



TOURISM FLOWS IN MONTENEGRO: A RETROSPECTIVE ANALYSIS AND FORECAST FOR FUTURE TRENDS

Milan Liješević*

Ph.D. student,
Adriatic University,
Faculty of Business and Tourism Budva
Budva, Montenegro

Abstract:

This paper analyzes tourism trends in Montenegro from 2010 to 2024 and provides a projection for the following five years. The research aims to assess past growth patterns, evaluate structural features of tourism in the country, and forecast future movements using statistical tools and time series models. The findings confirm a positive trend in tourist arrivals and overnight stays, with a temporary decline during the COVID-19 pandemic and subsequent recovery. The analysis also reveals significant issues as strong seasonality and high dependence on regional markets, indicating structural imbalance in Montenegro's tourism sector. Forecast suggest a stable annual growth rate in the coming years. To sustain long-term development and increase competitiveness, the diversification of tourism products and the reduction of seasonality are essential. Moreover, improving the quality of infrastructure and addressing the dominance of non-registered accommodation capacities are identified as key policy priorities. The study concludes that Montenegro has the potential to become a year-round Mediterranean destination if strategic measures are implemented to align its tourism development with sustainability principles and global market trends.

Keywords:

tourism, Montenegro, trends, forecast, movements.

INTRODUCTION

Tourism represents one of the key sectors for economic development in many countries, including Montenegro. As a destination with significant natural, cultural, and geographic advantages, Montenegro has experienced a steady increase in tourism activity over the past decade, with a notable shift toward international arrivals. The growth of tourism has contributed to national GDP, employment, and regional development, while also posing challenges related to infrastructure, sustainability, and seasonality.

The research problem of this paper lies in understanding the dynamics of tourism flows in Montenegro and assessing their implications for future development. Although the country has recorded a consistent rise in tourist arrivals and overnight stays, there is a lack of detailed, data-driven projections that can support long-term tourism planning and policy-making. Additionally, structural weaknesses such as high seasonality, dependence on regional markets, and the dominance of non-registered accommodation remain insufficiently addressed in official development strategies.

Correspondence:
Milan Liješević

e-mail:
milan.ljesevic@fbt-budva.me



The methodology of this research is based on the analysis of secondary statistical data obtained from the official national and international sources for the period 2010–2024. Using time series analysis, the paper applies simple linear trend models to predict future movements in tourist arrivals and overnight stays over the next five years. Descriptive statistics are used to identify patterns and irregularities in the tourism sector.

The subject of the research is the movement of tourism indicators in Montenegro, while the objective is to identify long-term trends and provide realistic forecasts that can inform sustainable tourism policies. The study aims to offer a clear overview of how tourism has evolved over time and to what extent future growth can be realistically expected, considering existing constraints.

This paper is structured as follows: the introduction provides context and defines the research framework; the literature review summarizes previous studies on tourism forecasting and development at small destinations; the methodology section explains the data and analytical approach; the results section presents the findings and projections; the discussion interprets the implications of these results; and the conclusion offers key recommendations for future policy directions.

The concept of tourist movements and tourist traffic

Tourism is one of the fastest growing industries at the global level, which for many countries represents one of the main pillars of economic development. The development of the tourism industry implies the provision of adequate tourism and additional infrastructural capacities, necessary for the reception of tourists visiting a certain destination. In this regard, tourism is unthinkable without tourists, i.e. tourist arrivals and overnight stays. In recent decades, tourism has become one of the leading industries in the world economy, and various sectors benefit from it, such as: transportation, accommodation, catering, entertainment, retail, employment and many others (Dev *et al.*, 2017). Defining the concept of tourism and tourist movements was and still is the subject of study by numerous authors. The term tourism is most often based on the definition of the term tourist, where according to the definition of the “League of Nations” from 1973, a tourist is any person who travels for 24 hours or longer to a country where he does not have a permanent residence. Also, with the given definition, tourists can be categorized into four basic groups: those who travel for the purpose of leisure, then people who go to gatherings related to mission of any kind, people on business trips as well as people on sea cruises (Basermenji, 2022).

However, modern tourism is much broader concept compared to the original definition and the main problem in defining it is to include a wide range of activities that represent an integral part of the modern tourism industry. Data from the World Tourism Organization (UNWTO) indicate that the tourism industry achieved constant growth rates from 1950 to the end of the first quarter of the 21st century, with the evident reduced dynamics compared to the period from 1950 to 1960. Tourism demand at the international level records an upward trend. The moderate development of tourism after the corona virus pandemic is characterized by the complete recovery of the sector and the transition to a new phase of development. International tourist arrivals in 2024 exceeded the record results of 2019 (UNWTO, 2025). An average growth of 3% per year is predicted for the upcoming period. Also, predictions say that by 2034, tourism will account for over 11.4% of world GDP, with digitization and sustainability being the key drivers of growth (WTTC, 2024). It is important to point out that due to market instability caused by various forms of crisis, which include terrorist attacks, earthquakes, tsunamis, emergencies and health crises, the tourism industry must learn to adequately prepare for future “breaks” on the market, which are certainly inevitable (Delener, 2010). The tourism industry contributes significantly to an economy, because it generates income growth, creates new jobs, strengthens the local economy, which ultimately leads to the creation of a favorable economic environment (Sampaio *et al.* 2024).

When we talk about the importance of tourism development, it is necessary to emphasize that tourism is characterized by “power” in encouraging socio-economic and demographic development. For many countries, tourism is the main driver of the entire economy. The tourism industry is one of the most important sectors for the development of the economy because it accounts for a large part of the growth of the domestic product and the reduction of unemployment in a huge number of countries. Given that variations in numbers on an annual basis are one of the basic characteristics of tourism, predicting future trends is a very challenging process (Blagojević *et al.*, 2016).



The tourism market is a buyer's market, which means that the buyer of services (tour operator, travel agency or individual buyer) is the central figure. Thanks to their attitudes, habits, wishes and possibilities, requirements and behavior on the market are formed and determined, which ultimately becomes a prerequisite for all participants in the tourism offer. In this regard, tourism demand represents a set of potential tourists (consumers) who, with their attitudes, habits, wishes and possibilities determine the quantities, quality and prices of certain goods and services on the tourism market (Stefanović, 2004). Globalization and the raising of the living standards of the population around the world have influenced that the tourism demand at the global level becomes increasingly diverse and personalized, expanding from traditional sightseeing tourism to diverse directions such as culture of experience and eco-tourism (Ke W, 2024).

Tourist movements at the global level

The increased number of tourist arrivals and overnight stays in modern tourism brings with it another problem, which is called overtourism. Namely, tourism became accessible to almost all layers of society, which made it possible to record the growth of the number of tourist movements every year at the global level, especially in popular world destinations, which ultimately has a negative effect on the sustainable development of the destination itself. According to data from the World Tourism Organization (UNWTO), the number of tourist movements at the international level recorded continuous growth rates until 2020, when a large drop in tourist movements was recorded due to the corona virus pandemic.

Trends on the tourism market have undergone significant changes in the post-pandemic period. Modern tourists now pay special attention to safety, which has led to an increased demand for destinations with less crowds and in which there are clearly defined health and safety protocols (Chinekekwu, 2025). Modern tourism is increasingly focused on adapting to the special demands of consumers in tourism, which are related to specific forms of tourism, such as eco-tourism, adventure tourism, rural tourism, enogastro tourism, camping tourism, etc. In essence, tourism is developed, led by consumers and represents one of the largest industries, or a set of industries combining all of its interrelated components: tourism, travel, accommodation, exhibitions, meetings, events, restaurants, destinations, recreation, etc. The World Tourism Organization recognizes rural tourism as a very important element in the fight against poverty. Rural tourism is at the very top of the agenda for the future development of tourism at the global level. Data indicate that 84% of people living in poverty are in rural areas, and the development of tourism would contribute to the creation of a better economic environment and the development of local entrepreneurship (UNWTO, 2024). Tourism plays a fundamental role in shaping the various services provided by hospitality companies (Walker, 2007).

Also, the development of new technologies significantly affects the tourism and hospitality sector. The post-pandemic period has accelerated the development of digital tools used in tourism, which has led to significant changes in the behavior patterns of contemporary tourists. Digital nomads, contactless check-ins, the integration of AI and virtual reality (VR) gained additional importance during the pandemic, which caused tourism arrangements to be further personalized (Yepez *et al.*, 2024).

Of course, due to the characteristics of the health crisis, it was not possible to develop tourism, because almost all countries of the world adopted measures to prevent the spread of the virus, which had a particularly negative impact on tourism in such a way that they were almost completely abolished in that period. During the years 2021 and 2022, tourism at the global level recorded a certain recovery followed by a full recovery during the year 2024, when the figures from the previous record year 2019 were reached and exceeded.

Also, the importance of tourism at the international level can be seen through the participation of travel in the total export of commercial services at the global level. According to UNWTO data, in 2023, travel accounted for 19.45% of the total structure of exports of commercial services. More precisely, travel in the previous year reached 1,521,472 billion US dollars in 2023. Before the outbreak of the corona virus pandemic, the travel and tourism sector (including direct, indirect and induced impacts) accounted for 10.5% of all jobs and 10.4% of the global GDP. Meanwhile, spending by international visitors amounted to \$1.91 trillion in 2019. According to the WTTC, in 2023 tourism contributed 9.1% of global GDP, while in 2024 it is predicted to its participation will be at the level of 10%. In this way, the results from the year 2019, i.e. the pre-pandemic period, will be reached. When it comes to long-term forecasts, the WTTC stated in its annual report that the total participation of tourism at the global level in 2034 will be at the level of 11.4% (WTTC, 2024).



METHODOLOGY

The research methodology is based on data collected on the basis of data published by the Statistical Office of Montenegro – MONSTAT, while data processing was carried out using Microsoft Excel. The data were collected from MONSTAT's database on tourist arrivals and overnight stays in the period 2010-2024, and other data included in the Statistical Yearbook covering the mentioned period were added to them.

Various statistical methods were used in the research. For the purpose of predicting future trends, a time series model with prediction were applied to identify long-term trends and generate forecasts for the period 2025-2030. Descriptive statistics were also employed in order to highlight key patterns and irregularities within the tourism sector. On the other hand, data on tourist arrivals and overnight stays were first collected in Excel and a graphic presentation of key research results was made.

The research results were interpreted in the context of theoretical framework. During data collection and processing, multiple checks were made to detect possible errors in data entry. In addition, during the preparation of the work, various literature, textbooks, scientific papers and other publications were used, which deal with tourism and tourist movements, but also with statistics and data processing.

Results & Discussion

The number of tourist arrivals and overnight stays in the period of observation from 2010 to 2024 are shown in Table 1. The growth trend for the entire observed period and a sudden drop in 2020 of over 80% can be noticed, followed by a sudden growth in the next year compared to this minimum of almost three times. Also, it is noticeable that 2024 records a slightly lower number of tourist arrivals and overnight stays compared to 2023.

Forecasting changes and trends in arrivals and overnight stays for the next period from 2010 to 2030 was carried out using the method of creating time series models. The results of the analysis are presented in the second part of Table 1.

Table 1. The number of tourist arrivals and overnight stays in the period from 2010 to 2024 and forecasts for the period from 2025 to 2030

Year	Arrivals	Growth rate	Overnights	Growth rate
2010	1,262,985	-	7,964,893	-
2011	1,373,454	8.75	8,775,171	10.17
2012	1,439,500	4.81	9,151,236	4.29
2013	1,492,006	3.65	9,411,943	2.85
2014	1,517,376	1.70	9,553,783	1.51
2015	1,713,109	12.90	11,054,947	15.71
2016	1,813,817	5.88	11,250,005	1.76
2017	2,000,009	10.27	11,953,316	6.25
2018	2,204,856	10.24	12,930,334	8.17
2019	2,645,217	19.97	14,455,920	11.80
2020	444,065	-83.21	2,587,255	-82.10
2021	1,670,879	276.27	9,872,573	281.58
2022	1,870,362	11.94	12,428,787	25.89
2023	2,613,306	39.72	16,389,279	31.87
2024	2,606,854	-0.25	15,594,299	-4.85
2025	2,677,130	2.70	17,266,091	10.72
2026	2,765,596	3.30	18,752,506	8.61
2027	2,858,375	3.35	20,138,018	7.39
2028	2,952,175	3.28	21,424,940	6.39
2029	3,046,218	3.19	22,629,107	5.62
2030	3,140,319	3.09	23,761,456	5.00

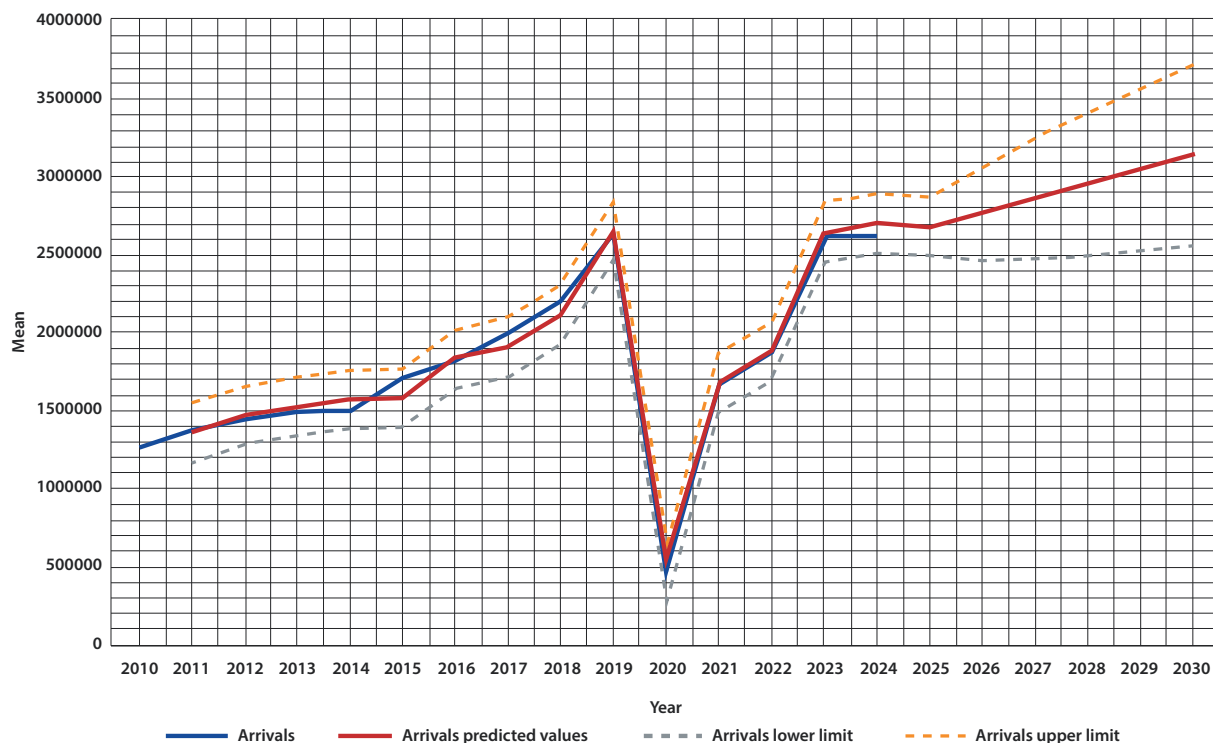
Source: Author analysis based on the MONSTAT Data (2014-2024)



During the corona virus pandemic, a drop in tourist arrivals was recorded at the level of 83.2%, while overnight stays recorded a drop of 82.1%. The aforementioned decline is a direct consequence of the corona virus pandemic, which had a serious impact on tourism at the global level. In the period after the pandemic, a post-pandemic recovery was recorded, with the prediction that a slightly slower growth rate trend will be evident in the coming period.

The following graphs show the number of arrivals and overnight stays (y-axis) for the observation period from 2010 to 2024 (x-axis), shown by the blue line, and for the forecast period from 2025 to 2030 (crossed by the x-axis with a red vertical line). The red line shows the predictive values of arrivals and overnight stays for the complete period of observation and forecasting, while the dashed lines show the lower and upper limits of the predictive values.

Figure 1. The number of tourist arrivals in the period from 2010 to 2024 with predictions until 2030



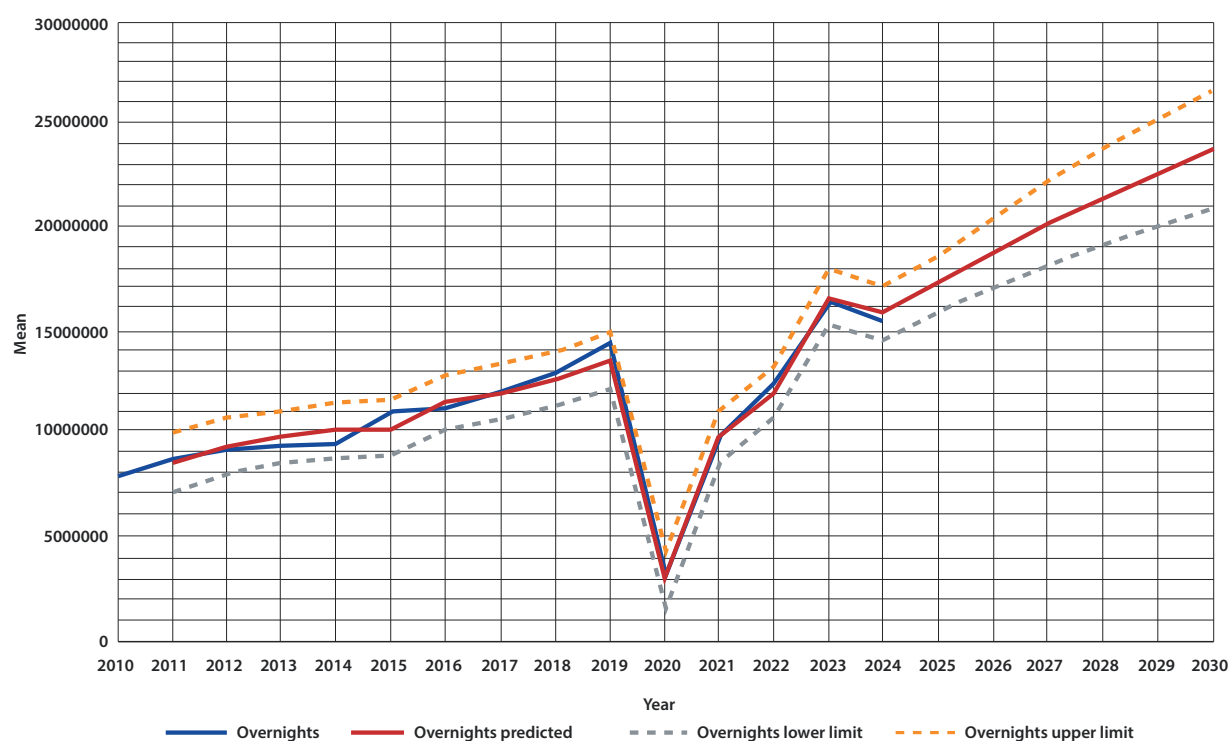
Source: Author analysis

Figure 1 shows the growth trend in the number of arrivals in the period from 2010 to 2019, a sharp drop in 2020 due to the COVID-19 pandemic, and a post-pandemic recovery from 2021 to 2023, when the level from 2019 was almost reached. It is noticeable that the predictive values in the post-pandemic period, i.e. from 2021 to 2023, were slightly higher but still followed the actual observed values. Given that no major deviations were observed, it can be said that for this reason the predictions are realistic to a significant extent.

Due to the general growth trend in the number of arrivals in the past period, predictions are that the growth trend will continue in the coming period, but moderately and with a low growth rate. Forecasts say that from 2025 to 2030, growth rates of 2.7% to 3.35% will be recorded, and that the level recorded in 2019 will be reached again in 2025. The growth rates are moderate and logical and the confidence limits are in a reasonable range, which means that no extreme difference between the upper and lower confidence limits is observed. In order to increase the growth rate of tourist arrivals, certain strategic measures of tourism development should be applied, which would include all aspects of the tourism industry, including ecological and other types of tourism, such as specific forms of tourism and selective forms of tourism.



Figure 2. The number of tourists overnights in the period from 2010 to 2024 with predictions until 2030



Source: Author analysis

Figure 2 shows the growth trend in the number of overnight stays in the period from 2010 to 2019, a sharp decline in 2020 due to the COVID-19 pandemic, and a post-pandemic recovery from 2021 to 2023. In the course of 2024, a decrease in the number of overnight stays was recorded at the level of 4.85%. Forecasts indicate that a significant and constant growth in the number of overnight stays is expected in the forecast period. Changes in the number of overnight stays in this period are in accordance with the changes in the number of arrivals. The number of overnight stays in 2023 (16,389,279) still reached the level of overnight stays in 2019 (14,455,920).

A moderate growth trend is predicted in the coming period as well, with the fact that in the first years of the forecast the growth rate is slightly higher, while already in the second half of the forecast period the growth trend stabilizes at 5-6%. Also, as with tourist arrivals, the confidence limits are in a reasonable range, which indicates that no extreme difference was observed and that the prediction of tourist overnight stays is expected with a high level of confidence. Forecasts for the next period from 2010 to 2030 indicate a stable growth in the number of arrivals and overnight stays.

In order to increase the rate of growth and stable growth in the number of tourist arrivals and overnight stays, certain strategic measures for the development of the tourism industry, including ecological and other types of tourism, should be applied, which include more intensive marketing and promotional activities, especially the promotion of tourist destinations through digital services, online advertisements and sponsorships, the development of tourism infrastructure, especially the increase in the number of luxury hotels (for the winter season, the increase of ski centers with artificial snow), the organization of cultural, sports and other events, training, staff training and improving the quality of services, increasing the safety and security of tourists, as well as improvement of international cooperation and recognition of Montenegro as a leading tourist destination in the Mediterranean.

An overview of the number of tourist arrivals and overnight stays in the low and peak seasons as well as shoulder season in the period from 2010 to 2024 is shown in Table 2. It is indicated that arrivals and overnight stays in the season are significantly, 2-3 times higher compared to the low season, while arrivals and overnight stays in the shoulder seasons are at a similar level.



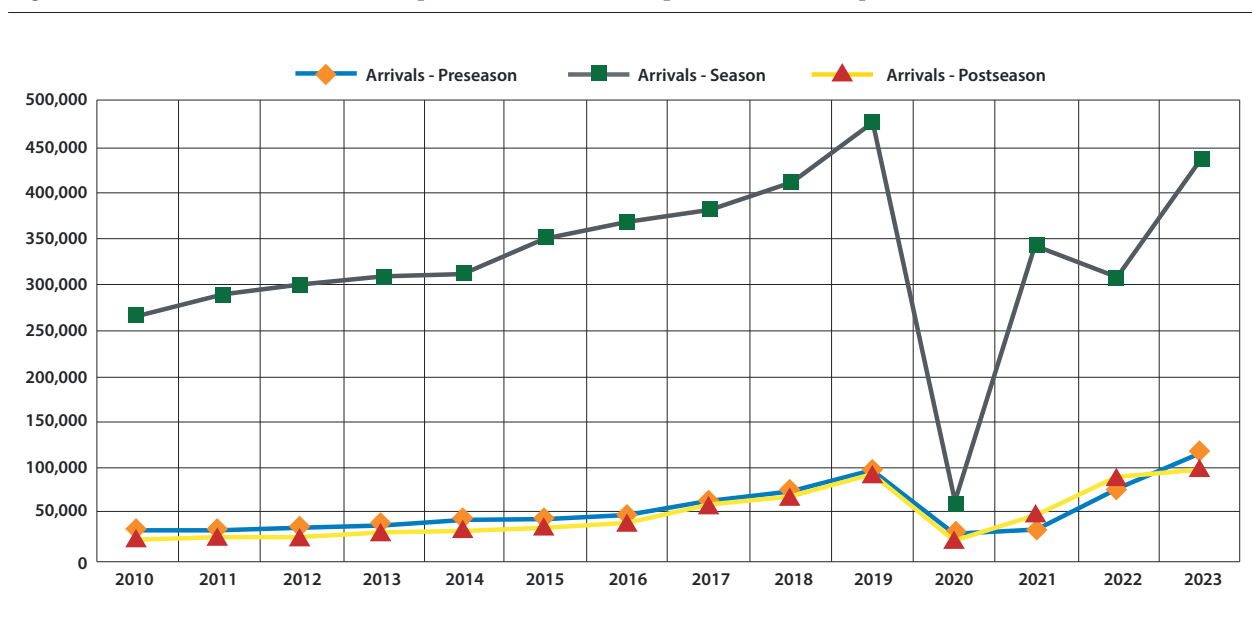
Table 2. The number of tourist arrivals and overnight stays in peak and low seasons in the period from 2010 to 2024

Year	Arrivals - Preseason	Arrivals - Season	Arrivals - Postseason	Overnights - Preseason	Overnights - Season	Overnights - Postseason
2010	30,708	262,382	19,972	133,527	1,765,455	78,480
2011	32,015	286,108	22,981	134,260	1,961,958	85,346
2012	32,624	301,409	23,582	142,570	2,043,894	87,603
2013	35,088	308,638	27,339	148,024	2,088,609	105,795
2014	41,611	311,374	29,830	170,616	2,118,576	112,941
2015	41,813	351,080	33,242	164,604	2,456,123	135,813
2016	44,973	368,260	38,638	176,341	2,474,524	156,735
2017	59,739	382,246	57,444	275,856	2,446,030	263,305
2018	71,423	411,126	67,745	305,939	2,613,362	315,731
2019	92,827	476,179	92,123	372,229	2,869,923	371,696
2020	27,298	62,715	18,905	130,383	377,858	141,303
2021	31,339	343,280	47,023	162,759	2,077,956	248,985
2022	75,175	307,277	88,460	363,024	2,237,305	554,817
2023	115,089	436,622	97,124	723,620	2,752,191	587,473
2024	113,438	432,521	103,194	644,788	2,657,513	580,102

Source: Author analysis based on the MONSTAT Data (2014-2024)

Figure 3 shows the number of tourist arrivals in the season (gray line), in the pre-season (dark blue line) and in the post-season (light blue line) for the period from 2010-2024 year. If we exclude the year 2020, although that year recorded a higher number of arrivals in the high season, it can be clearly seen that the seasonality of tourist arrivals is most pronounced in the summer months, i.e. in the high season (June-September) and a significantly lower volume of arrivals in the shoulder seasons.

Figure 3. Number of tourist arrivals in pre-season, season and post-season in the period from 2010 to 2025



Source: Author analysis

These results clearly indicate that seasonality is dominantly expressed in Montenegro.



CONCLUSION

Tourism is the most important economic activity in Montenegro and it is expected that it will continue to occupy a leading position in the coming period. Thanks to tourism development, other economic activities are generated and a strong influence is felt on micro and macroeconomic indicators. Thanks to tourism consumption, a multiplier effect is achieved, which is one of the most important benefits of tourism development. Tourist movements in Montenegro can be predicted only on the assumption that the identified pattern will continue in the future. Therefore, the validity of forecasting tourist movements will be successful only if the normal growth trend is maintained and continued. Considering that the predictive values followed the actual numbers of tourist movements in Montenegro and that the predictions for the upcoming period are reasonable, because they are in line with the current trends, we can say that the presented model is reliable. In order for this growth to be realized and sustainable, it is necessary to implement strategic measures that, above all, follow global trends.

In the following period, the focus of the creators of tourism policies in Montenegro should be on the diversification of the tourist offer, which would initially affect the extension of the tourism season and the reduction of the large peak in the number of tourist arrivals and overnight stays in the summer period. In addition to creating conditions for the development of year-round tourism, the development of specific forms of tourism and diversification of the tourism offer would have an impact on attracting a greater number of tourist arrivals from the main emitting markets, which would create the possibility for better results in tourism. Specific forms of tourism that should be particularly focused on are ecotourism, rural, eno-gastro, congress and wellness tourism, because they enable the extension of the tourism season and attract new segments of demand. In parallel with that, the digital transformation of the destination and the introduction of smart tourist destination management systems would affect the efficiency and competitiveness of the tourism sector. The sustainable development of tourism must be based on the preservation of natural resources and infrastructure that supports even spatial and temporal distribution of tourists. By implementing the aforementioned policies, Montenegro can achieve the long-term goal of transformation into a competitive year-round Mediterranean destination, ensuring stable growth and reducing structural imbalances.

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