STRATEGIC ANALYSIS OF THE EXTERNAL AND INTERNAL ENVIRONMENT OF SPORT TOURISM AT THE “BANJA VRUĆICA” SPA

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Abstract

Introduction. Numerous international and local organisations and agencies have in the past 15 years dealt with various issues and problems related to tourism in Bosnia and Herzegovina. Often, they have accentuated the large potential for tourism development and improvement, particularly when it comes to spa tourism. Although all elements necessary for development (tradition, accommodation capacities, natural resources, and traffic connections) are present, the “Banja Vrućica” spa is still unable to respond to modern tourism market demands so that it can contribute to the economic growth and development in the national and local economies. The successful running of a tourist destination requires the formulation of long-term goals and decisions, reached through a process of strategic management. The aim of this article is to use strategic analysis as a means of identifying the possibilities of introducing new sport-recreational offers with a higher quality of service provision aligned with consumer needs, which would help the Vrućica spa to become more attractive and profitable. Material and methods. After selecting factors of the internal and external environment which influence sport tourism at the spa, the intensity of the impact of each factor was determined through the use of SWOT analysis. Then, by multiplying the average impact of strengths, weaknesses, opportunities, and threats matched in the SWOT Matrix, a polygon SWOT analysis of the strategy was carried out. Conclusion. Having analysed the “Banja Vrućica” spa’s environment and having quantified the results, we reached the conclusion that the best solution is to form and implement a WO strategy with regard to sport tourism at the spa, meaning a shift in strategy aimed at keeping the existing activities and structures and developing new products and a new approach to the market.

Key words: external and internal environment, management, sport tourism, spa, strategic analysis

Introduction

Tourism is one of the fastest growing economies in the world [1], which is undergoing continual expansion and diversification in spite of temporary periods of crisis [2]. The number of people travelling abroad for tourism reached 1.135 billion in 2014, making the total revenue in tourism equal to $1.245 billion [3]. As one of the major economies, tourism employs over 100 million people worldwide [4]; in 2015, it had a direct global GDP share of 3% and an indirect global GDP share of 9.8% [1]. Diversification and innovation in tourism products have led to the development of selective forms of tourism built around health, nautics, hunting, fishing, gastronomy, entertainment, or event planning [2]. Although all the preconditions and a large potential for the development of tourism exist in Bosnia and Herzegovina, tourism is still in its early stage of development in this country [5].

Spa tourism is one of the oldest types of tourism, originating in antiquity, which has evolved continuously and developed complex and various forms throughout different historical periods, under the influence of political and economic systems, on the one hand, and changes in social options and tourists’ interests regarding this type of tourism, on the other [6]. In 2015, there were 121,595 spas that made a revenue of $77.6 billion and employed 2.1 million people [7]. Owing to its natural beauties, ecological and climatic diversity, and the vicinity of international markets, the Republic of Srpska in Bosnia and Herzegovina has significant tourism potential, particularly in the category of spa tourism development [8], largely due to its numerous thermal and mineral water springs [9]. In terms of the identified weaknesses of spa tourism in Bosnia and Herzegovina, the main problem is that most of the spas focus on medical treatment only, and they are no different from medical facilities and facilities offering recreational tourism [10]. Of the total investment in spas in the Republic of Srpska, 71.02% is invested into housing capacities and the hospitality/catering product, 22.86% is invested into the medical product, and only 6.23% is allocated to sports and recreation, which is clearly not meeting the demands of the faster development of spa tourism in its sports and recreation category. This percentage investment needs to change in favour of increased investment into the medical and sports and recreation products, as they are the cornerstones of