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TOURISM MEGATRENDS BEFORE THE PANDEMIC OUTBREAK: A COMPARATIVE ANALYSIS OF TWO DESTINATIONS

Megatrendy cestovního ruchu před vypuknutím pandemie:
Komparativní analýza dvou destinací

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Annotation

The paper deals with the issue of urban tourism and destination sustainability in the context of global megatrends. It builds on previous theoretical studies which identified and analysed current global trends affecting tourism and its sustainable development. Based on the knowledge of the key trends and their potential impact on destination sustainability, the paper compares the situation in two selected European cities (Prague, Split) before COVID-19. It aims to evaluate the main problems putting pressure on these cities, their infrastructure and services. Moreover, it identifies possible performance gaps in managing sustainable development. For this purpose, participatory observation and an online questionnaire including closed questions for destination representatives were adopted. According to the results, these cities faced different challenges. Prague was significantly influenced by the expansion of the sharing economy and the presence of new demand segments (e.g. Generation Z). Split benefited greatly from the preferences of a healthy lifestyle and localism. As far as the approaches to dealing with the impacts of tourism on destination sustainability regards, representatives of Split had lower performance in the monitoring system and pricing policy. Prague needed to focus on innovative and customised product development.

Key words

global trends, sustainability, urban destinations

Anotace

Příspěvek se zabývá problematikou městského cestovního ruchu a udržitelnosti destinací v kontextu globálních megatrendů. Navazuje na předchozí teoretické studie, které identifikovaly a analyzovaly současné globální trendy ovlivňující cestovní ruch a jeho udržitelný rozvoj. Příspěvek na základě poznatků o klíčových trendech a jejich potenciálních dopadech na udržitelnost porovnává situaci ve dvou vybraných evropských městech (Praha, Split) před pandemií koronaviru. Jeho cílem je vyhodnotit hlavní problémy vyvíjející tlak na tato města, jejich infrastrukturu a služby. Kromě toho identifikuje možné mezery ve výkonu při řízení udržitelného rozvoje. Za tímto účelem bylo realizováno participativní pozorování a online šetření se zástupci obou městských destinací. Podle výsledků čelila tato města různým výzvám. Praha byla významně ovlivněna expanzí sdílené ekonomiky a přítomností nových poptávkových segmentů (např. Generace Z). Split těžil z preferencí zdravého životního stylu a lokálních prvků. Co se přístupů k řešení dopadů cestovního ruchu na udržitelnost týče, měli zástupci Splitu nižší výkonnost v oblasti monitoringu a cenové politiky. Praha se naopak potřebovala zaměřit na vývoj inovativních a personalizovaných produktů.

Klíčová slova

globální trendy, udržitelnost, městské destinace

JEL classification: R11, Z32**1. Introduction**

The global growth of tourism has brought positive as well as several negative impacts. In cities, the concentration of tourists in the historical centres has caused a collision with the fulfilment of sustainable development goals. European heritage cities have attracted many visitors due to their cultural and historical resources (García-Hernández et al., 2017). Most of the visitors have been concentrated in historic city centres. Massive numbers of visitors have made these places seem overcrowded. Congestion of the public space, a loss of cultural identity, privatization of public spaces, rising property prices, loss of purchasing power of residents, and other negative consequences of excessive tourism have been observed by both residents and visitors (e.g. Milano, 2017). The rapid growth has led to pressure on destination sustainability and negatively influenced visitors' quality of experience (Dioko, So, 2017).

Many popular tourist hotspots, such as the historical centres of Barcelona, Dubrovnik, and Prague, have been suffering from the so-called overtourism. The phenomenon of overtourism describes the situation in which the impact of tourism, at certain times and in certain locations, exceeds physical, ecological, social, economic, psychological, or institutional capacity (UNWTO, 2018). It has often been observable in the urban environment, because of the popularity of city tourism (Žemla, 2020). There are many studies aimed at identifying the causes of overtourism. Overtourism is a multitude of phenomena, which have resulted from a combination of several factors. One of them corresponds to the decrease in travel costs and the concomitant increase in the volume offered by low-cost airlines. Changeable consumer behaviour is, however, the most often mentioned example of tourism prerequisites (Dodds, Butler, 2019).

As the consumer behaviour regards, population growth, ageing, redistribution of wealth, and all forms of social fashion are factors that influence where, for how long, and at what prices people want to travel (Buckley et al., 2015). These megatrends can be perceived as powerful forces or transformation processes that in the longer-term affect and shape our thinking, activities, and the future reality of the world. These long-term forces of change are of, environmental, social, economic, technological, and (geo)political nature (Dwyer et al., 2008). The emergence of new trends places increased demands on the change of tourism products and their adaptation to current requirements (Hudson, Hudson, 2017). Therefore, Table 1 presents examples of those megatrends that, in many respects, affect tourism and its sustainable development.

Tab. 1: Examples of megatrends affecting tourism

Environmental consequences and climate-related factors	Extreme weather conditions determining the attractiveness of a tourist destination
	Effective management of environmentally sensitive areas
	Increased need to respond to climate change and more effective spending of resources
Social trends and demographic context	Worldwide urbanisation and internationalisation of our societies
	Worldwide ageing of the population and a new demand segments of silver hair tourists
	Healthy lifestyle and preferences for personalized services and unique experiences
	Technology-dependent demand segments (Gen Y, Gen Z)
Economic trends and redistribution of wealth	Economic growth in the areas with a high population density, such as India and China
	Increased global competition from international tourist destinations
	A growing middle class as a result of the increase of average income
Technology trends and digitalisation	Infiltration of digitalisation, technologies, and social media into the whole value chain
	Faster and more comfortable transport increasing the accessibility of destinations
(Geo)political environment and security	Political instability leading to displacement of a destination by an alternative destination
	Increasing image of a destination based on safety and political stability
	The emergence of infectious diseases and related introduction of travel restrictions

Source: authors' processing based on the literature review

Similar long-term changes in consumption and tourists' behaviour lead to shifts in the tourism market and put pressure on destination competitiveness and sustainability (OECD, 2018). From this perspective, it is interesting to investigate how these megatrends can influence urban destinations. On the other hand, the coronavirus crisis has brought very different problems to the tourism sector. The rapid decline in international tourism arrivals is an opportunity to recover the city systems and set new rules (Celata, Romano, 2020). Therefore, the aim of the paper is to evaluate the main “before-pandemic-problems” in overcrowded cities and their impact on urban infrastructure and provided services.

2. Methodology

The paper provides a retrospective look at the situation in the historic city centres of Split (Croatia) and Prague (Czech Republic). It evaluates the problems regarding tourism megatrends and identifies possible performance gaps in managing their sustainable tourism development. The research took place during the summer season of 2019. For this purpose, participatory observation and an online questionnaire were adopted. The mobile app ExperienceFellow for recording the impacts of tourism in the hotspots of both historic centres was used during the participatory observation. The questionnaire included closed questions for destination representatives. The questions were related to:

- Phase of destination life cycle (see Buhalis, 2000),
- Global trends influencing destination and tourism development (see Novotná et al., 2019),
- Approaches to dealing with tourism impact on destination sustainability (see ICCA, 2017).

As part of analytical data processing regards, an importance-performance evaluation of selected theoretical approaches to managing tourism development was applied. IPA matrix (importance-performance grid) provided data that could improve destination management practices (e.g. Dwyer et al., 2014). Namely, as diagnostic and methodological tool, IPA has already been used in numerous research areas, including hospitality and tourism industry (e.g. Azzopardi, Nash, 2013; Dwyer et al., 2012; Oh, 2001).

Based on IPA, the answers were recorded in a two-dimensional graph with the performance on the x-axis and with the importance on the y-axis. Average importance and average performance were used to locate the axes forming the quadrants. Each of the quadrants combined the importance and the performance assigned by representatives of Prague City Tourism, a marketing organization funded by the City of Prague, and by Tourist Board of Split as Split City Tourism representatives.

To calculate the tourism intensity indicators of these cities, the primary data were supplemented by available data collections for tourism statistics published by the Czech Statistical Office (CZSO) and Tourist Board of Split Official Data. As tourism intensity indicators regards (Table 2), we used relative quantification of number of overnight stays and number of beds in collective accommodation establishments in proportion to the number of population (100 inhabitants) or area (km²). They are as follows: Defert function (DF), the impact of tourism activities on the locality (TL), tourist intensity (TI), and tourist density (TD).

Tab. 2: Main characteristics of the destinations (2019)

	Prague	Split
Number of inhabitants	1,324,277	178,192
Area (km ²)	496	79
Number of beds in collective accommodation establishments	94,444	32,973
Number of overnight stays in collective accommodation establishments	18,480,000	2,757,305
Number of overnight stays per 1 km ² (Tourist density)	37,258	34,902
Number of overnight stays per 100 inhabitants (Tourist intensity)	1,385	1,547
Number of beds per 1 km ² (Impact of tourism activities on the locality)	190	417
Number of beds per 100 inhabitants (Defert function)	7	18

Source: authors' processing based on CZSO (2020) and Tourist Board of Split (2020)

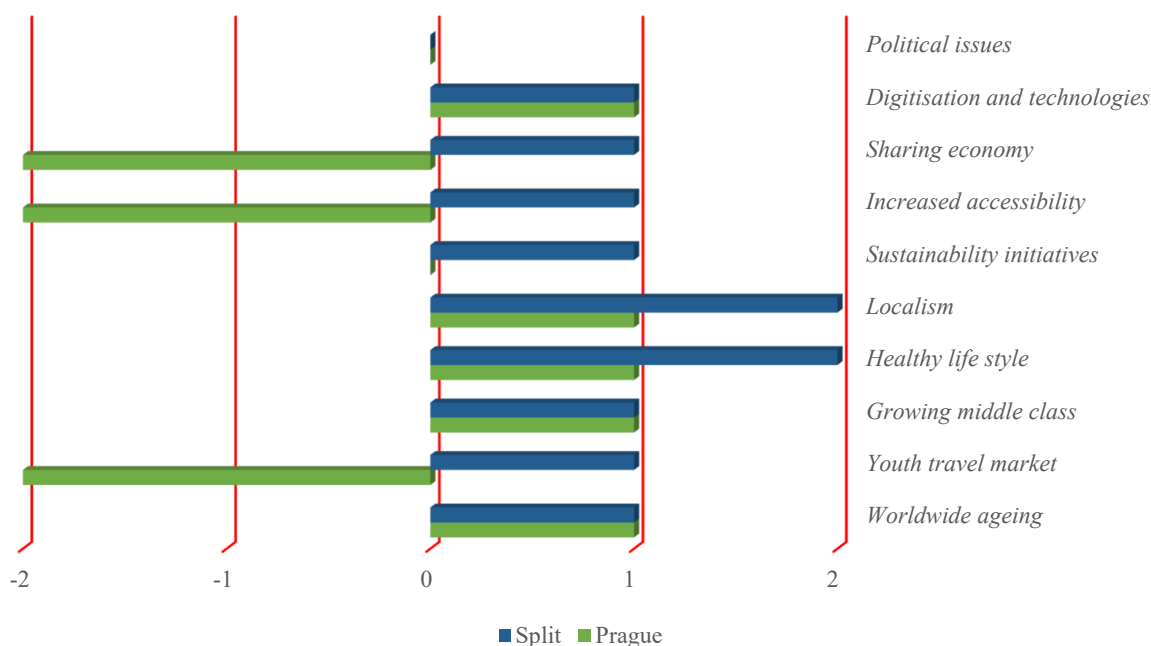
3. Results

Both analysed destinations are close to the airport. Split is also close to the cruise port. The historical complex of Split with the Palace of Diocletian as well as the historic centre of Prague has been listed as a UNESCO World Heritage Site. According to Peeters (2018), closeness to the airport, cruise ports, and UNESCO World Heritage Sites are some of the most relevant indicators for overtourism. These destinations comprise attractions, accommodation and catering facilities, and ancillary services used by the tourists and designed to meet the needs of the tourists (see “Six As” framework by Buhalis, 2000).

As far as destination characteristics regards, both destinations had the right image. Similarly, the investments in tourism, the number of visitors, and occupancy of tourist accommodation establishments were at a high level for a long time. On the other hand, the representatives of both destinations considered visitors' expenditures to be on a low level. The level of cooperation between the public and private sector and the application of the principle of sustainable development was also unsatisfactory, especially in Prague. From the evaluation of individual characteristics, it could be concluded that Prague almost reached its saturation level, whilst Split was on the maturity level is the destination life cycle.

Subsequently, global trends influencing destinations and tourism development were evaluated (-2 = high negative impact; 0 = absent; + 2 = high positive impact). Figure 1 shows the results. Significant differences in responses are observed between the two destinations. Split was affected more or less positively by these megatrends. As Prague suffered from overtourism to a greater extent, the perception of these megatrends and their influences differed. The growth of sharing economy (short-term rental platforms) and increased mobility/accessibility of the destination enhanced the number of tourists as well as one day visitors. Short-term rentals, especially Airbnb's growth, were powered by, among other things, popularity among young travellers. The unpredictable behaviour of youth travellers determined the impacts on sustainability on destination. A combination of these three megatrends created tension with the locals by weakening the economic and social situations of the residents (e.g. Jang, Park, 2020).

Fig. 1: Global trends influencing destinations positively or negatively



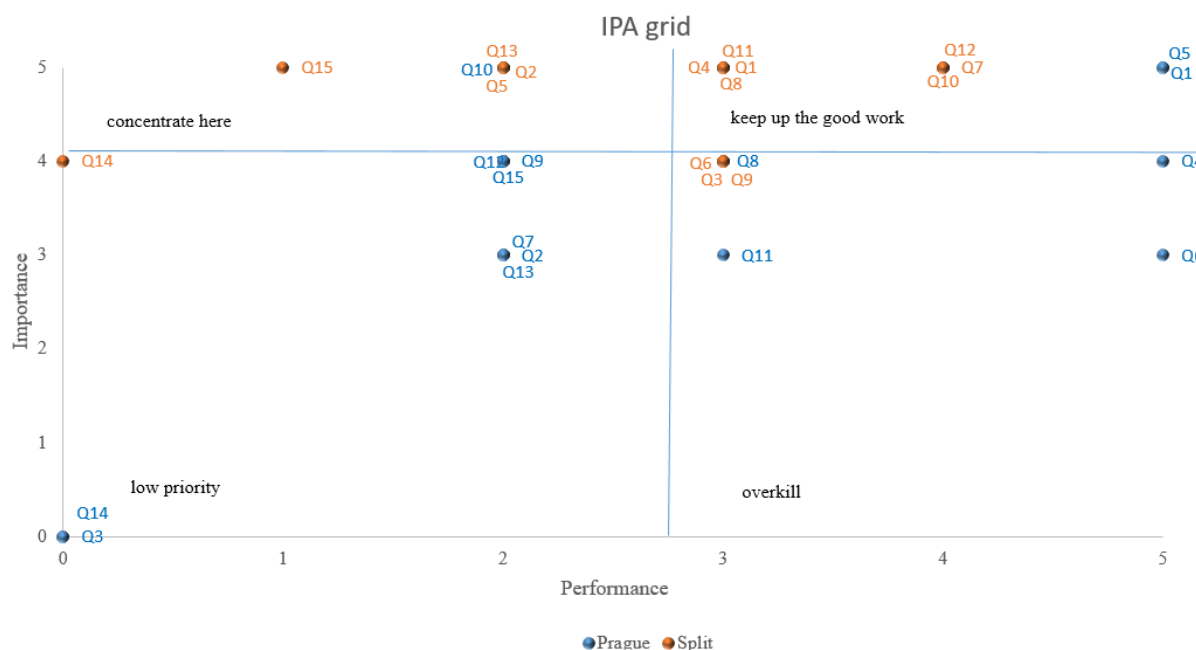
Source: authors' processing

How did the destinations cope with the negative impacts on their sustainability? Did they ensure successful implementation or identify gaps in their performance? The representatives had to estimate their performance and the expected importance of approaches to managing sustainability. The managerial recommendations for performance improvement are based on the location of the response in a quadrant (Figure 2). According to the results, management in Prague should concentrate on customized product development and accelerate innovation, which would lead to its competitive advantage. On the other hand, Prague can continue good work in long-term planning and pricing policy. Many other approaches are then usually assigned a lower priority.

Strategic alliances, pricing policy, certification sustainability initiatives, which achieves lower performance and at the same time attaches great importance to it, should be encouraged by management in Split. On the contrary, it is possible to continue the good current practice with activities related to long-term planning and policy, engaging the local community, extending the tourism season, innovations, investments, and human resource development. The opposite situation is in improving visitor management, where it is possible to observe an overvoltage of forces due to high performance despite the low importance.

It is positive that both destinations achieved high performance in long-term planning. Solving the environmental and social challenges faced by cities is complex and requires a combination of short term action and longer-term systemic change. As far as innovations are concerned, innovative solutions drive sustainability performance (ICCA, 2017). The importance of communication and collaboration was perhaps underestimated. The most important challenge for destination marketing therefore is to bring all individual partners together to cooperate rather than compete (Buhalis, 2000).

Fig. 2: Importance-performance analysis of approaches to destination sustainability



Legend:

importance of approaches (1 = not important; 5 = very important)

destination performance (1 = very poor; 5 = very good; 0 = do not practice)

Long-term planning and policy

Forming strategic alliances

Communication along value chains

Engaging the local community

Pricing policy

Visitor management

Extending the tourism season

Use of IT and knowledge of e-commerce

Increased leisure and recreation opportunities

Innovative and customised product development

Investments in the tourism infrastructure

Human resource development and education

Quality control and certification

Monitoring system

Evaluation of sustainability initiatives

Source: authors' processing

Q1

Q2

Q3

Q4

Q5

Q6

Q7

Q8

Q9

Q10

Q11

Q12

Q13

Q14

Q15

4. Conclusion

The coronavirus crisis has brought very different problems and uncertainties manifested in many aspects of everyday life. The problems caused by the current pandemic are also reflected in the tourism sector. The problem of overtourism was resolved almost overnight. On the other hand, overtourism has left some footprints of the current form of the city. The historic centres experienced partial depopulation and became touristified. The rapid decline in international tourism arrivals due to the coronavirus crisis can be seen as an opportunity to set new rules and contribute to sustainable development. It is an opportunity to recover the city systems and also learn from previous mistakes.

According to the results, Prague and Split faced different challenges. Prague was significantly influenced by the presence of youth demand segments who are also prosumers in sharing economy. Moreover, increased mobility and easy accessibility encouraged massive flows of visitors to visit Prague. Split benefited greatly from the

preferences of a healthy lifestyle and localism. As far as the approaches to dealing with the impacts of tourism on destination sustainability regards, representatives of Split had lower performance in the monitoring system and pricing policy. Prague needed to focus especially on innovative and customised product development. The strategies coping with overtourism and sustainable development could be supplemented by cooperative activities.

The presented results describe, however, the situation before the external pandemic shock. They provide a potential benchmark for later analyses assessing the effect of the pandemic on destination sustainability and perceived pressures on managerial responsibilities. It is already clear that greater importance will be attributed to the geopolitical phenomena. Their impact can be demonstrated these days by travel restrictions and completely closed borders on international tourism.

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