

Position of Destination Bulgaria in a World-Range-List of Tourist Destinations Competitiveness and Possibilities for Positive Change

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Abstract

The present study offers a situational analysis of the positions of the tourist destination Bulgaria in the world ranking of 140 tourist destinations according to the "Travel and Tourism Competitiveness Index" calculations in the report of the World Economic Forum – Davos for 2019². The strengths and weaknesses of the competitiveness of destination Bulgaria are evaluated according to the values of the individual indices, calculated using a scale from 1 - weakest to 7 - strongest position, in relation to Europe and destinations from the Balkan Peninsula due to the influence they have on the development of tourism in the country. Guidelines for positive change are being formulated.

Keywords: tourist destinations, index of travel and tourism competitiveness, Bulgaria, positive change

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Introduction

Before the Covid-19 pandemic crashed global tourism down to almost “ground zero”³ it was a phenomenon of proven important significance for contemporary society. The 1.4 billion international tourists who undertook a travel in 2018 generated 1.7 trillion US dollars in revenue, representing 7% of global exports, 29% of services exports (UNWTO, 2019) and 10.3% of global GDP (WTTC, 2019). These figures range tourism in third place as an export sector after the ones of chemical products and fuels, ahead of the auto and food industries. The tourism sector creates the most jobs - one in each 10. In absolute figures, these are more than 120 million people directly involved in the provision of tourism services, or nearly 4% of all jobs, and indirectly the sector supports over 330 million jobs or nearly 10% of all. (UNWTO, 2018; WTTC, 2019).

Europe, in particular the European Union (EU), is a leading tourist destination and a major emitting market for international tourism with a 51% market share of tourist arrivals, which in absolute numbers are 710 million; 48% of the departures of the European population for the purpose of tourism worldwide and 39% of the realized revenues, equal to 570 trillion US dollars. The tourism sector also supports a 10% share of European GDP as well as a 12% share of EU jobs, equal to 13 million.⁴

In the context of international tourism, according to data from the Ministry of Tourism, destination Bulgaria registered 9,273,000 arrivals of foreign tourists in 2019, from which 3.6 billion euros of revenue were realized (January-November 2019). The share of the tourism sector in the

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² The last year of normal conditions (an absolutely necessary factor) for the development of tourism in the world before the Covid-19 pandemic and the subsequent uncertainty as a result of the war in Ukraine and, more recently, the military actions in the Gaza Strip.

³ According to “International Tourism Highlights” 2023, travel is down 72% compared to 2019; participation in world GDP down to 2%; the share in the world export of services falls to 3%. Over 150 tourist destinations are "closed" for visits.

⁴ During the Covid-19 pandemic, the reduction of tourist trips in Europe was by 68% and of income by 58%. In 2022, the recovery of trips reaches 80% of those in 2019, and of revenues – 87%. The share of Europe in world tourism in 2022 increases to 62% with the share of America (North and South) - 17%, Asia and the Pacific region - 10%, the Middle East - 7% and Africa - 5% (according to the source cited above).

GDP of the country in 2019 is about 8%. The sector supports over 346,000 direct and indirect jobs, around 11% of all employment.

The market share of destination Bulgaria in terms of tourist visits is 1.3%, and in terms of the volume of revenues from them – 0.7% (UNWTO, 2020). From the point of view of world tourism, these shares are negligibly small, but for the country its participation in the tourist market is of essential importance because of the potential it has to develop tourism and its importance for the national economy. That is why here we will look for an assessment of the country's opportunities to position itself competitively among all the destinations for which data is provided and analyzed. "The Travel & Tourism Competitiveness Report 2019" of the World Economic Forum in Davos provides the opportunity to analyze how the world "views" Bulgaria as a tourist destination.

On this basis, the aim of the present study is to first highlight the strengths and weaknesses of the competitive potential of tourist destination Bulgaria compared to the leading achievements of the most prominent competitors in Europe and the Balkan Peninsula. Second - on the basis of the obtained results to formulate some guidelines for positive change to increase its competitiveness.

1. Thesis statement and methodology

Today, every tourist destination implements aggressive policies to win back tourists as well as attract new visitors to cover large economic losses. The presence of a large potential of tourist demand as a consequence of the tourist travels not carried out during the pandemic is a favorable circumstance for regaining the market positions of the destinations. At the same time, significant differences are observed in the way people choose their tourist travel. In the foreground is the demand that it guarantees them the desired, positive experience in an authentic, sustainable environment, with security and safety. On the basis of preliminary detailed information from all sources and media, the choice is of a destination with "nature and clean air", familiar attitude towards tourists and approval of the "price-quality" ratio of the tourist product. Travel closer to home is chosen (the concept of staycation appeared), opportunities are sought for more "outdoor" experiences in a rural environment, consumption of local food. Travels have longer layovers and higher travel costs, mainly due to longer layovers.⁵

The dynamics of the ongoing processes are intensified as a result of the extraordinary mobility of potential tourists, the ability to quickly change decisions on how, when and what tourist travel to undertake under the influence of stimulating or deterring factors of any nature. As a result, the competitive struggle to attract one or other segments of tourists is growing. These circumstances require the tourism business and tourism-related institutions to react quickly and adequately with new, more flexible behavior to improve their own offer compared to that of competitors. Every element forming the complex tourist product and the corresponding offer (nature, cultural-historical heritage, cultural, health and socio-economic living environment of local communities, political stability, tourist infrastructure, super structure and services, security and safety of tourists, etc.) must provide the tourist with the desired attractions and experience.

The comprehensive assessment of the overall quality level of the tourist offer determines its competitiveness.

The specialized literature on the issues of competitiveness, including that of a tourist destination, is rich in both concepts and empirical studies of many foreign, but also several Bulgarian authors. After presenting the views of several leading foreign authors, Stoyan Marinov (2013) noted the following main positions for the competitiveness of a tourist destination: it is equivalent to its quantitative market successes, to the ability to create products with added value, to generate economic prosperity, it is an integral consequence of the interaction of multiple factors, including strategic management and marketing.

⁵ Year 2019 - \$1000; year 2021 - \$1400 (Cited "International Tourism Highlights", 2023)

According to OECD, (2013/02 Tourism Papers) “Tourism competitiveness for a destination is about the ability of the place to optimize its attractiveness for residents and non-residents, to deliver quality, innovative, and attractive (e.g. providing good value for money) tourism services to consumers and to gain market shares on the domestic and global market places, while ensuring that the available resources supporting tourism are used efficiently and in a sustainable ways.”

Luisa Marti and Rosa Puertas (2017) mention that according to the World Economic Forum (WEF,2011) “competitiveness is the degree to which a nation can, under free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously expending the real incomes of their citizens at long and medium term”. Webster and Ivanov (2014) attempt to explore this idea, using the Travel and Tourism Competitiveness Index (TTCI). In their empirical part of the research, both authors use the TTCI to present the competitiveness of European Mediterranean countries.

Kr. Levkov (2017) also uses the information from the WEF-TTCI report (2017) to outline the tourism competitiveness of the Black Sea Region⁶ and the positions of destination Bulgaria.

If we assume that the competitiveness of each tourist destination is a synthesized expression of the market realization of a certain of its potentials in conditions of competition with "N" number of other tourist destinations, then the comparison with the competitors allows a quick orientation to preserve the achieved results and search for opportunities for overcoming of admitted weaknesses.

The OECD (Organization for Economic Co-operation and Development) definition of tourism destination competitiveness cited above is the basis for developing of the system of indicators for measuring tourism competitiveness. The Travel and Tourism Competitiveness Index Report of WEF – Davos (WEF_TTCR_2019) gives detailed, specific, empirical information on the competitive potential of each of the 140 tourist destinations observed in 2019 on all continents. A huge amount of data is collected for the development of the report, 2/3 of which are statistics from the UNWTO (World Tourism Organization of the United Nations), WTTC (World Travel and Tourism Council), but also from the World Bank and many others. The institution "World Economic Forum" itself collects the remaining 1/3 of the data based on the expert opinion of more than 16,000 businessmen and business leaders in the field of tourism.⁷

The "Travel and Tourism Competitiveness Index" (TTCI) is based on 4 complex sub-indices: 1. Environment; 2. Tourism Policy; 3. Air, Ground, Port and Tourist Service Infrastructure; 4. Natural, Cultural Resources and Business Travel. Each sub-index is monitored by several positions, which are a total of 14, including 90 individual indices. Thus, the Environment sub-index includes: Business Environment with 12 individual indicators; Safety and Security with 5 indicators; Health and Hygiene with 6 indicators; Human Resources and Labor Market - 9 indicators; ICT Readiness (online network) – 8 indicators. To the Tourism Policy are observed: Prioritization of Travel and Tourism - 6 indicators; International Openness - 3 indicators; Price Competitiveness - 4 indicators, etc. On this basis, individual tourist destinations are ranked. The summary ranking of the 140 destinations is presented on p.15 of the report.

2. Assessment of the competitiveness of destination Bulgaria according to TTCI in comparison within Europe and Balkan countries

In "The Travel & Tourism Competitiveness Report 2019", the distribution of tourist visits for Europe by region is as follows: Western Europe - 50%; Southern Europe - 27%; Northern Europe - 4%; Eurasia - 11% and Eastern Europe and Balkan countries – 8%. According to the calculated **complex index of tourism competitiveness, Bulgaria is in 45th position in the world out of 140 analyzed countries (economies)**. At the same time, according to **the value of the overall assessment - 4.2**, as European destination, Bulgaria is in the **26th position**. The 10th

⁶ Albania, Azerbaijan, Armenia, Bulgaria, Georgia, Greece, Moldova, Romania, Serbia, Turkey and Ukraine.

⁷ For Bulgaria, the data is provided in cooperation with the Center for Economic Development with director Maria Prohaska.

highest rated European destinations are: Spain- 5.4, France-5.4, Germany-5.4, United Kingdom-5.2, Italy-5.1, Switzerland-5.0, Austria-5.0, Portugal- 4.9, Netherlands-4.8 and Norway-4.6.

The assessment in relation to our neighboring countries - Turkey, Greece, RNM, Serbia and Romania, which are the main emitting markets for the destination, but also competitors. Bulgaria is positioned **after Greece - 4.5, and Turkey - 4.2, but before Romania - 4.0; Serbia - 3.6 and RNM - 3.4.**

According to the data on the sub-indices that form the value of the complex index for tourism competitiveness, shown in the Annex to the cited report, the scores for the **"favorable environment"** sub-index are as follows: **Romania - 5.2; Bulgaria - 5.2 (second place); Greece and Serbia - 5.2 each; RNM - 4.9 and Turkey - 4.6;** for the sub-index **"travel facilitation"** the ranking is as follows: **Greece and Bulgaria - 4.8 each (second place); Turkey and Romania - 4.5 each; Serbia - 4.3 and RNM - 3.8;** for the **"general infrastructure"** sub-index, **Bulgaria is in third place - 4.0 after Greece - 4.8 and Turkey - 4.4 and before Romania - 3.5, Serbia - 3.2 and RNM-3.0;** the values of the **"natural and cultural resources"** sub-index again ranks **Bulgaria in third place - 2.9. The leader is Greece - 3.4, followed by Turkey -3.3, and after Bulgaria come Romania - 2.8; Serbia - 1.9 and RNM - 1.8.** The low value of the ratings for all destinations is striking. Each of them relies on the peculiarities of its natural and cultural resources for the development of tourism. Situated globally, they are obviously inferior to other, more competitive destinations. A separate sub-index **only for "natural resources"** changes the ranking without, however, a significant change in the value of the assessments. **Bulgaria takes the leading position - 3.7, followed by Greece - 3.5; Romania - 3.2, Turkey - 2.8; RNM - 2.2 and Serbia - 2.1.** According to the ratings for the **"business environment"** sub-index, **Bulgaria is the most attractive for investments - 4.4, followed by Turkey, Serbia and Romania with the same rating; RNM - 4.3 and Greece - 3.9;** the score for the **"security"** sub-index **gives Bulgaria the penultimate place - 5.2, followed by the RNM - 5.2 and Turkey - 4.3. Leading is Romania - 6.0, followed by Greece - 5.6 and Serbia - 5.5.** The overall high level of evaluations is impressive.

The scores for the sub-index **"health and hygiene"** have high values. **Bulgaria is leading, with a score close to the maximum - 6.7.** Followed by: Greece - 6.5; Serbia - 6.3; Romania - 6.1; RNM - 6.0 and Turkey - 5.5. The ratings for the **"human resources and labor markets"** sub-index **once again give Bulgaria third place - 4.6,** led by Serbia and Greece - 4.7 each, followed by Romania - 4.5; Turkey - 4.2 and RNM - 4.1. The ranking of Bulgaria according to the **"responsiveness"** sub-index is **in second place - 5.2.** Greece is leading with the same rating of 5.2. With the same assessment, Romania occupies third position, followed by Serbia - 5.1; RNM - 4.7 and Turkey - 4.6. According to the scores for the sub-index **"priority for travel and tourism"**, i.e. choice of destination, **Bulgaria is again in third place - 4.7,** significantly after Greece - 5.6 and Turkey- 5.1, followed by Romania - 4.1; Serbia - 3.9 and RNM - 3.7. With a score of 3.9 for the **"openness to the world"** sub-index, **Bulgaria is again in third position.** First is Greece - 4.1, second is Romania - 3.9.followed by Turkey - 3.8; Serbia - 3.2 and RNM - 2.3. The rating for the **"price competitiveness"** sub-index gives **Bulgaria second place - 5.7.** RNM with 5.8 is leading. Next are Turkey - 5.6; Romania - 5.6; Serbia - 5.5. The last position is for Greece - 4.9. The proximity of the ratings and their values show **that price is a serious competitive mechanism** for each of the destinations. According to the scores for the **"environmental sustainability"** sub-index, **Bulgaria is a leading destination - 4.8,** followed by: Greece and Serbia with 4.5 each; Romania - 4.4; Turkey - 3.7 and RNM - 3.6. Scores for the **"air transport infrastructure"** sub-index rank the surveyed destinations in two poles. The leaders are Greece - 4.8 and Turkey - 4.7, and the laggards are Romania - 2.7; **Bulgaria in fourth place -2.7;** Serbia - 2.6 and RNM - 2.4. The scores for the **"land and port infrastructure"** sub-index are also low. **Bulgaria is in third place - 3.2,** after Greece - 3.8 and Turkey -3.6. Next are Romania - 3.1; Serbia - 3.0 and RNM - 2.6. **The rating of 6.0 for Bulgaria for the sub-index "infrastructure for tourist services" puts it in a leading position.** Followed by: Greece - 5.8; Turkey - 5.0; Romania - 4.6, Serbia and RNM with

equal ratings – 3.9. However, the "**cultural resources for tourism and business travel**" sub-index has low evaluation values for the studied destinations and **ranks Bulgaria in fourth place - 2.1**. Before it are Turkey - 3.8; Greece - 3.3; Romania - 2.3 and it is followed by Serbia - 1.7 and RNM - 1.4.

With the **45th position of Bulgaria**, the following ranking is observed: for the main competitors for sea vacation tourism: Greece - 25; Croatia - 27; Turkey - 43. **Bulgaria is closest in terms of competitiveness to Turkey. Greece is leading**. For the main competitors for ski tourism: France - 2; Italy - 8; Switzerland - 10; Austria -11 and Slovenia -36, **Bulgaria is a relatively far less competitive destination even than Slovenia. France is leading**. The main competitors for health tourism are Czech Republic - 38; Turkey -43; Hungary – 48. **Bulgaria has a chance to be competitive. The Czech Republic is leading**. The main competitors for cultural tourism are Spain - 1; Italy - 8; Greece - 25; Turkey - 43; Romania - 56. **The competitive range is too large to be able to determine the competitiveness of Bulgaria. Interesting why France is missing. Spain is leading**. The main competitors for eco-tourism are Spain - 1; Switzerland - 10; Austria - 11; Croatia - 27; Slovenia - 36. **Bulgaria is in a significantly lower position. Spain is leading**. The main competitors for rural tourism are Austria - 11; Greece - 25; Croatia - 27; Slovenia - 36; Turkey – 43. Romania takes 56 position. Bulgaria has a chance to position itself closer to or before Turkey. **Austria is leading**. The main competitors for wine and gourmet tourism are France - 2; Italy - 8; Switzerland - 10; Austria - 11; Slovenia - 36. **Bulgaria is weakly competitive with a rank of 45. The leader is France**. The main competitors for golf tourism are France - 2; Austria - 11; Greece - 25; Croatia - 27; Turkey - 43. The competitive position of Bulgaria is close to Turkey. **France is leading**.

The differentiated ranking of the point scores for the 14 sub-indexes for tourist destination Bulgaria in relation to the average scores for Europe follows in the tables below. It highlights her strengths and weaknesses. (See Tables Nos. 1 and 2)

Table 1. Point scores for destination Bulgaria, higher than the average for Europe

Indicators	Europe	Bulgaria	Bulgaria position in the rankings
Health &Hygiene	6.2	6.7	5
Tourist Service Infrastructure	4.9	6.0	12
Price Competitiveness	5.1	5.7	44
Environm.Sustainability	4.7	4.8	19
International Openness	3.7	3.9	49
Natural Resources	3.1	3.7	40

Table 2. Point scores for destination Bulgaria, lower than the average for Europe

Indicators	Europe	Bulgaria	Bulgaria position in the rankings
Safety &Security	5.8	5.2	93
Ground & Port Infrastructure	4.1	3.2	76
Air Transport Infrastructure	3.6	2.7	73
Human Resources & Labor Market	5.0	4.6	68
Prioritization of Travel &Tourism	4.9	4.7	67
Business Environment	4.7	4.4	66

Indicators	Europe	Bulgaria	Bulgaria position in the rankings
ICT Readiness (on-line network)	5.4	5.2	53
Cultural Resources & Business Travel	2.6	2.1	48

It is clear from the data that the pillars of the index of competitiveness of tourist destination Bulgaria are: the healthy and hygienic environment; tourist services; the prices; environmental sustainability; the international "openness" of the country and its natural resources.

A great advantage of the destination is the presence of a well-developed network of modern medical and dental centers that also practice in the field of health and dental tourism. Apart from them, all resorts in the country are provided with medical facilities, providing timely medical intervention in case of need. The potential of spa and wellness tourism is significant.

According to the value of the point scores, the weakest sides of Bulgaria as a tourist destination stand out in terms of cultural resources and business travel, road, port and air transport infrastructure. In the overall ranking, the lowest 93 position for the country is given to safety and security, but as a score this index has a higher value (5.2). Worrying are the lower-than-average ratings for Europe on the indices of priority of tourism, human resources and labor market, business environment. It is necessary to conclude that there is a discrepancy between the efforts of the tourism sector and the surrounding basic resource environment in the country, probably caused by poor management and a lack of policies for better binding and use of existing opportunities.

In Bulgaria, the balance between tourist resources, common infra and superstructure is disturbed. The cultural-historical heritage is not managed with the "care of a good owner" and is not socialized for tourists (difficult access, lack of information and additional services, language barrier for foreign tourists).

Low scores for the destination on the sub-indexes "natural and cultural resources" and "cultural resources for tourism and business travel", while a high independent score on the sub-index "natural resources" indicates that the cultural identity of the destination is unknown.

From the point of view of the competitiveness of the destination in relation to the area, i.e. neighboring countries - competitors, its qualities stand out much better.

3. Policies for positive change of competitiveness potential of tourist destination Bulgaria

The priorities of the national tourism policy must guarantee the preservation of the strengths of the competitiveness of the destination Bulgaria and the elimination of the problems that reduce it.

On the first place policies to preserve the attractive strength of the country's tourism resources are of prime importance. It is imperative to carry out a complete revision of the carrying capacity of the respective territories where tourism is developed in order to take concrete steps for changes and modernization of the existing infrastructure and superstructure in the direction of improving the complex tourist product and ensuring its quality sustainability.

The policies for distinguishing the tourist identity of destination Bulgaria when forming the portfolio of its complex tourist product should preferably reflect its culture, especially the intangible cultural heritage based on all types and forms of folklore. A prerequisite for such an orientation is the mass revival of the population's interest in folklore, as well as the growing popularity and interest in it abroad.

Targeted efforts are necessary to use the good conditions existing in the country for the large-scale development of health tourism, as an element of the complex tourist offer.

It is necessary to apply ubiquitous, modern marketing by using the available large databases for quick orientation to potential tourists who recognize Bulgaria as a desirable, close and preferred

destination. The international tourism market is now characterized as a "seller's market", i.e. with significant demand for tourist travel, but with a fully informed and pragmatic choice on the part of individuals, according to their perceived need for a specific experience. This circumstance requires adequate marketing actions to attract those of the potential tourists who will contribute the most to the sustainable development of tourism in the destination. The time has come for the Ministry of Tourism to set up a National Agency for Tourism Marketing, which will assume strategic responsibilities for marketing activities at the macro, mezzo and micro level for destination Bulgaria.

One of the main priorities of the Ministry of Tourism, as well as of the branch organizations, should be the policies guaranteeing continuous care for tourist personnel (Sv. Rakadzhyska, 2022). The country has a very good, multi-level educational system for training professionals for the needs of tourism. The problem is that trained personnel choose to work abroad or in other fields, and the country is committed to attracting personnel from abroad, in most cases with low or missing appropriate qualifications. The low pay, the short seasonal engagement, the working conditions, create a dissonance between the obtained qualification and the professional realization. It is known that in tourism without good professionals, who with their skills ensure the comfort and experiences of tourists, a quality tourist product cannot be created.

Instead of a conclusion

Tourism is a phenomenon related to all aspects of what is happening in the destination Bulgaria.

It is necessary to minimize the negatives through better regulations and control over the processes in the country. The greater transparency of business decisions and the implementation of an active policy to overcome the personnel problem will help to increase the quality of the tourist supply. Special care must be taken regarding the safety, security and satisfaction of both tourists and those involved in tourism development to increase the country's competitive rating.

It is necessary to tie the development of tourism more closely with the nationwide, public and business interests because any divergence between them reflects on the quality of the tourist product, the standard of living of the local communities and the international positions of the country. Tourism can be an exceptional factor for increasing the gross domestic product, directly through the revenue from the sale of tourist services and indirectly, stimulating the other sectors of the national economy providing its logistics, but it can also be a channel for the outflow of national income. Maintaining high competitiveness of the tourism sector is a prerequisite for increasing the rating of Bulgaria as a tourist destination internationally.

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