



## Perceptions of Rural Tourism Development Potential in South-Eastern Bosnia

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**Abstract** About 61% of the Bosnian population lives in rural areas. Meanwhile almost 95% of the Republika Srpska entity's territory is rural where 83% of the population lives. Rural tourism includes tourism products and services in rural areas in which the rural culture is a key component. The paper aims at analyzing the perceptions of villagers, service providers and rural tourism structures managers on rural tourism development potential in south-eastern Bosnia. Suggestions of local actors to attract more tourists to rural areas were discussed as well. The paper includes both secondary and primary data. A questionnaire survey was performed in summer 2012 with 120 rural tourism operators, service providers and villagers in 11 municipalities in the Republika Srpska (RS). Bosnia in general and the RS in particular have great potential for rural tourism development but it remains largely unexpressed. Rural tourism can provide new windows of opportunities for rural areas. Rural tourism is perceived by local actors as sustaining and creating local incomes, employment and growth; contributing to the costs of providing local economic and social infrastructure, amenities and services; encouraging the other sectors development; and contributing to environmental and cultural heritage conservation. Rural communities have increasingly turned to tourism as an alternative means of achieving sustainable economic growth and development through restructuring and greater diversification of economic activity. Rural tourism operators' individual satisfaction is gained from interchange with visitors. Tourist feedback positively enhances locally exerted effects and stimulates operators to recognize local opportunities and potential within their rural communities. In order to transform local stakeholders' enthusiasm into concrete and viable investments and ventures, the financial and institutional support of the entity government, especially ministries of tourism and agriculture, as well as international donors is highly needed.

**Keywords** rural tourism, development potential, perceptions, Bosnia

## **INTRODUCTION**

Bosnia and Herzegovina (BiH) consists of two governing entities *i.e.* the Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS). Tourism is a growing sector in many rural areas and can create new employment opportunities and increase the overall attractiveness of these areas (MoFTER, 2007). Bosnia and Herzegovina has unlimited capabilities to develop rural tourism in its rural areas (Vujovic, 2007 in Čejvanović et al., 2013). About 81% of total Bosnian area and 61% of its population can be qualified as rural. According to the OECD criteria, 114 out of the 143 municipalities in BiH can be qualified as rural (Čejvanović et al., 2013). From a diversification point of view the types of tourism that BiH could consider focusing on include: cultural heritage, religious heritage, soft adventure, and eco-tourism. BiH is already well positioned especially in eco-tourism. Eco-tourism has been recognized as an area for strategic development for the RS and FBiH (FAO-ROECA, 2012).

The Republic of Srpska has many comparative advantages that can be exploited for rural tourism development (Radovic et al., 2013): beautiful nature; variety of village types; traditional hospitality; authentic gastronomy; rich cultural and historical heritage; preserved tradition of old crafts; and various events held in rural areas.

Primary producers and rural communities have increasingly turned to tourism as an alternative means of achieving sustainable development through diversification of economic activity. Rural tourism is considered as a form of alternative tourism. It encompasses a huge range of activities, natural or manmade attractions, amenities and facilities, transportation, marketing and information systems (Sharpley and Sharpley, 1997 in Irshad, 2010). Tourism is termed rural when the rural culture is a key component of the product on offer (Gopal et al., 2008). Rural tourism is not just farm-based tourism; it also comprises special interest nature holidays and ecotourism, walking, climbing and riding holidays, adventure, sport and health tourism, hunting and angling, educational travel, arts and heritage tourism, and ethnic tourism (Irshad, 2010).

The paper aims at analyzing the perceptions of villagers, service providers, and rural tourism operators on rural tourism development potential in south-eastern Bosnia.

## **METHODOLOGY**

The paper is based on an extended literature review and primary data collected by structured questionnaires carried out in summer 2012 with 120 rural tourism stakeholders (45 rural tourism structures owners and managers - RTSM, 26 local service providers - LSP, and 49 villagers and municipality dwellers - VMD) in eleven municipalities of the Republika Srpska entity: Vlasenica, Han Pijesak, Milici, Zvornik, Kalinovik, Rogatica, Visegrad, Pale, Bratunac, Sokolac and Foca. Apart from data about respondents (name, age, level of education, occupation, municipality) different issues were addressed with different actors of the rural tourism industry:

RTSM: opinions and perceptions about rural tourism in the area; main reasons for which visitors choose the rural tourism structure and locality; suggestions to attract more tourists; willingness to invest more in rural tourism activities.

LSP (e.g. post officers, medical doctors, etc.): experience with the tourists utilizing services; opinions about rural tourism and its potential; and suggestions to attract more tourists to the area.

VMD: assessment of local government activities in rural tourism field; opinions on rural tourism; potential contribution of rural tourism to local economy; suggestions to attract more tourists; willingness to engage in tourism activities; training needs.

This exploratory study is intended to provide a better understanding of perceptions of rural tourism. Interviews qualitative analysis allows identifying differences and similarities in responses. The study results should help bridge what is perceived to be a gap in communication and mutual understanding among public officials, business owners, and other stakeholders with a connection to rural tourism. Improved understanding of interview respondents' perceptions may be helpful in planning for a growing rural tourism sector and in maximizing its economic benefits while minimizing its negative environmental and social impacts.

## **RESULTS AND DISCUSSION**

The Rural Development Strategic Plan 2009-2015 of the Republika Srpska, predicted improvement of the quality of life and diversification of rural economy, particularly through improvement and development of rural tourism services (FAO-ROECA, 2012; Draganic, 2011). Rural tourism is a novelty within the tourism sector and touristic offer in RS and BiH (Draganic, 2011; Radovic et al., 2013). It is considered one of the important strategies for the diversification of rural livelihoods and economies in Bosnia. The competencies over rural and tourism development are completely with the entity level (Draganic, 2011). Support to rural tourism development in RS is secured through the Ministry of Agriculture, Forestry and Water Management and the Ministry of Commerce and Tourism. In addition to entity financial allocations, additional financial resources for rural tourism development come from the budgets of local municipalities (Radovic et al., 2013).

Different types of rural tourism establishments and structures can be found in the surveyed area. These include: cottages, houses / apartments, restaurants, small hotels, camping sites, motels, horse farms, youth hotels, travel agencies. The clientele include foreign tourists as well as locals and visitors from other Bosnian municipalities. For most of the interviewed RTSM (86.7%) rural tourism is the primary activity and the main source of income. In addition, for a large share of them (45.5%) rural tourism is a family business.

Perceptions of rural tourism development potentially changed not only from an actor category (i.e. RTSM, LSP, VMD) but also from a municipality to another depending, among others, on the level of development of the rural tourism industry as well as its impacts on the local economy. For instance, among the surveyed municipalities, tourism in general and rural tourism in particular is more developed in Foca and Visegrad.

According to the RTSM, visitors are attracted by: typical food and drinks, diversified services offer, natural surroundings and landscape beauty, quality of services, food quality, architectural and cultural heritage. According to them, the main resources that could be used in the future for the development of rural tourism are: traditional villages; agricultural resources; natural resources (forests, streams, rivers, lakes, mountains, caves); cultural heritage (rural folklore) and old buildings (churches, monasteries, traditional houses); existing tourism facilities (hotels, ski centers, horse farms); traditional food and cuisine. Some RTSM think that there are few tourist attractions at the level of municipalities as many were destroyed during the civil war. Moreover, there are some current problems that hinder tourism development (e.g. low quality of infrastructure and services). Many of these problems are due to the general legal and legislative framework as well as socio-economic context so state and/or entity coordinated actions are needed.

Only a few rural people dare to dealing with rural tourism as it is perceived as a risky business. This is confirmed also by the fact that less than a half (47%) of the interviewed villagers would like invest in tourism activities. Moreover, only about a third of RTSM would like to be more invested in tourism activities. Risk is probably also the reason for which 75.5% of RTSM do not think about expanding their businesses in the coming years. The remaining plan to offer other services: more rooms, passenger transport services with personal vehicles, sports facilities (soccer/tennis playgrounds), tourist guiding, food services, direct sale of local products to tourists, riding schools, conference rooms, cottages, mini ethno villages, sale of air tickets.

Many of the interviewed LSP (54%) have not had any contact with foreign visitors. This is maybe due to the fact that the number of foreign tourists is limited and that most of them do not use many local services. In fact, most of them have short stays and they prefer going to neighboring urban centers for many services. Those that have more contact with tourists are physicians.

The majority of LSP think that the level of tourism development in the municipality is in line with the current tourism development in the Entity. They also believe that there is a big potential for rural tourism development in their municipalities. However, they are aware that any kind of success takes a lot of investment, innovation, learning and money. Resources are available but good will and long-term vision are needed. The main problems are the lack of outstanding tourist offers and accommodation facilities such as hotels, hostels and private houses. In fact, there is a small number of available beds and quality of existing accommodation is rather low. Moreover, tourism is still mainly a seasonal activity. Tourism could be an important economy sector for small

municipalities. LSP in Visegrad believe that tourism is on the rise but more investments are needed. The municipality is perceived to have large resources for rural tourism development.

As activities of rural tourism have become diverse, the demand for rural tourism is becoming more and more experience oriented. Rural tourism operators' individual satisfaction gained from interchange with visitors and direct feedback can positively enhance locally exerted effects that stimulate operators to recognize opportunities within their community and raise the potential for local resource use (Ohe et al., 2009). Operators gain satisfaction through providing services by receiving immediate feedback from consumers (Wilson, 2007).

All the interviewed LSP and most of VMD (92%) think that tourism can help increasing income and generating more employment opportunities. However, many of them think that this is a long-lasting process and requires good investments. Others highlighted the need for a long-term local rural tourism development strategy in order to reap these benefits. Tourism is seen also to contribute to gender equity as it can create more jobs for women. They further emphasized the multiplier effect that tourism can have on other sectors of the local economy especially agriculture. To capitalize on this effect some of the interviewees proposed to set up small tourist spots in rural areas where farmers could sell their products to tourists and visitors. Moreover, local authorities should consider tourism as a priority sector. Those think that tourism has no positive effect alleged the fact that it is still underdeveloped and there are no rural tourism strategies at local level.

There is a great potential through tourism, for resolution of many chronic dilemmas faced by rural communities (Knowd, 2001). Even if rural tourism may be minor in relation to the overall tourism market its importance to the development of specific rural areas may be critical. Thus, the multiplier effect is often more impacting in rural areas where the entire rural lifestyle is looked for as the main attraction (Gopal et al., 2008).

Tourism has a wide range of positive livelihood impacts, many of which go beyond monetary benefits. Tourism in rural areas offers a viable option for livelihood diversification. Moreover, tourism considerably expands household economic prospects by improving education, health, physical amenities and financial assets (Shakya, 2011). Many studies dealt with social and cultural, economic and environmental impacts of rural tourism. Cohesive effect of the development of rural tourism includes tourism as a mechanism for developing a balanced regional development. The development of rural tourism significantly affects the preservation of local identity, traditions and customs, and other values in rural areas (Mrdalj and Todić, 2012). Rural tourism supports development of new tourist destinations giving special contribution to the development of the continental tourism. It is a way for family-owned farms to provide additional income by engagement of members of family (Ćejvanović et al., 2013).

Most of the interviewed villagers think that their municipalities have great potential for rural tourism that is still not properly exploited. This is especially the case in the municipalities of Foca, Milici, Bratunac, Kalinovik, Han Pijesak and Zvornik. Inhabitants of Visegrad, Sokolac and Pale have more positive perceptions about rural tourism in their municipalities. Generally speaking, almost all the interviewees think that municipal councils should do more to develop rural tourism in their municipalities. The most critical ones are the inhabitants of Foca, Milici, Bratunac, Kalinovik, Han Pijesak, Sokolac and Zvornik. Meanwhile, dwellers of the municipalities of Vlasenica, Visegrad and Pale were somehow more benign.

Key findings from other contexts (San Juan County, Utah, USA) show that rural community members have mostly positive perceptions of tourism, show general support for future tourism development, and are optimistic about the future role of tourism. They also highlight that the tourism industry is perceived to provide positive economic benefits and mostly positive social benefits. Some residents' lack of support for tourism may be related to attitudes and especially their fears of changes to their communities (Burr et al., 2007). In fact, scholars have also exposed a range of unwanted economic, socio-cultural and environmental side-effects of tourism, such as the promotion of inequality, inflation, import dependency, over-exploitation of natural resources, environmental damages and cultural alienation (cf. Shakya, 2009).

Rural tourism structures managers, local services providers and local people made many suggestions to develop rural tourism in their municipalities (Table 1).

**Table 1 Suggestions for developing rural tourism**

Respondents' suggestions	Type of respondents		
	RTSM	LSP	LD
Increasing investment in rural tourism and rural socio-economic development	D	D	B
Better promotion and marketing of tourism using different media	B	D	C
Creation of new tourist attractions (ethno villages, ski resorts, festivals, sport and cultural events, open days)	C	D	C
Improvement of service delivery and quality in rural areas	B	D	A
Paying more attention to environment protection and natural (rivers, forests, waterfalls, springs) and cultural (monuments, historical sites, folklore, water mills) heritage preservation	A	D	D
Renovation of hotels and tourism facilities (old village houses, ski centers)	D	D	B
Improving human capital especially skills related to rural tourism services management through training courses, thematic workshops and seminars	C	B	C
Development of new tourism services in some municipalities (e.g. running trails, cycling, excursions, hiking, hunting, fishing, horse riding, adventure tourism)	D	B	D

Source: Authors' elaboration based on questionnaire survey results.

Legend: A: very significant (answer frequency > 50%), B: significant (25-50%), C: average (10-25%), D: poor (<10%).

All the interviewed villagers declared that local people especially young ones need training regarding rural tourism. Training should allow the trainees to know more about the resources of their municipalities and ways to valorize them through tourism activities. All require increasing municipality, entity and state funding to rural tourism. Suggested activities include also a better organization of the rural tourism sector through categorization of rural households, making an inventory of rural accommodation facilities, and preparing a register of rural tourism services providers. The establishment of local tourism organizations and agencies would help better coordinate and organize the rural tourism offer. Some tourist organizations already exist but coordination between them can be further improved. Many interviewees pointed also to the importance of engaging young people in the rural tourism sector.

## CONCLUSION

Bosnia and the Republika Srpska have great natural, cultural, gastronomic, religious and historic potential for rural tourism development. Rural tourism could be a strategy for sustainable development of rural areas and also a tool for product differentiation. Rural tourism has a high potential for the diversification of rural households' livelihoods.

Most of the interviewees think that tourism development is going ahead slowly but in the right direction. That being said, they believe that there is still wide room for improvement. That requires adopting an integrated approach for designing local strategies for rural tourism development with the involvement of all relevant actors. The expansion of tourism in rural areas is perceived as designed to sustain and create local incomes, employment and growth.

The specific identification of residents' desires and expectations of the tourism industry can assist in the development of a plan to meet tourism development objectives while protecting important characteristics of rural communities and their surrounding environments. Development of rural tourism requires improving tourism standards, services and infrastructure; creating a more favorable environment for investment in rural tourism; strengthening support structures and facilities capabilities; and improving integration with general rural development plans.

It should be highlighted that the opinions and perceptions of tourism and tourism development among the tourism operators and the rural population are not sufficiently understood. Future research should attempt to discern resident preferences for different management and development objectives. Improved understanding of residents might be achieved through surveys or participatory processes such as community meetings and collaborative workshops.

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