

THE EUROPEAN REGION IN STRUCTURE OF THE WORLD TOURIST MARKET

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Introduction. Europe is the main tourist region of the World. Within many decades it was the leader on arrivals of foreign tourists. However, recently the share of Europe began to be reduced, though European destinations continue to accept a plenty of tourists. Therefore the article contains the analysis of the basic parameters of tourism development in the European region for definition of its place in structure of the World tourist market.

Tendencies of the World tourist market development. Beginning from the second half of the 20th century, international tourism became a mass form of leisure and a social need for the humankind. The following factors made a substantial contribution to it: growth of public wealth and individual income, lesser working hours, development of transportation industry, intensification of urbanization, government support, and changing priorities within the system of spiritual values of society. Because of the increasing socioeconomic significance of international tourism, beginning from 1950 all parameters of its development are summarized at the official level. Key indicators of the international tourist exchange are provided in the Table 1, grouped by decades, which allows to analyze their annual growth rate.

Table 1

International tourist arrivals and international tourism receipts
(1950 – 2009)

Years	International tourist arrivals		International tourism receipts	
	Total (million)	Annual increase, %	Total (US\$ billion)	Annual increase, %
1950 – 1960	25 – 70	10,7	2,1 – 6,9	12,5
1960 – 1970	70 – 166	9,0	6,9 – 17,9	10,1
1970 – 1980	166 – 288	5,6	17,9 – 106,5	19,1
1980 – 1990	288 – 457	4,7	106,5 – 273,2	10,0
1990 – 2000	457 – 706	4,3	273,2 – 479,2	6,0
2000 – 2009	706 – 880	2,5	479,2 – 887,0	7,1

Source: [1, pg. 114], [2].

According to the Table 1, there are two main clearly visible trends in development of world tourism:

1. decrease of relative parameters of international tourism with simultaneous growth of the industry's absolute turnover figures;
2. acceleration of the growth rate of international tourism receipts comparing to the growth rate of international tourist arrivals [3, pg. 7].

However, while the above trends concern parameters of world tourism market and take into account its average growth rate, detailed study of parameters of tourism industry in specific destinations, subregions, and macroregions shows that some tourism markets of different levels may have own trends which are different from the rest of the world.

Information concerning distribution of international tourist flows by regions is provided in the Table 2.

Table 2

Distribution of the international tourist arrivals on the World regions
(1950 – 2009)

International tourist arrivals (million)			Regions	Share in the World, %		
1950	1980	2009		1950	1980	2009
16,6	198,1	459,5	Europe	66,4	68,7	52,2
7,4	54,4	139,5	Americas	29,6	18,9	15,9
0,2	20,2	180,5	Asia and the Pacific	0,8	7,0	20,5
0,5	7,2	48,0	Africa	2,0	2,5	5,4
0,2	5,8	52,5	Middle East	0,8	2,0	6,0
25	288	880	World	100,0	100,0	100,0

Source: [1, pg. 114], [2].

According to the Table 2, all regions of the world show stable development growth. Nevertheless, their international arrival growth rates weren't the same. Thus, as recently as in 1980 there were only two large tourism macroregions in the world – Europe and Americas, which received almost 90% of all international tourists. In the 1990s they were joined by the third macroregion – Asia and the Pacific (APR), where the growth rate of international tourist arrivals was the highest: in 2002 the APR became the second region in the world in terms of the number of tourist arrivals, and in 2007 it also became second in terms of international tourism receipts, surpassing Americas. By the beginning of 2010 these three regions were responsible for the same 90% of the world's all tourist arrivals (Table 2) and 93% of all receipts from international tourism. This circumstance points to the narrowness of world tourism market and opportunities for other regions to have a share of international tourist exchange.

Analysis of structure of the World tourism market broken down by regions (Table 2) points to existence of the following trends:

1. formation of different tourism macroregions as a result of uneven distribution of international tourist flows in different countries and regions of the world;
2. gradual change of individual macroregions' percentage share of the world market (decrease of share of Europe and Americas and increase of share of other regions, particularly the APR);
3. increasing impact of outside economic and political factors on international tourism parameters, and at the same time, growing capability of the international travel industry for fast recovery of its turnover under favorable conditions.

The analysis of the European tourist market development. As we know, the European region is ranked first in terms of both the number of international tourist arrivals and the tourism receipts. However, share of this region is gradually shrinking, down to about 52% in 2009 (Table 3) [2].

Table 3

Distribution of the international tourist arrivals on the European region (2009)

Sub regions of the Europe	Quantity of the tourist markets	Arrivals (million)	Share, %	
			in the Europe	in the World
Northern Europe	7	52,6	11,4	6,0
Western Europe	9	145,7	31,7	16,5
Central/Eastern Europe	21	91,7	20,0	10,4
Southern/Mediter. Europe	17	169,5	36,9	19,3
EUROPE	54	459,5	100,0	---
World	214	880,0	---	52,2

Structurally, the European region consists of four subregions. At the subregional level, destinations of Southern Europe are ranked first in terms of international tourist arrivals (36,9%), followed by Western Europe (31,7%), Central and Eastern Europe (20%), and Northern Europe (11,4%).

More detailed analysis of situation on the European tourism market is provided in the Table 4 [4].

Table 4

Indicators for the International Tourism in the European region

Indicators for the International Tourism	Years	World	Europe	Including:			
				Northern Europe	Western Europe	South./Mediterr. Europe	Central/Eastern Europe
Receipts (US\$ billion)	1990	269,2	142,9	26,2	63,1	51,5	2,1
	2000	479,4	232,5	35,9	82,8	93,4	20,4
	2008	944,0	473,6	69,9	162,0	183,2	58,1
Arrivals (million)	1990	437,8	265,6	31,6	108,8	93,7	31,5
	2000	682,0	395,9	45,8	139,7	140,7	69,7
	2008	922,0	488,5	57,0	152,4	179,5	99,6
Receipts on 1 tourist arrival (US\$)	1990	615	538	829	580	550	67
	2000	703	587	784	593	664	293
	2008	1024	969	1226	1063	1021	583

According to the Table 4, during 1990–2008 number of international tourist arrivals in the world went up 2,1 times, and in the European macroregion 1,8 times; at the same time, maximum growth rate of this parameter was observed in the Central and Eastern Europe subregion (a 3,2 times growth), which is explained by low starting base for comparison, with minimum growth rate recorded in Western Europe (1,4 times). During this period, international tourism receipts increased 3,5 times in the World and 3,3 times in Europe. At the same time, as in the previous case, the highest growth rate was shown by destinations of Central and Eastern Europe (a 27 times increase); relative parameters of Southern Europe are close to the world indexes, while sluggish growth rates of international tourism receipts in Northern and Western Europe fell below the world's average.

Therefore, relative loss of Europe's dominating position on the World tourism market can be explained by the following factors:

- certain countries of the Southern Europe subregion are losing their competitive edge because of the "ageing" of their tourism products;
- certain countries of the Central and Eastern Europe subregion experience difficulties with adapting their tourism industry to the conditions of market economy; on top of that, many of them have unstable domestic political situation and are threatened by ethnic conflicts, which makes substantial impact on the tourist exchange in Europe;
- a number of countries of Northern and Western Europe, for example, United Kingdom, Denmark, and Belgium, are very expensive for an average tourist, which inevitably affects their competitiveness;
- growing popularity of countries of the North-Eastern Asia (the APR), which lately were very successful in developing their tourism infrastructure.

The Table 5 contains study of the European macroregion's specific destinations ranked among the top 50 countries in the World in terms of the key indicators of international tourism development [4].

Table 5

Research the indicators for the international tourism
on the separate European destinations (2008)

Countries of Destination	International Tourism				
	Receipts (US\$ billion)	Expenditure (US\$ billion)	Balance (US\$ billion)	Arrivals (million)	Receipts on 1 tourist arrival (US\$)
Northern Europe					
Denmark	6,7	9,8	-3,1	4,5	1489
Finland	3,1	4,4	-1,3	3,6	861
Ireland	6,3	10,4	-4,1	8,0	788
Norway	4,6	15,9	-11,3	4,4	1045
United Kingdom	36,0	68,5	-32,5	30,1	1196
Western Europe					
Austria	21,8	11,4	+10,4	21,9	995
Belgium	12,4	18,9	-6,5	7,2	1722
France	55,6	43,1	+12,5	78,5	708
Germany	40,0	91,0	-51,0	24,9	1606
Netherlands	13,3	21,7	-8,4	10,1	1317
Switzerland	14,4	10,9	+3,5	8,6	1674
Central/Eastern Europe					
Bulgaria	3,8	2,4	+1,4	5,8	655
Czech Rep	7,8	4,6	+3,2	6,5	1200
Hungary	6,0	4,0	+2,0	8,8	682
Poland	11,8	9,6	+2,2	13,0	908
Russian Federat.	11,9	24,9	-13,0	23,7	502
Ukraine	5,8	4,0	+1,8	25,4	228
Southern/Mediter. Europe					
Greece	17,1	3,9	+13,2	16,1	1062
Israel	4,1	3,4	+0,7	2,6	1577
Italy	45,7	30,8	+14,9	42,7	1070
Portugal	10,9	4,3	+6,6	11,8	923
Spain	61,6	20,3	+41,3	57,3	1075
Turkey	22,0	3,5	+18,5	25,0	880

A typical feature of all destinations in Southern Europe is positive tourism balance and sufficient capacity for receiving foreign tourists in large numbers, which makes them main receiving tourism markets of the World. Countries of the Central and Eastern Europe subregion (with the exception of the Russian Federation) have small positive tourism balance and low median income per one foreign tourist. Negative tourism balance is typical for all countries of Northern Europe and most countries of Western Europe, which represent key sending tourism markets of the World and generate large tourist flows to foreign countries.

Conclusion. Results of the study of the European region and its individual subregions allow to make the following conclusions:

1. A clearly visible feature of the European macroregion is an intraregional tourism reaching the 90% level, which exceeds the world's average parameter. The reasons for that include the following factors:

- concentration of a large number of countries in a relatively small area;
- existence of close economic, cultural, and ethnic relations between European countries;

- concentration of diverse natural resources and historical and cultural landmarks;
- excellent ground transportation infrastructure;
- highly-sophisticated tourism industry;
- availability of highly-trained service personnel;
- simplification of border control and customs formalities, particularly as a result of implementation of the Schengen Agreement;
- relatively high domestic security in EU countries;
- introduction of a single European currency, etc.

2. The European region experiences redistribution of market shares among individual subregions as a result of increasing significance of the Central and Eastern Europe subregion in absolute figures of all tourism development parameters and rapid growth of this subregion's share of the World and European tourism markets. This trend can be explained by the following reasons:

- modern phase of development of most Central and Eastern European countries is characterized by rapid development of the tertiary sector of economy, which translates into increasing share of the service sector in these countries' GDP, growing export of tourism-related services, and increasing number of people employed in this sphere;
- tourism industry of Central and Eastern European countries undergoes fundamental changes, which involve improvement of tourism infrastructure and development of uniform service quality standards;
- in most Central and Eastern European destinations, international tourism becomes a priority area of their economic development.

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The European region in structure of the World tourist market

Summary

The article presents the analysis of the international tourism development in the European region. The author makes research of the basic tendencies of development of the World tourist market, defines a place of the European region in its structure, analyses a rating of the Europe separate (Sub)regions. The paper conclusions are based on studying of the statistical information about natural and cost indexes of the international tourism development during 1950 – 2009.

Key words: the European region, World tourist market, international tourism.

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