

Tourism and Innovations in Transitional Countries of the Adriatic-Ionian Region

DANIELA ANGELINA JELINČIĆ

Institute for Development and International Relations

Contacting author: daniela@irmo.hr

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Objectives | The challenges tourism faces today call for innovative solutions, not only for achieving economic growth but for ensuring sustainability, enhancing visitor experiences, market development, local community management, etc. Innovation is defined as “a new or improved product or process (or combination thereof) that differs significantly from the unit’s previous products or processes and that has been made available to potential users (product) or brought into use by the unit (process)” (OECD, 2018, p. 20). A usual prerequisite for innovation development is available funding. However, based on the analysis of the projects reporting tourism innovations funded by the EU in the Adriatic-Ionian region (AIR), the objective of this study is to show that they do not necessarily depend on financial incentives. Paradoxically, tourism may even hinder innovative development as it provides stable income thus impacting the lack of motivation for disruptive (radical) innovations.

Methodology | Research has been performed using mixed methodology (quantitative and qualitative) throughout 2020-2023. Desk research included literature review to provide the theoretical and statistical background as well as to analyze projects funded by various EU funds in the Adriatic-Ionian region (AIR) to detect the number, types of tourism innovations reported, and their real innovative nature. 313 projects were detected, but only those reporting innovative solutions (no. = 88) were further considered. Summaries of those projects were further analyzed and categorized in four groups: 1. tourism destination management innovations; 2. business models and sustainable tourism products innovations; 3. marketing-related sustainable tourism innovations; and 4. multiple types of innovations. The geographical distribution of the projects and the invested budget was also analyzed. Further on, we surveyed national coordinators of the European Union Strategy for the Adriatic-Ionian Region (EUSAIR) to test their knowledge, opinions and attitudes towards innovations in sustainable tourism. They serve as main country contact points in charge with the national coordination of the EUSAIR, and their knowledge on tourism innovation is deemed to be an asset for the Strategy implementation. The survey was based on 22 questions of mostly closed type. Results were drawn using the Google survey analysis tool. Finally,

further Internet search for additional innovations in the transitional countries of the AIR (Albania, Bosnia and Herzegovina, Croatia, Northern Macedonia, Montenegro, Serbia and Slovenia) was done to detect non-EU funded tourism innovations. The Boolean approach was used, and the following search terms were applied ("tourism") AND ("innovations") AND ("country" - Albania, Bosnia and Herzegovina, Croatia, Northern Macedonia, Montenegro, Serbia and Slovenia). Further, the search was widened to get a more specific type of innovations including terms such as ("hotels"), ("tourism tours"), ("tourism products"). These were done both in English and in the local language, where applicable. The detected innovative projects were briefly analyzed for the purpose of serving as illustrative examples. The desk research results were put in relation with the survey results analysis and finally complemented with the results of the Internet search.

Main results and contributions | The results show that the greatest share of the EU funded projects falls into the category of tourist destination management (42). Projects funding business models and sustainable tourism products innovations follow (28), as well as projects funding marketing-related tourism innovations (15). Only 3 projects were funded due to their multiple types of tourism innovations. However, a deeper analysis showed that the listed innovations do not always correspond to the theoretical definition of innovation; rather, when projects are applied for EU funding, they promise innovative solutions, but with questionable outputs. This possibly shows a poor understanding of the nature of innovation as some projects fail to deliver the funded innovations putting the justification of EU investments in such projects at stake. Further on, geographical distribution of the funded projects is mainly seen in the EU countries of the EUSAIR area with non-EU countries (Albania, Bosnia and Herzegovina, Montenegro, Northern Macedonia and Serbia) substantially lagging behind, with the exception of Albania. Further on, the results of the survey showed a relatively poor level of EUSAIR national coordinators' knowledge on tourism innovations which points to the lack of their training on the topic as well as the poorly defined funding criteria in support of innovative projects. The results of the desk research and surveys thus showed that although funds exist to support innovations, they do not always guarantee really innovative solutions. Finally, Internet search for additional innovative tourism innovations in the transitional countries of the region showed that innovative projects exist independently from the EU funds, although they are not abundant. Thus, although important, the study found that financial incentives do not warrant development of innovations, which is possibly dependent on other factors such as knowledge, creativity and motivation, clear policies. These factors, however, are yet to be researched further and were not part of this study. The study, however, showed that clear policies and understanding of the true nature of innovation are an asset in the support of innovations.

Limitations | Limitations of the study are primarily seen in the lack of in-depth analysis of the projects performed while focusing only on their summaries, which could possibly reveal more information. Also, relatively poor responsiveness of the survey respondents somewhat impacts the study results. Future studies may tend to dig deeper in the EU funded projects' analysis in the area. As well, further search and analysis of tourism innovations in non-EU funded projects in transitional countries of the area was not exhaustive and served only to illustrate that innovations can be done independently of large investments; rather, a number of other factors may influence their development. Future studies may explore it in more depth.

Conclusions | Innovative tourism solutions in the Adriatic-Ionian region exist but financial injections provided through the EU funding do not warrant innovative solutions in tourism. Innovations are often developed even without substantial financial support and public policies and are rather depending on creativity and motivation due to e.g. scarcity. It disputes Gibbs', Neckermann's and Siemroth's (2014) findings that financial rewards foster quality innovative ideas of individual employees. On the other hand, it is in line with the study by Jelinčić (2017, p. 48) who showed that inflexible public policies and lack of funding for innovations, such as in the Cuban, *engineer state* policy model may also foster innovations as "the scarcity of resources led people to improvisation". This leads to "an unintentional birth to innovations ... from the need to strive in everyday life". Therefore, tourism, yielding relatively stable revenue and ensuring economic benefit for the stakeholders involved, may thus even hamper the development of innovation as it provides no motivation to innovate.

References

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