

# TOURISM COMPETITIVENESS OF POLAND AT THE BACKGROUND OF THE WORLD AND EUROPEAN COUNTRIES

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## **Abstract**

The problems of company competitiveness represent one of the most significant research streams nowadays. In spite of abundant theoretical output in this domain, the concept of company competitiveness and spatial systems brings about numerous controversies. In general, terms it may be defined as the ability to achieve success in the course of economic rivalry. From the perspective of tourism competitiveness, it can refer to enterprises, to a sector, a region and a country. It is understood as the skill of preparing such tourist offer, which distinguishes a particular enterprise, a region or a country at the background of others, and as the result stands the chance of attracting tourists and enhancing socio-economic benefits associated with tourism development.

The objective of the paper is to present tourism competitiveness in Poland at the background of selected countries worldwide and the European Union, as well as attract attention to the role played by the EU funds in its construction.

## **Introduction**

Competitiveness represents a relative category since it assumes the comparison of one object against others in terms of their different characteristics. It can be approached as a quality, an attribute, an effect, a result or a process. In general, competitiveness refers to the skill of competing, i.e. functioning and surviving in a competitive environment. This concept is commonly used in theory and practice in relation to, e.g. economic entities, sectors, national economy, products, management systems, information, structures or strategies. It is also more and more often applied in territorial systems (e.g. regions, locations). M. E. Porter is considered the author of spatial systems competitiveness. The concept of competitiveness can be assigned to both the least advanced units (e.g. a product, an enterprise) and to complex ones such as economic and territorial systems (e.g. economy, sector, region, location). The research studies focused on competitiveness take, most frequently, into consideration the following economic systems [4, p. 166]:

- company competitiveness,
- sector competitiveness,
- cluster competitiveness,
- national economy competitiveness,
- the competitiveness of international blocks.

With reference to tourism one can analyze the competitiveness of tourist enterprises, tourist destinations (e.g. locations, regions, country), as well as sector or branch competitiveness (e.g. hospitality sector). Therefore, tourism competitiveness of the mentioned above systems

consists in obtaining permanent benefits from tourism development by all entities functioning in a given area [3, p. 436-459]. Having applied the suggested by H. Trabold hierarchical model based on four fundamental aspects of competitiveness it is possible to distinguish the following aspects in terms of tourism competitiveness referring to a territorial system (e.g. a country, a region):

- the system's ability to prepare and sell a given tourist offer,
- the ability to attract investors (domestic and foreign) interested in investments in tourism infrastructure elements and also in workforce (tourist pension),
- the ability to adopt a tourist destination to the changing environmental conditions (including the needs and expectations of potential tourists),
- the ability to earn money allowing to cover current expenditure and investment needs, and to obtain profit [6].

In the above context the improvement of tourism competitiveness, referring to a spatial system (e.g. a country, region), can be done by means of:

- activities performed in the area of supply consisting in e.g. the development of tourism and semi-tourism infrastructure components featuring a tourist destination, improved cooperation and coordination of activities carried out by the supply area participants of the tourism market, focused on the development of new and attractive offers,
- activities addressed to tourism demand enhancement (e.g. the improvement of these offer elements, distribution and promotion channels, as well as the pricing policy, which are desired by tourists),
- the improvement and construction of a particular and unique tourist destination image (e.g. marketing policy).

The problems of factors underlying competitiveness represent crucial elements of the discussion referring to economic entities and territorial systems competitiveness. This concept also covers the reason which directly influences a given entity competitiveness (positively or negatively), i.e. all possible circumstances having impact on the effectiveness of development factors implementation.

In the perspective of the above remarks the objective of the study is to compare tourist competitiveness of Poland at the background of the selected countries. It focuses on the presentation of the spatial system of a country with particular emphasis on the role of impact factors. The Travel and Tourism Competitiveness Index developed by the World Economic Forum experts constitutes the basis for such assessment.

## **1 Factors influencing tourist destination competitiveness**

The factors responsible for spatial units' competitiveness are subject to numerous classifications. In terms of tourist destinations' competitiveness, these factors can be divided into exogenous and endogenous ones [2, p. 69-70]. Among exogenous factors, the following can be listed:

- geographical location and the related tourist pension,
- location with reference to places of potential tourist demand concentration (influencing the so-called area communication accessibility),
- seasonality (length of the tourist season),

- trends and external factors influencing tourist demand for different forms of tourism.

On the other hand, endogenous factors, which result from the capital inherent in a given area, are mainly represented by:

- tourism assets and management,
- regional and local policy specifying tourism sector development possibilities,
- social capital and entrepreneurship initiatives of residents,
- promotion and image creation of a particular spatial unit.

As the result of impact exerted by the listed factors a given spatial unit (e.g. a country, a region, a location) obtains competitive advantage, i.e. recognition among potential tourists as an attractive area in terms of tourism-specific needs realization.

In the conditions of tourism market globalization and an increasing competitiveness, referring not only to companies but also to tourist destinations, it is inevitable to make comparisons and create the rankings of competitiveness in tourism. They can serve useful causes related e.g. to tourism policy reorientation at either national or regional level.

The problems of territorial units' competitiveness, with reference to tourism, have become the focus of interest to experts representing the World Economic Forum. They developed The Travel and Tourism Competitiveness Index (TTCI), which consists of 14 factors (elements) divided into three sub-groups, namely:

- factors influencing competitiveness in the area of tourism and constituting the responsibility of national authorities (e.g. tourism policy, sustainable development, safety, health care, sanitary conditions),
- business environment conditions and tourism infrastructure,
- natural, cultural and human resources in tourism<sup>1</sup>.

The suggested indicator and its components allow for measuring factors responsible for the diversified development of tourism and travel sector in terms of attractiveness and competitiveness in particular countries.

## 2 The competitiveness of Poland as a tourist destination

The listed above groups of factors constitute the basis for specifying the travel and tourism competitiveness index (TTCI) which is the starting point for preparing the ranking of countries published every two years by the World Economic Forum. The analysis of results presented in the report of 2011<sup>2</sup> indicates that Poland (as a tourist destination) was ranked as 49 among 139 countries worldwide. While comparing this result with reports of 2007 and 2009 attention should be paid to further development of Poland's competitiveness as a tourist destination. In 2007, Poland was ranked as 63 and in 2009 as 58. With reference to 2011 the improvement was by 14 places among world's countries covered by the ranking. Table 1

<sup>1</sup> More in: J. Blanke, T. Chiesa, *The Travel and Tourism Competitiveness Report 2011*. Beyond the Downturn. World Economic Forum. Geneva: 2011.

<sup>2</sup> Derek M.: *Walory turystyczne jako czynnik konkurencyjności regionów [Tourist assets as the factor of regional competitiveness]*, [in:] Gołembski G. (ed.). *Turystyka jako czynnik wzrostu konkurencyjności regionów w dobie globalizacji [Tourism as the factor of regional competitiveness enhancement in the times of globalization]*. Poznań University of Economics. Poznań: 2008.

illustrates Poland's ranking position having considered 14 decisive factors regarding the travel and tourism competitiveness index (TTCI).

The analysis of data presented in table 1 allows for the conclusion that Poland is competitive in terms of its tourism potential related to natural and cultural assets (54 and 17 place respectively). Poland's focus on sustainable development in tourism should also be positively evaluated (ranking position improvement from 65 to 37), human resources quality (43 position) and telecommunication infrastructure development (44 position). During the period of 2007-2011 a significant improvement was observed in the position of Poland considering the sub-group of factors covered by the competencies of central government authorities (from 63 up to 49) and factors identified as "natural, cultural and human resources in tourism" (from 60 to 30 ranking position).

**Tab. 1:** *The position of Poland in an international tourism competitiveness ranking in the period of 2007, 2009 and 2011*

The travel and tourism competitiveness index (TTCI) and its components		The position of Poland		
		2007	2009	2011
The travel and tourism competitiveness index (TTCI)		63	58	49
Factors covered by the State competencies		63	72	49
1.	Tourism policy	66	75	49
2.	Sustainable development	65	63	37
3.	Safety	71	91	50
4.	Health care and sanitary conditions	89	57	44
5.	Tourism prioritization	42	82	98
Business environment factors and tourism infrastructure		62	68	65
6.	Air transport infrastructure	86	79	88
7.	Road transport infrastructure	61	68	78
8.	Tourism infrastructure	46	59	52
9.	Telecommunication infrastructure	43	41	44
10.	Pricing competitiveness	83	105	66
Natural, cultural and human resources in tourism		60	29	30
11.	Human resources	44	56	43
12.	Attitudes towards tourism	122	102	132
13.	Natural resources	19	54	54
14.	Cultural resources	19	21	17

Source: [1]

It, however, has to be noticed that in the presented ranking, having considered only the European countries, Poland was ranked as 28 among 42 countries in 2011. Poland was overtaken only by such countries as: Croatia (24 in the European ranking), Montenegro (25), Bulgaria (27) and Polish neighbours: Germany (2), Czech Republic (22) and Hungary (26), the first three positions in this ranking (in 2009 and 2011) were taken by, respectively: Switzerland, Germany and Austria.

The results of tourism competitiveness ranking, referring to particular countries, confirm the fact that there are numerous and diversified factors influencing tourism. It seems that in terms of competitiveness impact, exerted by the first sub-group of factors, the central government initiatives, in cooperation with local authorities at particular levels, aimed at establishing

adequate climate for tourism development as well as entrepreneurship in tourism referring to tourist destination areas, are fully founded.

Polish low position in the sub-group of “Business environment and tourist infrastructure” factors (65 position) indicates the need for intensifying activities focused on both external and internal communication accessibility of our country and its attractive regions in relation to tourism. It also seems founded to initiate activities underlying Poland’s image changing, since Poland is still observed as the country of increased risk factor (even though there are significantly positive changes regarding the safety level – 50 position in 2011 comparing to 91 in 2009).

While analyzing the methodology for the construction of the travel and tourism competitiveness index, it has to be emphasized that it is positively and relatively strongly correlated with the number of tourist arrivals. In this context it is worth presenting some information illustrating the inbound tourist traffic volume to Poland in the selected European countries (tab. 2).

**Tab. 2:** *The arrivals of foreign tourists to selected European countries in the period of 2007-2010 (in thous. of people)*

<b>Specification</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Austria	20,766	21,935	21,355	22,004
France	81,900	79,218	76,824	76,800
Spain	58,666	57,192	52,178	52,677
Germany	24,420	24,866	24,223	26,875
Italy	43,654	42,734	43,239	43,626
Switzerland	8,448	8,608	8,294	8,628
Czech Republic	6,680	6,649	6,032	6,334
Hungary	8,638	8,814	9,058	9,510
Poland	14,975	12,960	11,890	12,470
Croatia	9,307	9,415	9,335	data unavailable
Portugal	12,321	6,962	6,439	6,865
Slovakia	1,685	1,767	1,298	1,327

Source: [7]

Even rough analysis of the presented data allows for the conclusion that in spite of fluctuations in the number of tourists visiting European countries the tourism sector has been showing certain resistance to economic prosperity changes in the recent few years.

### **3 The implementation of EU funds for tourism policy competitiveness improvement**

The condition for Poland’s competitive advantage construction by means of tourism is the implementation of activities aimed at the creation of attractive tourist products of supra-national significance, the promotion of tourist assets, ongoing development of tourist infrastructure and upgrading human resources quality in tourism. The crucial role in the above activities is played by the EU means, which were obtained by the tourism sector within the framework of a long-lasting financial perspective 2007-2013. The major source of EU funds for tourism takes the form of support covered by the Operational Programme ‘Innovative economy’ within Measure 6.3.: The promotion of Poland’s tourism assets and Measure 6.4.: Investments in tourism products of supra-regional importance. The funds for Polish tourism competitiveness strengthening also originate from other operational programmes. The scale of support for Polish tourism competitiveness improvement is illustrated by data presented in tab. 3.

**Tab. 3:** *The EU funds planned in the period of 2007-2013 for the improvement of Poland's tourism competitiveness (in mln Euro)*

Name of the programme		Allocated funds
Operational Programme 'Innovative economy'		
1.	Measure 6.3. Promotion of Poland's tourism assets	30.0
2.	Measure 6.4. Investments in tourism products of supra-regional importance	138.0
Operational Programme 'Development of Eastern Poland'		
1.	Objective V.1. Promoting sustainable tourism development	5.88
2.	Objective V.2. Bicycle routes	73.70
3.	Objective III.2. Infrastructure of congress and fair travel	81.76
Regional Operational Programmes (covering the implementation of projects within the framework of tourism)		731.32
Operational Programme Infrastructure and Environment		479.87
Operational Programme Human Capital (projects covering tourism)		86.48

Source: [5].

The implementation of projects financed from the EU funds and supported by internal means covers the spectrum of activities referring to, among others, complex promotion of Poland's tourism assets (the project entitled: "Let's promote Poland together"), the establishment of tourism products of supra-regional importance (21 projects), the construction of bike tourism infrastructure taking the form of routes covering five regions of Eastern Poland or the construction or reconstruction of 1706 tourist and recreation facilities.

## Conclusions

The improvement of Poland's position in an international tourism competitiveness ranking presents a desirable phenomenon, while the potential of available tourism assets offers opportunities for it. Owing to the European Union funds and internal sources, as well as high activity of territorial authorities (at regional and communal level), the projects focused on Polish regions tourism attractiveness enhancement are carried out and facilitate both higher recognition and competitiveness of Poland at an international arena.

On the other hand, the analysis of factors influencing tourist competitiveness of Poland attracts attention to the following crucial issues:

- the need to intensify cooperation between local authorities and private sector representatives for the benefit of further tourism infrastructure development (the formula of public-private partnership),
- the intensification of activities to improve both internal and external transport accessibility of Poland and its tourist regions,
- the provision of financial means for the implementation of projects covering to the development of tourism in the new EU financial perspective (2014-2020), as well as the financial guarantee for tourism oriented projects after finalizing their financial support from the EU funds.

Without ensuring the above activities maintaining the current position of Poland in the attractiveness and competitiveness ranking may turn out problematic.

## Literature

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## TURISTICKÁ KONKURENCESCHOPNOST POLSKA NA POZADÍ JINÝCH STÁTŮ EVROPY A SVĚTA

Problematika konkurenceschopnosti organizací patří nyní k důležitějším oblastem vědeckého výzkumu. Přes řadu teoretických studií existujících v této oblasti, vzbuzuje koncepce konkurenceschopnosti firem a územních celků mnoho kontraverzí. Celkově ji lze označit jako schopnost uspět v hospodářské soutěži. Z hlediska cestovního ruchu se konkurenceschopnost může týkat podniku, sektoru, regionu a státu. Znamená schopnost připravit nabídku cestovního ruchu, která příslušný podnik, region nebo stát odliší od jiných, a v důsledku přiláká návštěvníky a zvýší socio-ekonomické přínosy související s rozvojem cestovního ruchu.

Cílem příspěvku je prezentovat turistickou konkurenceschopnost Polska na pozadí vybraných států Evropské unie a světa a upozornit na úlohu evropských fondů v jejím vytváření.

## DIE TOURISTISCHE WETTBEWERBSTÄTIGKEIT IN POLEN IM VERGLEICH MIT ANDEREN LÄNDERN IN DER WELT UND IN EUROPA

Die Problematik der Wettbewerbstätigkeit von Organisationen gehört gegenwärtig zu den wichtigsten Richtungen der wissenschaftlichen Forschung. Trotz vieler theoretischer Werke in diesem Bereich erregt die Idee der Wettbewerbstätigkeit von Firmen und räumlichen Systemen viele Kontroversen. Im Großen und Ganzen kann man sie als eine gewisse Fähigkeit dazu bezeichnen, Erfolge im wirtschaftlichen Wettbewerb zu erzielen. Vom Standpunkt des Fremdenverkehrs kann die Wettbewerbstätigkeit Betriebe, Bereiche, Regionen und das ganze Land betreffen. Darunter versteht man ein Können bei der Vorbereitung des touristischen Angebots, das diesen konkreten Betrieb, diese Region oder dieses Land unter anderen hervorhebt, was im Resultat Touristen anlockt und den gesellschaftlich-wirtschaftlichen Nutzen im Bereich der Fremdenverkehrsentwicklung bringt. Ziel des Artikels ist es, die touristische Wettbewerbstätigkeit Polens im Vergleich mit anderen ausgewählten Ländern in der Welt und in der Europäischen Union darzustellen und die Aufmerksamkeit auf die Rolle der EU-Fonds bei der Gestaltung der Wettbewerbstätigkeit zu richten.

## KONKURENCYJNOŚĆ TURYSTYCZNA POLSKI NA TLE KRAJÓW ŚWIATA I EUROPY

Problematyka konkurencyjności jednostek stanowi współcześnie jeden z ważniejszych nurtów badań naukowych. Pomimo dużego dorobku teoretycznego w tym zakresie, koncepcja konkurencyjności firm i układów przestrzennych budzi wiele kontrowersji. Ogólnie można ją określić jako zdolność do osiągnięcia sukcesu w rywalizacji gospodarczej. Z punktu widzenia turystyki konkurencyjność może dotyczyć przedsiębiorstw, sektora, regionu oraz kraju. Oznacza ona umiejętność przygotowania oferty turystycznej, która wyróżni dane przedsiębiorstwo, region lub kraj na tle innych, a w efekcie przyciągnie turystów i zwiększy korzyści społeczno-gospodarcze związane z rozwojem turystyki.

Celem artykułu jest przedstawienie konkurencyjności turystycznej Polski na tle wybranych krajów świata i Unii Europejskiej oraz zwrócenie uwagi na rolę funduszy unijnych w jej kształtowaniu.