

TOP 5 LEAST COMPETITIVE TOURISM MARKETS IN EUROPE



For the past 11 years, The World Economic Forum has engaged leaders in the tourism industry to carry out in-depth analyses of the travel and tourism competitiveness of 136 economies across the world. Thus, the Travel and Tourism Competitiveness Index was created. It is supposed to measure “the set of factors and policies that enable the sustainable development of the travel and tourism

sector, which in turn, contributes to the development and competitiveness of a country”. This year’s index showed many surprises as well as expected things. Tourism-Review.com brings you the Top 5 Least Competitive Tourism Markets in Europe based on the Tourism Competitiveness Index. Somewhat unsurprisingly, almost all of these countries are located in the Balkans.

Moldova (117th)

Moldova registered just 94,381 international arrivals in 2016. The industry accounts to 1% of the country’s GDP and generates only 9,502 (0.8%) jobs within the country. The small state’s main problem lies in the lack of cultural and natural resources, where Moldova ranks 129th and 136th (out of 136) respectively. The business environment (123rd) is also extremely poor, while the government does not seem keen at all on prioritizing the tourism sector (120th). This also corresponds with the country’s “isolation” and weak openness to international visitors (119th) and ground and port infrastructure (103rd). On the other hand, in terms of health and hygiene (34th) and price competitiveness (32nd) Moldova ranks highly. But it is clear there is much needed to be done to improve the country’s prospects as a tourism market.

Albania (98th)

Despite having a lower population to Moldova’s, Albania welcomed much more international tourists last year – almost 3.8 million. The industry creates 51,005 jobs in the country and accounts to a staggering 6% of Albania’s GDP. While the country has improved in the index compared to 2015, there are still many problems needed to be addressed. For example, Albania ranks 131st in cultural resources and business travel and 123rd in natural resources. Prioritization of tourism is higher than Moldova’s (74th), but could be better considering the country’s potential. Like Moldova, however, there is lack of openness towards international tourists (107th). Much improvement is also needed in in terms of the business environment, where the Balkan country ranks 109th out of 136.

Serbia (95th)

Unlike their neighbor Albania, Serbia cannot boast big numbers in terms of international arrivals (1.1 million) or a big share of the tourism industry in the GDP (though Serbia’s GDP is much higher). The country also ranks very low in terms of prioritization of the tourism sector (116th), as well as business environment (112th) and international openness (106th). On the other hand, Serbia ranks 71st in cultural resources and business travel, much higher than the previous two countries. Also, 61st in environmental sustainability and 42nd in terms of health and hygiene. The numbers aren’t exactly bad for Serbia, but very low openness, prioritization and bad business environment are dragging a country with a lot of potential down. Perhaps Serbs should learn a thing or two from

their Albanian neighbors in some aspects, to raise the visitor numbers.

Ukraine (88th)

Unlike the rest of the countries on this list, Ukraine is a tourism market with a large area and thus a higher share of foreign visitors. In 2016, the post-Soviet state recorded 12.4 million international arrivals. The tourism industry accounts for 1.4% of the GDP and generates 1.2% of the jobs. Ukraine has a very strong base of cultural resources (51st). It is also a country with very reasonable prices (45th) and top notch health and hygiene (8th). However, the war-torn country is suffering a lot with respect to its safety and security situation, where it ranks 127th. As in all the other countries on this list, the business environment (124th) is not exactly rosy. The country also lost a lot in terms of tourism after Russia's annexation of Crimea, which was and is a popular destination.

Montenegro (72nd)

Montenegro is probably the most sought tourist destination out of the countries on this list. The Balkan country welcomed 1.5 million tourists in 2016 and the sector amounts to 11.3% of the country's GDP. In addition, it creates 18,541 jobs (10.3%). Unlike the previously mentioned countries, Montenegro has a decent business environment (77th) and somewhat prioritizes tourism (62nd). As a prominent tourism market, the hospitality services and infrastructure are at a high level (28th). In terms of ground and port and air transport infrastructure, Montenegro is also ranked highly (65th and 54th). But the country needs rapid improvement in several factors. Compared to the Index two years ago, Montenegro has suffered a fall. In cultural resources and business travel, Montenegro ranks 132nd. Safety is also not ideal (75th) for a prominent European tourist destination, as well as an alarming 105th place in international openness.

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