

MILITARY TOURIST INSTITUTIONS IN THE FUNCTION OF TOURISM DEVELOPMENT IN SERBIA

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Abstract: The COVID-19 pandemic has significantly changed the habits and needs of the world's population, global economy and all countries' economies. Tourism as a service sector of the economy suffered the most significant consequences at the beginning of the pandemic. According to data from the World Travel and Tourism Council (WTTC), the tourism sector's contribution to the global economy could reach 8.6 trillion dollars this year, which is only 6.4% less than before the pandemic. Therefore, today's tourist management must be creative, determined and dedicated much more than before. The subject of this research is the accommodation capacities of military tourist institutions and their utilisation in tourism development in the Republic of Serbia. The work aims to examine the utilisation of accommodation capacities of all military tourist institutions, especially during the pandemic, to increase the tourism potential of the Republic of Serbia and, ultimately, the overall development of our country. The research results indicate that a significant number of unused military tourist accommodation capacities could participate in developing

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Serbia's tourism, but with prior investment in increasing their quality. Another conclusion is that experiences from the pandemic period should be used for further development.

Keywords: *tourism / pandemic military tourist institutions / development strategy.*

INTRODUCTION

Tourism is one of the fastest-growing segments of the modern economy, so most countries try to include it as much as possible in their development policies. Globalisation has consolidated the hotel industry, merging smaller hotels into larger chains (Dedić et al., 2020). During the past two decades, tourism has become one of the fastest-growing economic sectors in the world, surpassing the export of oil, the production of food products and cars. In 2019, its total contribution to the global economy was \$9.2 trillion, accounting for 10.4% of the global GDP and 10.6% of all jobs (Report of the World Travel and Tourism Council WTTC, 2022). Well-planned tourism benefits destinations by increasing tourism revenue and employment. In this regard, the quality of tourist services, and thus the satisfaction of tourists with the quality of provided tourist services, as a precursor to loyalty - are becoming crucial for the successful development of tourism (Kostadinović & Stanković, 2021). Tourism growth generates the development of the overall economy, which ultimately positively affects the growth of gross domestic product (GDP) and society's overall well-being.

Commitment to more detailed research and analysis of tourism strategy was determined by the changing roles and positions of all segments of the economy in modern society and caused by the impact of the COVID-19 pandemic (Knežević et al., 2021). Namely, since the beginning of 2020, we have been witnessing draconian changes in the behaviour of the economy in terms of the position of the existing segments and their mutual relationship, as well as the needs of consumers, i.e., tourists, for the said closing of the borders, fear of the unknown and the already known scenario from April 2020 made our tourists turn to the domestic market, get to know and visit domestic destinations, which positively affected the growth of demand for accommodation in all spas and mountain centres of the Republic of Serbia. Of course, incentive measures of the Republic of

Serbia's government in tourism have affected the growth of demand and increased the scope of tourism services.

With the new situation and incentive measures of the Serbian government, the occupancy of the tourist capacities of our country was at a very high level. However, the question of participation of military tourist institutions in the function of tourism development of the Republic of Serbia arose (Matić et al., 2019). Namely, military tourist institutions have enviable accommodation capacities in beautiful locations. Some of the most famous are: Vrnjačka Banja with the „Breza” hotel and villa „Somborka”, the mountain of Tara with three hotels („Omorika”, „Beli Bor” and „Javor”) and two national houses („Jeremičak” and “Radmilovac”), Morović with two villas („Srna” and „Košuta”) and five bungalows, Karadjordjevo with two cabins and the hunting lodge „Diana, and Belgrade with the single military hotel and sports and recreation centre in Surčin. The openness of the army tourist institutions to receive tourists from the country and abroad would expand tourist capacities and create the potential needed for an increasing number of tourists. As a result, that would significantly contribute to developing the domestic tourist segment (Knežević et al., 2022).

The lack of financial resources for tourism in the Republic of Serbia should certainly not present an obstacle but rather an imperative to find the necessary assets from available sources, such as projects financed from the EU pre-accession funds. Modern tourism nowadays, especially during the pandemic, has changed its form and facilities, reflecting a frequent need of all working citizens. Accordingly, the need for accommodation capacities and other tourist facilities in the Republic of Serbia very much exists for other tourist facilities, as well. So, the strategic positioning of the tourist market of the Republic of Serbia is vital and is the basis for forming a competitive perspective. Thus, the perspective and vision of the tourist segment of the Republic of Serbia represent its direction of movement towards the desired competitive position.

Analysis of the situation in the Republic of Serbia

In 2020, the pandemic almost stopped tourism, at 74% of international arrivals, compared to the previous year. As a result, the contribution of

tourism to the global GDP dropped by a massive 49.1% (WTTC Director's Report, 2022). The damages inflicted on tourism are perhaps the largest since tourist activity largely depends on the stability and image of the country as a whole. Considering the use of tourism as well as at the macroeconomic level and in the local tourism potentials of world tourism, and regarding possibilities for positioning the Republic of Serbia in the global tourism market, it is necessary to determine the goals and directions of development to ultimately create competitive capacities.

At the beginning of the 21st century, the Republic of Serbia experienced a significant expansion in the tourism industry (Matić et al., 2019). Although the total number of tourists who visited our country at that time is still negligible compared to the main European destinations, a record increase has been recorded in the past few years, which can be interpreted as a result of the adoption of the Tourism Development Strategy of Serbia.

The Republic of Serbia's intention to join the European integration opens numerous possibilities for public and private partnership, i.e., project financing in developing tourism capacities. The existing strategy was made for the period from 2016 to 2025, when the Republic of Serbia is supposed to be in negotiations with the European Union, which should open up possibilities for the expansion in all segments, including tourist markets.

While analysing the current situation in the Republic of Serbia, particularly with respect to the draft of the Tourism Development Strategy by 2025, it was determined that there needs to be more coordination of educational and scientific institutions for the needs of the tourism expansion. This especially implies harmonizing curriculums and programs with the required number and structure of professionals. The required profiles in tourism and hospitality, the number of scientific research projects has got to be increased, the number and content of scientific and professional study trips and training, and the number and range of programs for permanent acquisition of new knowledge and skills relevant to tourism development need to be extended and improved ("Official Gazette of RS 98/2016, p. 5-6).

It is essential to state that the pre-accession funds of the European Union provide opportunities for participation in development projects of tourism activities through their financing, scientific empowerment, and ultimately raising the competitiveness of tourism in the Republic of Serbia.

Globalising the world economy should also be seen as a chance for domestic tourism, especially since 2020, when the COVID-19 pandemic was declared.

Thanks to its natural beauty, ecological and climatic diversity, rich cultural and historical heritage and proximity to the most prominent international markets, the Republic of Serbia has significant tourist potentials that represent its real development potential. Serbia has an excellent geo-traffic position, as well as conditions for the development of transit tourism. Being on one of Europe's three main passenger routes, Serbia can count on a significant number of transit tourists from Eastern and Central Europe to the Adriatic coast and the Mediterranean. Through the possible future development of transport infrastructure and enrichment of the number of tourists, the offer should focus on prolonging the stay of transit tourists. The Republic of Serbia is an exciting destination due to its geographical position, exceptional natural beauty, cultural and historical values, and favourable climatic conditions. This intersection of different cultures, traditions, and architecture gives Serbia added value in creating specific tourist products and routes. The World Tourism Organization (WTO) has placed Serbia in the group of countries with the highest anticipated annual growth, estimating a yearly growth rate of 12.5% (Premović & Arsić, 2020). The development of other branches of the economy, foreign solid investments and other investments in significant measure affect the growth of foreigners and / or business partners as tourists. Opening direct flights from Belgrade to many world metropolises is only another indicator of tourism growth at the international level.

As shown in *Table 1*, immediately after the adoption of the Tourism Development Strategy of the Republic of Serbia, i.e., in 2016, the highest number of tourism nights was recorded from neighbouring countries (BiH, Montenegro, Bulgaria, Croatia, Slovenia and Romania), Turkey, Russia, Germany and Greece (Matić et al. 2019). In the following 2017, the structure of overnight stays was similar. The most significant number was recorded from the same countries as in 2016, but with an overall increase in the number of overnight stays compared to the previous year.

In 2018, the positive growth of expectations of foreign tourists continued with changes in the structure of countries with the most tourists. Hence, tourists from Greece are no longer among the ten countries with the

highest number of overnight stays, while Chinese tourists represented a surprise and occupied 3rd place per number of overnight stays in 2018 (Bukvić, 2018).

Table 1. *Structure of overnight stays of foreign tourists by years in the Republic of Serbia*

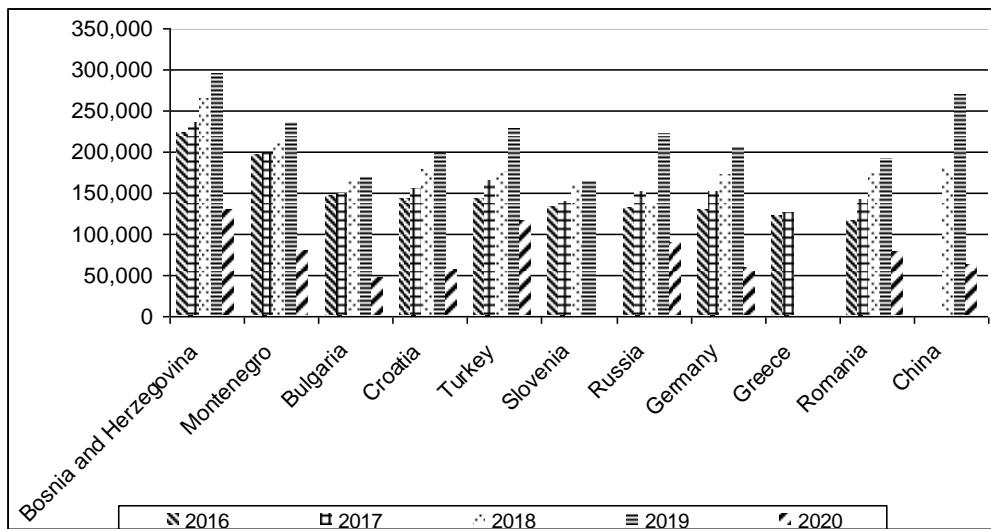
Country	Year				
	2016	2017	2018	2019	2020
Bosnia and Herzegovina	222,888	234,758	262,640	294,423	128,020
Montenegro	195,970	198,119	209,947	233,998	78,604
Bulgaria	146,196	148823	167,505	169,769	47,054
Croatia	141,783	153,076	176,944	198,993	55,278
Turkey	141,608	162,566	174,675	227,713	116,061
Slovenia	131,827	138,704	157,408	163,251	/
Russia	131,323	150,849	139,341	220,226	87,634
Germany	128,897	150,001	171,080	203,038	57,368
Greece	122,062	125,336	/	/	/
Romania	114,921	139,813	174,031	190,288	76,527
China	/	/	179,247	268,572	61,529

Source: Author's representation, raw data source: www.stat.gov.rs

The trend of positive growth in the number of overnight stays of foreign tourists will continue in 2019 with the same structure as the top 10 countries, with tourists from China taking 2nd place in terms of the number of overnight stays. The COVID-19 pandemic has significantly affected the world economy, and the consequences are yet to be seen and felt. However, the effects of stopping production and closing the economies and borders of certain countries are already present. A state of emergency was introduced in the Republic of Serbia in April 2020, and GDP growth slowed, as in most countries except China. The trend of expansion of overnight stays of foreign tourists in 2020 changed from positive to negative, and it decreased by 49% compared to the previous year when it comes to tourists from Turkey, and even up to 77% in the case of overnight stays from China. Also, in 2020, the order and structure of the first ten countries from which tourists come to the Republic of Serbia will change so that tourists from Turkey take 2nd place, Russia 3rd and China 6th place.

It is important to emphasize that tourists from Bosnia and Herzegovina in the observed period took first place in the number of overnight stays in the Republic of Serbia.

Figure 1. *Nights of foreign tourists by countries in the period from 2016. to 2020.*



Source: Author's representation, raw data source: www.stat.gov.rs

Figure 1. gives a visual representation of data from table 1, i.e., overnight stays of foreign tourists in the Republic of Serbia by years from 2016. to 2020.

The central tourist potentials of the Republic of Serbia make its natural resources: national parks, protected areas, mountains, rivers, caves, waterfalls, lakes, etc. These resources are suitable for the development of eco-tourism, winter tourism, adventure tourism, recreational tourism, and especially rural tourism in rural areas. Furthermore, as natural resources, spas have exceptional importance (rich in thermal, mineral and thermal mineral sources; suitable for developing spa, health and recreational tourism).

Anthropogenic resources involve cities as the basis of cultural and historical, congress, transit and festival tourism, religious heritage, and thus the basis for the development of religious tourism and cultural and

historical monuments from different historical periods (Stećak, monasteries, tombstones, etc.).

In addition to the listed resources, perhaps the most crucial resource of tourism consists of people, employees, and tourists. Employees in the tourism sector of the Republic of Serbia are known as very "hospitable" and represent the incredible power of that sector. The rich and varied diet makes one of the leading comparative advantages when Strain tourists commit to the destinations of the Republic of Serbia. The impression and feeling of tourists is a powerful weapon that can bring us new chances but also destroy existing ones, especially in the information technology era when information is transferred to the current and global news.

These resources were only partially used for tourism purposes, and yet the Republic of Serbia achieves more robust annual growth than most other industries. In addition to direct revenues, tourism also has a positive secondary effect on different areas of the economy (e.g., food consists of 15% of tourist spending, retail 13%, etc.). Tourism, as a promising branch of the economy, can significantly contribute to reducing unemployment, assist in reducing the external deficit, and since "environmentally clean", contribute to environmental protection. Also, investments in the tourism sector would, as an indication of a country's security, trigger a positive foreign investment in other sectors.

Discussion and research results military tourist institutions in the function of tourism development of the Republic of Serbia

The hotel capacities of the military institutions within the Ministry of Defense of the Republic of Serbia are located in exceptional locations that are in great demand and are accompanied by a long tradition of successful business. On Tara Mountain private tourist facilities are located near military hotels, which are still the only ones of this shape and size in the given location.³

³ The data used and analyzed for the purposes of this paper were obtained from the Sector for Material Resources of the Ministry of Defense. All data refer to the military tourism institutions of the Ministry of Defense for the period from 2016 to 2020. These institutions are organizationally part of the mentioned sector of the Ministry of Defense. <https://www.mod.gov.rs/eng/4319/sektor-za-materijalne-resurse-4319>.

Despite the above, since the 1990s, the institutions are losing their primacy, guests are turning to new tourist markets and offers, and institutions are not adapting to the transition of the fast business, hotel facilities do not change, causing them to lose their position on the tourism market despite the good and the comparative, comparative and competitive advantages of the institution.

Today, three military institutions operate within the Ministry of Defense:

- Military Institution „Dedinje”,
- Military Institution „Tara” and
- Military Institution „Morović”.

The above-mentioned military institutions have hotel capacities in Belgrade, Vrnjačka Banja, Morović, Karađorđevo and Tara. The location of the facilities, with nearly 2,000 beds, defined that of the 11 tourism products from the Tourism Development Strategy of the Republic of Serbia, military institutions have chances in products related to nature and ecotourism, health, special interest activities, rural and cultural tourism, river tourism. as well as city, business tourism and tourism related to special interests (gatherings, congresses, exhibitions).

Today, the military institution "Tara" is the most recognisable and most famous. VU „Tara" facilities are located in the Tara National Park, on Tara Mountain and in Vrnjačka Banja.

The hotel complex of the military institution "Tara" includes:

- On the mountain of Tara, the hotel „Omorika" which is categorised with three stars and started operating in 1973, then the hotel "Beli Bor" categorized with two stars, which started working in 1980, then the annexe "Javor" started serving in 1973, the National House „Jeremičak" began operating in 1963. The National House "Radmilovac" began operating in 1965.
- In Vrnjačka Banja, the hotel "Breza", which is categorised with three stars, started operating in 1977, and the villa "Sombor".

According to the data from (Table 2), the guests of the VU Tara Hotel were:

1. "Members of the MoD and the Armed Forces" who are members of the Ministry of Defense and the Serbian Army who stayed in the facilities of the "Tara" VU after returning from peacekeeping operations, members of the MoD and MoD who were awarded a stay in a military institution with their

families and all other members Armies that pay the subsidised price);

2. "Citizens of the Republic of Serbia" (in recent years, especially with vouchers subsidised by the Government of the Republic of Serbia) and
3. "Foreigners".

Table 2. *Overview of the number of overnight stays of guests per year in VU "Tara" in the period from 2016 to 2020*

	Elements	Number of realised overnight stays in VU „Tara”				
		2016	2017	2018	2019	2020
1	Members of the MoD and the Armed Forces	23,171	23,429	24,491	30,113	33,246
2	Citizens of RS	147,028	147,462	138,556	163,981	90,177
3	IN TOTAL 1 + 2	170,199	170,891	163,047	193,094	123,423
4	foreigners	12,003	10,180	16,487	15,757	2,080
5	IN TOTAL 3 + 4	182,202	181,071	179,534	209,851	125,503

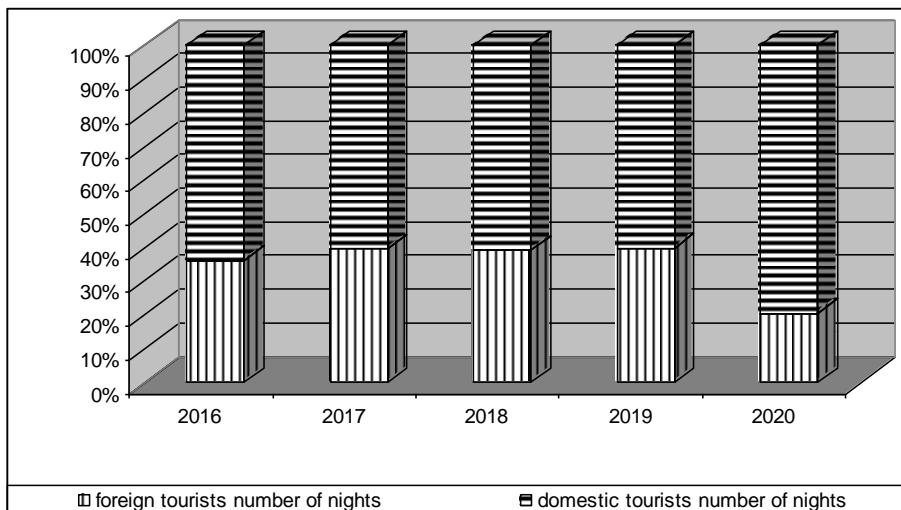
Source: Author's representation, raw data source: Ministry of Defense, Sector for Material Resources

Looking at the above categories and given years, we can see a constant growth of "members of the MoD and the Armed Forces" from 2016 until 2020. It is interesting to note that in 2020, at the time of the pandemic, there was an increase in overnight stays at the Tara VU, unlike the other categories mentioned. It is essential to state that the category of "members of the MoD and the Armed Forces" consists of subsidised persons by the Ministry of Defense, which "ensures a safe market".

In the observed period, there is a noticeable stagnation or decline of domestic guests from 2016 to 2018, while an increase in domestic guests during 2019 is noticeable (citizens of RS and members of the MoD and the Armed Forces).

From the percentage share of overnight stays of foreign and domestic tourists in VU "Tara" in the period from 2016 to 2020 (*Figure 2*), it can be concluded that in the period before the pandemic, about 30% of total overnight stays were by foreign tourists and most, i.e., approximately 70% of overnight stays were made up of domestic tourists, thanks to incentive measures.

Figure 2. Tourist nights in VU "Tara" in the period from 2016 to 2020 Coupons



Source: Author, raw data source: MoD, Sector for Material Resources

However, a decline in the percentage of foreign tourists in 2020, during the pandemic, could be expected, and it amounted to about 12% of total overnight stays, while domestic tourists accounted for the remaining 78% of overnight stays. So, we must focus on domestic tourists and create content for their needs.

The military institution "Morović" provides hotel and tourist services in the territories of Morović and Karađorđevo, as follows:

- - in the villa "Srna", villa "Košuta" and five bungalows and
- - in the hunting and forest estate "Karađorđevo", in two bungalows and the hunting lodge "Dijana".

With a very small total accommodation capacity, this military facility cannot compete with the previous facility but represents attractive locations for hunting and rural or ethnic tourism.

Tourism development in sensitive destinations, such as protected areas, must be harmonised with natural, ecological, socio-cultural and economic principles, in terms of sustainable tourism development. If there is no clear concept of management and action on sustainability factors, there may be negative consequences for all entities of these tourist destinations.

Planning is significant for protected areas so that the available resources are used appropriately, and the local community is fully involved in the protection and management system. In this way, an adequate experience for tourists is provided, which affects their satisfaction and experience in the protected area (Trišić, 2021).

CONCLUSION

It is important to look at tourism as a source of well-being and increase the quality of life of the population. Members of the Ministry of Defense and the Serbian Armed Forces should make a significant contribution to the participation and development of military tourism institutions in the development of tourism in Serbia.

With the participation of military tourism institutions in realising the goals of tourism development from the Tourism Development Strategy of the Republic of Serbia, military tourism would gain in quality, and the state would significantly increase its capacities and tourism potential.

Problems identified in the Tourism Development Strategy for the Republic of Serbia, such as lack of long-term visions at all levels on investment potential in the tourism sector, incomplete tourism product, permanent lack of domestic capital for the significant revitalisation of tourism, seasonal work, can be recognised in military tourism.

Attracting foreign tourists and positioning the Republic of Serbia on the world tourism market by using military tourism potential would ultimately help the overall development of our economy and society. Hunting tourism is one of the competitive advantages of our country, using the potential of VU "Morovic". Mountain tourism uses the available facilities of the VU "Tara" hotel, and spa tourism uses the accommodation facilities of the "Breza" hotel. Of course, the benefit would be mutual in every respect because both investments in the mentioned military tourism potentials would enrich their content and, in this way, affect the quality of life and work of professional members of the MoD and the Serbian Armed Forces, as well as the vacation of domestic tourists who already recognise our tourist attractions contents.

Conflict of interests

The authors declare no conflict of interest.

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SMEŠTAJNI KAPACITETI VOJNIH TURISTIČKIH USTANOVA I NJIHOVA ISKORIŠĆENOST U FUNKCIJI RAZVOJA TURIZMA U SRBIJI

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Sažetak: Pandemija COVID-19 značajno je promenila navike i potrebe celokupne svetske populacije, globalne ekonomije i privrede svih zemalja. Turizam kao uslužni sektor privrede pretrpeo je najznačajnije posledice na početku pandemije. Prema podacima Svetskog saveta za putovanja i turizam (VTTC), doprinos turističkog sektora globalnoj ekonomiji ove godine bi mogao da dostigne 8,6 biliona dolara, što je samo 6,4 odsto manje od nivoa pre pandemije. Stoga, današnji turistički menadžment mora biti kreativan, odlučan i posvećen mnogo više nego ranije. Predmet ovog istraživanja su smeštajni kapaciteti vojnih turističkih ustanova i njihovo korišćenje u funkciji razvoja turizma u Republici Srbiji. Rad ima za cilj da ispita iskorišćenost smeštajnih kapaciteta svih vojnih turističkih ustanova, posebno u vreme pandemije, za povećanje turističkog potencijala Republike Srbije i u krajnjoj liniji

ukupnog razvoja naše zemlje. Rezultati istraživanja ukazuju da bi značajni neiskorišćeni vojni turistički smeštajni kapaciteti mogli da učestvuju u razvoju turizma Srbije, ali uz prethodno ulaganje u povećanje njihovog kvaliteta, kao i da treba iskoristiti i razvijati iskustva iz perioda pandemije.

Ključne reči: turistički potencijal Republike Srbije, vojne turističke ustanove, pandemija COVID-19, razvoj turizma.