

**THE EVOLUTION OF TOURISM IN SOUTH EASTERN EUROPE -  
COMPARATIVE ANALYSIS BETWEEN ROMANIAN AND BULGARIAN  
TOURISM DURING 2008-2020**

**Claudia MOISĂ**

*"1 Decembrie 1918" University of Alba Iulia, Romania  
claudia.moisa@uab.ro*

**Vladimir SINIȚÎN**

*"1 Decembrie 1918" University of Alba Iulia, Romania  
sinitin.vladimir.info22@uab.ro*

**Abstract**

*Tourism, like other areas of the economy, is extremely sensitive to market trends. Being under the influence of various factors, the tourist phenomenon is influenced by them in a positive or negative sense. This paper analyzes the influence of the most recent crises - economic-financial, health or otherwise, on tourism activity in Romania and Bulgaria.*

*This study is an analysis of the evolution of the tourism in Romania and Bulgaria in 2008-2020 under the impact of the economic and financial crisis of 2008-2010 and, respectively, the health crisis from which it started in 2020. More specifically, three relevant tourism indicators were analyzed, namely: tourist arrivals in accommodation units, the number of overnight stays registered in tourist accommodation units and the occupancy rate of bed-places and bedrooms in hotels and similar accommodation structures.*

*The obtained results highlight the differences between the evolutionary trends of the tourism industry, in the selected period, within the two states. It also highlights the sensitivity of tourism as a phenomenon to destabilizing factors, and the impact of the destabilizing factors on tourism industry.*

**Key words:** *economic crisis, pandemic crisis, evolution of the tourism phenomenon, touristic indicator*

**JEL Classification:** *F20, F62, O11, O52*

**I. INTRODUCTION**

Tourism holds an important place in the world economy, being the third most exported category of Services, after petroleum and chemical products, with an export revenue volume of \$ 1.742 billion and a share of 7% of world trade in 2019 (UNWTO, 2021). European tourism accounts for half of the world's international arrivals and almost 40% of international tourism revenues, with the latter registering its tenth consecutive year of growth in 2019 (UNWTO, 2020). In this context, we cannot deny that the EU is an important tourism market, access to which is a fundamental prerequisite for tourism development. Upon joining the EU on 1 January 2007, both Romania and Bulgaria gained access to this market.

Tourism as an economic activity can be described by a pronounced dynamism, which determines fluctuations of various indices, in relation to the time vector.

Currently, the tourism industry is still facing a period of recession, globally, conditioned by the SARS-CoV-2 pandemic and its inevitable socio-economic impact. Studying the evolution of tourism, including during the previous global economic crisis, could serve as a reference point for estimating the local consequences and the subsequent representation of the general situation through a particular case.

Romania and Bulgaria are two Eastern European states that have much in common, such as their physical and geographical location, ethno-cultural heritage; similarities in the diversity of natural resources and macroeconomic, demographic indicators such as population density (IndexMundi, 2023) and GDP per capita (International Monetary Fund, 2021), relatively similar. Only the share of tourism in the country's GDP differs considerably, in Bulgaria it constitutes 11.6% for 2019, and in Romania 5.3% for the same year (Knoema, 2021). Both countries joined the EU at the same time, so we can say that they benefited from relatively similar conditions for tourism development during the analyzed period.

**II. THEORETICAL BACKGROUND**

At international level, the causal relationship between tourism and economic crises has been analyzed by various specialists. A relevant and remarkable work is that of the authors Usman Khalid et al. (2020) which investigates the effect of different economic and financial crises, such as inflation crisis, stock market crash, debt crisis, and banking crisis on international tourism flows using a panel gravity data set of 200 countries over the period 1995 to 2010 (Usman Khalid et al, 2020). The World Travel and Tourism Council (WTTC) presented the "devastating"

impact of coronavirus on global tourism in 2020, as follows: the pandemic generated a revenue loss of \$4.5 trillion (€3.82 trillion) in 2020 compared to 2019. Of course, the contribution of international tourism to global GDP has also fallen drastically, from 10.4% in 2019 to only 5.5% in 2020. These are statistical figures reflecting "the magnitude of the impact our sector has had to bear over the last twelve months" (Evisonturism, 2021).

The analysis of tourism development in Romania or Bulgaria, as well as the comparative analysis of tourism in the two states is a topic researched from various perspectives in multiple papers. The topic of the current paper, however, has a degree of novelty, analyzing the tourism of the two states from the perspective of fluctuations in and between crisis periods, including the first quarter of 2021.

The most representative works of Romanian specialists addressing similar topics are: the paper Comparison on the impact of tourism on the economy of Bulgaria and Romania (Popescu, A., Pleșoiianu, D., 2019) which analyzes the role of tourism in the economic growth of Bulgaria and Romania, using the specific system of indicators: contribution of tourism to GDP, employment, multiplier effect, efficiency, investment and competitiveness; and Tourism Competitiveness Index-An Empirical Analysis Romania vs. Bulgaria (Croitoru, M., 2011) which analyses the tourism industry as a perspective for solving the post-crisis effects in Romania and Bulgaria.

### III. RESEARCH METHODOLOGY

The research methodology includes the qualitative analysis of the evolution of tourism in Romania and Bulgaria during 2008-2020, based on three indicators:

1. Arrivals at tourist accommodation units (monthly data);
2. Nights spent at tourist accommodation establishments (monthly data);
3. Net occupancy rate of places and rooms in hotels and similar accommodation structures (monthly data).

The main purpose of the research is to highlight and compare the evolution of tourism, specific to crisis periods in the two countries, purpose that translates into the following objectives and hypotheses:

#### *Objectives of the work*

O1 Determining the longevity of the impact of crises on tourism;

O2 The degree of incidence of crises on industry;

O3 Establishing the differences between the evolution of tourism Romania and Bulgaria;

#### *Research hypotheses*

I1 Tourism is sensitive to both internal and

external economic disturbances;

I2 Crises have a long-lasting effect on the tourism industry.

### 3.1 Results and discussion

#### *3.1.1 General characterization of tourism in Romania and Bulgaria*

At EU level, tourism is an economic sector essential, accounting for 9.9% of gross domestic product and 11.6% of total employment in 2019. The COVID-19 pandemic has had a dramatic and unprecedented impact on the tourism sector, drastically reducing tourist flows and therefore the revenues of enterprises in this sector (European Court of Auditors, Uniunea Europeană, 2021).

Tourism is one of the main branches of the Bulgarian economy. Located at the crossroads connecting east and west for millennia, Bulgaria has been home to many civilizations, including Thracians, Romans, Byzantines, Slavs, Ottomans, and Bulgarians. The country has an abundance of historical and natural attractions, museums and monasteries, scattered over a relatively small but easily accessible area. Most tourists head to winter or summer resorts, depending on the season. The main ski resorts are Borovets, Bansko and Pamporovo, and the most popular seaside resorts - Sozopol, Nessebar, Golden Sands, Sunny Beach and Albena. Planina, Pirin, Rila, Vitosha, Stara and the Rhodope Mountains attract alternative tourism lovers and climbers. Apart from traditional forms of tourism, spa tourism is also developed in Bulgaria (in Bankya, Banya, Varshets, Velingrad, Kyustendil, Momin Prohod, Pavel Banya, Stara Zagora mineral baths, Strelcha and others). In recent years, rural tourism has become particularly popular, as well as other alternative forms of tourism.

Romanian tourism has a modest contribution to the country's economy - the direct contribution of tourism to GDP was approx. 2.7% in 2019 and the total contribution (direct and indirect) of 5.2% in 2019, being the second branch after trade, in the tertiary sector. The territory of Romania meets a wide range of tourist attractions: natural, cultural, religious, architectural. The distribution of tourist flows varies depending on seasonality, the main tourist attractions during summer being resorts such as Mangalia, Saturn, Venus, Neptun, Olimp and Mamaia; in winter, the ski resorts of Prahova Valley and Poiana Brașov. Important attractions for foreign and domestic tourists are through its sites, architecture and fortresses or castles the cities of Brasov, Cluj-Napoca, Sibiu, Sighișoara or Târgu Mureș and others. Forms of sustainable tourism such as agritourism, ecotourism and rural tourism are developing on a large scale to maintain and value heritage as a whole. Tourist attractions that concentrate the most visitors are natural tourist attractions such as Scărișoara Cave, Danube Delta, Iron Gates; and anthropogenic ones such as the Merry Cemetery in Săpânța, the painted

monasteries in northern Moldavia, Bran Castle, the wooden churches in Transylvania.

3.1.2 Analysis of the evolution of tourism of the two states during 2008-2020

The analysis of the dynamics of tourism activity for Romania and Bulgaria during 2008-2020 shows an upward trend.

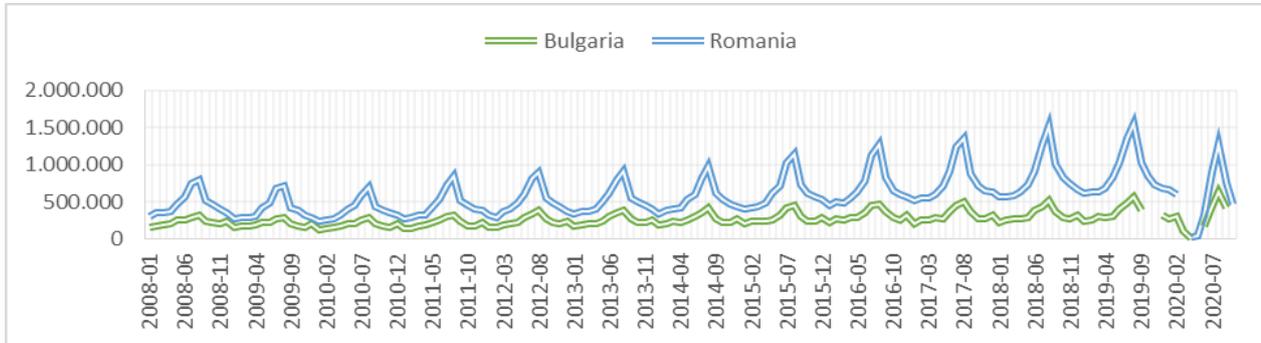


Chart 1. Arrivals at tourist accommodation establishments

Source: [https://ec.europa.eu/eurostat/databrowser/view/tour\\_occ\\_arm/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/tour_occ_arm/default/table?lang=en)

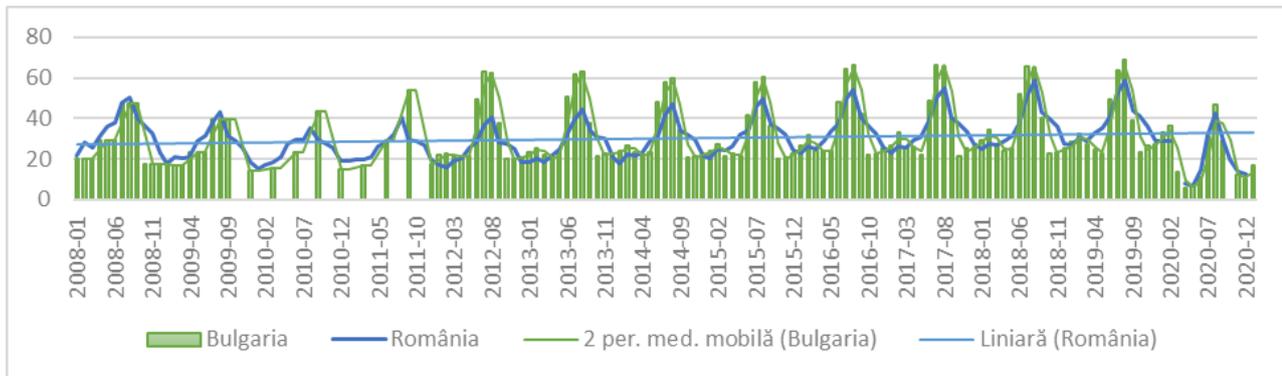


Chart 2. Net occupancy rate of places and rooms in hotels and similar accommodation establishments

Source: [https://ec.europa.eu/eurostat/databrowser/view/TOUR\\_OCC\\_MNOR\\_\\_custom\\_818598/default/line?lang=en](https://ec.europa.eu/eurostat/databrowser/view/TOUR_OCC_MNOR__custom_818598/default/line?lang=en)

The trend described by the three indicators indicates a general increase, for the period 2008-2020, both in Romania and Bulgaria.

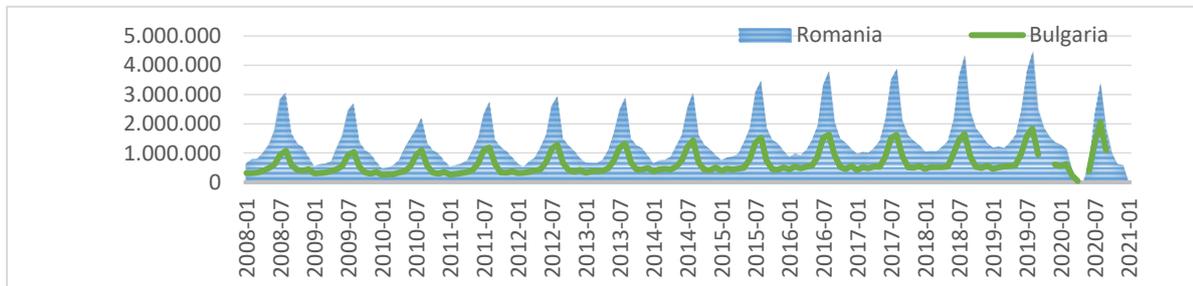


Chart 3. Number of overnight stays in tourist accommodation establishments

Source: [https://ec.europa.eu/eurostat/databrowser/view/TOUR\\_OCC\\_NIM\\_custom\\_818442/default/line?lang=en](https://ec.europa.eu/eurostat/databrowser/view/TOUR_OCC_NIM_custom_818442/default/line?lang=en)

The specific periods as an evolutionary trend passed in the following order: decrease 2008- 2010, increase 2011-2019 and decrease 2019- 2020. These can be justified by the Real Estate Crisis that began in

December 2007 and the Global Economic Crisis into which it degenerated between 2008 and 2010 (Smeral, 2009). The slow growth at the beginning of the second decade of the twentieth century is explained by

the Arab Spring and its consequences for tourism at European and global level (Bednarska, Kulynyak, 2013). The seasonality of tourism of both states is easily noticed, full season meaning June to September with the peak for August and the minimum point in January.

Analyzing quantitative indicators such as: the number of nights spent at tourist accommodation units and the number of arrivals at tourist accommodation units, as well as the qualitative indicator that implies the net occupancy rate of places and rooms in hotels and similar accommodation structures, we can emphasize that Romania registers, throughout the analyzed period, higher values of quantitative indicators and since 2010 Bulgaria registers higher values of the quality indicator. This shows the clearly lower degree of exploitation of the capacities of accommodation structures in Romania compared to Bulgaria.

3.1.3 Comparative analysis of seasonality in Romania and Bulgaria

The general trend identified shows an increase for all indicators, in 2019 compared to the previous year, confirms the increase by 4% (UNWTO, 2019) of international tourism receipts in Europe during that period and indicates a normal development, free from the influence of considerable factors.

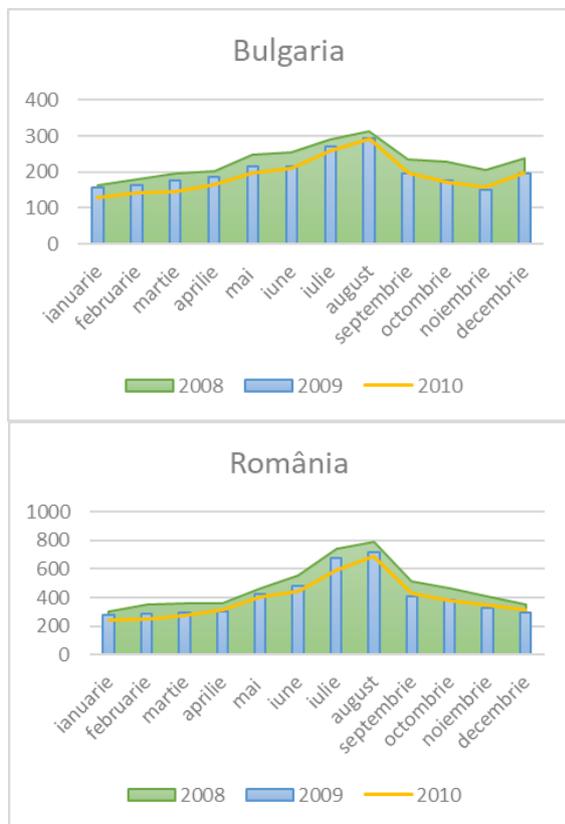


Chart 4. Arrivals at tourist accommodation establishments

Source: [https://ec.europa.eu/eurostat/data-browser/view/tour\\_occ\\_arm/default/table?lang=en](https://ec.europa.eu/eurostat/data-browser/view/tour_occ_arm/default/table?lang=en)

Values recorded in 2020 do not coincide with the pattern of the previous year, highlighting a drastic decrease in the qualitative index and an atypical fluctuation with a general downward trend of quantitative indicators.

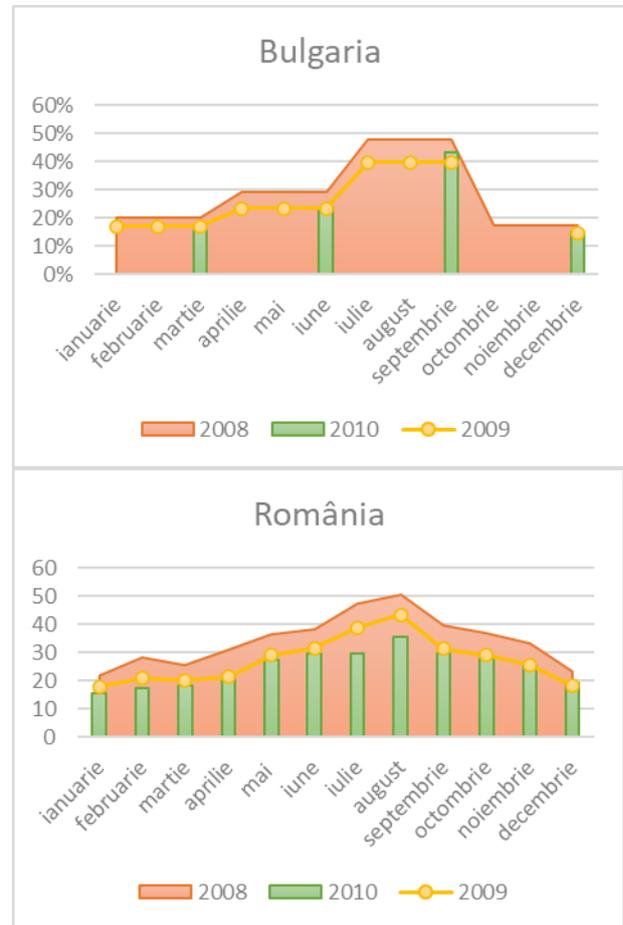


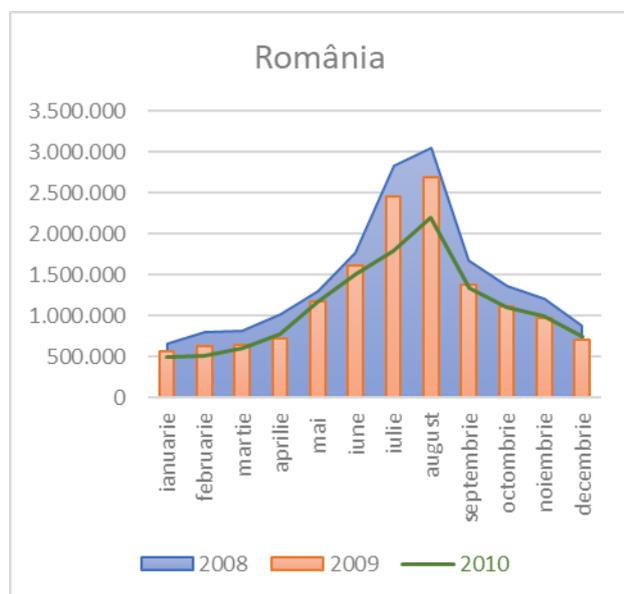
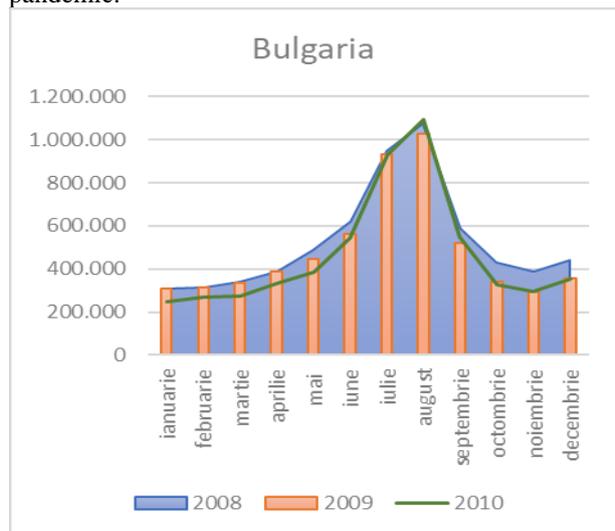
Chart 5. Occupancy rate of accommodation places/rooms in accommodation structures

Source:

[https://ec.europa.eu/eurostat/databrowser/view/TOUR\\_OCC\\_MNOR\\_custom\\_818598/default/line?lang=en](https://ec.europa.eu/eurostat/databrowser/view/TOUR_OCC_MNOR_custom_818598/default/line?lang=en)

The main cause of the changes in the evolution trend of the tourism industry in 2020 is, of course, the pandemic triggered by the SARA-CoV-2 virus, and the circumstances brought by this

pandemic.



**Chart 6. Number of overnight stays in tourist accommodation establishments**

Source: [https://ec.europa.eu/eurostat/databrowser/view/TOUR\\_OCC\\_NIM\\_\\_custom\\_818442/default/line?lang=en](https://ec.europa.eu/eurostat/databrowser/view/TOUR_OCC_NIM__custom_818442/default/line?lang=en)

The fundamental reasons for the decline of the tourism industry are:

- Restrictions imposed on passenger transport, domestic and international, related to the pandemic situation;
- Adopting lockdown or other similar measures such as state of emergency or medical emergency, which restrict or even prohibit tourism activities;
- Direct restriction of some touristic activities, subscribed to the pandemic situation;
- The economic crisis related to the pandemic situation;
- Prioritization of expenses and as a result redistribution of income;

- The desire and attempts of people not to expose themselves to the risk of human interaction, which is vital to tourism activity;

- Panic, exacerbation and increase in the frequency of hypochondria, anxiety and various phobias, in the context of self-isolation, communication insufficiency and other forms of interaction, but also a depressive news agenda;

- Formalities and bureaucratic procedures related to internal and external travel.

Bulgaria stands out again by facing the health and economic crisis relatively easier. The qualitative indicator of net occupancy rate of places and rooms in hotels and similar accommodation structures decreases similarly for both states. Despite incomplete data, some of which are classified as confidential, quantitative indicators show a lower degree of impairment of the tourism industry in Bulgaria compared to Romania. Both the first two months of the year and two months of the full season exceeded the results for the same period of the previous year, to the detriment of the economic and health crisis.

The main reasons for these differences in the evolution of the tourism industry are:

- The pandemic manifested itself differently in the two states, Bulgaria colliding with the sudden increase in the number of infections curve only in October 2020 (Our World in Data, 2021), while Romania was facing the similar situation in June 2020 (Our World in Data, 2021);

- During the pandemic, support and subsidiary programs for small and medium-sized businesses and aviation transport are implemented in Romania (European Commission, 2023), while in Bulgaria support programs and subsidiaries dedicated to the tourism industry are also implemented (European Commission, 2023);

- In Bulgaria, tourism was supported promptly and even preventively, with programs to support the tourism industry being initiated 23 days earlier (European Commission, 2023), although the first diagnosed case was 10 days later than in Romania (World Health Organization, 2023);

- The Bulgarian Ministry of Tourism has actively taken measures to maintain tourism activity, obtaining on June 17, 2020 the title of tourist destination with Safe Travels Stamp from the World Travel and Tourism Council (WTTC);

- Tourism in Bulgaria continued its activity in the context of an international market with low competition.

#### IV. CONCLUSIONS

With the results obtained, we consider that the study has achieved its objectives and both hypotheses have been confirmed. During the research, we noticed that tourism is an economic branch as important as it is fragile, being vulnerable to any circumstantial factors with international impact. Due to the large number of stakeholders involved, tourism, like any other activity in the tertiary sector, is extremely sensitive to economic crises, and even more so to health crises. Based on the example of the economic crisis that began in December 2007, we can say that economic crises have a long-lasting destructive effect on tourism, and depending on how these periods of recession and stagnation are managed, their duration may vary. On the example of Bulgaria, we distinguish how well-

managed tourism during the crisis may even constitute an opportunity for speculation in a market with little competition.

As a limitation of our research, we can mention that a more in-depth analysis should be applied, trying to study the effect of economic, health or other crises on national tourism in correlation with other relevant terms such as: forms of tourism, actors on the tourism market, etc. Thus, certain sides of tourism activity, as well as other factors with considerable influence in this area, are worthy of further and more detailed research.

We believe that the results of this research could be of interest to researchers and students, as they reveal the different impact that the same factors have on an economic and social phenomenon such as national tourism, indicating areas that could be the subject of research in the future.

#### V. REFERENCES

1. Bednarska, Olha, Kulynyak, I., (2013) Actual Risks In the International Tourist Activity, available at [https://www.academia.edu/64075836/Actual\\_Risks\\_In\\_the\\_International\\_Tourist\\_Activity](https://www.academia.edu/64075836/Actual_Risks_In_the_International_Tourist_Activity)
2. Croitoru, M., (2011) *Tourism Competitiveness Index-An Empirical Analysis Romania vs. Bulgaria*, Theoretical & Applied Economics, available at [https://ideas.repec.org/a/agr/journl/v9\(562\)y2011i9\(562\)p155-172.html](https://ideas.repec.org/a/agr/journl/v9(562)y2011i9(562)p155-172.html)
3. European Commission, (2023) The European Commission's response to the coronavirus crisis, <https://ec.europa.eu/info/live-work-travel-eu/coronavirus-response/>
4. Uniunea Europeană, (2021) *Special report of the European Court of Auditors*, available at [https://www.eca.europa.eu/lists/ecadocuments/sr21\\_27/sr\\_eu-invest-tourism\\_ro.pdf](https://www.eca.europa.eu/lists/ecadocuments/sr21_27/sr_eu-invest-tourism_ro.pdf)
5. Evisonturism, (2021) *Tourism's contribution to world GDP drops by half due to the pandemic*, available at <https://evisonturism.ro/contributia-turismului-pib-mondial-scade-jumatate-pandemiei/>
6. IndexMundi, *Population density – World*, <https://www.indexmundi.com/map/?v=21000&r=eu&l=en> (accessed on July 2023).
7. International Monetary Fund, (January 2021) *World Economic Outlook Database*, <https://www.imf.org/en/Publications/WEO/weo-database/2020/October/>
8. Knoema, World and National Data, Maps & Rankings, *Contribution of travel and tourism to GDP in current prices*, 2021, <https://knoema.com/atlas/topics/Tourism/Travel-and-Tourism-Total-Contribution-to-GDP/> (accessed Nov 21 2021).
9. Macrotrends, Bulgaria Inflation Rate 1986 - 2021 available at <https://www.macrotrends.net/countries/BGR/bulgaria/inflation-rate-cpi>
10. Macrotrends, Romania Inflation Rate 1991-2021 available at <https://www.macrotrends.net/countries/ROU/romania/inflation-rate-cpi>
11. Popescu, A., Pleșoianu, D., (2019) Comparison regarding the tourism impact on the economy of Bulgaria and Romania. *Scientific Papers. Series, Management, Economic Engineering in Agriculture and rural development*, 19.1: 395-408.
12. Republic of Bulgaria, Ministry of Tourism, (2023) <https://www.tourism.government.bg/en/kategorii/novini/>
13. Our World in Data, (2021), <https://ourworldindata.org/coronavirus/country/bulgaria>
14. Our World in Data, (2021), <https://ourworldindata.org/coronavirus/country/romania>
15. Smeral, Egon, 2(009) *The impact of the financial and economic crisis on European tourism*, *Journal of Travel Research*, 48.1: 3-13.
16. Usman Khalid, Luke Emeka Okafor, Muhammad Shafiqullah, (2020) The Effects of Economic and Financial Crises on International Tourist Flows: A Cross-Country Analysis, *Journal of Travel Research* Vol. 59(2) 315–334, <https://journals.sagepub.com/doi/pdf/10.1177/0047287519834360>
17. UNWTO, (2019) *International Tourism Highlights*, edition, <https://www.e-unwto.org/doi/pdf/10.18111/9789284421152>
18. UNWTO, *Tourism and Covid-19 – Unprecedented Economic Impacts*, available at <https://www.unwto.org/tourism-and-covid-19-unprecedented-economic-impacts> (accessed on September 2022).
19. \*\*\*World Tourism Organization (UNWTO), *International Tourism Highlights*, 2020 Edition, available at <https://www.e-unwto.org/doi/pdf/10.18111/9789284422456>, (accessed on September 2022).
20. World Health Organization, (2023) The global health observatory, <https://www.who.int/countries/rou/>