

IMPROVEMENT OF DEVELOPMENT OF TOURISM OF SERBIA

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Abstract

Serbia, without doubt, has qualitative and diverse base to develop tourism. Natural attractions as well as attained level of lodging and other capacities point out that numerous types of tourism could be developed, especially if one takes into account landscape diversity as well as natural potentials of Serbia. Previous development of tourism affirms its numerous effects which, in significant manner, have been embedded in economic and social development of Serbia. In that connection, the aim of this work is to point out the necessity of stimulating tourism in Serbia, which would form necessary assumptions for its dynamic role in the development of Serbia's economy.

Key words: development, marketing, strategy, tourism.

JEL classification: D61, H54, L26, 83.

1. INTRODUCTION

The evaluation of expected effects of future development of tourism in Serbia and its influence on the whole economy and regional development must begin from its qualitative basis. It encompasses analyzed, solid resources, positive tendencies in international and domestic tourist environment, further development of these segments in the field of foreign tourism, which are distinguished by quality in terms of demand for suitable contents and in terms of readiness for needed expenses as well as other elements.

However, intensification of development means large positive changes in the domestic economic environment of Serbia and its surroundings. Only with significant changes which would overcome existing barriers, Serbia could increase its foreign and domestic tourist traffic, foreign exchange income as well as foreign tourist consumption. This all could be done with the use of existing capacities and with available domestic tourist product.¹ Thus, with the change in the international position of Serbia, as well as with the change of market structures possibilities could be opened for faster economic development on the basis of property transformation and attached activities in securing domestic and foreign capital. Dynamic role of tourism in the economic development of Serbia, as well as its known multiplying effects would generate increased levels of basic and supplementary employment, especially in the

underdeveloped areas. This would contribute to increase in tourist and complementary activities and widen markets (including multiplying effects of spill over of consumption from abroad) for the investment of domestic products and services in all sectors. Therefore, in the overall economic development of Serbia, it is necessary to determine development priorities of Serbia. These are tourism, agriculture and communications.

2. AIMS AND DIRECTIONS IN THE STRATEGIC DEVELOPMENT OF TOURISM IN SERBIA

Taking into account that Serbia has a lot of qualitative resources for the development of tourist economy, aims and directions of the strategic development of tourism in Serbia could be defined as following:ⁱⁱ

- (1) Intensification of overall development through a more complete use of existing capacities;
- (2) Much faster and significant appearance of Serbia, as tourist destination, on international market;
- (3) Creating conditions for further development of domestic tourism;
- (4) Advancement of overall organization in its function of efficient management tourist development;
- (5) Build up of such tourist environment which would stimulate investment as well as business dealings in the following areas: privatization and entrepreneurship.

2.1. Intensification in development of existing demands

Development of new demand in tourism, understood as market justified and selective, is necessary in years to come. However, due to various factorsⁱⁱⁱ, tourist basis for a certain period of time must be intensification and completion of demand in those regions and places, which are already tourist renowned. Beside this, organizational changes in tourist dealings may contribute to a qualitative offer.^{iv} Therefore, marketing and functional organizational connection of the work process and those who are in charge of its implementation, together with the tourist demand, is a basic precondition of successful disposal of domestic tourist product on a market i.e. proficiency in business dealings of tourist companies. Intensification of development of tourist offer has to be done in several directions:

- Greater orientation for building of apartments, tourist places and recreational contents;
- Opening of retail and craftsman shops and specialized restaurants;
- Innovation in preparation technology and technique of offering services (for example Swedish table),
- Standardization and computerization of business dealings in tourist places;
- Organizational and business connection of tourism, catering, trade, agriculture, communication, fishery and other activities which constitute tourist offer.

Intensification of development of existing demand, in terms of aims and directions of strategic development of tourism in Serbia, is possible according to regional allocation of tourist lodging capacities in Serbia. For the time being, advantage in the basic offer have hotel lodgings while in supplementary activities, advantage have beds in private rooms. Under total tourist offer one can assume:

(1) Offer in receptive places (natural and anthropogenic values of tourist areas, material base of a tourist place, etc);

(2) Offer in imitative places.

Centers in Serbia: Beograd, Novi Sad, Nis are big tourist hubs (industry, communication, culture, etc) where there will be active relationship of population towards travel.

It is known that tourist agencies, hotel-tourist-catering companies and lodging capacities make up a so called 'tourist triangle' which is not independent of foreign influences and cannot be.

Its basic characteristic is high degree of interconnection of all of its three components, numerous entrances and exits, which is supported by high number of factors and processes (communication, trade, agriculture, monetary and fiscal policy, socio-political relationship, population, tradition, environment, human resources, etc). Thus, intensification of development of existing demand depends on a whole set of elements which are interconnected.

2.2. Appearance on international tourist market and development of domestic tourism

It is known that tourist product of Serbia, with its structure and quality, has always lagged behind similar products which are, on international market, offered by developed European tourist destinations. Long-term economic crisis and isolation caused by sanctions have widened the gap so that this area has been put on margins of economic tourist trends.

Thus, the main qualitative characteristics of innovative and market adjusted tourist product of Serbia, have to be: ecologically based, structurally diversified selectivity, flexibility, dynamic, complementary and functional (integral). This can, in

long term, enable development sustainability, market competition and functionality in terms of satisfying various segments of demand.

In order to define Serbian appearance on international tourist market, the following has to be taken into account: (Bakic, O., 1997)

-Availability of information about all elements which make up resources or potentials of Serbia for tourist development;

-Clearly defined value of these potentials;

-Availability of information about happenings in external environment and market milieu especially;

-Prediction of trends and tendencies in environment.

Tourist potentials of Serbia, on their own, ascertain availabilities which need to be exploited (for example, natural, anthropogenic, cultural, historical, communication conditions), and changes in behavior of tourist demand (for example demand for preserved nature, beauty of cultural content), determine possible performance chances. When considering appearance of Serbia on international market, one has to take into account following aspects:

(1) Creation of organizational conditions (on macro and micro level) from which a clear and consistent mission can appear;

(2) Definition of actual market, demands and segments, as well as potential demands, needs and tourist requests (implementation of differentiating and concentrated marketing);

(3) Implementation of activities which need to be market orientated, with management as tool for growth and development;

(4) Need to preserve tourist and social environment (so called "light" tourism).

Appearance on international tourist market and development of domestic tourism are interconnected. Serbia, as tourist destination, on international tourist market, must make efforts to realize economic and social advantages from 'export' of relevant tourist products. This needs to be achieved by adequate stimulation of tourist development and efforts to have natural and social environment advanced during tourist 'responsible' development. In defining goals of international tourism development it is necessary to bring into accord chances from foreign surroundings with strong domestic points (advantages), and avoid situation which are marked as threats to market as well as eliminate domestic weak points (disadvantages).

Opening tourist offices abroad could augment Serbia's appearance on international tourist market. For example, information offices, i.e. offices of Serbia Tourist organization could be established in cooperation with (and within) offices of Chamber of Commerce of Serbia, JAT or some other company from Serbia. Similarly, it is very important to select countries- markets, which are from Serbia's tourist aspect, highly important for overall promotion of a country, as a whole.

One has to keep in mind that other numerous activities could contribute to a successful development of tourism in Serbia, on the long run, especially from the standpoint of its position and affirmation in international scope, such as: (Unkovic, S., 1992)

- Creation of adequate programs which would be explored for targeted foreign and domestic market and to whom would be directed adequate business and tourist policies (with organized representation in other countries);

- Activate continued exploration of markets at all levels, in order to secure efficient representation domestically and abroad;

- Creation of uniform tourist information system of Serbia, on a projected basis, as a rapid condition for presentation, promotion and perspective offer of Serbia's tourist product;

- Realization of international and regional cooperation, as well as cooperation with neighboring states.

2.3. Development of tourist economy and wholesome offer in Serbia's economic recovery function

For further development of tourist economy of Serbia the primary goal is adjustment of domestic tourist offer to foreign demand.

It is necessary to create conditions for intensive development, under which we understand qualitative integral tourist product (with adequate development of all components of "total" product), as well as continuous enlargement (extensive development) of lodging capacities and its exemplary offer. Furthermore, it is necessary to secure high quality of all components of tourist product, so that one unit of lodging (bed) can be considered as a complex unit of capacity offer.

Existing basic elements of offer need to be upgraded with the following components:

- Advancement of quality of tourist and communal infrastructure (water supply, development of PTT services, road network, parks and other open spaces and other).

- Widening of network of small catering facilities (especially those which offer domestic specialties);

- Securing of rich assortment and introduction of modern forms of retail trade (by introduction of special work time; securing of qualitative services and other).

In terms of economic recovery of Serbia, one has to view interconnection between development of tourism, communication and trade (for a long period of time chances are being lost for a larger placement of products of leather, textile, ready-made clothing, crystal, clay, sport equipment, food products, beverages etc) as can be compared with concrete foreign destinations.

Beside this, domestic tourist development

needs:

- Modernizing conditions for performing craftsmanship services;

- Creating comprehensive possibilities for practicing culture, entertainment, sport activities, excursions and other (always keeping in mind that tourism and boredom are confronting terms);

- Securing of diverse "instant-programs" of learning foreign languages, dances, folklore, sport skills, culinary art and other;

- Creating favorable hygienic conditions in facilities, in tourist places, along highways;

- Qualitative landscape modeling of locality and preventing whatever devastations;

In Serbia's economic recovery function and taking into account that efficient performance in tourism depends on the organization of economic factors (within tourism concrete economy) it is essential to advance various cooperative relationships, with a view of securing a qualitative tourist product in wider area (securing of efficient sale, managing price policy and propaganda, and implementing various other, especially creative business dealings), with the inclusion of private investors.

For the development of tourist economy and its contribution to the economic recovery of Serbia it is necessary to create conditions for tourism dealings to be efficient, and to have positive, recurrent influence on the economy as a whole. For tourism especially important are three areas of economic policy development: fiscal system, system of economic international relations and credit policy (in terms of securing investment and condition for day to day dealings). Main preconditions for development of tourist economy are:

a) Consistent fiscal policy

- Based on stable and stimulating basis, which should need to appreciate work intensive character of tourist activity as well as other conditions and business specifics^v of tourism;

- Stemming from the fact that tourism has a significant function in regional development of mountainous and hillside areas as well as border areas (which are economically undeveloped), tax benefits for investment in those areas would have multiplying effects;

b) Tourism needs a status of exporter and adequate incentives;

- On the level of export and import: increase in the level of charges applied by foreign currency exchange offices, liberalization of import of catering equipment, custom and tax benefits for import of rent-a-car vehicles, stimulating payment for sold products and services to foreign tourists and other;

- Adequate means of securing resources for the preparation of tourist season (lack of working capital due to the rhythm of tourist season);

- Exporter status would secure one of the main basis for advancement of services quality in tourism (with the regulation of intake of foreign capital, visa

regime, highway tolls, other);

c) Financial credit for the advancement of exports

- Use of selective financial credits for advancement of exports through integral regional development programs, selective investment activity, advancement of quality and other;

d) Stock capital

- Domestic and foreign capital which is formed in the process of property transformation needs to be a significant incentive for the development of tourist economy;

e) Foreign capital

- It would efficiently advance property transformation (foreign investment, concession, acquisition and other);

f) Internationalization of dealings in trade and tourism

- Foreign direct investments, in combination with domestic capital, secure joint investment;

- Investment portfolio related to mechanisms of securing development resources on financial markets;

- Contractual arrangements (franchising, management, concession) with foreign companies.

2.4. Priority types of tourism in perspective development

Development of tourist economy of Serbia, in terms of defined goals of development, demand determination of priority types of tourism. In order to achieve that it is necessary to keep in mind the following:

- Basic development trends of international tourism;

- Long-term goals of Serbia's tourist development (especially those which are linked to the accession to international market);

- Achieved degree of development and quality of service;

- Basic resources and other factors;

Taking this into account it is possible to select the following, most important, types of tourism (Todosijevic, S., 1995):

(1) Big city tourism

- In international scope (especially in Europe) visits to big cities are much faster than visits to the seaside and this happens because of short travels rise, taking into account vacations based on cultural and other content, as well as rise of all kinds of business travel and attendance of various manifestations.

- Big city centers (Beograd, Novi Sad, Subotica, Nis, Kragujevac) need to develop business, congress, manifestation, youth, vocational and other types of tourism;^{vi}

(2) Mountain tourism

- One of main trends of future international tourist demand;

- This type of tourism includes not only

vacation, but various sport and recreational activities, hunting and other throughout the year, especially during winter and summer season;

- Tourist product should not be linked to ski sports (relatively massive segment) but needs to be adjusted to various other segments, with a possibility to stay during summer season (for example sport tourism);

(3) Transit tourism

- This type of tourism needs to be developed along main highways;

- It means creation of adequate content alongside highways (using corridor Vienna-Budapest-Beograd-Nis);

(4) Spa tourism

- Encompasses various tourist segments, and not only health and recreational;

- Adjusting offer with development of adequate contents (sport, vocational, cultural)

- Increase in quality of services for foreign and domestic tourists with adequate price;

(5) Tourism along Danube river

-It is complementary part of tourism on rivers and lakes of Serbia;

-Needs to utilize natural beauties, cultural-historic and total anthropogenic values;

-Development of nautical tourism (with other types of water sports);

-Development of international cruising along Danube river (ships-hotels on water);

-Significant regional aspect of development of areas along Danube river, with development-of port, commodity and passenger traffic;

(6) Tourism based on special interests

- hunting and fishing

- culture

- religious tourism

- village tourism

- photography

When developing priority types of tourism in Serbia one has to take into account the following characteristics:

- Between all types of tourism there exists a high degree of correlation on a given area (it is not rare to find destinations in Serbia which do not encompass a great number or all types of tourism),

- Necessity of integral development of tourism in concrete areas;

- Ambient plan encompasses (in line with long-term development of tourism) following ambient and functional segments: tourist zone, tourist region, transit tourist highways, city tourist centers and spas.

Beside this, it is necessary to know that Serbia is not a suitable destination for development of massive tourism, especially not on an international market. However, her tourist values bring her into high correlation with growing trend of individualization and international sophistication, as well as domestic tourist demand. From that stems certain demands when formulating acceptable tourist

product and her advancement, and those may include following positions:

- It is necessary to precisely define target markets and target segments;
- Faster positioning (and repositioning) of a known tourist product of Serbia;
- Within market (domestic and foreign) it is necessary to define target segments (for example congress participants, business travelers, transit passengers, nautical personal, hunters and others);
- Large number of smaller segments and individualization which influences faster adjustment to turbulent tourist demands (as in room and board facilities so in outside facilities);
- Sale and promotion must be made more directly with constant monitoring of market happenings.

2.5. Selective determination of target segments and target markets

Strategic basis for development of Serbia as tourist destination must be based on selective determination of target markets and target segments in Serbia's tourism. They can be disaggregated on three types of markets:

(1) Markets which can be rapidly entered by Serbia's tourist product, and from which it is possible to secure initial foreign currency inflow (former Yugoslav republics, Russian Federation, Greece, Ukraine, Czech, Slovakia, Israel, Bosnia and Herzegovina, FYROM);

(2) Perspective markets which, in short time, could generate significant foreign currency income (with a major effort in positioning and repositioning, with adequate adjustment). These are: Germany, France, UK, Italy, Netherlands, Sweden, Norway, Austria and other);

(3) Potential markets, over a long period of time, which require adjustment (for example USA, Canada, Japan, China and other).

On the other hand, on all of these markets, it is necessary to determine small homogenous groups of consumers from which, as target groups, Serbia could expect success.

These priority market segments could be: participants to various congresses, sport, cultural and other manifestations; those that prefer utilization of mountain centers (in winter and summer season); those that prefer spa centers; hunters, fishermen, transit passengers, youth segment, retirees and others. Also, for some of this segment part time travel could be developed i.e. package arrangements for organized groups of consumers.^{vii}

3. ADVANCEMENT OF WHOLE-SCALE OF ORGANIZATION OF TOURIST ECONOMY OF SERBIA AND ITS FUNCTIONALITY

3.1 Transformation of company as a transit process

Transformation of company in tourism imposes as a necessity. It is a general belief that changes in economic system, as well as introduction of certain measures of economic policy, have long term success only if they are based on the knowledge of ways of reactions and adjustment of domestic companies to changes to which they are exposed. However, the scope of joint investment, and inflow of foreign capital depends on the speed and privatization ways of companies in tourist economy (as well as on whole economic system transformation).

Restructuring of companies, from the aspect of implication on the scope, property and financial structure must have three paths:

(1) Expansion (through fusion and acquisition or diversification),

(2) Scaling down of certain activities and segments, as well as contraction of business dealings,

(3) Maneuvering of property structure and system of management. This maneuvering may have several options:

- Buy out of shares from management or employees;

- Buy out of shares from certain groups (and by that their withdrawal from market)

- Renewed buy out of companies through exchange of shares.

3.1.1 Property transformation in tourist economy

Property transformation in tourist economy, so that it can augment its efficiency of business dealings, in domestic conditions stems out as a necessity.

However, notwithstanding the course of restructuring, companies need environment in which they would not do any kind of business dealings, and especially not those which they cannot do solidly. Instead, companies could be contractually enabled with partner firms, do relocation i.e. division of labor and thus maximize effects under the terms of specialization.

In contemporary form of property transformation of tourist companies, a total of 130 auction sale of tourist-catering companies was completed.^{viii} Two companies were sold on tender. These are companies ATP 'Puntnik' and 'Srbija turist Nis'.

A total of 86 tourist companies were sold for 3 790 209 000 dinars or 4 407 219,67 EUR (1 EUR=86 dinars). Contracts for two tourist catering companies, sold on auction, were severed. These companies are socially owned by "RESAVA" tourist

catering company and socially owned by "SRBIJA" tourism and catering company. In the meantime, also sold on auction were hotels Jugoslavija (31 000 000 EUR), Hotel Junior Brzece and Hotel Breza Brus.

3.1.2. Market and organizational restructuring of companies in tourist economy

Marketing, uncertainty and risks impose new models, as well as market directed organizational structure and a higher level of entrepreneur culture. In that sense, entrepreneur designing becomes condition and assumption on which are based transformation of organizational forms as well as affirmation and efficiency of companies in tourism.

In order to be prepared for market adjustment, organizational structure becomes a key factor of marketing strategy and the entrepreneur behavior of company.

The main precondition for the success of organizational transformation is well thought out strategy, and knowledge and disposition for changes in company. Therefore strategy of change as well as planned decision (which needs to define ways and directions for realization of transformation) need to be worked out in the following manner:

- Preparation;
- Program;
- Dynamic and introduction;
- Control

From marketing aspect, it is known that needs and demands of (foreign) consumer form the basis of organization. This aspect is of integral character and it needs to be analytically looked into, in all its complexities. Other market factor, of significance, is competition and its behavior today and, especially, in future.

Harmonized company behavior in relation to needs and demands of (foreign) consumer, as well as its relation to competition, is a solid basis for the formation of an organizational structure with optimal planning and secure implementation of action. Other factors of market structure such as: price, channels of distribution, promotion, cooperation and other, stem from two factors and make with them an integral totality.

Organization of a contemporary company in tourism is not only influenced by market and market environment, but also by its position in international and national markets. This is a significant component of organization which encompasses analysis of strengths and shortcoming of company in relation to its organizational needs.

Creation of an organizational structure is the role of strategic marketing i.e. strategic planning. Notwithstanding which organizational decision will be accepted, it will not be implemented in totality and momentarily. Therefore, new formed organizational structure determines, mainly, the following factors:

- Degree of market orientation,
- Degree of international orientation and

reaffirmation,

- Human resources readiness,
- Degree of change in organization structure.

One also has to take into account that the greater the degree of market orientation, the easier is to acknowledge contemporary organizational structure, and vice versa, inadequate acceptance of contemporary market concept slows down transition to contemporary organization.

3.1.3 Changes in organized market appearance

Serbia as a tourist destination can appear on international market and be competitor in certain segments of tourist demand for which it has comparative advantages. However, for that are needed changes in the organization of market appearance, and for that it is necessary to fulfill certain conditions, which may be grouped in the following manner:

- a) Implementation of contemporary concept (marketing, management and other) in tourist economy on macro and micro level,
- b) Defining the mission of Serbia as tourist destination, in terms of coming out on foreign markets,
- c) Defining goals of future development of Serbia's foreign tourism,
- d) Clear definition of directives over which mission and goals would be operationalized.

3.2 Adjustment of economic and other policies

3.2.1 Economic policy

The main areas of adjustment of economic and other policy, within the context of activity for the realization of long term goals of tourism development are:

- (1) Improvement of legal regulations,
- (2) Induction of investment (foreign and domestic),
- (3) Creation of integral programs of development of tourism,
- (4) Joint foreign investment.

Thus, it is necessary to form a complete, consistent and selective system of measures which would, on long term basis, stabilize and induce development of tourism. These measures cannot be partial and must be oftenly changed, but must be forward in the direction of continental tourism in all its aspects.

However, for the realization of given growth rate in tourism, beside long-term measures and changes of systematic laws, also are needed short-term measures of economic policy:

- Efficient functioning of legal state, with changed legislations and its adjustment to EU regulations (with independent judiciary and efficient police),
- State financing from real sources, with a

possibility of deficit financing up to 5%, but only through valuable papers, sold on financial markets;

-Lowering of taxes and contributions, so that they can be stimulative to gradual scaling down of gray economy and its transformation into legal one,

-Strengthening of financial discipline, at the same time honoring all instruments of payments and implementation of fiscal obligations,

-Activation of all inspection services and financial policies (with rigorous control of corruption and bribes),

-Persistent implementation of anti-monopolistic laws and control of monopoly behavior;

-Creation of social programs as well as conditions for new jobs in economy of small enterprises,

-Creation of market for trade in valuable papers (government bonds, cashier bills, commercial bills, foreign currency bonds and shares stemming from privatization).

In general, economic policy needs to be efficient in the following spheres:

- (1) Fiscal policy^x
- (2) Credit-monetary policy,
- (3) Foreign trade policy,
- (4) Price policy.

All this means that government must enable faster development of tourist economy of Serbia by introducing incentive measures. This can be achieved by lowering the rate or abolishing income tax on all investment for the development of tourism; exemption from taxes and customs on all goods which are necessary to import in order to upgrade the quality of tourist facilities and modernization of its business dealings; exemption from taxes on used good and repro-material; introduction of grace period for new-built objects or new-formed tourist centers; favorable credits for preparation of tourist season; giving status of exporter and other. All this would enable formation of free financial resources for investment or reinvestment into tourist economy.

3.2.2 Implementation of marketing concept in business and tourist policy

In the conditions of globalization and market regionalization it is not enough to be 'market oriented' but there also must be a practice developed for creation of own "market focuses".

Thus, the main marketing function of a company is not only development of market strategy 'per se', but development of maintenance process and existence of company so that it can (MBC Publications. Strategy of Development of Tourism of Republic of Serbia, March, 1999):

-Systematically and successfully identify and predict certain needs and demands of its social environment,

-Correctly select those needs and demands which it can fulfill and satisfy,

-Develop marketing strategy in order to satisfy

those needs and demands which are within own capabilities, as well as its marketing preparedness,

In the conditions of global dimension affirmation of various markets, what is needed for market orientation of a tourist company is (Jovic, M. , 1990):

- Realization of market participation as a primary measure,

- Realization of market research, as a continuous process of following demands of consumers, trends of consumption and competition activity,

- Acceptance and use of principle market segmentation, in order to determine target and possible segments on a determined market;

- Build-up of defined relations or process of continuous coordination of other non-market functions in order to achieve determined market goals;

- Defining special i.e. partial market tasks and goals (beside global);

- It is necessary to build up style and business dealings in order to enable unique value for customers.

4. CONCLUSION

Success of Serbia's tourist product, on international and domestic market will be in great measure under the influence of necessary changes in orientation of tourist development. Today there is a need to revitalize and augment these products, in order to adjust them to new and contemporary market trends and tendencies. These must be done in a largely changed environment (demographic, economic, natural, technological, political, legal, social-cultural and other). However, general principles for participation of Serbia in contemporary tourist trends needs to be focused on target markets and segments. Therefore, it is necessary to develop selective products (at the level of place, region and zones) and to direct them towards upgrading of room and breakfast concept and other service sectors, in the overall tourist presentation of Serbia. Those ones which are charged with carrying out business and tourist policy and creation of consistent strategy of tourist development, must start from strategic adjustment of tourist economy of Serbia to the overall market changes.

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ⁱ Under the assumption that for example new lodging capacities and especially non- room and breakfast contents are sold, Serbia could in a certain

period of time attain foreign tourism consumption level that existed in 1989, when it acquired US 550 million income from tourism, although overall tourist consumption was much more. It is estimated to have been around US 1 billion.

ⁱⁱ Adapted according to Strategy of development of tourism of Serbia, Beograd, 1999

ⁱⁱⁱ These factors include: inadequate use of existing capacities because of nonexistent demand, especially a foreign one, as well as impossibility of acquiring adequate financial resources for extensive development and other.

^{iv} Organizational conditions are always detrimental factor of demand. Unification of organization stems from a fact that subjects in tourism are formed on the basis of work, and not capital, whose function has been neglected. In that context, we have market incomplete subjects, without needed functions. Consequences were catastrophic: slow growth, poor offer, inadequate service, loss of market.

^v Under this it is considered acquisition of basic resources and equipment at home and abroad as well as its taxation. Then various taxes (for urban space), indemnities (for renting business space, for using national parks and other) as well as taxes levied on communes, public and communal enterprises need to be reassessed , and their growth should be linked to the price growth.

^{vi} Business reasons and other types of visits to Beograd, Novi Sad, Nis and other major cities in Serbia participated with over 70% in the total number of foreign tourist visits. Beograd, and other major cities, in reality could and need to reactivate status of an important European congress center.

^{vii} At the same time, into account could be taken smaller segments, such as bird watchers, incentive travelers or segments which have special interest.

^{viii} Agency for privatization-auction center.

^{ix} Taxes for urban land, contributions for lease of business space, use of national park territory, as well as taxes at the level of commune and those levied by public and communal enterprises need to be closely examined.