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The Influence of Economic and Financial Crisis on Tourism Services in Romania

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Abstract: The paper presents a comparison between some indicators (number of arrivals in the main establishments of tourists reception with functions of tourists accommodation, number of stays overnight, indices of net use of tourists accommodation bed-places, arrivals of foreign visitors in Romania, departures of Romanian visitors abroad, by used means of transport) registered in 2006 and 2010 and in the first months of 2011.

We all know that year 2008 represents for Romania the end of a cycle of economic growth started in 2000, but also the year that began economic and financial crisis.

What we aim at in this paper is emphasizing evolution of the intern tourist traffic, in recession period compared to the period before.

We mention that the statistical data included in this paper are processed according to the Monthly Statistical Bulletins and Press Releases from 2006, 2007, 2008, 2009, 2010 and 2011 published by the National Statistics Institute.

Tourism, in interdependence with the other economic branches and sectors, must represent in Romania, as well, a priority sector. For this to happen, we have to know and understand the place and role of tourism in the national economy, to establish clear directions to valorize the national tourist potential, taking into account the tendencies and mutations on the international level, especially on the European one, in the field of choices for traveling and free time, manifested both by the local population and by foreigners.

In this sense, a decisive role must be held by the State by the Ministry of Regional Development and Tourism, which has the role of coordinating the development of tourism and of controlling its activities, as well as the national tourism organizations) by a good collaboration with the international tourism organizations and with regional multi-fields organizations that also include the tourism sector.

Key words: intern tourist traffic, tourism, indicators

Introduction

The evolution of society in the last decades has gradually transformed the tourism activity from an alternative of spending free time into a complex industry, with economic and social clearly delimited effects on human community.

Nowadays tourism is part of the modern man's life, and the evolution of life styles has changed the perception on tourism.

As the world population is continuously growing, the life expectancy has reached the age of 80 and the income level is increasing, people have more free time, the urbanization process has become more and more rapid, it can be stated that tourism will be in the future an objective necessity, in the majority of world's states, as the consumption of tourism products will be a keen demand of the modern man, with consequences on the economies, societies and national and/or regional cultures. These influences are felt differently from one country to

another, according to its development level and the adopted policy concerning the tourism activity.

Taking into consideration the tourist circulation in Romania during the period 2006-2010, we present the following tables containing data on the number of arrivals in the main establishments of tourists reception with functions of tourists accommodation; number of stays overnight; indices of net use of tourists accommodation bed-places; arrivals of foreign visitors in Romania, departures of Romanian visitors abroad, by used means of transport.

We mention that the data included in these tables are processed according to the Monthly Statistical Bulletins and Press Releases from 2006, 2007, 2008, 2009, 2010 and in the first months of 2011 published by the National Statistics Institute.

1. Arrivals in the main establishments of tourists reception with functions of tourists accommodation, in the years 2006-2010

Before referring to the research itself, I would like to explain the terms that we used. So, according to the National Statistics Institute of Romania, establishment of touristic reception with functions of touristic accommodation means any building or settlement which provides permanently or seasonally the tourists with accommodation and other specific services. I have not included in my analysis, the tourist reception with functions of tourist accommodation with an installed capacity of accommodation less than 5 seats. [<http://www.insse.ro/cms>]

Arrivals in the main establishments of tourists' reception with functions of tourists' accommodation

Table 1
- number -

Types of establishments of tourists reception	Year				
	2006	2007	2008	2009	2010
Hotels	4,732,960	5,227,422	5,245,292	4,549,686	4,548,730
Hotels for youth*	52,547	57,788	66,421	107,828	107,439
Hostels	37,519	50,233	59,107		
Motels	255,370	295,379	272,485	202,700	202,597
Inns	5,502	5,456	1,877	914	914
Tourists villas	231,311	249,866	261,792	233,177	228,689
Tourists chalets	70,993	91,945	106,759	86,961	86,806
Tourist boarding houses	363,664	450,329	478,058	412,162	396,657
Agro-tourist boarding houses	217,020	288,366	357,617	325,686	284,248
School and preschool camps	118,095	106,103	98,004	84,655	84,705
Camping	85,778	93,852	113,104	84,789	84,889
Tourists halting places	15,388	14,933	12,442	10,399	9,681
Bungalows	18,860	23,421	22,810	26,204	25,685
Tourists houselet-type units	3,728	8,093	19,863	6,918	6,928
Ship accommodation spaces	7,293	8,739	9,676	9,056	9,064
Total	6,216,028	6,971,925	7,125,307	6,141,135	6,077,032
of which:					
- Romanian	4,836,196	5,422,048	5,659,416	4,865,545	4,804,913
- foreigner	1,379,832	1,549,877	1,465,891	1,275,590	1,272,119
Tourism area					
By tourism area of total					
Spas resorts	702,071	742,071	727,942	639,739	637,930
Seaside area, excluding town of Constanța	686,502	796,162	832,589	788,356	788,332
Mountain area resorts	882,846	997,742	998,468	830,943	817,557
Danube Delta area, including town of Tulcea	54,624	73,767	96,090	70,479	69,932
Bucharest and towns county residence,	2,981,686	3,310,664	3,362,865	2,884,121	2,871,961

excluding Tulcea					
Other localities and tourists routs	908,299	1,051,519	1,107,353	927,497	891,320

* starting with January 2009 Hotels for youth were assimilated to Hostels

The source: data are processed by publications of the National Statistics Institute, Monthly Statistical Bulletins and Press Releases

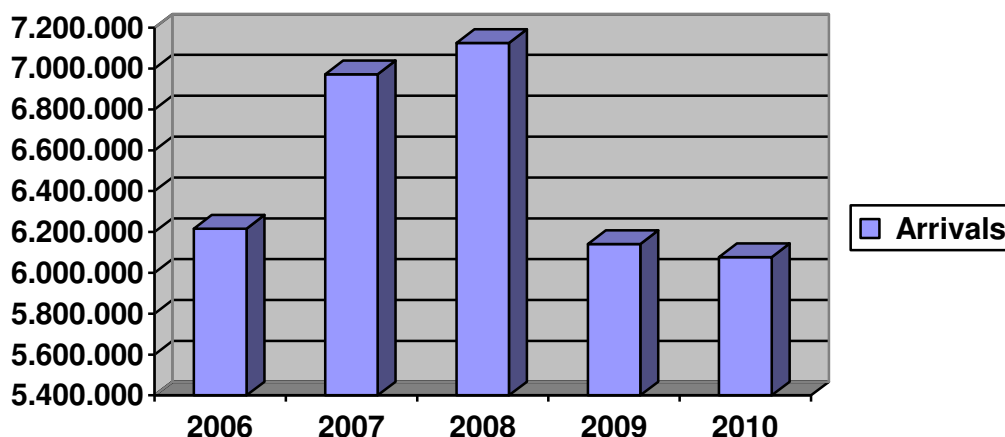


Figure 1. Arrivals in the main establishments of tourists reception

Analyzing the data from table no.1, we could observe that only in two types of tourist reception structures, the number of arrivals is lower in 2007 as compared to 2006: inns, school and pre-school camps and tourists halting places. In all the other tourist reception structures with functions of tourist accommodation, the number of arrivals has increased in 2007; therefore, there have been registered, on the whole, 755,897 more arrivals than in 2006. Also, the number of foreigners that received accommodation in Romania increased with 170,045 in 2007 as compared to 2006.

In the school and pre-school camps, the number of arrivals is decreasing, as in the last years there has been little investment in their appropriate modernization and equipment, teenagers prefer to spend holidays on their own, and the offer of camps abroad for pupils has increased.

Unfortunately, number of arrivals in the main establishments of tourists reception in 2009 in Romania decreased a lot, leading to a negative situation compared with 2006. Take into consideration accommodation establishments, were registered significant decreases in all types, except bungalows. Following tourist area, increase the number of arrivals were registered only in the Danube Delta. The number of arrivals in the spa declined dramatically in 2009, with 62,332 lower than in 2006. And in coastal area was a significant decrease with 44,233 compared with 2008.

Referring to the year 2010 and interpreting the statistical data included in the table above, we can say that the total number of tourist arrivals in the establishments of tourists registered a little decline compared to the year 2009 with 64,103, or 0.7%. Taking into account the type of tourist structure, we can say that the tourist guesthouses and agro-tourism hostels have registered the largest decreases. Arrivals in hotels in 2010 accounted for 76.1% of total tourist arrivals in the reception with accommodation.

Romanian tourists' arrivals in the tourist establishments with accommodation accounted for 77.7% in 2010 of the total arrivals, while foreign tourists accounted for 22.3% of total arrivals.

2. Overnight stays in the main establishments of tourists' reception with functions of tourists' accommodation during the period 2006-2010

Overnight stays represents the 24 hours interval, starting with the hotel hour for which a person is recorded in tourist accommodation structure and benefits of hosting account fees for the space occupied, even if the actual length of stay is less than this range. This includes overnight stays for extra beds installed (paid by tourists).

Overnight stays in the main establishments of tourists' reception with functions of tourists' accommodation

Table 2
- number -

Types of establishments of tourists reception	Year				
	2006	2007	2008	2009	2010
Hotels	15,493,520	16,623,908	16,394,394	13,654,982	13,649,894
Hotels for youth*	135,298	179,248	161,958		
Hostels	62,599	92,877	117,116	240,834	240,323
Motels	378,590	447,281	455,867	322,365	322,262
Inns	8,061	8,751	5,133	2,132	2,132
Tourists villas	687,120	709,336	769,408	653,064	644,441
Tourists chalets	138,523	169,167	197,338	154,227	153,967
Tourist boarding houses	734,688	926,052	959,391	813,281	783,166
Agro-tourist boarding houses	459,344	592,092	743,444	673,188	546,049
School and preschool camps	507,805	437,284	410,871	406,428	310,547
Camping	223,717	224,495	282,862	200,742	200,921
Tourists halting places	38,420	36,319	35,431	28,255	20,024
Bungalows	67,385	62,055	76,397	86,144	36,693
Tourists houselet-type units	15,618	24,874	57,449	28,659	5,167
Ship accommodation spaces	41,007	52,444	58,922	61,096	58,084
Total	18,991,695	20,586,183	20,725,981	17,325,410	16,973,370
of which:					
- Romanian	15,749,590	17,001,816	17,366,737	14,657,744	14,427,365
- foreigner	3,242,105	3,584,367	3,359,244	2,667,666	2,546,005
Tourism area	By tourism area of total				
Spas resorts	5,453,844	5,442,505	5,312,445	4,624,687	4,505,948
Seaside area, excluding town of Constantza	3,745,810	4,054,625	4,006,420	3,517,860	3,340,300
Mountain area resorts	2,062,047	2,216,780	2,245,756	1,858,068	1,755,242
Danube Delta area, including town of Tulcea	139,798	145,978	174,355	124,341	108,705
Bucharest and town county residence, excluding Tulcea	5,752,723	6,579,646	6,686,304	5,393,310	5,575,604
Other localities and tourists routs	1,837,473	2,146,649	2,300,701	1,807,144	1,687,571

* starting with January 2009 Hotels for youth were assimilated to Hostels
 The source: data is processed by publications of the National Statistics Institute, Monthly Statistical Bulletins and Press Releases

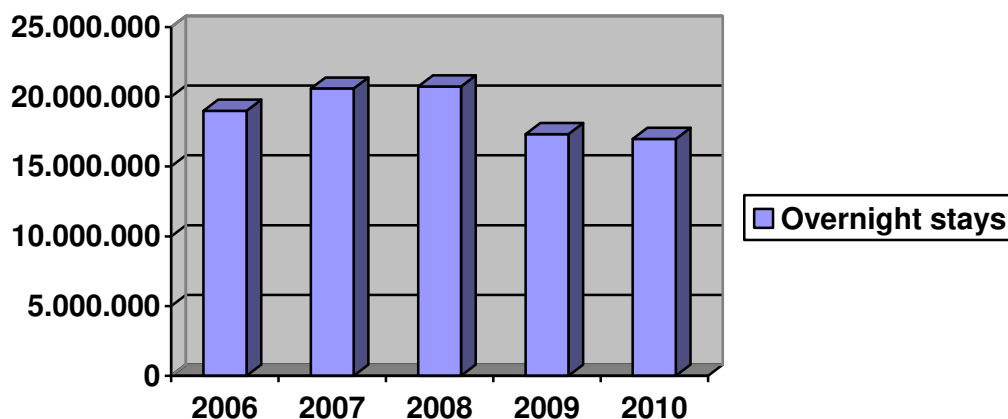


Figure 2. Overnight stays in the main establishments of tourists' reception

We can see that the number of stays overnight, in watering resorts, decreased in 2007 as compared to 2006, with 11,339, while in the other tourist areas there have been registered growths. On the whole, the number of stays overnight in 2007 is with 1,594,488 greater than in 2006.

It is also evident that there is the same upward trend recorded overnight stays by 2008 as in tourist arrivals. The year 2009 is characterized by significant decreases in the number of overnight stays, leading to a decrease of 1,666,285 compared to 2006.

Overnight stays registered a decrease by over 2% in tourist reception facilities in 2010, less than in 2009. Romanian tourists' overnight stays in tourist reception facilities with accommodation in 2010 accounted for 85% of total overnight stays, while the overnight stays of foreign tourists accounted for 15%.

3. Indices of Net Use of Tourist Accommodation Bed – Places in the Years 2006-2010

Indices of net use of tourist accommodation capacity in use are calculated by dividing the number of overnight stays made in tourist accommodation capacity in operation in that period.

Indices of net use of tourists accommodation bed-places

Table 3
%

Types of establishments of tourists reception	Year				
	2006	2007	2008	2009	2010
Hotels	41	43.20	41.10	31.64	28.57
Hotels for youth*	27.10	31.60	30.70	31.55	17.3
Hostels	19.50	24.20	24.20		
Motels	22.40	25.30	25.60	18.60	18.62
Inns	19.60	24	26.70	13.14	25.27
Tourists villas	25.20	27.10	29.20	21.37	18.69
Tourists chalets	9.94	12.04	14.40	10.57	9.09
Tourists boarding	19.60	22.30	21.90	16.55	14.62

Types of establishments of tourists reception	Year				
	2006	2007	2008	2009	2010
houses					
Agro-tourist boarding houses	14.40	16.30	18.40	14.10	12.28
School and preschool camps	17	19.20	21.30	19.02	15.92
Ship accommodation spaces (cruise ships)	56.50 (6 months)	69.10 (6 months)	64.10 (6 months)	82.81 (7 months)	79.55 (7 months)
Camping	15.40	20.30	21.60	9.58	8.25
Tourists halting places	18.60	16.40	19.70	13.32	12.26
Bungalows	22.50	22.20	26.30	15.5	13.31

* starting with January 2009 Hotels for youth were assimilated to Hostels

The source: data are processed by publications of the National Statistics Institute, Monthly Statistical Bulletins and Press Releases.

In all tourist reception, the index of net use of tourist accommodation capacity in operation, declined in 2009 compared to previous years, except for accommodation on ships (cruise ships), which was an increase of this index compared to 2008.

Net use indice of accommodation in 2010 was 25.3% of the total tourist accommodation, a 2.8% decrease compared to 2009. Greater use of accommodation indices in 2010 were recorded at accommodation on ships (79.55%) and at hotels (28.57%).

4. Arrivals of foreign visitors in Romania, between 2006 and 2010

A person is called international visitor, in terms of statistics, if traveling to a country, other than that in which he resides, for a period not exceeding 12 months, the main purpose of visit being other than the exercise of remunerated activities country visited.

Arrivals comprise the number of foreign visitors registered when entering the country.

The origin country of international visitors is determined by the nationality entered in his passport.

Arrivals of foreign visitors in Romania

Table 4
- number -

By main transport means	Year				
	2006	2007	2008	2009	2010
Road transport	4,390,376	5,752,901	6,884,735	5,926,247	5,905,781
Railway transport	315,892	274,585	253,468	207,890	222,217
Air transport	1,121,691	1,459,908	1,461,900	1,277,523	1,216,578
Naval transport	209,040	234,347	270,197	163,638	153,731
By main countries of origin and geographic areas					
Europa	5,689,726	7,289,319	8,410,598	7,203,061	7,143,238
of which:					
- Austria	151,510	217,965	210,143	180,579	177,544
- France	129,518	184,515	183,361	150,052	131,050
- Germany	342,675	473,431	486,575	442,805	394,387
- Greece	64,073	104,507	117,901	89,747	70,593
- Italy	277,916	397,592	433,167	374,702	330,909
- Netherlands	50,486	79,334	79,951	66,947	66,157
- Poland	74,556	191,022	276,525	222,783	237,922
- United Kingdom	82,592	118,495	128,150	103,614	91,629
- Hungary	1,366,686	1,743,093	1,950,383	1,836,334	1,734,844

- Bulgaria	399,286	818,018	1,114,082	877,287	786,452
Africa	13,943	15,915	18,444	17,428	20,991
America	171,930	188,807	191,709	168,744	152,398
Asia	151,037	212,382	223,883	171,454	169,129
Australia, Oceania and other territories	8,815	13,833	15,766	13,544	12,200
Unspecified countries	1,548	1,485	1,719	1,067	351
Total	6,036,999	7,721,741	8,862,119	7,575,298	7,498,307

The source: data are processed by publications of the National Statistics Institute, Monthly Statistical Bulletins and Press Releases

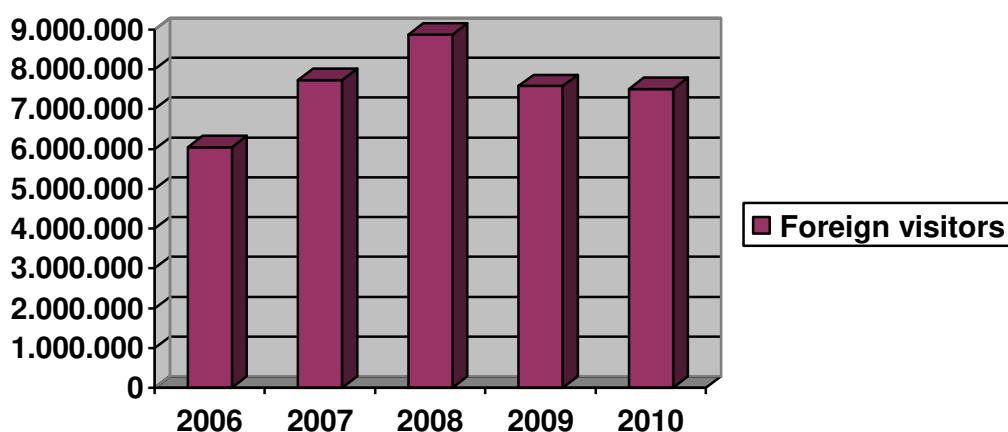


Figure 3. Arrivals of foreign visitors in Romania

It is to be noticed that, in 2007, there have arrived in Romania with 1,684,742 more foreign visitors than in 2006. Most of them preferred to travel with road means of transport. The number of foreigners who prefer the railway has decreased while the number of those who prefer the air transport has increased. Most foreigners who came to Romania in 2006 and 2007 are Europeans (especially from Hungary, Bulgaria, Germany, Italy and Austria). After Europe, in the decreasing order of the number of arrivals in Romania, the North America and Asia are the next.

In the case of the foreign visitors to Romania, the year 2008 recorded the highest growth being registered 8,862,119 foreign citizens visitors entering the country. Most of them travelled by car (6,884,735), followed by those who chose air transport (1461900). As in previous years, most visitors preferred road, followed by those who chose air travel.

In 2009 there was a decrease of 958,488 of foreign tourist arrivals compared to the year 2008. Most foreign citizens come from Europe counties (Hungary, Bulgaria, Germany, Italy). As in previous years, most foreign visitors preferred road, followed by those who went to Romania by plane.

Arrivals of foreign visitors in Romania registered at border checkpoints, in 2010 were down 1% compared to 2009. Most foreign visitors came from European countries (94.7%). From the EU there were registered 59.4% of the total arrivals of foreign visitors to Romania. Of the EU countries the most arrivals were registered in Hungary (38.9%), Bulgaria (17.6%), Germany (8.9%) and Italy (7.4%).

5. Departures of Romanian visitors abroad, by used mean of transport, registered at border points, in the year 2006-2010

Departures include the number of Romanian visitors who are travelling abroad and are registered when leaving the country.

The same person from abroad can make, in that period, more travels in the country, being recorded every time as a new arrival. It is the similar proceeding at the departures of Romanian visitors abroad.

The following categories of travelers are excluded from international visitor arrivals and departures: persons entering or leaving the country as migrants, diplomats, consular representatives and members of the armed forces when moving to / from place to exercise their mission in another country , refugees or nomads.

Departures of Romanian visitors abroad, by used mean of transport, registered at border points

Table No.5

By used mean of transport	Year				
	2006	2007	2008	2009	2010
Road transport	7,417,986	8,761,553	10,381,258	9,335,405	8,261,148
Railway transport	236,888	247,307	259,045	213,501	194,765
Air transport	1,224,770	1,944,067	2,403,628	2,147,276	2,416,046
Naval transport	26,120	26,829	28,250	20,626	18,659
By foot trips					14,546
Total	8,905,764	10,979,756	13,072,181	11,722,543	10,905.164

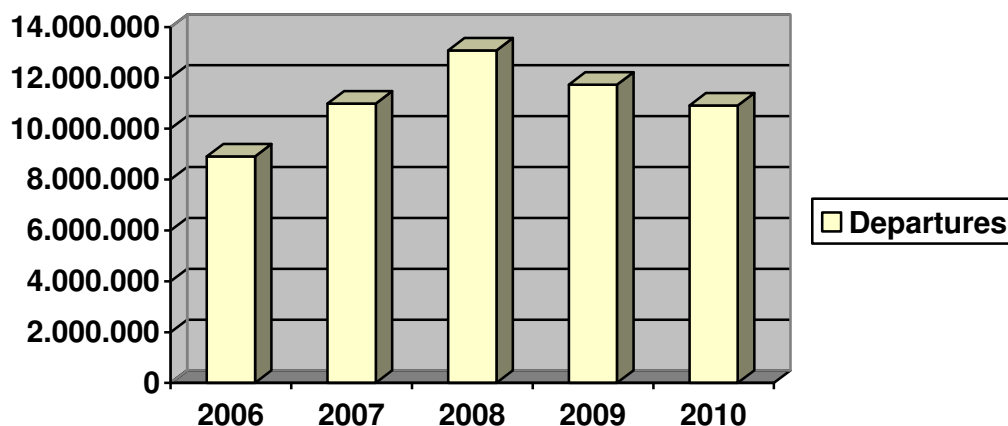


Figure 3. Departures of Romanian visitors abroad, registered at border points

According to the data presented in table no.5, the number of Romanian visitors abroad has increased in 2007 as compared to 2006 with 2,073,992 and most of them used the road means of transport. A significant increase has also been registered for the Romanians' departures abroad by air transport.

As seen in Table No. 5, the year 2008 was the year when most Romanians traveled abroad, most of them choosing to travel by road, followed by those who preferred air.

In 2009 there was a decrease in departures of Romanian visitors abroad to 1,349,638 compared to 2008. As preferences for mode of transport used in trips Romanians abroad, was road and air transport.

Departures of Romanian visitors abroad, recorded at the checkpoints in 2010 were down 7% compared with 2009. The most used means transport by the Romanian visitors abroad were the road ones (75.8% of total departures).

Compared with the year 2009, in 2010 the highest increase was recorded in air transport (+12.5%), reaching the highest value recorded so far.

6. Analysis of the main indicators of tourist traffic in early 2011

According to press release no. 114 of June 3, 2011 of the National Institute of Statistics, **arrivals** recorded in tourist accommodation structures during January 1-April 30 2011 totaled 1,5577 million, up by 10.8% compared to the interval January 1 – April 30 2010.

Romanian tourists arrivals in the establishments of tourists' accommodation represented, during January 1 – April 30 2011, 77.2% of the total arrivals, while foreign tourists accounted for 22.8% of the total arrivals, weights close to those during January 1 – April 30 2010.

Arrivals in hotels during January 1 –April 30 2011 have accounted for 77.3% of total tourist arrivals in the reception with accommodation, up by 12.2% compared to January 1 – April 30 2010.

Overnight stays registered in tourist accommodation structures during January 1 – April 30 2011, totaled 3,2744 million, up by 8.9% compared to January 1 – April 30 2010.

Romanian tourists 'overnight stays in the establishments of tourists' accommodation represented 77.8% of total overnight stays during January 1 – April 30 2011, of the overnight stays, while those of foreign tourists accounted for 22.2%.

Net use indice of accommodation places during January 1 – April 30 2011 was of 19.1% in the total tourist accommodation, up with 1.1 percentage points compared to January 1 – April 30 2010. At the hotels there was registered an indice of net use of accommodations of 22.6.

Arrivals of foreign visitors in Romania, registered at the checkpoints were of 1,9533 million during January 1 – April 30 2011, decreasing by 3.0% compared to January 1 – April 30 2010. Most foreign visitors came from European countries (95.1%). From the EU countries there were 60.3% of the total arrivals of foreign visitors to Romania. Among the European Union Member States, most arrivals were registered from Hungary (36.9%), Bulgaria (20.3%), Italy (8.5%), Germany (8.1%) and Austria (4.2%).

Departures of Romanian visitors abroad recorded at borders, were, during January 1 – April 30 2011, of 3.2284 million, 4.0% down compared to January 1 – April 30 2010. The used means of transport by Romanian visitors abroad were the road ones, representing 71.6% of total departures.

The data presented above for the first four months of 2011 are encouraging and offer a hope regarding the recovery of the Romanian tourism, because after two years of massive decline of tourist circulation indicators (2009, 2010) there is registered a significant growth in tourist accommodation structures with accommodation, the overnight stays in tourist reception facilities and in the indice of net use of places

Conclusions and suggestions

We believe that the decrease in the number of tourists in Romania from the year 2009 until now has several causes: besides the economic downturn and financial crisis broke out in autumn 2008 one can add the quality of services, the marketing and the advertising, the ration quality – price, the infrastructure, the image of Romania in Europe and in the entire world, the tourist services offered by neighboring countries etc.

In this sense, a decisive role must be held by the State by the Ministry of Regional Development and Tourism, which has the role of coordinating the development of tourism and of controlling its activities, as well as the national tourism organizations (Ecotourism Association in Romania, The Mountain Guides Association in Romania, The National Association of Tourism Agencies, The National Association of Mountain Safeguards in

Romania, The National Association of Rural, Ecological and Cultural Tourism, The National Association for Accommodation and Ecological Tourism - Bed & Breakfast, The Federation of Hotel Industry in Romania, The Federation of Patronages and the Romanian Tourism, The Patronage Organization of the Balneary Tourism in Romania, Romanian Convention Bureau) by a good collaboration with the international tourism organizations (World Tourism Organization, The European Commission for Tourism, The International Association for Danube Tourism Promotion, The World Council of Tourism and Traveling, The Organization for Economic Cooperation and Development), and with regional multi-fields organizations that also include the tourism sector (The Organization of Economic Cooperation at the Black Sea, The Central European Initiative).

Romania is equipped with a wide variety of attractions. Romanian Black Sea coast has numerous beaches covered with fine sand and the Danube Delta is characterized by diverse flora and fauna. In the center of the country, the Transylvanian Plateau is surrounded by the beauty of the Carpathian Mountains. Many mineral water springs and lakes with therapeutic qualities constitute the basis for the development of the resorts. Furthermore, Romania is rich in historical places such as the Dacian fortresses, monuments of ancient and modern art throughout the country, in cities and villages, old and new monasteries in Moldova region, museums, etc..

As the interdependence between the development of tourism and the economic growth is evident, we have to make great efforts to convince more and more tourists to come to Romania. In order to do that, we have to align the Romanian tourism to the European standards; to optimally valorize the tourism potential; to modernize, develop and diversify the tourist structures; to improve the organizational and legislative frameworks; to diversify and increase the quality of the tourist services and of the related ones; to promote Romania in the world, as a tourist country; to intensify the commercialization of the Romanian tourist products on the international market; to professionally train the tourism labour force and to compel those working in tourism to graduate a form of education in the field; to develop and modernize the transport infrastructure, to elaborate more tourist programmes for the low income population (as "Seaside for everyone", "A week at the seaside"); the double functioning of resorts (except the basic offer, to provide conditions for rest, recreation and treatment outside the specific season, if possible); to valorize the historic monuments, fortresses, statues, churches, monasteries etc, and their promotion in the country and abroad.

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