for one.
The reliable internet support as well as outline (brochures, leaflets, and street panel …) needs to be developed and presented in French language as today the one of the main source of information about possible future destination is Internet. The control over this segment must be applied in order to guarantee the quality of supply in every moment. Today it exists in Serbia the internet site www.selo.rs of the National association of Rural Tourism in Serbia, founded in 2002 by providers of tourism services in villages. It has today more than 500 members. As database of total offer in rural tourism of the country it contributes to the rural development. The customers can find the basic information about accommodation, pictures of the households and price information. Thanks to its results, the association has become the member EuroGites- European Federation of Rural tourism in charge of promotion of return to the human roots in countryside.
Nevertheless, presentation of the site could be improved by making the **attractive presentation** (in text and video) of the Serbian traditional folklores, festivals, large and small scale events, cultural and historical places in the neighbor areas, Serbian gastronomy and possible outdoor activities as

hiking, horseback riding, swimming, visiting the wine cellar… This kind of integral and holistic approach is the only way to proceed to sustainable rural development.
As we live in era of internet which is the most crucial technology of modern world which has made all things available at the finger print, all organizations involved in tourism, need to take this opportunity to present in pleasant and captivating way all good potentials of rural tourism offer in Serbia.
The modern tourist is in search of "emotion and imagination", favoring the sensations and experiences in the specific destination. Therefore the **offer** should be created and presented in more **striking and original way** to be able to satisfy visitor's expectations. The attributes of the village offers as "stay in oasis of peace", "the return to our roots" "symphony of locale tastes", "journey through Serbian hidden gems " as it was one in our childhood" could be used to evoke the imagination and make potential visitors to realistic ones. The emotional feature is used in marketing more than ever today in promotion of any kind of products. The chocolate is not just a chocolate. It is more than chocolate with aim to "wake up", "antistress", "shape up"… (New Bambi chocolates) Cruising on Danube is the journey on Romantic Danube or Danube Waltz…

One of the possible ways for development and promotion of rural tourism product with its villages and their complementary products could be done through **contest** of the favorite Serbian village as exists in Belgrade the contest for the most beautiful balcony or residential entry. By this way the local communities as well as the private households are motivated to undertake all necessary actions to make their villages more proper, more beautiful. This could be seen as invitation to whole village to work and collaborate together. The village which wins would incite the visitors to come. With more visitors and increased tourism revenue the local community will experience the economic growth and this give opportunity to a number of households to take part into tourism development of the area. Some shops and houses could be transformed into restaurants, art and craft shop, souvenirs shop…
This demonstrates the role of tourism in bringing source of income to the local communities and even more addressing the poverty. As in every case, the development needs to be under control in order not to become harmful to the nature of the villages with crowds of tourists. The awareness about conservation of natural and men-made resources on which human prosperity is based must always be kept in mind. The respect for an area needs to be consciously instilled not only with hosts but with tourists as well. Within time, this kind of contest could become the label of quality with respect of principles of sustainability.

One of powerful tool for differentiation of destination is creation of activities which can allow a high degree of tourist/visitors engagement in activities in rural environment or engagement in entertainment with educational note involved. Learning something new while having fun is today trend on international tourism market.
Therefore as a supplement activity in the villages besides strolling, enjoying in the beautiful sceneries, the **local workshops** could be opened where tourists, looking for experience, could get involved whether in production of local foods or creation of traditional handcrafts. This initiative would not only bring the economic empowerment but would also encourage preserving old and forgotten handcraft techniques (souvenirs, household items, handmade jewelry …) and cultural heritage. This could be seen also as enrichment of tourist offer of Serbia through creation of unique

souvenirs. In such manner the satisfaction is on both sides, among local community through economic growth and among tourists in terms of enhancing the experience.

4.3.11 Potentials for developing agricultural products

The creation of one common national rural development agency could help a lot in promotion of rural tourism and its complementary activities and products. The impact of tourism development in rural areas can give opportunity for launching of agricultural products especially "bio food", trend which is now more and more extended in Europe and in France as well. The organic food, with even certified origin is going in line with increased customer's concern towards health, environment protection, animal welfare and food safety. The village households in Serbia could also imagine this kind of small, family runs farms as the additional economic source. The organic production is in agreement with environment protection and sustainable development as it is based on reusable resources, conversation of soil and water, limited use of harmful chemicals, sells in small groceries and concern to make possible that future generations have quality environment too.
This shows that rural tourism should be drive force for launching new business initiatives and creator of synergy between tourism and agricultural production.
In order to make the offer in rural areas more divers and attractive with a variety of possible activities to do, the development of local **festivals** and fairs so called "vašari" is seen as very good potential to show the local culture to the visitors. In the today's world of globalization and "MCdoanld's-zation" the authentic, unique folklore are the valuable and unique features contributing to the competitiveness of the products. Original and not possible to repeat or to see somewhere else is the key of success for any tourism product and destination as well. The trumpet festival in village Guča has already become popular beyond the borders of our country by its attractiveness and uniqueness, specific values, tradition but the quality of organization and time and duration of the event as well. The events are very powerful tool to valorize natural and anthropogenic values of the location and to ensure the development of the community as well. They demonstrate the tradition of autochthonous community and their lifestyle and allow tourist to enter in personal contact with them and to understand the way of life of local community. As a part of cultural heritage tourism, the festivals and manifestations contribute to differentiation of tourism product with its distinguished patterns which cannot be encounter somewhere else. And in Serbia more than 1000 manifestations is taking place throughout the year. This is a great potential that Serbia needs to use in successful and professional way in the future with long term objective and not the instant profit as it was pointed out in the magazine „Liberation" („ Media review 2013" of TOS, p. 40) by a French couple who attended the festival of Guča in 2013. If one element in the tourism chain (for instance, taxi drivers, people selling souvenirs, or people renting apartments to the visitors put as a priority their instant profit above the professional tourism behavior the global image of Serbia will constantly be connected with negative connotations which will never make tourist willing to come and visit Serbia again.
With developed large variety of things to see and do, the visitors in rural areas would get involved in three cultural attributes such as original architecture of houses, the daily life of hosts and specific cultural activities such as making the traditional handcrafts or festivals.

4.3.12 Ideas for promotion

The development in tourism sector needs to be seen through the triangle system: benefits to hosts, to visitor's satisfaction and tourism industry with respect of the environment. The development and environment protection goes together by mutual reinforce.
The public tourism sector and the TOS as the public agency in charge for promotion should do more effort in order to present Serbia on French market. One of the contributing tools for success of promotion of Croatia was a very attractive and motivating emission about Croatia in France "Des Racines & Des Ailes"[22] which has evoked the craze for Croatia among French starting with 2004 as the director of the travel agency "Rivages du Monde" has stated. That was the point for him to start thinking about organizing cruising on Adriatic Sea. And he was right.
The "Des racines & des ailes "(in English « about roots and wings") is the show released twice per month on the French channel "France 3" It exists since 1997 and combines the closeness and openness to the world. With the guests on set and shows performed in the historical places, in prestigious buildings chosen especially for their architectural beauty, the history and the heritage come together. In average this show brings 4 million of viewers.
Another way to promote Serbia in France is through dynamic activity of TOS on French market which is of great importance and must not be neglected. According to the annual business reports of TOS (Business reports of 2010 p. 23-25, Business reports of 2011 p. 17-18, Business reports of 2012, p. 20) we can point out that one of the most influential activities of TOS was the participation in one of the greatest international tourism fairs in France, **the fair IFTM TOP RESA** taking place in Paris each year. For the first time TOS took participation in it in September 2010 and this event was announced during press conference held in Serbian cultural center in Paris two weeks before. That conference was the occasion to open officially info desk TOS in Serbian Cultural Center in Paris which enables the distribution of publication about Serbia in French language as well as the presentation of TOS site in French language www.serbie.travel. The Tourist Organization of Serbia, together with Tourist Organization of Belgrade, Tourist Organization of Vojvodina and receptive agencies (Metropoliten Tours and Intertours) took participation in this TOP RESA fair with objective to establish contact with French tour operators and media, to do the research of actual French market and conversation with French tour operators in order to increase the number of French tourist in our country.
This is a good tool for presenting the offer of Serbia as the majority of visitors are French touristic agencies (38%) and an attractive stand and video material expressing the best offers for cruising and rural experience could raise interests among French tourist organization to put Serbia as destination in their program, which is not unfortunately case today.
In 2013 the **TOS info desk** in Serbian Cultural Center in Paris was modernized with touch screen providing to visitors promo videos and photos about Serbia. The new promo video „ Srbija- Jedno putovanje, bezbroj doživljaja „ (Serbia- one journey, million impressions) was presented and it got a very positive feedback from the public. (Business report of 2013, p. 36)
The visits of French journalists from different medias (Madam Figaro, Radio Nouveau Marianne, Radio France culture, La Quotidinne, Pélerin Magazine, Le Monde des religions...) as well as of tour operators (Voyageurs du monde, Liaisons Modiales) must be nurtured and maintained in

[22] http://www.france3.fr/emissions/thalassa/l-emission_256691

professional, careful and positive manner as those persons have a great influence in spreading the positive words and pictures of Serbia in France which is not as good as it used to be before 1990. As stressed on the internet site „Tourmag.com“in the text „ Despite its advantages why Serbia is sold so badly on French market? “ (Media review, p. 78), the near and painful history is still tarnishing the country's reputation which make very difficult French tour operators to persuade their compatriots to visit Serbia.
But the things have started to change in positive way as show the headings in French magazines as shown in following lines taken from Media review of TOS (2013)
* „Belgrade, the city that moves“(in the daily newspaper „ Metronews“, p.36)
* „Revival of the former Yugoslavia“,(in the magazine „Telerama“, p.45)
* „In Belgrade the festival of music“, (weekend trip propostion in the magazine „le Parisien“', p.49)
* „Belgrade, trendy and cheap“, (in the magazine „l'Express“, (p.54)
* „Kustendorf, the ideal city of Emir Kusturica“, (in the magazine „Telerama“as special weekend proposition trip, p.58
* „Belgrade borderline“, (in the magazine „ Madame Figaro“p.59) about cultural euphoria in the Belgrade.

* „The art deco treasures of Belgrade“, the walk in the Serbian town like „small Paris“ : buildings, low relief and stained glass testify a strong French influence dating back from 20s, long before the strict rule of Tito“, (in the magazine „Liberation“ p.64-67)

* „The thousand and one flavor of Serbia“, (in the magazine „Nutrition“ p. 72-75) about original and fortifying food in Serbia)

And a lot of other texts on internet or in magazines point out that tourism in Serbia is in expansion through festivals „Exit“, „Guča“, „Bear fest“, also thanks to emblematic persons such as Novak Đoković, Emir Kusturica...

Showing to journalists the best of Serbia, the rich cultural and historical heritage, the real spirit of open hearted and friendly Serbian people, tasting the delicious Serbian specialties, showing them the preserved nature with its breathtaking sceneries will change their prejudices about Serbia as it was in the case of French writer Pauline Delpech who visited Serbia in 2013.[23]

5 Conclusion

Tourism has become today one of the key players on the global market by its contribution to the prosperity, development and well-being. Every year new destinations are emerging which have invested a lot in tourism industry and turned tourism into key driver of their economic progress on the one hand and social one, on the other hand. This progress is illustrated through the creation of the new jobs and enterprises, export revenues and development of the infrastructure. The uninterrupted

[23] http://www.huffingtonpost.fr/pauline-delpech/voyage-en-serbie_b_4566831.html

growth of tourism can be followed since the 50s in the last century by achieving the first billion of tourists in 2012 and with long term outlook of 1, 8 billion by 2030.
Nevertheless, we need to stress that this growth has not been performed without any harness to the nature neither to local communities nor indigenous cultures which have often been used to support mass tourism. In order to protect its fundamental basis such as nature, landscapes, cultural and historical heritage, tourism has been forced to pass through the transformation from mass tourism to more responsible one where tourists are more sensitive and aware of the possible dangers to biological habitats.
This new approach has impact on the tourism demand which is in continuous changing process due not only to more "eco" and responsible behavior but to all new technological, infrastructural and social opportunities which are available to the modern men.
Therefore, in the context of significantly rapid pace of tourism development and growth, only the persistent players, attentive to everlasting changes in tourism demand, open for comprehensive and ongoing market research, aware of their competitors and etc can stay in the "battle "on global tourism market where some destinations are becoming saturated and the new ones are opening up as the allurement for the new tourist for whom the travelling has become an event, a search of identity, an expression of life style.
Thus, the Republic of Serbia needs to find its place on the international market in regard to this new tourism context. Without any doubt, Serbia as a country of 5 national parks, 17 nature parks, 464 natural protected resources, 16 landscapes of exceptional features, 69 natural reserves… has qualitatively diverse base for tourism development. Natural attractions, diversity of landscapes and the other natural potentials of Serbia testify of numerous types of tourism that could be developed.
The prove that Serbia is still lagging in correctly marketing shaping of its offers and positioning on the international market, with stress on the French one in our case, is the number of French tourist coming to Serbia whose number has achieved the 22 thousands in 2013 which represents just 29,3 % of all French tourists in 1975. (70 thousands) So of all French tourists which represents a considerable number with approximately 48 million, Serbia has attracted only 23 thousands which represents 0,046 % of all French tourists.
This leads us to conclusion that Serbia can perform better in the field of destination management in order to make better use of its natural, cultural and historical resources for which we could say that represent better competitive position of Serbia although the TTCI results have shown different values. The beautiful blue Danube, the gorge of Đerdap, the national park of Tara with Drvengrad, the preserved villages in Šumadija with hospitable and tolerant hosts and authentic life style and gastronomy, the roman heritages in Niš, Caričin grad, the tipical medieval orthodox monasteries with vivid stories of the past centuries, the memorable festivals of Guča and Exit, the unique and rich historical heritage of big cities such as Belgrade and Novi Sad which is in considerable extent interrelated with the French history ... are just some of the features which could certainly be interesting for French people who are keen on art, culture, „joie de vivre", authenticity in every dimension of everyday life. As an additional asset it is necessary to stress the proximity of Serbia to France through just 2h flight.
As city break is today's trend on global market, including the French one, Belgrade with its favorable geographical position regarding France and everyday flight by Air Serbia or twice per week by Wizz Air has all good possibilities to be developed and positioned on French market. The long holiday entitlement of French people (in average 6 weeks per year), as well as the average

number of trips per year (4,7 trips) goes in the interest of this tourism product development in our country.

Based on the data provided by Serbian Tourism Organization (TOS) responsible for carrying out the institutional promotion of the Republic of Serbia on international and domestic market, Serbia has already made some evident and important steps in opening itself to international market, including French one, with the interrelation of institutions from public sector of tourism, public and non-governmental organizations and associations, stakeholders and citizen.

The collaboration and partnership between public and privet sector with long term and clearly defined objectives need to prevail over instant profit.

It must not be neglected that the appearance on the international tourism market and the development of the domestic tourism are interconnected. The positive changes in domestic economic environment of Serbia, with adequate use of existing capacities and tourism products, Serbia will increase its domestic and foreign tourism traffic. This is not at all easy for Serbia which had in recent past a very negative reputation in Europe and the world because of war situation in 90s, and economic sanctions and isolation. This heavy legacy represented a big barrier in tourism development in the last decade as its reminiscences were the primordial reason for tourists not to choose Serbia as destination for leisure holiday. Hopefully, the picture is changing despite some prejudices which still can be heard or read in French media.

On the other hand, the big majority of international tourists who visited Serbia are positively surprised and the impressions and expectations they had before the trip are higher than expected. This „ positive surprise effect“ is the asset of Serbia and might be used as guidelines for the future development which goes well in line with the Serbian tourism slogan „ one journey, million impressions“.

In order to enhance the picture on French market which has been starting to find its true and real outlines, the setting of tourist information office in Paris or some other bigger town could be one of the steps in order to augment Serbia’s appearance on French market and to distribute Serbian tourism offer. This should be done in strategic and long term objectives with selective determination of tourist products which would be the most appropriate for French market. We have recognized in the cruising, city break and rural tourism product as lure for development of other segments interrelated to it, the so called „win, win „ strategy.

We really believe that this direction is possible with partnership of all participants involved in tourism sector and through strategic, responsible, long-term planning with vigilant imperative as the tourism and especially tourism demand is changing all the time. We are aware that the success of tourist products of Serbia and tourism in general, will be in great measure under the influence of political and economic situation but also under the influence of necessary changes in tourism development orientation.

Dynamic role of tourism will certainly give zest for the economic development of Serbia due to tourism multiplying effects which will generate new employment and bring development into underdeveloped areas.

Things have been started to change in positive direction and Serbia should play on card of interesting and easily accessible destination for French.

Les Français, vous êtes bien venus, on vous attend.

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