

THE LEVEL OF DEVELOPMENT IN THE FIELD OF TOURISM IN THE CURRENT ECONOMIC CONTEXT

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ABSTRACT

The main purpose of the research presented in this article was to analyze the level of tourism development in the current economic context, being focused on European countries. The analysis was carried out taking into account the demand-supply ratio, materialized by the evolution of the supply and demand of tourist services at the European level, but also the dynamics of the infrastructure related to tourist services. Eurostat data on the evolution of representative indicators for the characterization of the supply and demand of tourist services were used to carry out the research. The results of the analyzes carried out seem to indicate that the most important countries from the perspective of the offer of tourist services are also those whose tourist services have the most important share in the evolution of demand at the European level. Airport, road and rail infrastructure is essential for tourism development and economic growth. The countries of Western Europe, such as Germany, France and Spain, have invested considerably in the modernization of the infrastructure related to tourist services, while the Eastern European countries make investments in the tourist infrastructure precisely in order to reduce the existing gaps.

KEYWORDS : *context, development, economic, level, tourism.*

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1. INTRODUCTION

Tourism plays a fundamental role in the economies of European states, as well as in the economies of other regions of the world, having a significant contribution to the GDP of many countries and contributing to the creation of many jobs with a significant socio-economic impact. Globally, before the COVID-19 pandemic, tourism was a booming field, characterized by an upward trend in the number of international stays and trips, as well as the permanent increase in tourist spending. Significant, in this regard, are the data of the World Tourism Organization (2021), according to which the flow of tourists in international tourism generated revenues of 1.5 trillion dollars in 2019. Thus, we can note the reconsideration of tourism from the status of a source sector of income to that of the engine of economic and social development. The text of the paper should be divided into chapters. The numbering of chapters should be in decimal form.

Later, during the COVID-19 and post-pandemic period, tourism became one of the industries most exposed to global pandemic developments, but also one of the fields that reinvented its resources and means to ensure sustainability and resume the upward trend in the post-pandemic period. Environmental factors such as the global pandemic, new geopolitical realities materialized in the permanence of military conflicts and digitization have reconfigured the tourism sector both globally

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and in Europe. Both the main actors of the industry and the customers had new approaches, marked by the extent of digitalization and the change of some consumption trends, both globally and at the European level, including in Romania.

However, tourism has remained an essential source of economic growth and securing foreign exchange reserves for many countries of the world (Thommandru et al., 2021). According to the opinion of most specialists who have had as the subject of research the economic effects of tourist activities (Calero and Turner, 2019; Nunkoo et al., 2019; Bekun, 2023) the benefits of this nature are evident both in the case of private organizations and at the government, in that it is one of the fastest growing economic sectors providing revenue from fees and taxes, employment opportunities for the local population and diversification of activities in local economies. These benefits are recognizable realities not only at the European level but also in Romania.

Taking into account the previous concerns of specialists and the state of research undertaken so far in the research presented in this article, we had the following research objectives:

- identification and analysis of the main results published in the literature in relation to the topic of the researched topic;
- carrying out an analysis of the stage of tourism development at the European level and in Romania in the current economic context.

Through the conducted research, we aimed to answer the following research questions:

- What are the main results obtained on the research topic that are present in the main stream of publications?
- What is the stage of tourism development in the current economic context at European level and in particular in the case of Romania?
- How are the results of the analysis compared to similar ones previously published in the specialized literature?

In the research carried out, we aimed to reveal the state of development of Romanian tourism by reporting to other countries in the European Union. This research approach is useful because it creates the scientific premises for the adoption of relevant sectoral policies that take into account the multiple benefits that the tourism sector can have on the general level of economic development.

2. LITERATURE REVIEW

In the specialized literature, there are multiple approaches regarding the level of tourism development in various countries or regions, especially on that of European countries considering that a good part of the global tourist destinations are found on this continent. Halkier (2010) concluded that at the European level, although the policies aimed at tourism have a limited area of action and applicability, the effects of other European Union policies such as regional and competitiveness policies have important effects on tourism, especially as a supporting element of the development of new services and experiences in regions where tourism was not considered an important economic sector. The study carried out by Halkier (2010) completes, regarding the analysis of the level of tourism development and the effects of integration into the European Union on this activity, the results of other previous studies (Cardoso and Ferreira, 2000; Hall, 1998).

Jovanoviä and Iliä (2016) showed that tourist infrastructure is a fundamental element for the development of tourism, especially in the case of Southeast European countries. Competitiveness in the field of tourism depends, according to the research carried out by the two previously mentioned authors, on the investments made in the development of the tourist infrastructure.

Önder et al. (2017) made a synthesis of the conceptual framework and indicators that can be used for the analysis of sustainable tourism, as a reflection of the concerns of various bodies and specialized associations, considering that it is much more feasible to use existing indicators, more

anchored in the practice of tourism organizations in the place of elaboration of new ones that do not so quickly find their place within organizations.

Streimikée et al. (2020) analyzed the forms and factors that ensure the reinforcement of the comity of tourism through the implementation of social, economic and environmental targets in the areas where they constitute tourist destinations.

Thus, in the analysis carried out, they found that consumers are interested in the implementation of new technologies within tourist services, a fact that ensures their sustainability, especially in the conditions of the COVID-19 pandemic (showing the fact that such pandemics constitute essential challenges and risks regarding the sustainability of the activity tourism). Badulescu et al. (2021) studied the long-term relationship between economic activity development and economic growth showing that economic growth and energy consumption have a statistically significant impact on tourism indices (both long-term and short-term).

Filipiak et al. (2020) carried out a research on the factors that influence the tourism industry as well as the digitalization of tourism, sustainability and economic growth, which confirmed that there is a causal relationship between the development of the tourism industry and the growth of GDP for the countries of the European Union (except Greece). Other similar analyzes were performed by Bertocchi et al. (2021), Portella-Carbó (2023) or Hall (2008).

Numerous studies have been carried out regarding tourism in Romania. Băbăț et al. (2023) conducted a study with the aim of outlining the image of Romania's tourism competitiveness through a comparative analysis with other neighboring countries. Cehan and Iațu (2023) showed the importance of government policies in the field of tourism in Romania during the COVID-19 pandemic.

3. RESEARCH METHODOLOGY

The analysis of the level of tourism development, in the current economic context, was carried out taking into account the evolution of supply, the evolution of demand, the demand-supply ratio and the infrastructure for tourist services. The realization of the analysis of these elements was subordinated to the objective of having a holistic picture of the stage of tourism development at the European level and of the positioning of the level of development of Romanian tourism in this context.

This approach to the analysis of the development stage was adopted taking into account the fact that Romania has been a member state of the European Union since 2007 and that the main economic flows (including tourism) of our country go to other EU member states. In the analysis, not only the states of the European Union were included, but also those that are not EU members but are part of the European Economic Area (EEA) and the European Free Trade Association (EEA + Switzerland) as they are representative countries for tourism at the European level and globally.

The comparative research approach at the European level was carried out using the Eurostat databases for the number of accommodation places, the demand for tourist services and the supporting infrastructure for tourist services. To characterize the offer of tourist services, the number of accommodation places from 2014 to 2023 was used, both as a total number and as a differentiated number, in the urban and rural areas. EUROSTAT data for transport infrastructure, energy consumption and water supply were used for the analysis of the supporting infrastructure.

The analysis used, from a methodological perspective, indices with a fixed base and with a chain base and the Pareto distribution of European countries from the perspective of accommodation places and the number of tourist arrivals. The Pareto distribution was useful for revealing the most representative countries in the European Union in terms of accommodation and the number of tourists. Also, the analyzes were focused on highlighting the place and the level of development of Romanian tourism in the whole of Europe.

4. RESEARCH RESULTS

4.1 Analysis of the tourist service offer

The analysis of the offer of tourist services was carried out at the level of European Union countries and other European countries that are not members of the European Union (EEA and EFTA member countries). The offer of tourist services was analyzed taking into account the number of accommodation places, according to Eurostat databases. The evolution of the number of accommodation places in the European Union (including EEA and EFTA) and in the Euro Zone is presented in the following figure.

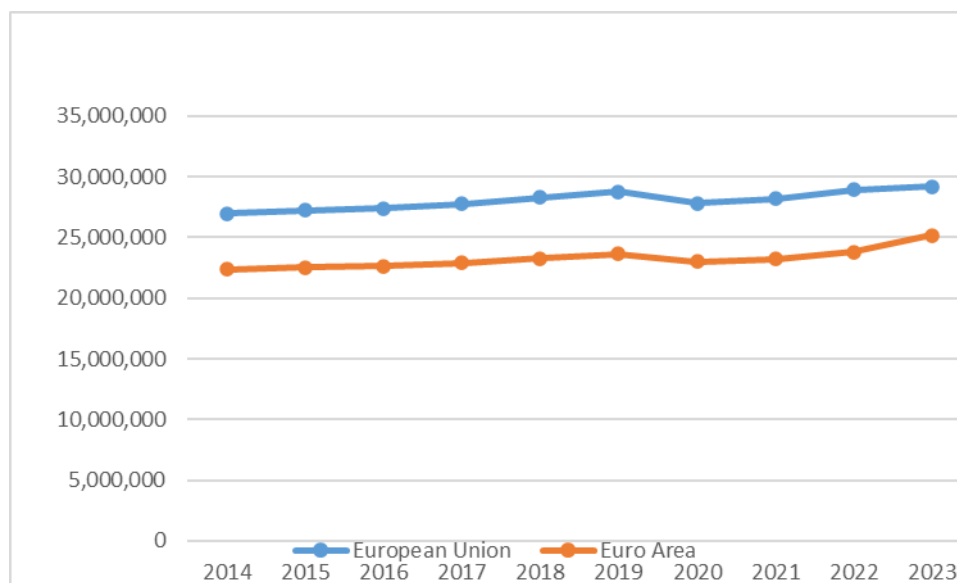


Figure 1.a The evolution of the number of accommodation places in the European Union (including EEA and EFTA) and in the Euro Zone

Source: own calculations using Eurostat data

According to the data presented in the previous figure, the evolution of the number of accommodation places in the European Union (including EEA and EFTA) and in the Eurozone followed a similar upward trend, with a small downward trend during the COVID-19 pandemic (especially in 2020, the year of onset of the pandemic period). It is noted that, in the structure of the offer of tourist services in the European Union, EEA and EFTA, according to the data presented, the countries of the Eurozone hold an overwhelming weight, throughout the analyzed period.

Thus, in the structure of the offer of tourist services (Figure 1.b) in the European Union (including EEA/EFTA), the Eurozone countries have an average share of 82.91% of the number of accommodation places in the period 2014 – 2023, with higher values in 2023 (86.34%) and with lower values in 2019 (82.29%).

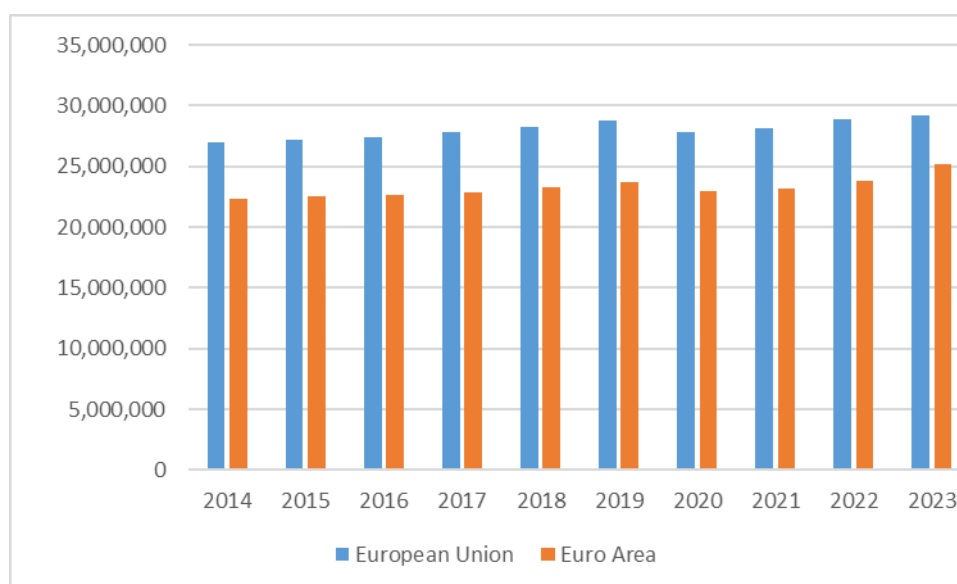


Figure 1.b. The evolution of the number and structure of accommodation places in the European Union (including EEA and EFTA) and in the Euro Zone

Source: own calculations using Eurostat data

The evolution of the number of accommodation places in the European Union (including EEA/EFTA) and in the Euro area is more obvious if the analysis is carried out using the chain-based indices, presented in table 1. Thus, the upward trend over the entire period 2014-2023 can be observed if we consider the average index value of 1.01. This upward trend is visible over the entire period considered, but also in the case of the annual indices with the single exception of the 2020/2019 index whose downward trend (0.97) illustrates quite clearly the effect of the COVID-19 pandemic, especially its onset, on the offer of tourist services.

Table 1. Indicators of the evolution of the number of accommodation places in the EU and the Eurozone

Area/Indices	Index 2015/2014	Index 2016/2015	Index 2017/2016	Index 2018/2017	Index 2019/2018	Index 2020/2019	Index 2021/2020	Index 2022/2021	Index 2023/2022	Average index
European Union	1.01	1.01	1.01	1.02	1.02	0.97	1.01	1.03	1.01	1.01
Eurozone	1.01	1.00	1.01	1.02	1.02	0.97	1.01	1.03	1.06	1.01

Source: own calculations using Eurostat data

Analyzing the data in table 1, one can observe, as I have shown previously, the similar trend of the evolution of the indices for the European Union (including EEA/EFTA) and for the Euro Zone, a fact that can be explained considering the very large weight that the number of accommodation places from the Eurozone has in all the accommodation places in the EU. In the case of a single index (2023/2022) a relatively significant difference (0.05) can be observed between the countries of the European Union (including EEA/EFTA) and the Eurozone.

The average number of accommodation places in EU and EEA member countries (including EFTA) in the period 2014-2023, according to Eurostat databases (Establishments, bedrooms and bed-places in tourist accommodation, by degree of urbanization and coastal/non-coastal area) [tour_cap_natdc\$defaultview], is shown in Figure 2.

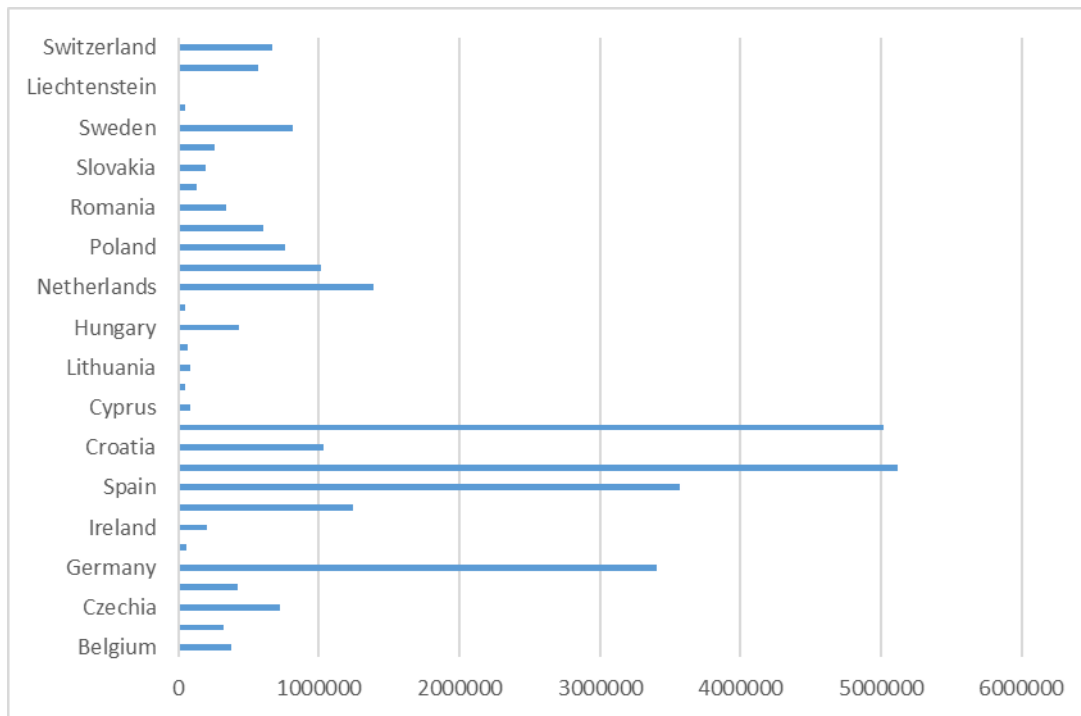


Figure 2. Average number of accommodation places in EU and EEA member countries (including EFTA) in the period 2014-2023
 Source: own calculations using Eurostat data

According to the data in figure 2, in terms of the average number of accommodation places in EU and EEA member countries (including EFTA) in the period 2014-2023, three large groups of countries can be identified:

- *The group of large countries in Europe that have a very large and continuously developing tourist offer, in accordance with the potential of global demand for them, which includes the main tourist destinations of Europe (France, Italy, Spain) and Germany (as a point economic cardinal of the European Union)*
- *The group of countries with a large offer compared to the area/population but corresponding to the demand for tourist services generated by the cultural/natural heritage (Greece, Holland, Portugal, Austria, Croatia, Switzerland);*
- *The group of countries that have a significant offer of accommodation places but that are not located in important tourist flows (Romania, Finland, Slovakia, etc.)*
- *A group of countries that have a reduced offer either as a result of the small number of the population or as a result of a reduced influx of tourists (Luxembourg, Lithuania, Latvia).*

According to the elements presented previously, *Romania is not, from the perspective of the tourist offer (expressed as the number of accommodation places), in the two groups of significant countries, from this point of view, at the European level.* The number of accommodation places in Romania is clearly lower than other countries with smaller populations (Croatia, Portugal) or relatively close to the accommodation capacity of countries with a lower level of surface area and number of inhabitants.

The existence of a number of countries that have a dominant position in the overall offer of tourist services at European level is also confirmed by the Pareto distribution of the number of accommodation places in the countries of the European Union and in the European Economic Area (including EFTA) in the period 2014-2023, shown in the following figure. It is noted that, according

to the Pareto distribution, two countries (France and Italy) have more than 80% of the number of accommodation places at European level.

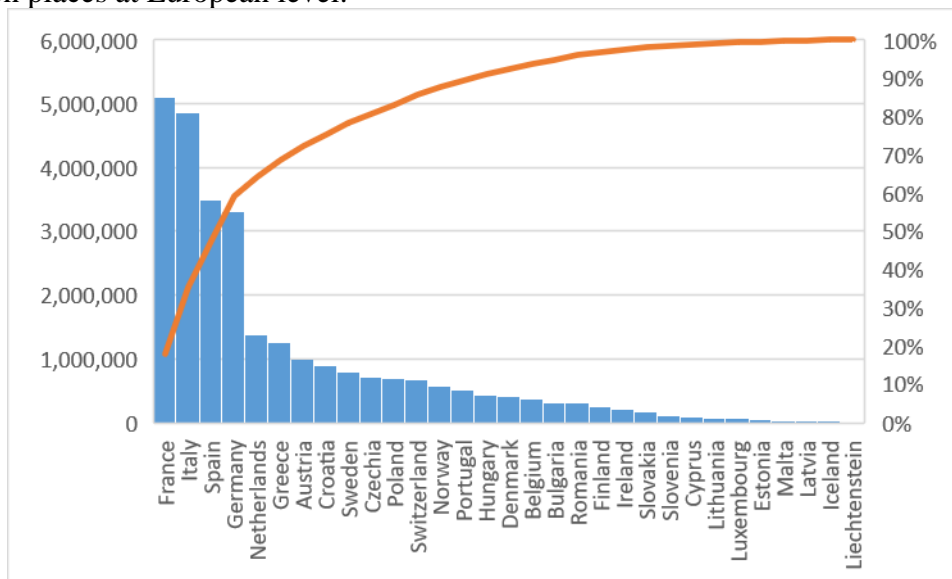


Figure 3. Pareto distribution of the number of accommodation places in the countries of the European Union and in the European Economic Area (including EFTA) in the period 2014-2023

Source: own calculations using Eurostat data

Regarding the current geographical distribution, at the end of 2023, of the number of accommodation places in the EU and the EEA, it can be observed that the leaders of the whole period 2014-2023 (France, Italy, Spain and Germany) continued to maintain their position in the supply structure tourist services. They are followed by countries with great tourist potential (Greece, Portugal, Austria, Holland) but with a much reduced population/area compared to the leaders of the field.

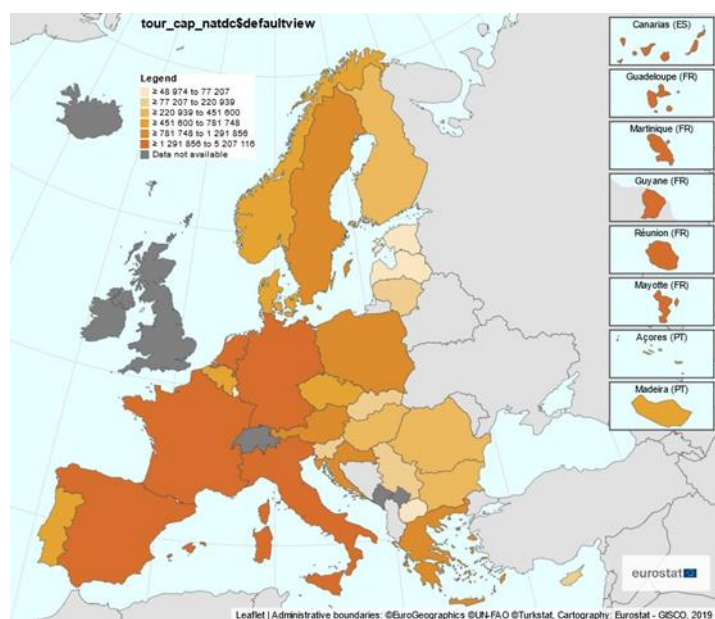


Figure 4. Geographical distribution of the number of accommodation places in EU and EEA (EFTA) member countries in 2023

Source: Eurostat data

4.2 Analysis of the demand for tourist services

The evolution of the demand for services was analyzed taking into account the evolution of the number of tourists in the European Union (27 states) during the period 2012-2023, presented in the following figure. To express the number of tourist arrivals, data on hotels were taken into account; holiday and other short-stay accommodation; camping grounds, recreational vehicle parks and trailer parks.

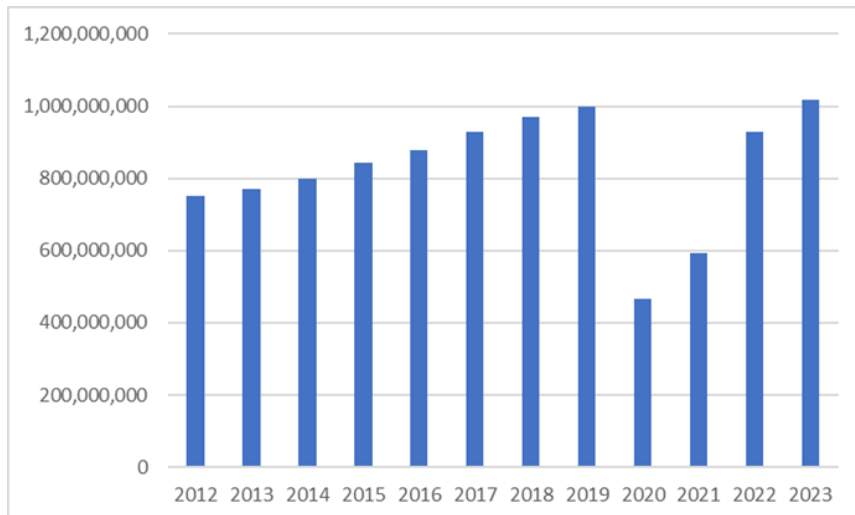


Figure 5. The evolution of the number of tourist arrivals between 2012 and 2023 in the European Union

Source: own calculations using Eurostat data

From the previous figure it can be seen that, throughout the European Union, the evolution of the number of tourist arrivals between 2012 and 2019 had an upward trend, followed by a significant reduction in the influx of tourists during the period of expansion of the COVID 19 pandemic (the 2020s – 2021) and a resumption of the upward influx of tourists starting in 2022. The year 2023, the first year of the post-pandemic period, is one of the resumption of the upward cycle.

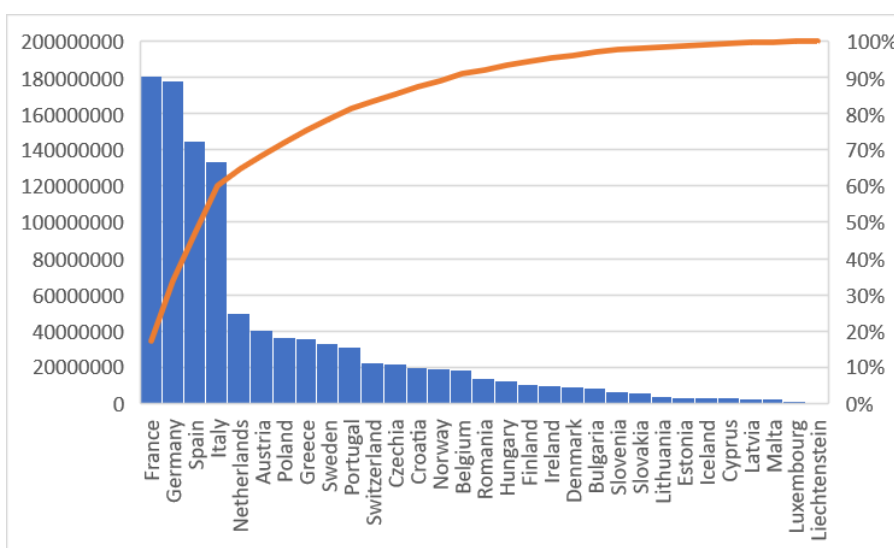


Figure 6. Pareto distribution of the number of tourist arrivals in the countries of the European Union and in the European Economic Area

Source: own calculations using Eurostat data

From the Pareto distribution of the number of tourist arrivals in the countries of the European Union in 2023, it can be seen that France, Germany, Spain and Italy are the countries most visited by tourists. They are followed but at an appreciable distance by the Netherlands, Austria, Greece, Portugal or Poland. Romania is in the vicinity of this second group of countries but with a smaller number of tourists. Analyzing the situation of the demand-supply ratio, a relative correlation of them is found in the sense that the countries with the highest supply of tourist services (measured by accommodation places) are also the countries that have to satisfy the highest demand for tourist services (expressed by the number of tourist arrivals).

4.3. Support infrastructure for tourist services

Road infrastructure, water supply and electricity consumption are essential components both for economic development and for the functioning of a society. Thus, a well-developed road infrastructure facilitates the transport of people and trade, supporting economic growth. The supply of drinking water is crucial for public health, agriculture and industry respectively, and through an efficient management system of this resource, the long-term sustainability of communities can be ensured. At the same time, electricity consumption, supported by modern and renewable sources, is essential for the efficient operation of infrastructures.

Airport infrastructure is closely related to the development and growth of tourism in any country, which clearly determines the extent to which some of the European countries have invested in the expansion of airport networks, precisely to facilitate the direct impact on the tourism industry.

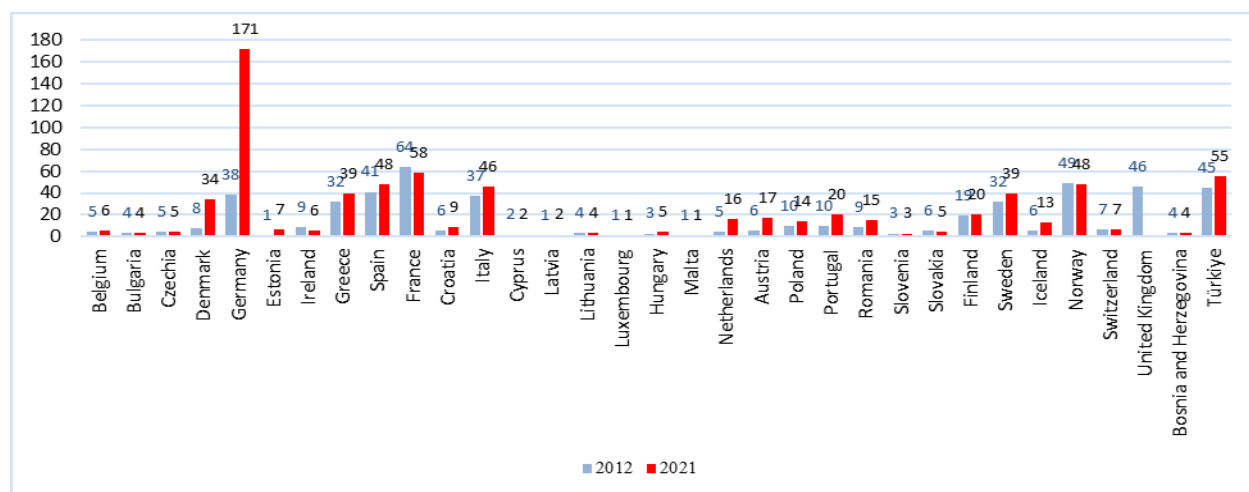


Figure 7. The evolution of the number of airports from 2012-2021

Source: own calculations using Eurostat data

Water supply is an important element for the development of any society. In Europe, water supply systems are complex, and in the context of climate change and population growth, ensuring constant access to drinking water is becoming increasingly important.

The following chart shows the evolution of the population connected to the public water supply in 2013 and 2022 respectively, for several European countries. In most cases, a steady increase or maintenance of a high level of connectivity to the public drinking water network is noted.

Belgium, Germany, Malta, the Netherlands, Austria, Poland and many other countries show a connection to the public water network of more than 95% in both periods. Thus, these countries experienced either stagnation or slight growth between 2013 and 2022, suggesting that water infrastructure is already very well developed.

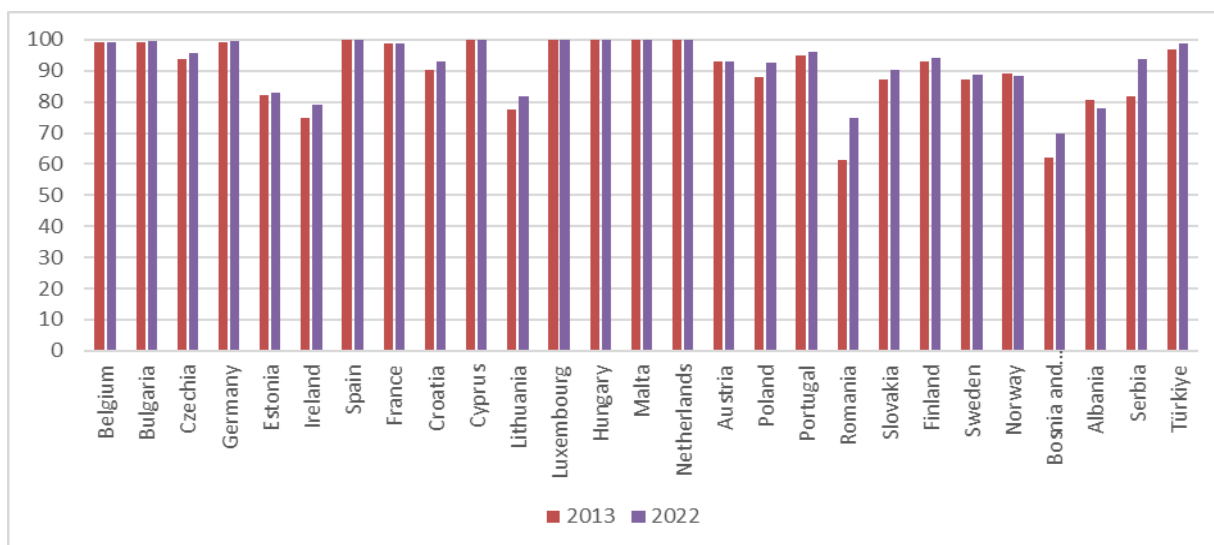


Figure 8. Evolution of the population connected to the public water supply in 2013 and 2022
 Source: own calculations using Eurostat data

As for Romania, it is a country that registered a considerable increase between 2013 and 2022. In 2013, the percentage of the population connected to public water was relatively lower compared to other countries, but in 2022 it approached the values in Europe of the West, which may indicate significant investment. In the case of the countries Estonia, Croatia, Lithuania and Bosnia and Herzegovina, they experienced greater variations in connection to the water supply. Although they are not among the last places, the percentage of the connected population in these countries was lower in 2013 and increased until 2022 but has not yet reached the values of other Western European states. Thus, countries in Western and Central Europe show a very high level of connectivity to the public water network, while countries in Eastern Europe, the Balkans and less developed regions needed more investment to reach a similar level.

Energy consumption in Europe shows the economic and geopolitical diversity of this region, having a significant impact on the environment and the economy respectively. We note that, in recent years, the European Union has emphasized a transition to cleaner and more sustainable energy sources, precisely to reduce carbon emissions and to combat climate change.

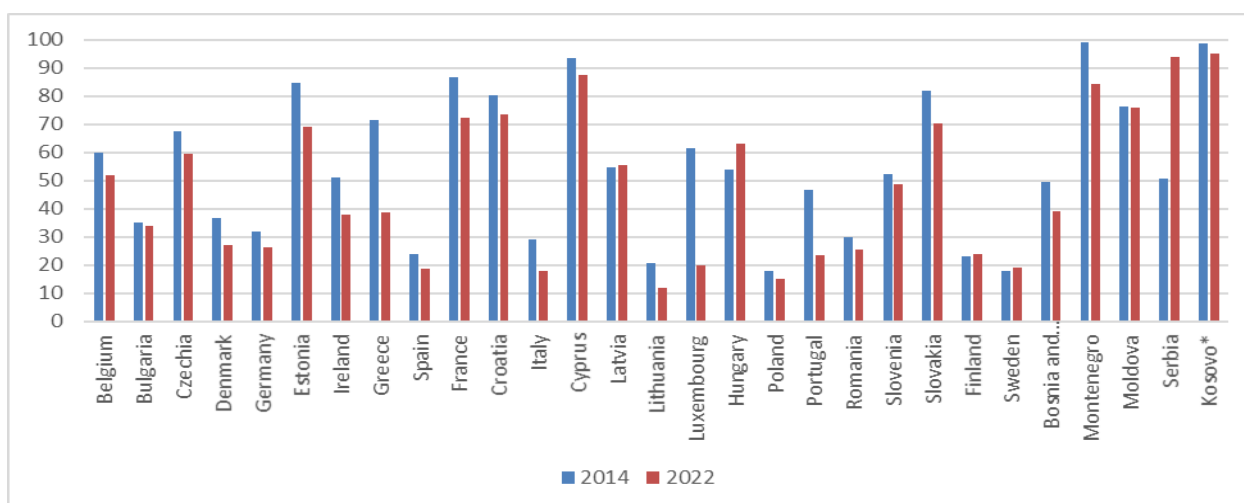


Figure 9. Evolution of the energy market indicator in the period 2014-2022
 Source: own calculations using Eurostat data

In the previous figure, the energy market indicator is presented, expressed in percentages for various European countries from 2014 and 2022 respectively. At first glance, there is a general decrease in percentages for most countries between 2014 and 2022. The countries that registered an increase include Hungary, Serbia, Finland and Sweden where the differences between the two periods are larger. On the other hand, Greece and Portugal show a notable difference between 2014 and 2022, which may suggest a reconfiguration of the energy market in those regions. These changes may suggest that the energy market in Europe has undergone significant changes in this time frame, being influenced by factors such as the energy transition, environmental regulations or investments in renewable energy sources.

3. CONCLUSIONS

The research presented in this article had as its main purpose the analysis of the level of tourism development in the current context at the level of European countries (especially at the level of the member countries of the European Union) with the highlighting of the place and level of development of tourism in Romania in the overall dynamics of the field at the European level. The reporting of the evolution of Romanian tourism to the European dynamics of the field was carried out also taking into account the need to have an image of the existing gaps in relation to the most representative countries in this sector.

The analysis of the level of tourism development in the current economic context was carried out taking into account the supply-demand ratio in this sector at the European level. From this perspective, we can conclude that the most important countries from the perspective of the offer of tourist services (France, Italy, Spain, Germany) are also those whose tourist services have the most important share in the evolution of demand at the European level.

Airport, road and rail infrastructure is essential for tourism development and economic growth. Western European countries such as Germany, France and Spain have invested heavily in modernizing airports, facilitating a large flow of tourists and improving international connections. In contrast, Central and Eastern European countries such as Romania and Poland are in the process of upgrading their airport infrastructure to reach Western standards. Investments in the modernization of water networks are a priority to meet tourist and economic requirements. Electricity supply is crucial to all aspects of life, including tourism.

The analysis presented in this article can be continued through two future directions of research: a first direction that aims to identify and analyze the factors that influence the level of development of tourism on a European level and in Romania; a second direction aimed at developing measures to stimulate investments in tourism and in the tourist infrastructure in Romania.

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