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## Challenges and Opportunities for Development of Sustainable Tourism in Bosnia and Herzegovina

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# Challenges and Opportunities for Development of Sustainable Tourism in Bosnia and Herzegovina

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The tourism industry is complex and hyper-dynamic, comprised of a highly fragmented value chain. It encompasses travel organizers, accommodation providers, tourist offices, visitor attractions, transport activities, and a litany of other support systems and direct and tertiary mechanisms for each of them. Sustainable initiatives across this chain moreover are becoming increasingly important, while competition intensifies, and consumer-tourists – now digitally connected and savvy – also are more demanding. These realities potentially help and hinder a country's tourism industry, and the broader marketing system that both enables and benefits from it. Conventional wisdom commonly holds tourism and its related activities positively impact social and economic well-being. Therefore government leaders – in cities, cantons, regions, and countries -- businesspersons, NGOs and consumer-stakeholders would be well served to understand the hyper-dynamic macromarketing milieu that, part and parcel, is the tourism industry. This would seem to be particularly true in countries with numerous touristic assets, but perhaps still suffer or are beleaguered by socio-economic challenges that prove difficult to overcome, and might in fact be ameliorated by tourism development. Bosnia and Herzegovina (BiH) would seem to be one of these countries, and thus is the focus of this research. More specifically, the purpose of this active study, in which data continue to be collected, is to identify the most pressing challenges and compelling touristic assets, posit sustainable competitive advantages, consider complementary and cooperative initiatives within BiH and among its neighboring countries and investor countries, and then discuss some solutions for tourism stakeholders, which could lead to sustainable tourism development, improved competitiveness and greater development and well-being of the state/country as a whole.

To date, the research team has examined extant data and monitors data-trends; in 2013 members of the team began multi-method field research across BiH, with special emphasis on regions generally regarded to have the most or best tourism potential vis-à-vis desirable tourist-segments. Initial findings lead to hope, frustration, and again hope -- at least for those of us who are Macromarketers, who in turn see systemic challenges as market(ing) opportunities to do well and to do good. Some initial discoveries follow.

Tourism is designated by the BiH government as one of the drivers of the country's economic development. Unfortunately, a complex (Byzantine?) administrative apparatus at national, regional, canton, and municipal levels often stultify ideas, projects and success. No integrative framework stimulates systemic advancement, education and improvement of the

sector and the environment. BiH thus belongs, not surprisingly, to the lower group of countries (ranked 90 out of 140), according to the “Travel & Tourism Competitiveness Report 2013”. BiH furthermore is disadvantaged by lack of international awareness as a potential visitor destination. It suffers from negative images associated with years of conflict, yet BiH, similarly to most countries, has assets that would appeal to many visitors – and many types of visitors -- particularly as they travel throughout and explore the country. Among those assets are a vast and varied nature conducive to four seasons of sporting activities, diverse cultures and the traditions, shared-experiences and priceless artifacts that accompany them; historical and religious sites reaching back millennia, and so forth. One of the main challenges therefore is to transform that enormous potential.

Many tourist products and services are based only on the aforementioned existing natural or cultural/historic promise, most of which do not have acceptable marketing support in forms of infrastructure, amenities, and digital communication to optimize the tourist experience, and to alert potential and actual tourists of the existence and nuances of those experiences. There is also lack of integration among tourism products and services with more attractive multi-destination packages, both within and beyond the borders of BiH. Tourists in Bosnia and Herzegovina therefore typically visit for very short periods (2 days on average), spelling missed opportunities for stakeholders throughout BiH, as well countries in the region and around the world.

Destination and hospitality marketing and management will be integral to equitable and sustainable development in BiH. An obstacle is the lack of understanding or appreciation for the role that destination-management organizations must play at all levels and throughout the marketing-system required for a thriving tourism sector. Current policies and practices reveal ineffectual and inefficient – and often uncompetitive -- management across the marketing mix for touristic goods and services throughout the country. Proper holistic planning and implementation of actions; development of new attractions, products and services; local public-private partnerships; investments in basic infrastructure and tourism-specific infrastructure; identifying and developing target markets; market intelligence; quality management; easier access to finance for tourism establishments; hospitality and services-related education and so on, all are vital to the well-being of tourist-consumers, the tourism industry in BiH and ultimately the citizen-stakeholders of the country, its neighbors and its investors. These and other ideas are articulated, expanded and illustrated in the presentation.