

THE IMPORTANCE OF MONITORING TRENDS AND CHARACTERISTICS OF TOURIST DEMAND: EMPIRICAL EVIDENCE FROM NOVIGRAD, ISTRIA

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Abstract: *Knowledge of the tourist supply, as well as all its elements and stakeholders, is crucial for managing the tourist supply, and therefore for maintaining the attractiveness and competitiveness of the tourist destination. The town of Novigrad is one of the most famous tourist destinations in Istria, which is constantly recording the growth in tourism turnover, which is made possible by constant investments in tourist supply, preservation of tradition, gastronomic offer and hospitality of the local population. In the purpose of the scientific value of the paper, the authors have conducted empirical research using a questionnaire, in which they explore the elements of the tourism supply and the level of satisfaction of tourists with the tourist offer of Novigrad. The results of the study are presented in tables and graphs followed by interpretation of the results in the form of accompanying text with the main findings and characteristics of the research. The synthesis of the results, findings and conclusions of this research will be used to formulate certain critical recommendations and valuable guidelines for improving the tourist offer in the tourist destination Novigrad.*

Keywords: *Tourist supply, Management tourist destination, City of Novigrad- Istria*

1. MANAGEMENT OF TOURIST SUPPLY IN THE CONTEXT OF DESTINATION MANAGEMENT

The tourist market operates smoothly when tourist supply adapts to the requirements of tourist demand. The tourist market is constantly characterised by entities and resources providing services and offer products, thus contributing to the creation of a tourist product. All entities are in fact participants in the tourist market, which forms a tourist system in the outbound and inbound part of the tourist market (Čavlek et al., 2011).

According to Magaš, tourist supply consists of the following components (Magaš et al., 2018): attractions and activities; accommodation; other tourist facilities and services; transport; other infrastructure; institutional elements. Tourist supply adapts to tourist demand; therefore, the heterogeneity of the tourist supply is a direct consequence of the heterogeneity of the tourist demand. Tourist supply is non-elastic, which means that tourist supply capacities cannot be adjusted to market trends in the tourist demand in a short period of time. Statics of the tourist supply means that the tourist supply is closely related to a specific place. Statics of the supply represents an inability to move the tourist offer from place to place. Tourist supply seasonality is also a consequence of tourist demand seasonality, which represents changes in the level of utilisation of tourist facilities during the year. A tourist supply is diversified, which means that it is different and that it is constantly changing and being enriched with new facilities.

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Tourism turnover has been steadily growing globally, which poses great challenges to tourist supply stakeholders in terms of attractiveness of destinations and their long-term competitiveness and sustainability. Nowadays, the competitiveness of tourist destinations depends mainly on the quality and innovation of the tourist product, with a significant role of destination management. Destination management is responsible for planning and managing the development of tourist destinations. Destination management is a long-term and demanding process, because it is necessary to take into account the interests of all stakeholders in tourism development (Bartoluci, 2013).

Magaš believes that destination management “coordinates all the tourist functions in a destination that cannot be carried out by individual stakeholders in the offer or jointly have better chances to achieve their goals“ (Magaš, 2018). Destination management is, in fact, a “result of the involvement of different sectors, groups of stakeholders and partners (...) who through joint work, each from their own perspective, realise the common goals of a particular destination” (Rudančić, 2018).

In Republic of Croatia, destination management organisations are tourist boards at the local, regional and national level. It is important to point out that strategic development goals are defined by destination management organisations at the highest level, while operational and tactical plans are adopted at lower levels. The goals of tourism development between levels, as well as plans and actions, must be harmonised. Destination management organisations encourage and coordinate cooperation among the actors on the side of the tourist offer, aiming to design a quality, market-competitive tourist product and benefiting from the development of tourism for all its stakeholders.

2. NOVIGRAD-ISTRIA

According to the 2013 Development Index, Novigrad has a higher development index than the average of Croatia (Overall Development Programme of the Town of Novigrad — Cittanova for the Period 2015-2020, 2015). The relatively high level of development influenced the possibilities of investing in the improvement of the existing and construction of new transport and tourism infrastructure, which, among other things, increased Novigrad’s competitiveness as a tourist destination.

Novigrad as a tourist destination continuously records tourism turnover growth, which is enabled by constant investments in the tourist supply, preservation of tradition, gastronomic offer and hospitality of the local population. The stakeholders of the tourist offer of Novigrad are local population, local caterers and winemakers, as well as the large hotel company Aminess – Laguna Novigrad d.d., as well as Nautica and the Novigrad Marina. There are eight tourist agencies in Novigrad and about 40 restaurants and catering facilities offering food service. Novigrad is today promoted and developed as a destination for active holiday, sport, recreation, wellness, gastronomy, and nautical tourism through coordinated activities of the tourist offer stakeholders. Nevertheless, according to the results of the survey on the opinion of the local population, Novigrad lacks a variety of tourist offer, sports facilities, music events and entertainment activities, thematic events, and a variety of catering services.

The tourist supply of the town of Novigrad is managed by the Novigrad – Cittanova Tourist Board, as a destination management organisation. In 2018, the Tourist Board of Novigrad launched a project to identify Novigrad’s tourist supply, with the aim of improving the total

tourist supply and visibility of the destination's image. Novigrad Tourist Board, together with other tourist boards of north-western Istria forms the Umag-Novigrad-Brtonigla-Buje cluster, promoted under the name "In All the Colours of Istria". At the cluster level, the tourist supply focuses on the development of cycling, tennis, soccer, gourmet offer and wellness.

Novigrad tourist supply has developed primarily thanks to the comparative advantages of this area. However, by continuous investment in tourist diversity and quality of the tourist supply of the town, by raising the level of quality of accommodation facilities and tourist events in the pre-season and post-season, the Town of Novigrad directs the development of tourism towards creating added value and offering unique experiences to tourists (Novigrad – Cittanova Tourist Board: Work Programme and Financial Plan for 2019, 2018).

Novigrad continuously registers growth of tourism turnover. Over a ten-year period, Novigrad recorded continuous growth in tourism revenues, and the number of overnight stays increased 76%. The increase in tourist turnover was recorded in the peak season, but also in the months of the pre-season and post-season, which means that the seasonality of tourism in the destination has been reduced (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of Novigrad, 2019). In 2019, Novigrad realised 228,313 tourist arrivals and 1,326,863 overnight stays, which is an increase of 3% in arrivals and an increase in overnight stays of 2% compared to 2018 (<https://www.istra.hr/hr/business-information/Istria-in-media/statistics>). The realised number of overnight stays in the area of the Novigrad Tourist Board accounted for 4.64% of the total number of overnight stays at the level of the County of Istria.

2. RESULTS OF THE SURVEY ON SATISFACTION WITH THE TOURIST OFFER OF THE TOWN OF NOVIGRAD

In 2018 the Novigrad – Cittanova Tourist Board started a project to define the tourist offer of the destination. The ultimate goal of the project was to improve the town's tourist offer and strengthen the image of the destination on the tourist market. The project included tourism development stakeholders in Novigrad, legal and natural persons, local population and tourists. In order to implement the project, an analysis of the current situation of the tourist offer of the town was carried out, which started by examining tourists' satisfaction with the tourist offer of the town, in cooperation with the hotel company Aminess Campsites & Resorts. The research was conducted in 2018 by Eventor, as an expert associate participating in the project. The results of the conducted research based on the survey.

2.1. Research methodology

The research data were collected by primary research through a survey questionnaire, which was available to guests in five languages: Croatian, German, Italian, English, and Slovenian. The structured questionnaire consisted of a total of 15 closed and open questions, to which the respondents responded by selecting the answers offered, answering the questions asked and evaluating individual elements on the Likert scale. At the very end of the questionnaire, there was an empty field in which the respondents could enter their own suggestions. In the first part of the questionnaire, the guests answered questions about the number of visits to the destination, the source of information about the destination, escort on the trip, the motives of arrival to the destination, and the number of overnight stays they planned to spend in the destination. The second part of the survey investigates which contents of the destination would meet the needs

of the respondents, what prevents them from using additional facilities in the destination, what, in their opinion, is missing from Novigrad's tourist offer, how would they like to be informed about the town's offer and whether they had participated in one of the town events. In the third part of the survey, respondents answered questions related to consumption during their stay in the destination, i.e. the estimated consumption and the number of persons to whom this consumption relates. The last part of the survey consists of two Likert scales. On the first scale, respondents rated satisfaction with the total offer in Novigrad as a tourist destination, while on the other scale, they rated satisfaction with individual elements of the tourist offer of the destination. The survey was conducted in the period of peak season and post-season, from August 16 to October 12, 2018. The field research included several key locations: two hotels (Aminess Maestral and Aminess Laguna), one campsite (Mareda), private accommodation, and four events (Street Magicians' Evening, Arterija, Festivity of St. Pelagius, Sardelafest, and one concert).

2.2. Identification of key stakeholders

The largest number of guests participating in the survey were hotel guests, event visitors and campsite guests from the dominant outbound tourist markets of Germany, Slovenia, and Italy. A total of 358 respondents filled in the questionnaire.

The majority of respondents in the research were from German-speaking area, while the share of respondents from Slovenian and Italian-speaking areas is somewhat smaller. German-speaking guests accounted for 61.7% of the total number of respondents. Guests from Slovenia follow with 13.7% of the sample, while guests from Italian-speaking area made 13.4% of the total number of respondents. Croatian speakers account for 3.1%, while English speakers account for 8.1% of the total number of respondents. Considering the high share of respondents from the German-speaking area and hotel respondents, it should be noted that the sample can be less representative from this aspect and not correspond fully to the actual situation, since in the Novigrad area, guests of campsites and private accommodation make a significant number of overnight stays.

The following was investigated in the survey for the purpose of analysing and understanding the behaviour of tourists in the destination (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of the Town of Novigrad, 2019): frequency of arrival; motives of arrival; escort on the journey; sources of information about the destination; length of stay; consumption.

Below is a synthesised table overview of research results and their interpretation. The motives of the respondents' arrival to Novigrad are shown in Table 1.

Table 1. Motives of the respondents' arrival to Novigrad

Motive of arrival	Share of respondents
Passive rest and relaxation	72%
New experiences and sensations	36%
Natural beauties	33%
Gastronomy	27%
Cultural sights and events	17%
Entertainment	14%
Sports and recreation	12%
Health reasons	5%

Source: Author's systematisation (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of the Town of Novigrad, 2019)

Regarding the motives of arrival to the destination, the respondents had the possibility to choose several offered answers. The main motives for arrival to the destination are passive rest and relaxation, which is the motive for the arrival of 72% of the surveyed guests. Other important motives for arriving to the destination are new experiences and sensations and natural beauties, which are the motives for arrival of 36% and 33% respondents. Gastronomy is the arrival motive for 27% of guests to Novigrad, while 17% of guests cite cultural sights and events as motives for their arrival. Entertainment is the arrival motive for only 14% of guests, sports and recreation for 12% of guests, and 5% of respondents visit the destination for health reasons. Table 2 shows the frequency of tourist arrivals to Novigrad.

Table 2. Frequency of the respondents' visits to Novigrad

Frequency of visits	Share of respondents
First visit	48%
Second visit	16%
3 To 5 visits	13,5%
6 And more visits	22,5%
Total	100%

Source: Author's systematisation (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of the Town of Novigrad, 2019)

The share of respondents who visited Novigrad for the first time was 48%, which is a high share of the first visit to the destination and confirms Novigrad's efforts as a tourist destination that aims to present itself on the new markets. The share of loyal guests is also high, which is proven by 22.5% of the respondents who visited Novigrad six or more times. The second visit to Novigrad was made by 16% of the respondents, while 13.5% of them made three to five visits to the destination. Novigrad is a family destination, as confirmed by the results of the questionnaire, according to which 51.2% of the respondents visit the destination with their family. The share of respondents visiting Novigrad with partners is 35%, while 11.4% of respondents visit Novigrad with friends. Only 2.4% of surveyed tourists arrived in Novigrad unaccompanied. The average daily expenditure per person in the destination is lower than the average at the Croatian level, which amounts to 74 euros. The respondents spend half of daily expenditure on accommodation, and 17% of spending goes to food and drink. Non-accommodation consumption has a relatively low share in the total consumption in the destination; only 8% of the daily expenditure is spent on shopping, 6% on excursions, while the share of spending on souvenirs and sports and recreation is 4%. Very little is spent on culture and entertainment, only about 2%. These results may indicate limited possibilities for non-accommodation consumption in Novigrad, i.e. a lack of additional facilities in the tourist offer. This was examined in the part of the survey relating to interest in additional facilities in the destination and participation in events. Of the total number of respondents, 72% did not participate in Novigrad events at all. The reasons for not participating in events and not using additional facilities are primarily lack of interest, which is present in 22.3% of the respondents. Another reason is lack of recognition of the offer, which is confirmed by the fact that 20.7% of respondents responded that the offer is insufficiently communicated. The price of the offer is too expensive and this is the reason for not using additional facilities for 15.1% of respondents, while busyness due to babysitting is the reason for not participating in events and not using the additional offer for 10.1% of respondents. Only 4.7% of respondents responded that they found the offer uninteresting. The questionnaire also explored associations to Novigrad as a tourist destination, presented in Chart 1.

■ Heritage ■ Details ■ People ■ Nature ■ Supply ■ Activities ■ Food ■ Aesthetics ■ Atmosphere

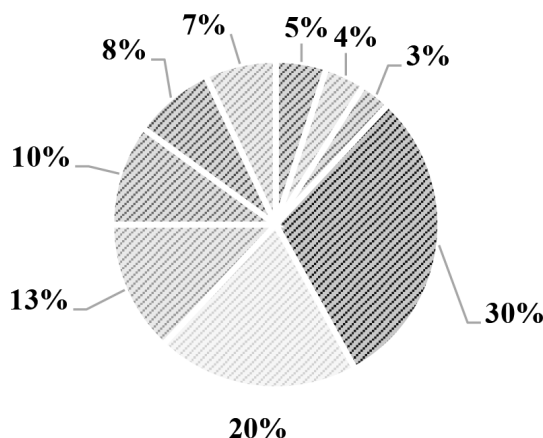


Chart 1. Associations to Novigrad

Source: Author’s systematisation (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of the Town of Novigrad, 2019)

The structure of associations is dominated by nature, which is an association to the destination for 30% of respondents. This is followed by the offer (20% of respondents), activities (13%), food (10%), aesthetics (8%), atmosphere (7%), heritage (5%), details (4%), and people (3%). If individual associations are analysed, the sea and beach dominate, which are associations to Novigrad for 18% and 9.2%, respondents, followed by food (7.3%), the sun (6.8%), and rest (6%). This confirms the view that Novigrad is still primarily a summer tourist destination, the main attractions of which are natural resources.

The results of the research show a high share of respondents who think Novigrad lacks arranged beaches (17.6%), shopping facilities (17%), and nightlife (14.3%). Furthermore, a relatively high number of respondents think the destination lacks diversity of outdoor events (14%) and entertainment (10.6%), sports and recreational facilities (8.1%), and thematic programmes and evenings (7.3%). Cultural and gourmet offer is a missing element in the opinion of 14% of respondents. If the presented results are compared with the data on spending in the destination, it is evident that one of the main causes of lower spending in the destination is the lack and limitations in certain elements of the tourist offer.

2.3. Degree of satisfaction with the tourist offer of the town of Novigrad

The total satisfaction with the tourist offers in Novigrad was rated 4.02 by the respondents. At the same time, the highest degree of satisfaction was expressed with the element of picturesqueness and arrangement of the town. Equipment and arrangement of the beaches were rated 4.0. The participants also expressed a high degree of satisfaction with the element of ecological preservation (3.8), while the programme in case of bad weather was evaluated with average degree of satisfaction (3.3). Table 3 shows a comparison of the satisfaction of the respondents with the tourist offer in Novigrad with the results of the Tomas survey of the satisfaction of tourists with the offer at the level of Croatia from 2017.

The comparison shows that the degree of satisfaction of tourists with the tourist offer in Novigrad is very similar to the satisfaction degree of tourists with the offer at the level of Croatia. In

the three elements of the offer, the respondents expressed a high degree of satisfaction with the offer in both surveys. The element of the offer ‘Programme of activities in case of bad weather’ at the level of the destination of Novigrad was assessed with average degree of satisfaction, while at the level of Croatia, this element was assessed with a very low degree of satisfaction.

Table 3. Degree of respondents’ satisfaction with the elements of the tourist offer of Novigrad and comparison with the Tomas Survey in 2017

Offer element	Results – Novigrad 2018	Results – Tomas 2017
Picturesqueness and arrangement of the town	high satisfaction	high satisfaction
Equipment and arrangement of beaches	high satisfaction	high satisfaction
Ecological preservation	high satisfaction	high satisfaction
Programme of activities in case of bad weather	mean degree of satisfaction	very low degree of satisfaction

Source: Author’s systematisation (Novigrad – Cittanova Tourist Board: Defining the Tourist Offer of the Town of Novigrad, 2019)

3. CONCLUSION

Tourist supply is specific because it includes a set of various goods and services, which are offered to tourists in order to meet their needs. Tourist supply is not an offer of a single entity, but a supply of all entities that can participate in the tourist market in order to directly or indirectly meet tourist needs. Along with goods and services, a tourist supply comprises a number of natural, social, economic and cultural elements of the tourist destination, as well as experiences and sensations that the destination offers. Tourist supply is formed in accordance with the requirements of tourist demand; therefore, it is necessary to know and follow trends in the tourist demand for its design. Tourist supply management is a complex and continuous process that must be based on integrated planning, and its purpose is maintaining the competitiveness of the tourist destination, while ensuring long-term sustainable tourist development and improving the living conditions of the local population. Tourist supply management is the task of destination management, which is also responsible for strategic planning and tourist destination management. Tourist destination management is also a demanding process, in which it is necessary to take into account the interests of all stakeholders in tourism development.

Novigrad is a well-established tourist destination for summertime family tourism. Novigrad continuously records the growth of tourism turnover, but the problem of seasonality of tourism and exploitation of natural resources, the sun and the sea, as the basis of the tourist offer is still pronounced. In the past ten years, thanks to the efficient management of the town’s tourist offer and the development of the tourist destination in general, Novigrad has achieved significant results in terms of differentiating the tourist supply, its diversity and content. As a long-term goal of tourism development, Novigrad aims to increase the quality of the tourist offer and visibility of the town as a tourist destination on the tourist market. This goal will be achieved by improving the existing and introducing new facilities in the tourist supply. In the future, Novigrad’s tourist supply will be based on high-quality content, preservation of local tradition and authentic values and sustainable development principles in the socio-cultural, economic, and environmental aspects.

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