A Comparison of the Competitiveness of the Two Coastal Tourist Destinations

Usporedba konkurentnosti dviju obalnih turističkih destinacija

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Summary

The main goal of this paper is to assess the competitiveness of the two coastal tourist (micro) destinations - Portorož, Slovenia and Opatija, Croatia. The paper focuses on the current state of competitiveness of these two destinations, assessed by group of senior tourist students that visited both destinations. The approach and methodology are based on the different destination competitiveness models. For the purpose of the assessment of competitiveness of these two micro destinations, the integrated instrument of the destination competitiveness was developed and tested for its face validity. These two destinations were chosen because they have a similar history of development as well as tourist offer. The research results confirm the main hypothesis and majority of supporting hypothesis that Portoroz is more competitive destination than Opatija.

KEY WORDS

tourism
destination competitiveness
Portorož
Opatija

Sažetak

Glavni cilj rada je procijeniti konkurentnost dviju obalnih turističkih (mikro) destinacija – Portoroža u Sloveniji i Opatije u Hrvatskoj. U radu se analizira sadašnja konkurentnost ovih destinacija prema procjeni studenata turizma na višim godinama koji su posjetili obje destinacije. Pristup i metodologija temelje se na modelima konkurentnosti različitih destinacija. Za potrebe procjene konkurentnosti ovih mikro destinacija razvijen je integrirani instrument konkurentnosti destinacije i ispitana mu je nominalna valjanost. Izabrane su ove dvije destinacije jer imaju sličnu povijest razvoja i sličnu turističku ponudu. Rezultati istraživanja potvrđuju glavnu i većinu pomoćnih hipoteza da je Portorož konkurentniji od Opatije.

KLJUČNE RIJEČI

turizam
konkurentnost destinacija
Portorož
Opatija

INTRODUCTION / *Uvod*

Tourism offer in the world is infinite and destinations are in fact nowadays faced with the tough operating conditions. For the successful planning of tourist destinations, it is necessary to use appropriate tools to assess the situation. These tools help to better identify the situation and at the same time to design an easier and clearer measures to improve the situation. In addition, it contributes to the coordination of various stakeholders in the tourist destination. One of the most well known tools to assess the situation are certainly models of the destinations competitiveness.

The World Economic Forum, recognizing the importance of tourism for the global economy and for the economy of several nations, in 2007 carried out a study on competitiveness called The Travel & Tourism Competitiveness Index - TTCI. Based on the secondary data available in various international organizations and on questionnaires distributed to leaders and executives in the Forum's annual opinion poll, a competitiveness index was prepared according to thirteen pillars: (i) public policies and regulations; (ii) environmental legislation; (iii) safety and security; (iv) health and hygiene; (v) prioritization of the tourism sector; (vi) air transport infrastructure; (vii) ground transport infrastructure; (viii) tourism infrastructure; (ix) communication infrastructure; (x) prices in the tourism sector; (xi) human resources; (xii) national perception of tourism; and (xiii) natural and cultural resources. These pillars were grouped in three dimensions: (i) regulatory framework; (ii) business environment and infrastructure; and (iii) human, natural and cultural resources.

Since there is a TTCI, national economies (states) have a clear and undoubtable assessment tool for their competitiveness as a tourist destination despite the criticisms of the TTCI model. Before the TTCI was developed, there was a very rich academic debate about how to evaluate the destination competitiveness. All academics and practitioners discussed about what are the attributes (also called elements, items, indicators, indices) of destination competitiveness. Since the academics focused mainly on the criteria of destination competitiveness

of the states, this debate died a little when the TTCI in fact started to be used by the various stakeholders for strategic planning.

With TTCI destinations are now being assessed on macro (national) level. On micro (local) level, there is still room for comparative competitive assessments performed by local stakeholder as a starting point for designing future strategic development directions. There is a lot of tourism literature about destination competitiveness but little that examines the applicability of various competitiveness models to micro and/or specific tourism destinations, in our case coastal destinations.

The main goal of this paper is to assess the competitiveness of the two coastal tourist (micro) destinations - Portorož, Slovenia and Opatija, Croatia. The paper will focus on the current state of competitiveness of these two destinations, assessed by a group of senior tourist students that visited both destinations. The approach and methodology used for the execution of this paper are based on different destination competitiveness models, presented in the following section. For the purpose of assessment of the competitiveness of these two micro destinations, the integrated instrument of the destination competitiveness was developed and tested for its face validity. These two destinations were chosen deliberately, because they have a similar history of development as well as tourist offer.

RQ: Are there statistically significant differences between a competitiveness of Opatija and Portorož as a tourist destination?

DESTINATION COMPETITIVENESS / *Konkurentnost destinacija*

Ivanov and Webster (2013) are saying that destination competitiveness has long been one of the major focal points of tourism research. They are also listing most important contributors in that filed, among them Ritchie, Crouch, Dwyer, Kim, Mihalic, Omerzel Gomezelj and Kozak. With the intention to highlight their major contribution, some definitions will be presented.

A tourism destination (e.g. city, region or site) is at present often no longer seen as a set of distinct natural, cultural, artistic or environmental resources, but as an overall appealing product available in a certain area: a complex and integrated portfolio of services offered by a destination that supplies a holiday experience which meets the needs of the tourist. A tourist destination thus produces a compound package of tourist services based on its indigenous supply potential. This may also create fierce competition between traditional destinations seeking to maintain and expand their market share and new destinations that are trying to acquire a significant and growing market share (Cracolici & Nijkamp, 2008).

Ritchie and Crouch (2003) stated what makes a tourism destination truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital for the future generations.

Defining and measuring the competitiveness phenomenon are complex tasks. It reflects directly on the various methods and approaches used to prepare the competitiveness models. The studies of Crouch and Ritchie (1999) and Dwyer and Kim (2003) represent the main works on tourism competitiveness, not only in the construction of conceptual models and in the understanding of competitive factors, but also in the search for measurements systems that can compare tourism destinations (Parra-Lopez & Oreja-Rodriguez, 2014).

The concepts of competitiveness have been proposed in relevant to tourism destination (Ritchie & Crouch, 2003; Dwyer & Kim, 2003). It is perceived that comparative advantage involve the resource available to a destination, whereas competitiveness relate to a destination's ability to effectively utilize the resource. Determining the level of competitiveness of destinations is important in measuring the performance of a destination compared to its competitors. Competitiveness has been conventionally measured through indices (Croes & Kubickova, 2013).

In addition to Ritchie and Crouch's model and proposed components of tourism destination competitiveness, several studies have specifically examined the determinants of destination competitiveness (Crouch & Ritchie, 1999; Dwyer, Mellor, Livaic, Edwards, & Kim, 2004; Cracolici & Nijkamp, 2008; Croes & Kubickova, 2013; Kozak & Rimmington, 1999; Omerzel Gomezelj & Mihalic, 2008; Kozak, M., 2002;).

A major problem, underlying all attempts to establish indices of competitiveness, involves the integration of objective indicators of competitiveness (e.g. changes in market share, foreign exchange earnings, employment generated), and subjective measures (e.g. richness of culture, quality of service, scenic grandeur) (Dwyer, Knezevic Cvelbar, Edwards, & Mihalic, 2012). There is no method available that can be used to integrate "hard" and "soft" factors into a single index (Dwyer & Kim, 2003).

Based on Ritchie and Crouch's work (Ritchie & Crouch, 2003) and other related literature, Dwyer and Kim (2003) developed their model of destination competitiveness and provided a list of items in determining the destination competitiveness:

- Endowed resources – natural, cultural, historical resources
- Created resources – infrastructure, activities, shopping, entertainment, festival, events
- Supporting factors – general infrastructure, quality of service, accessibility, hospitality, market ties
- Destination management – management organizations, marketing, policy, HR, environmental management
- Situational conditions – micro environment, location, global environment, price, safety/security
- Market performance – visitor arrivals, expenditure, contribution to economy, investment, price, government support

Dwyer et al. (2004) also further used the factor analysis to empirically reveal the underlying dimensions of destination competitiveness through surveying tourism industry stakeholders in both Australia and Korea – industry operators, government officials, and tourism research academics. A total of 83 compositeness indicators were presented in the survey and 12 factors were revealed. They are destination management, nature-based and other resources, heritage resources, quality service, efficient public service, tourism shopping, government commitment,

location and access, E-business, night life, visa requirements, amusement parks.

Another problem arises in that individual tourism destinations are not competitive or uncompetitive in the abstract but only relative to competing destinations. It is important to establish which destinations comprise the competitive set against which particular destination's performance is to be judged (Dwyer, Knezevic Cvelbar, Edwards, & Mihalic, 2012). Accordingly, respondents to surveys are often asked to rate a destination under study against a list comprising its main competing locations (Dwyer & Kim, 2003; Omerzel Gomezelj & Mihalic, 2008; Omerzel Gomezelj, 2006).

While this approach recognises that it is meaningless to ask respondents to give absolute ratings for any destination on any given attribute of competitiveness, the problem is that it assumes a degree of familiarity of respondents with each of the destinations, which they may not possess. Differences between destinations in the competitor set may present difficulties to respondents in estimating the 'average' for the 'competitor' destinations compared to the destination under review. In addition, it is arguable that an in-built bias may exist to exaggerate the competitiveness of one's own country relative to others (Dwyer, Knezevic Cvelbar, Edwards, & Mihalic, 2012).

A further problem with this approach involves the difficulty of developing any measures of overall destination competitiveness applicable to all destinations. Destinations may be competitive in some respects but may lack competitiveness in other respects. The implication is that destinations are not competitive or uncompetitive per se but rather in respect to certain of their attributes compared to other destinations (Dwyer, Knezevic Cvelbar, Edwards, & Mihalic, 2012).

Assaker et al. (2013) are stating that previous studies have conceptualized destination competitiveness as a "house" composed of foundations, cement, building blocks, and a roof. In a destination competitiveness framework, the "foundations" include key attractors such as personal safety and health, enablers such as infrastructure, value adders such as location and value for money, facilitators such as accommodation and airline capacity, and experience enhancers such as hospitality and authentic experiences. These provide the essential base for competitiveness. The "cement" includes stakeholders, communication, partnerships and alliances, information and research and performance measurements that link the respective facets of competitiveness. The building blocks connect sustained destination competitiveness through an integrated development policy and strategic and destination marketing framework. Finally, the "roof" covers the human factor of destination competitiveness.

They are saying as well that majority of models are not tested and validated enough.

It can be concluded that the research findings from different studies regarding indicators of tourism destination competitiveness share some common features. This paper adopts the findings of the above research to use the measurement scale of destination competitiveness.

PRESENTATION OF KEY TOURISM FACTS OF OPATIJA AND PORTOROŽ / *Prikaz glavnih turističkih činjenica u Opatiji i Portorožu*

These two destinations were chosen deliberately, because they have a similar history of development as well as tourist offer. In following section, we will try to describe these two destinations in brief.

As in most Croatian destinations, rest and recreation is also still dominant tourism product of Opatija, mostly because of natural resources, such as pleasant climate and Adriatic sea, preserved environment (Opatija is close to nature park Učka), variety of beaches and maybe most famous, Lungo mare promenade and many Opatija's parks. Opatija is also getting more and more famous as health tourism destination. Business tourism is also important for Opatija, but the problem is that supply has not followed the demand, so today these capacities are no longer satisfactory. Nautical tourism is also a competitive product of Opatija Riviera because most infrastructure requirements (marinas, catering and others) are met. Cultural tourism is also represented well in the market with variety of products, such as churches, Villa Angiolina, Croatian Walk of Fame, Croatian museum of tourism, Juraj Šporer art gallery and different manifestations such as Art Exhibitions, different gastronomical manifestations, children carnival, etc.

The Municipality of Piran is the most developed tourism destination in Slovenia and is known primarily for congress, nautical, spa and casino tourism. The municipality borders with Izola, Koper and the State of Croatia. The municipality has very good links with Italy and the city of Piran from Trieste located just 38 km. The municipality includes 15 settlements, including Portoroz, where majority of tourism offer is concentrated. The municipality also has an airport and marina. Piran is a temple of culture, history, art, nature, events and exhibitions. The municipality has a varied selection as the year unfolds at least 100 events be your entertainment, sports, cultural or indigenous events and festivals. Although Portoroz/Piran is a coastal destination, it is a year-round destination, mainly due to the developed health resort and congress tourism.

Total number of visitors in Opatija in 2013 was 349506, in Portoroz 404602, from which the majority were foreign tourists. If we look at overnight stays,

Table 1. Tourism in numbers in Portoroz and in Opatija
Tablica 1. Turizam u brojkama u Portorožu i Opatiji

	OPATIJA	PORTOROZ (PIRAN)
NUMBER OF VISITORS (2013)	349506	404602
DOMESTIC	54031	144391
FOREIGN	295475	260211
NUMBER OF OVERNIGHT STAYS (2013)	1072869	1369717
DOMESTIC	126214	480182
FOREIGN	946655	889535
NUMBER OF BEDS (2013)	10104	14696

Source: Statistical offices of Slovenia and Croatia

situation is similar, majority of overnight stays were achieved from foreign tourists, although. If accommodation capacities are observed, in 2013 Opatija had 10104 beds and Portoroz 14696 or 45 % more. Both destinations are with high percentage of hotel accommodation, especially in five star hotels.

METHODOLOGY / *Metodologija*

Following and adopting the destination competitiveness model developed by Omerzel Gomezelj & Mihalic (2008), survey was conducted to determine the competitiveness of Portorož and Opatija. The similar destinations were selected so the same indicators apply. As suggested by Omerzel Gomezelj & Mihalic (2008), a set of indicators of destination competitiveness was chosen, complying with the fact that indicators of destination competitiveness are many and varied.

According to Omerzel Gomezelj (2006) the most common research method of competitiveness is from the visitors' perspectives. She argued that this approach is limited due to the short period and the limited knowledge of domestic and foreign visitors about a given destination, particularly about the destination management determinants. She suggested the use of tourism experts as tourism stakeholders, stating that their knowledge about the entire portfolio of destination competitive resources can help to discover the tourist destination more appropriately. With this approach (selecting tourism stakeholders as respondents), the shortcomings suggested by Dwyer et al. (2012) can be surpassed. In our case, the senior tourism students were tourists in observed cases, since for the majority of them neither destinations are their permanent place of residence, but they can be qualified as young tourism experts as well.

The survey was administered from November to December 2014. Respondents were senior tourism students from Faculty for tourism and hospitality management Opatija that had the opportunity to visit both destinations (study trip), they had an intense sightseeing and in-depth presentation of both destinations by different experts. Alltogether 130 fully completed questionnaires were returned, 73 for Opatija and 57 for Portoroz.

The respondents were asked to give a rating (on a 5-point Likert scale, for each of the 112 competitiveness indicators) for Portorož and Opatija. The options ranged from one (well below average) to five (well above average).

To get clearer assessment made by respondents to the various indicators, the results were grouped in 10 categories. For each of these groupings, tables were produced, where mean and standard deviation for each group were displayed together. To test the hypotheses, independent sample T-test was used. There are a number of different types of T-tests available in SPSS (Pallant, 2005, Veal, 2011). Independent sample t-test is used when you want to compare the mean scores of two different groups of people or conditions (Pallant, 2005). It our case there are two different conditions (destinations). The SPSS standard package for personal computers was used to calculate T-test.

Although the calculations were done for every indicator separately, we are not able to display all the results due to page restrictions. In this stage, indicators were tested for normality. We did not test other assumptions due to the use of standard scale.

Based on the research question of this research, one general and 10 supporting hypotheses were proposed to determine the differences between the competitiveness of Opatija and Portoroz as a tourist destination. These hypotheses are:

H1: Portoroz as a tourist destination is more competitive than Opatija in the field Transport.

H2: Portoroz as a tourist destination is more competitive than Opatija in the field Hospitality.

H3: Portoroz as a tourist destination is more competitive than Opatija in the field Primary offer.

H4: Portoroz as a tourist destination is more competitive than Opatija in the field Secondary offer.

H5: Portoroz as a tourist destination is more competitive than Opatija in the field Tourist services.

H6: Portoroz as a tourist destination is more competitive than Opatija in the field Other infrastructure.

H7: Portoroz as a tourist destination is more competitive than Opatija in the field Tourism enterprises.

H8: Portoroz as a tourist destination is more competitive than Opatija in the field Macro tourism environment.

H9: Portoroz as a tourist destination is more competitive than Opatija in the field Macro environment.

H10: Portoroz as a tourist destination is more competitive than Opatija in the field Destination image.

H: Portoroz as a tourist destination is more competitive than Opatija.

RESULTS / *Rezultati*

Table 2 presents descriptive statistics on groups of items. We compared mean of Opatija to mean of Portoroz for every group of items. For that purpose, new variables were introduced. The new variables are computed through SPSS procedures as total mean of individual group of items. After that one-sample T-test was used to check the hypothesis.

Group Transport consisted out of seven items, measuring competitiveness in terms of destination accessibility with different modes of transportation. The items were: number of airports and their facilities, number of air carriers, accessibility by air, price competitiveness of air accessibility, development of local transport infrastructure, road accessibility, railway accessibility.

Both destinations were assessed that they have poor air accessibility, Portoroz was assessed slightly better. Mean of all the items in group Transport for Portorož was higher than Opatija. With T-test it was proven that the difference is statistically significant. We can confirm H1.

Group Hospitality consisted of 12 items: the structure of accommodation facilities, the quality of accommodation services, price of accommodation services, quality / price ratio for accommodation services, the existence of distinctive international accommodation brands, food and drink, restaurants and taverns, cafes, bars and pastry shops, quality of food services, the price of food service, quality / price ratio for accommodation services and the existence of a distinctive international restaurant brands.

Interesting enough Portoroz was assessed worse in terms of the quality of accommodation although it has more 5* hotels, including world class luxury hotel Kempinski. Mean of all the items in group Hospitality for Portorož was lower than Opatija. With T-test it was not proven, that the difference is statistically significant. We cannot confirm H2.

Group Primary offer consisted out of

Table 2. Descriptive statistics
Tablica 2. Opisna statistika

DESTINATON		N	Mean	Std. Deviation	Std. Error Mean
OPATIJA	TRANSPORTATION	73	2.2857	.61307	.07175
PORTOROZ	TRANSPORTATION	57	2.8747	.63949	.08470
OPATIJA	HOSPITALITY	73	3.5970	.45686	.05347
PORTOROZ	HOSPITALITY	57	3.5789	.47856	.06339
OPATIJA	PRIMARY OFFER	73	3.8398	.59636	.06980
PORTOROZ	PRIMARY OFFER	57	3.5439	.62878	.08328
OPATIJA	SECONDARY OFFER	73	2.8338	.52171	.06106
PORTOROZ	SECONDARY OFFER	57	3.2761	.58876	.07798
OPATIJA	TOURIST SERVICES	73	3.5308	.65874	.07710
PORTOROZ	TOURIST SERVICES	57	3.3377	.55549	.07358
OPATIJA	OTHER INFRASTRUCTURE	73	3.4219	.65367	.07651
PORTOROZ	OTHER INFRASTRUCTURE	57	3.3123	.66977	.08871
OPATIJA	TOURISM ENTERPRISES	73	3.1947	.57220	.06697
PORTOROZ	TOURISM ENTERPRISES	57	3.4323	.50551	.06696
OPATIJA	MACRO TOURISM ENVIRONMENT	73	3.2453	.58184	.06810
PORTOROZ	MACRO TOURISM ENVIRONMENT	57	3.4163	.62228	.08242
OPATIJA	MACRO ENVIRONMENT	73	2.9924	.52291	.06120
PORTOROZ	MACRO ENVIRONMENT	57	3.4016	.53070	.07029
OPATIJA	DESTINATION IMAGE	73	3.2589	.58733	.06874
PORTOROZ	DESTINATION IMAGE	57	3.4000	.60178	.07971
OPATIJA	TOTAL	73	3.2200	.43644	.05108
PORTOROZ	TOTAL	57	3.3574	.43949	.05821

Source: Own calculations.

Table 3. One sample T-test
Tablica 3. T-test za jedan uzorak

		Test Value = mean Portoroz for each group (Table 2)					
						95% Confidence Interval of the Difference	
DESTINATON		t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
OPATIJA	TRANSPORTATION	-8.208	72	.000	-.58899	-.7320	-.4459
OPATIJA	HOSPITALITY	.339	72	.736	.01813	-.0885	.1247
OPATIJA	PRIMARY OFFER	4.240	72	.000	.29593	.1568	.4351
OPATIJA	SECONDARY OFFER	-7.243	72	.000	-.44227	-.5640	-.3205
OPATIJA	TOURIST SERVICES	2.505	72	.015	.19312	.0394	.3468
OPATIJA	OTHER INFRASTRUCTURE	1.433	72	.156	.10962	-.0429	.2621
OPATIJA	TOURISM ENTERPRISES	-3.548	72	.001	-.23758	-.3711	-.1041
OPATIJA	MACRO TOURISM ENVIRONMENT	-2.511	72	.014	-.17097	-.3067	-.0352
OPATIJA	MACRO ENVIRONMENT	-6.686	72	.000	-.40921	-.5312	-.2872
OPATIJA	DESTINATION IMAGE	-2.053	72	.044	-.14110	-.2781	-.0041
OPATIJA	TOTAL	-2.689	72	.009	-.13735	-.2392	-.0355

Source: Own calculations.

13 items: climate, natural environment, flora and fauna, people traditions, architecture, historic sites, cultural heritage, parks, access to forests, mountains, coasts, lakes, seas, the quality of the natural and cultural attractions, attractiveness of natural and cultural attractions, fees for visits of natural and cultural attractions, quality / price ratio for visit the natural and cultural attractions.

In this group, respondents rated higher only one element in Portoroz compared to Opatija. Significantly higher are rated parks and greenery. Mean of all the items in group Primary offer for Portorož was lower than Opatija. With T-test it was proven that the difference is statistically significant. We cannot confirm H3.

Group Secondary offer was composed of 23 items: water sports, outdoor activities, recreational activities, sports activities, adrenaline activities, congress tourism, rural tourism, health tourism, theatres, galleries, museums, events (sports), events (cultural), casinos, nightlife (discos, bars, clubs), pubs with live music, pubs to dance, shopping, amusement parks, quality of the above, attractions, fees for visit of the attractions, quality / price ratio for visit of the attractions, attractiveness of attractions.

In all the elements in this group, Portoroz was higher rated than Opatija, except for the elements of congress and spa tourism and casino. Mean of all the items in group Secondary offer for Portorož was higher than Opatija. With T-test it was proven, that the difference is statistically significant. We can confirm H4.

Group Tourist services consisted of 8 items: tourist information on the web and in print media, tourist information in travel agencies in tourist hometown, tourist information in TIC, tourist animation, the organization of visits to tourist attractions (excursions ...), the organization of the destination guided tours, quality / price ratio for tourist services provided, quality of tourist services.

Mean of all the items in group Tourist services for Portorož was lower than Opatija. With T-test it was proven, that the difference is statistically significant. We can not confirm H5.

In group Other infrastructure we had 5 items: access to health services for tourists (tourist clinics), the network of financial institutions (banks, bureaux de change), the existence of administrative barriers to entry in the country (visa, ...), access to telecommunications network, efficiency and hospitality frontier workers at the entrance of tourists to the country.

Mean of all the items in group Other infrastructure for Portorož was lower than Opatija. T-test showed, that the difference is not statistically significant.

We can not confirm H6.

Group Tourism enterprises were items that measure tourism enterprise corporate behaviour. The group had 14 items: the efficiency and the ability to tourism/hospitality managers, the success of tourism enterprises, susceptibility of tourism enterprises to meet the needs of tourists, developing and promoting new tourist products, active participation of the private sector in education and training of human resources in tourism, educational structure of employees in tourism, recognition of the importance of service quality, enforcement of quality standards in the tourism services delivery, strategic alliances between businesses, investing foreign capital in tourism enterprises, the existence of a recognizable tourist brands, electronic marketing in tourism enterprises, use of information technology in tourism enterprises, the use of marketing research in tourism enterprises.

Mean of all the items in group Tourism enterprises for Portorož was higher than Opatija. With T-test it was proven, that the difference is statistically significant. We can confirm H7.

Group Macro tourism environment was composed out of the items regarding elements that are not directly influenced by tourism enterprises but they are important for their business. These items were: awareness of the importance of the country (sustainable) development of tourism, active participation of cities in developing tourism policy, involvement of stakeholders in the creation of tourism policy, active participation of the city in the education and training of human resources in tourism, awareness of the country about the importance of tourism development, compliance of tourism development with the needs of tourists, compliance of tourism development with the needs of local residents, compliance of tourism development with the needs of capital, compliance of tourism development with the needs of society, compliance of tourism development to the full development of the economy, the development of social tourism (for the disabled, elderly)

Mean of all the items in group Macro tourism environment for Portorož was higher than Opatija. With T-test it was proven that the difference is statistically significant. We can confirm H8.

Group Macro environment had items regarding general macro business environment. These items were the following: the economic stability of the country, prices of goods in retail, gasoline prices, national measures to promote tourism, state support for various events (sports, festivals), the interest of investors to invest capital in tourism enterprises, attitudes of environment for investments in tourism development, the adequacy of educational programs, research for the purposes of tourism policy, planning.

Mean of all the items in group Macro environment for Portorož was higher than Opatija. With T-test it was proven, that the difference is statistically significant. We can confirm H9.

Group Destination image consisted out of the items regarding different view on destination image. These items were: reputation of the local / regional tourism organizations, image of the tourist destination, visibility of destination in the world, compliance of the tourism products in the destination with the expectations of the modern tourist, visibility of the destination tourist products in the world, mutual trust and honesty among tourists and locals, the hospitality of the locals to tourists, personal security of the tourists, political stability, propensity of the locals for the tourism development.

Mean of all the items in group Destination image for Portorož was higher than Opatija. With T-test it was proven, that the difference is statistically significant. We can confirm H10.

CONCLUSION AND DISCUSSION / *Zaključak i rasprava*

Mean of all 112 items for Portorož was higher than Opatija. With T-test it was proven that the difference is statistically significant. We can confirm general hypothesis that Portoroz is more competitive then Opatija as assessed by respective group of respondents. Looking at the research results individually, for six groups of items Portoroz had higher mean and for all of them it was proven that this difference is statistically significant. Four supporting hypothesis were rejected.

Major conclusion can be made that Opatija is more attractive and competitive in terms of its natural beauty and attractions, but failed to utilize these inherited resources in optimum way, especially in comparison to Portoroz.

A majority of 112 items were evaluated below four (on the scale from one to 5), what indicates very critical view on the respective destinations by respondents. By selecting comparable destinations and direct comparison between them, we avoided most of the major criticism of these instruments, namely that is hard to compare to unknown destinations.

One of the major goals of this research was to develop and test the instrument for micro destination competitiveness for its validity, especially for face validity. When conducting a study on the real stakeholders it is too difficult to check whether they understand all the indicators in the right way. It is therefore more appropriate to carry out such instruments tests (as displayed in this paper) before. Through in-depth discussion with senior tourism students, it was pointed out that some of the indicators were more difficult to assess objectively than others. They stated that it was especially difficult to assess a macro environment and activities in tourism enterprises, since they did not have enough information. That confirms the major weakness of these kind of models and its measurement instruments, as noticed by many authors (Dwyer et al., 2012; Omerzel Gomezelj, 2006).

Second contribution is reflected in the fact that a generic instrument for measuring destination competitiveness is applied to the micro coastal destination. Indeed, for measuring the competitiveness some indicators were added that are specific to these two destinations, and can be used in similar Mediterranean destination as well. Assaker et al. (2013) are stating that the WEF TTCI ranking simply tells us about tourism competitiveness or the potential of each country based on its underlying economic, infrastructural and environmental factors, disregarding how much each country taps into its superstructure, or the specific hospitality and tourism features it has created to render the destination more attractive. Ivanov and Webster (2013) are confirming that WEF TTCI is the most important instrument to measure destination competitiveness. This fact does not help micro destinations when they wish to assess their competitiveness. They also need valid instruments to measure competitiveness. The theoretical and

practical implications of this research are going in the direction that we gain (to the extent possible) tested instrument for measuring the competitiveness of micro coastal destinations.

Third contribution is that it is difficult to get such a large number of real stakeholders in the smaller destinations in the region, which is why such real research is even more unreliable. Because of that it is even more imperative that the instrument is valid and logical to the highest extent possible. It was our intention to create such research conditions so respondents would have better understanding of all the factors of destination competitiveness in order to pass limitation suggested by Dwyer et al. (2012).

There are some limitations of this research. First, respondents were students. Given the criticism that tourists do not have sufficient knowledge of the destinations (Dwyer et al., 2012), senior students of the faculty were chosen as respondents, who actually represent young tourism professionals. Second, respondents are all citizens of Croatia, which could constitute subjectivity in answering questions, as one destination is in Croatia. Third limitation related to the number of respondents is relatively small. It is also true that if we would have the real stakeholders in these destinations as respondents, the number would not exceed 20 for each destination.

The fact is that the debate on the destination competitiveness lasts a very long time. It is also a fact that we got a good model at the macro level (TTCI), but we are lagging behind in creating applicative models for micro destinations. Because of these facts we see many opportunities for further research, especially in direction of further testing the instrument for its reliability and validity. We strongly believe that destination competitiveness models are essential tools for any kind of strategic development activity of tourism destinations.

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