

# ZNAČAJ POSLOVNOG TURIZMA ZA NACIONALNE PRIVREDE U TRANZICIJI: SLUČAJ SRBIJE<sup>1</sup>

dr Snežana Štetić, Faculty of Sciences, University of Novi Sad  
dr Slavoljub Vujović, Research Associate, Institute of Economics, Belgrade  
mr Dario Šimičević, College of Tourism, Belgrade  
mr Dragomir Janković, PhD student, Faculty of Law, Kragujevac  
Dr Zoran Jovanović, Faculty of Law, Kragujevac

## Rezime

Globalna ekonomska kriza koja je pogodila nacionalne privrede širom sveta već četvrtu godinu za redom ne jenjava. Dugotrajno delovanje krize na svetskim finansijskim tržištima ubrzalo je i naglasilo dužničku krizu u evro zoni, kao i krizu investicija koja se oseća na svim kontinentima. Ovakva globalna kretanja su imala negativne efekte po nestabilnu srpsku privredu, a najdirektnije posledice se ogledaju u povećanju nezaposlenosti i nelikvidnosti privrede.

U fokusu ovog rada su efekti koje turizam ima po nacionalnu privredu Srbije u smislu zaposlenosti, investicija i deviznog priliva. U ovom trenutku su ti efekti minimalni, ali se mogu višestruko uvećati pravilnim sagledavanjem i iskorišćavanjem prednosti koje Srbija nudi kao turistička destinacija. U tom smislu, uprkos negativnim dešavanjima na globalnom tržištu, poslovni turizam beleži visoko učešće na turističkom tržištu Srbije. Realizovani i planirani infrastrukturni i suprastrukturni objekti i visoka popunjenost hotelskih kapaciteta, zahvaljujući poslovnim gostima, pokazuju značaj ovog oblika turizma u Srbiji. Pored navedenog ovaj rad predlaže model konkurentnosti Srbije kao destinacije poslovnog turizma kao neophodan uslov daljeg razvoja poslovnog turizma u Srbiji.

*Ključne reči: poslovni turizam, srbija, privreda, tranzicija*

**JEL:** A12, E32, M21, M31

---

<sup>1</sup> The work is part of the research project: "Development and application of new and traditional technologies in the production of competitive food products with added value for local and global market- create a wealth of Serbia" (MSTD RS, no. 046 001).

## THE IMPORTANCE OF BUSINESS TOURISM TO NATIONAL ECONOMIES IN TRANSITION: THE CASE OF SERBIA

### Abstract

The global economic crisis that hit the national economies around the world for the fourth consecutive year continues unabated. Long-term effects of the crisis in world financial markets have accelerated and emphasized the debt crisis in the Euro zone, as well as the investment crisis felt on all continents. These global trends have had negative effects on the unstable Serbian economy, and the most direct consequences are reflected in the increased unemployment and economic insolvency.

The effects that tourism has on the national economy of Serbia in terms of employment, investment and foreign exchange earnings are in the focus of this paper. At present these effects are minimal, but they can be multiply increased by proper observing and taking advantage that Serbia as a tourist destination offers. In this sense, despite negative happenings in the global marketplace, business tourism records high share at Serbian tourism market. Completed and planned infrastructure facilities and supra-structural facilities and high occupancy rates of hotels owing to business guests show the importance of this form of tourism in Serbia. In addition, this paper proposes a model of competitiveness of Serbia as a business tourism destination as an indispensable condition for further development of business tourism in Serbia.

*Key words: business tourism, Serbia, economy, transition*

### INTRODUCTION

In a period of great turbulences in the world financial markets, increased uncertainty in the investment activities and reduced consumer demand for products and services, there is a certain "confusion" in monitoring, forecasting and impact of business tourism to the tourism industry, but also to an economy as a whole. Global economic crises, to a large extent, influences to the economies of transitional countries in Eastern and SE Europe. The economic structure of these countries was inherited from the past and experienced huge changes in past two decades. The degrees to which they adjust to the reform process determine their ability to integrate into the world economy and respond positively to new economic conditions (Lokshin and Jovanovic, 2003).

The interaction between crises and tourism in its multiple forms is described by various authors as still under-researched (Ali and Ali, 2010).. Sonmez (1998) says that "researchers need to explore possible solutions and preventive measures to deal with crises". According to these attitudes it can be said that the importance of business tourism to national economies of transitional

countries is also under-researched and requests higher awareness and implication of the researchers. This paper will explore the connections of business tourism and national economies with special attention to Serbia as a country which is still in transition period which lasts longer than in any surrounding country. Serbia is in similar state as were Hungary, Romania, Bulgaria and Croatia in the end of XXth century and in the first half of XXIst century. With the entering into EU and development of stronger institutions and experienced institutional changes in mentioned countries (Schweickert et al, 2011) Serbia was left “alone” in the transitional field of South Eastern Europe.

### THE IMPORTANCE OF BUSINESS TOURISM ON A WORLD SCALE

In the framework of international and domestic tourist movements, business tourism occupies a significant position. It has been estimated that, in 2009 there were between 16% and 20% business tourists out of 880 million international tourists. According to the WTO, 15.6% from the total number of tourists, or about 119 million, were participants in business trips in 2004, but already in 2005 the share increased to 16% or to about 130 million business tourists and professionals. According to some claims, the share of tourists and business professionals is even higher and it amounts to about 29% of the total number of tourists. (Šimičević, Nicić, 2007) The global economic crisis has affected national economies and caused a fall in gross domestic product (GDP) in 2008 reflecting the decline in international tourism in 2009 compared to 2008 for about 40 million tourists. However, international tourism has recovered quite rapidly and the growth of tourist traffic in 2010 amounted to about 6.6% compared to 2009, accounting for about 940 million tourists in international tourism. Economic effects of tourism in 2010 are significant, so that about 5% of the world GDP is realized by tourism, generating at the same time 6 to 7% of jobs in the world, and the value of the exported goods and services through tourism has reached around 6% of total world exports. It is estimated that in 2010 about 15% of the total number of international tourists travelled from business and professional reasons. (UNWTO Tourism Highlights, 2011 Edition)

Some authors state that the crisis may be the driving force behind the development of business travel and business tourism. At the first glance, it is illogical but *Bull* states that in business trends and business tourism companies often increase the number of trips to maximize sales efforts and the number of clients in the years of crisis, while during the time of progress and prosperity they reduce expenses for business trips because the demand for their services and products is at a satisfactory level. (Davidson, Cope, 2002)

Based on data in Table 1 it is possible to conclude that business travel has a huge economic impact on tourism development not only in business tourism destinations, but also in other destinations. Additionally, it is most dominant for transport sector, where business travelers make up a significant

part of the overall market, especially with regard to air traffic. From 2000 when the consumption in the business travel was about 555 billion dollars, a growth of around 50 % was recorded by 2010, when the total consumption in business travel was around 837 billion dollars.

**Table 1** Income from business trips by world regions in the period from 2000 to 2011 (in billions of dollars)<sup>2</sup>

Region	2000.	2002.	2004.	2006.	2008.	2009.	2010.	2011.
<b>Caribbean</b>	2,006	1,94	2,29	2,82	3,23	2,94	2,96	3,14
<b>Europe</b>	182,57	176,02	213,05	254,11	293,77	244,94	246,35	249,03
<b>EU 27</b>	165,76	158,39	191,49	225,49	253,58	208,58	208,01	208,73
<b>Latin America</b>	17,83	17,13	19,61	27,72	32,64	33,26	37,03	39,35
<b>North America</b>	199,30	181,93	213,39	258,10	272,99	218,67	241,09	264,40
<b>Middle East</b>	10,07	10,25	13,86	19,24	26,94	24,52	26,44	29,38
<b>North Africa</b>	3,51	3,71	5,07	7,27	9,92	10,43	11,23	11,44
<b>Sub-Saharan Africa</b>	6,41	7,09	9,58	13,93	17,71	19,44	21,96	24,03
<b>Southeast Asia</b>	21,19	23,46	26,66	32,99	45,16	36,43	38,26	41
<b>North East Asia</b>	95,52	93,33	112,80	141,96	165,07	155,22	170,92	190,39
<b>Oceania</b>	8,49	8,01	10,59	12,75	14,38	12,83	15,90	17,25

Source: [www.wttc.org/research/economic-data-search-tool/](http://www.wttc.org/research/economic-data-search-tool/)

In terms of business tourism revenue the leading regions are Europe and North America, the traditional centers of business tourism. Some changes occurred in the market of business travel and events, including the most significant ones as follows (Davidson, 2009):

- *The organizers of business events decide for certain aspects of the organization at the last minute, because they do not want to order products and services in advance but just before the event and thus give themselves additional time looking for a more favorable offer.*

---

<sup>1</sup> The complete income including transportation and domestic and foreign business trips are taken into consideration. The assessments are given for 2011.

- The decision on a specific event venue is largely based on price and takes into account a larger number of bids.
- The share of one-day business events increase in order to avoid additional cost of overnight accommodation.
- The organizers of the event reduce the number of suppliers to benefit from the economy of scales and involve the same suppliers for events.
- In contrast to the corporate market, the market of associations and government agencies reports growth for up to 20%.

## ECONOMIC EFFECTS OF TOURISM ON SERBIAN ECONOMY

The economic effects of tourism on the economy of Serbia can be observed from many aspects some of which are share of tourism in the gross domestic product (GDP) of Serbia, the revenue from foreign tourists, the number of employees in the tourism sector related to total employment and the share of investment in tourism in total investments in Serbia.

**Table 2.** The share of tourism in GDP in Serbia (hotels and catering facilities)

Year	2001	2005	2006	2007	2008	2009	2010
Total GDP (in millions \$)	9427	25234	29221	39385	48856	41658	/
GDP per capita (in \$)	1220	2729	3144	3900	4547	4093	/
The participation of hotel and catering industry in GDP (in %)	/	1,05	1,11	1,04	0,95	1,02	0,96
GDP growth (in %)	4,8	5,6	5,2	6,9	5,5	-3,1	1,5

*Sources:* Statistical Yearbook of the Republic of Serbia 2010, Statistical Yearbook of Serbia 2011 - National Accounts, Investment Guide to Serbia / Questions and Answers (2011), Serbian Investment and Export Agency, Belgrade, pg. 10-11 and the authors' own calculations.

The data presented in Table 2 show that in the period from 2001 to 2010 the GDP in Serbia grew more than 3.5 times rising from about 9.4 billion to over 41 billion USD. In the observed period there was an increase in GDP per capita in the same relation, i.e. it was increased from 1220 USD to over 4100 USD per capita. The share of hotel and catering facilities in GDP in the entire observed period is around 1% and the share of activities of travel agencies and tour operators is negligible at about 0.1% (Statistical Yearbook of Serbia, 2010).

The data on employment in Serbia are profoundly disturbing. From 2001 employment rate is constantly decreasing and the unemployment rate in the same period increased from 26.8% to nearly 30%. This trend continued in 2011, which will have a strong negative effect on the overall economic development of Serbia. In the same period the number of employees in the facilities for accommodation and food drastically dropped from near 38,000 to just over 20000. Compared with the situation in the EU, the share of employees in hotels

and restaurants is about 4 times less with 4.22% of the total number of employees in the EU. ([http://epp.eurostat.ec.europa.eu/statistics\\_explained](http://epp.eurostat.ec.europa.eu/statistics_explained))

**Table 3.** Employment in Serbia and the share of employees in the facilities for accommodation and food

Year	Total of employees in Serbia	Unemployment rate (in %)	Employees in hotels and catering facilities	Share of employees in hotels and catering facilities
2001	2101668	26,8	37939	1,8
2006	2025627	31,1	24736	1,22
2010	1796000	29,3	20863	1,16

*Sources: Statistical Yearbooks of Serbia 2002-2011 and the authors' own calculations*

The number of employees in the activities of travel agencies, tour operators and booking was minimal, and in 2010 only 2929 workers were employed there, or 0.16% of the total number of employees in Serbia. Also, the transport sector is important for the development of tourism in Serbia, but we cannot determine how many employees are directly or indirectly involved in supplying services to tourists. Within this sector the most important for tourism are road and air traffic in which there were 55,239 employees in 2010, or 3.07% of total employment in Serbia. In absolute terms it is a decrease of about 14,700 workers compared to 2001, while the decline in the share is minimal, amounting to only 0.15%. These data are worrisome, not only because of the decreasing number of employees but also because of the participation of employees in activities directed to supplying services to tourists which ranges from 1.16% to a maximum of 5% depending on the scope of observation in 2010.

**Table 4.** Foreign currency inflow from tourism in Serbia

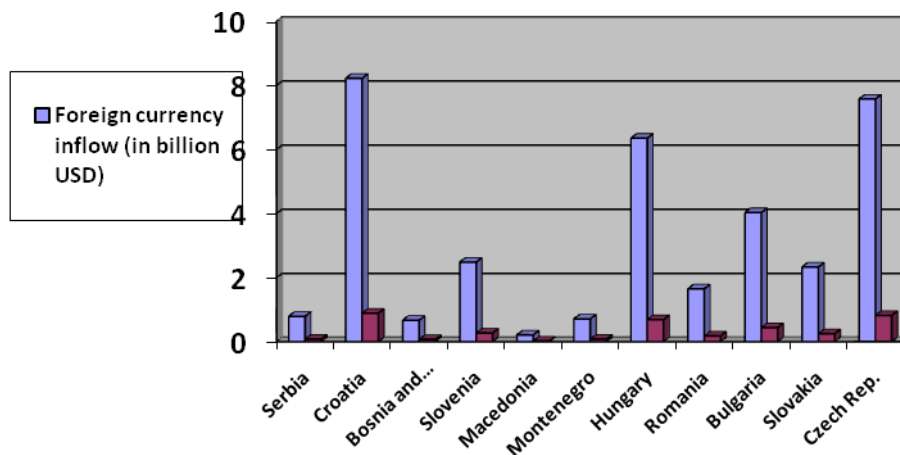
Year	The foreign currency inflows (in EUR 000)	Foreign currency inflow (u 000 USD)
2006	/	416 320
2007	/	531 293
2008	639 900	944 251
2009	617 177	865 373
2010	604 856	798 382
Januar-jun 2011	279 189	393 523

*Source: www.merr.gov.rs, www.nbs.rs*

Foreign currency inflow from tourism in the period from 2001 to 2010 recorded certain growth. However, when compared with neighboring countries, which are also direct competitors of Serbia on the international tourism market, foreign exchange inflow from tourism in Serbia is negligible. All the observed countries together (Figure 1) made about 35 billion USD or 3.81% from

international tourism in 2010. This is an increase compared to the results from 2006, when these countries accounted for 3.33% of the total world income from international tourism. (<http://earthtrends.wri.org/text/economics-business/variable-252.html>)

**Figure 1.** Foreign currency inflow from tourism and its share in the world income from international tourism in Serbia and the surrounding in 2010

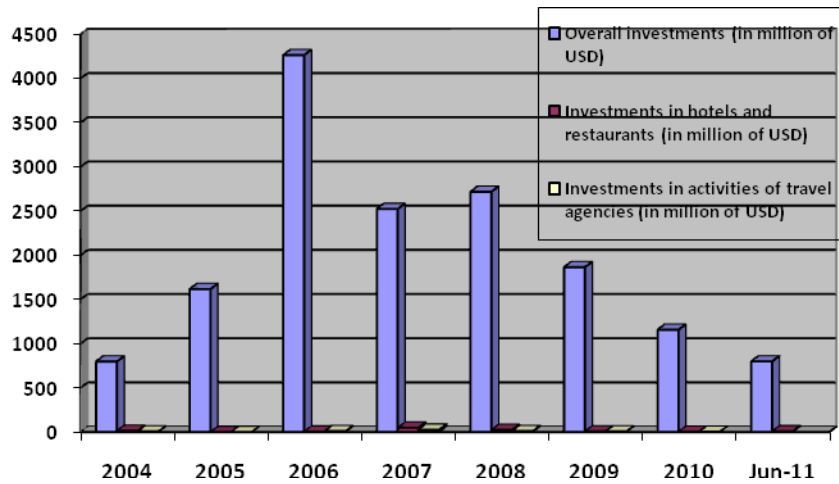


*Source:* [www.data.worldbank.org/indicators/ST.INT.RCPT.CD](http://www.data.worldbank.org/indicators/ST.INT.RCPT.CD), UNWTO press release, 2011 and authors' own calculations

In the period from 2004 to June 2011 \$ 15.7 billion of direct foreign investment, or slightly over 13 billion euros, have been invested in Serbia. However, based on the data shown in Figure 2, it can be noted that investment activity declines since 2006, when \$ 4.2 billion were invested. Reduced investment activity coincides with the global economic crisis, so in 2010 only US\$ 1.15 billion or 860 million Euros were invested.

In the same period in hotels, restaurants and the related activities of travel agencies 166 million dollars were invested, while according to some estimates from 2005 to 2010 the total investment in the tourism sector was around 300 million Euros. (Investor's Profile Serbia, 2011) The biggest investment activity in the tourism sector was recorded in 2007, 2008 and the subsequent years, i.e. the years after the largest investments in Serbia, after which followed a fall in investment. However, encouraging is that in the first half of 2011 twice as much as in the entire 2010 (about 7.5 million dollars or 15% more than in the entire 2009) were invested in hotels and restaurants.

**Figure 2.** Foreign direct investment in Serbia and investments in hotels, restaurants and travel agencies from 2004 to 2010



Source: [www.nbs.rs](http://www.nbs.rs)

#### THE ASSESSMENT OF BUSINESS TOURISM EFFECTS IN SERBIA

Business tourists are an important segment of demand on the tourism market of Serbia. There is an estimate of the number of business travellers in the total number of tourists in Serbia, but there are no accurate records. The closest estimates are for Belgrade not only as a leading tourist destination, but also as a leading business tourism destination in Serbia. The reason for the lack of accurate data must be sought in inadequate statistical data collection and processing. The fact is that most of the commercial tourist routes are directed to Belgrade. In 2006 there were 60% of domestic and 40% of foreign visitors in Belgrade were business tourists, and the plans by 2018 predict that their total share will be about 32.5%. (Tourism Development Strategy of Belgrade, 2008) There are some estimates suggesting that 85% of guests in Belgrade are business guests. Among them, 70% are individual business guests, and 15% participants in MICE movements. Unfortunately, there are no accurate data.

Within business tourism a special significance has congress tourism. According to the ICCA (International Congress and Convention Association), more than 8290 international events of this type, which have a constant character and are repeated at regular intervals, were hosted in 2009, the year of crisis (in Belgrade 25 of this number). (The International Association Meetings Market 2001-2010, 2011) The latest data for 2010 show that 46 events among which 33 in Belgrade according to ICCA standards were held in Serbia. This puts Serbia on the 43<sup>rd</sup> position among the world countries, and Belgrade on the 55<sup>th</sup> position among the world cities.

In order to determine the purposes for tourists' arrival in Serbia a poll research was carried out using a quantitative method of inquiry. A poll survey is

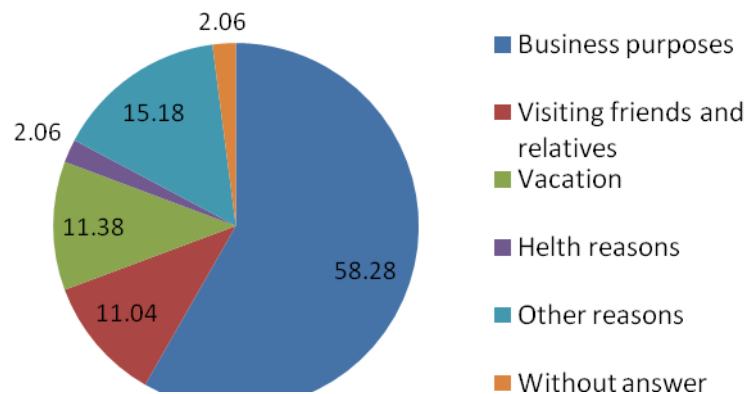


a widely accepted way of collecting data related to the opinions, knowledge, attitudes, beliefs, behaviors, plans, origin and a series of other attributes of the respondents. (Taylor-Powell, Herman, 2006) The poll was conducted in the hotels on the territory of Belgrade<sup>3</sup> as a leading tourist destination in Serbia, where the questionnaire was distributed to guests on their arrival by the hotel reception services

Completing the questionnaire was voluntary and 290 guests took part in the poll containing nine questions that respondents answered. In this case a closed type of questionnaire was used with multiple-choice answers that should be encircled, together with a combination of open poll on particular issues (questions concerning the origin of tourists, a destination that they will visit and the duration of their stay). The study was aimed at proving the hypothesis that the majority of hotel guests in Serbia are business guests or visitors who stay there for business reasons. The study involved only foreign tourists, while domestic guests were not the target of this research.

The surveyed visitors responded to 9 questions, and the first question referred to where they came from. The remaining 8 questions were related to the purposes for their visits, length of stay, frequency of their visits, etc. By answering the third question in the questionnaire participants gave the reason for their stay in Serbia. Six guests out of the total 290 respondents, or 2.06%, did not circle any of the offered answers. All the others chose one of the answers. (Figure 3) Even 169 of the interviewed guests reported business as the purpose for their stay in Serbia and this was far ahead of all other answers provided.

**Figure 3** Purposes for tourists' arrival in Serbia



*Source: Authors*

<sup>3</sup> The poll was distributed to the hotels: Holiday Inn, Hayat Regency, Zlatnik, Zira, Palas, Belgrade Continental Hotel, Best Western Šumadija, Serbia, In-Hotel and Majestic.

When considering the length of stay, the results obtained at the polled sample indicate that 61.38% of guests planned to stay up to 4 days, 29.31% planned to stay 5-10 days, and only 6.21% over 10 days. Based on this survey it can be concluded that hotel guests in Serbia:

- are mostly from Europe,
- are generally from the area of South and Southeast of Europe,
- stay predominantly up to 4 days,
- come mainly for business reasons,
- largely come from the former Yugoslavia and in this case, visiting friends and relatives in addition to business reasons is the dominant reason for their arrival.

#### THE PROPOSED MODEL OF COMPETITIVENESS OF SERBIA AS A DESTINATION OF BUSINESS TOURISM

It is essential that managers in the destination understand how they can increase or maintain the competitiveness of a destination. It is therefore very important to identify and establish competitive advantages or disadvantages and to analyze the competitive position of the destination. (*Gomezelj, Mihalić, 2008*) The concept of competitiveness has been adopted from economic theory and applied to specific companies and organizations, as well as to countries. There is a large number of definitions of competitiveness, and one of the first and the simplest is the one given by Newell by which competitiveness is the ability to produce more and better goods and services being successfully sold to consumers". (*Yoon, 2002*) The World Economic Forum considers competitiveness from the aspect of states and defines it as 'a set of institutions, policies and factors that determine a country's level of productivity' (*World Economic Forum (2010): The Global Competitiveness Report 2010-2011*).

*Buhalis* quite simply says that "the destination competitiveness is associated with the economic prosperity of the population of a state". (*Vengesayi, 2003*) *Enright and Newton* claim that competitiveness is increasingly seen as critical to the performance of tourist destinations in the ever sharper world market. (*Enright, Newton, 2005*) *Dwyer and Kim* define tourist destination competitiveness as "its ability to supply goods and services that are superior to other destinations in those aspects of tourism experience that are considered essential by tourists". (*Dwyer, Kim, 2003*) *D'Hautesserre* defines destination competitiveness as the ability to maintain its market position and share and / or improve them over time". (*D'Hautesserre, 2000*) *Hassan* says that competitiveness of a destination is "its ability to create and integrate products with the value added to sustainable resources and to retain its market position compared to the competition". (*Wilde, Cox, 2008*) It could be concluded that the competitiveness of a tourist destination represents *its ability to make profit from*

*the tourist traffic for a longer time by creating and delivering added value to tourists through adequate coordination of a set of different variables.*

The most famous model of tourist destination competitiveness was developed by Crouch and Ritchie in the period from 1993 to 1999, redesigned in 2003 and called it **the conceptual model of destination competitiveness**. Their model indicates that the competitiveness of the destination is based on the wealth of resources or comparative advantages on one side and the ability to exploit these resources or competitive advantages on the other. (Crouch, 2007; Ritchie, Crouch, 2000; Crouch, Ritchie, 1995)

**Table 6** Determinants and attributes of competitiveness model of Serbia as a business tourism destination

<b>Determinants</b>	<b>Attributes</b>
<b>Key resources</b>	<ul style="list-style-type: none"> <li>- Traffic and geographical position of Serbia in relation to the mentioned competitors</li> <li>- State of transport infrastructure</li> <li>- State of the Environment</li> <li>- Climatic factors</li> <li>- The possibility of practicing outdoor activities</li> <li>- The possibility of practicing water sports</li> <li>- The wealth of cultural and historical heritage</li> <li>- Gastronomy</li> <li>- Preservation the traditional arts-crafts</li> <li>- Entertainment</li> <li>- Culture</li> <li>- Possibilities and choices when buying</li> <li>- Arrangement and the availability of attractive elements of the tender</li> </ul>
<b>Specific resources of business tourism</b>	<ul style="list-style-type: none"> <li>- Condition of accommodation facilities</li> <li>- State and number of congress, conference and fair facilities</li> <li>- Features of congress, conference and fair facilities</li> <li>- Quality of service in hotels, restaurants, trade network</li> <li>- Availability and quality of tourist agencies specialized in business tourism</li> <li>- Use of non-specific capacities in business tourism (factories, castles, halls, etc.).</li> </ul>
<b>Destination Management</b>	<ul style="list-style-type: none"> <li>- The existence of recognizable symbols of the destination</li> <li>- Level of employees' training for the specific needs of business tourism</li> <li>- Knowledge of foreign languages by employees in the tourism industry</li> <li>- The existence and availability of promotional materials about business tourism in Serbia</li> <li>- The existence and availability of promotional materials on Serbia as a destination</li> <li>- The involvement of local people in the creation of Serbia as a business tourism destination</li> <li>- Political and economic stability</li> <li>- Recognizability of Serbia in the regional market of business tourism</li> <li>- Recognizability of Serbia in the European market of business tourism</li> </ul>
<b>Independent attribute</b>	<ul style="list-style-type: none"> <li>- Rating the overall destination attractiveness</li> </ul>

*Source: Authors*

Crouch and Ritchie's model was developed as a general model that could refer to any destination or tourism market, and not as a model applicable to a specific situation, so that it was planned to consider all potentially relevant attributes rather than to be narrowly focused on certain aspects of competitiveness such as price competitiveness or destination attractiveness. There are several notable tourism destination competitiveness models like often cited model developed by Kim and Dwyer. (Dwyer, Kim, 2003)

Model for measuring the competitiveness of Serbia as a business tourism destination is based on the conceptual model of destination competitiveness made by Crouch and Ritchie, and integrated model of destination competitiveness created by Dwyer and Kim. Since none of these models takes competitiveness of business tourism destination for the focus of their research, but they address competitiveness in general, the adjustment of these models has been carried out. In this way a new modified model of business tourism destination competitiveness was created, which has its own specific features. The competitiveness model of Serbia as a business tourism destination consists of 29 attributes classified into 3 groups of determinants, provided that the attribute called "*rating the overall attractiveness of the destination*" is left independent. The first determinant of the model is "*key resources*" which include 13 attributes. The second determinant is "*specific resources of business tourism*" which include six attributes. The third determinant is "destination management" which includes nine attributes and "*ranking the overall attractiveness of the destination*" as an independent attribute.

The determinant "specific resources of business tourism" was created specifically for the needs of this model. For the purpose of this study the attributes that are classified in this determinant represent the basis for the development of business tourism in a destination and therefore are the key resources for this type of tourism. In this way all the important business tourism destination attributes are included within a single determinant, which affects their better understanding. In Table 6 a model of competitiveness of Serbia as a business tourism destination is presented.

## CONCLUSION

Based on the above data it can be concluded that tourism has an important place in the world economy. In order to attract as many quality guests and achieve a dominant competitive position with the most favorable financial results, a significant number of tourist destinations have opted to supply service to the markets of business tourism and business guests. Given the significant expenditure of participants in business travel even in the global economic crisis it may be deduced that business tourism destinations committed for business tourism have acted properly in their choice.

As regards the national economy of Serbia and the impact of tourism on it, the conclusion is imposed that at this moment Serbian tourism industry is underdeveloped and therefore achieves modest results compared to the possibilities, which affects the impact of tourism on the overall economic development of the country. On the other hand, business tourism occupies a dominant position by both, the number of tourists and the achieved results. Therefore, the increased investment in accommodation and business facilities intended to business tourists in Serbia are present. The leading business tourism destination centers in Serbia are Belgrade and Novi Sad.

For the purposes of further study, the development of the position and strengthening effects of business tourism in Serbia, it is important to establish its competitive position in the market of business tourism. For this purpose the model of competitiveness of Serbia as a business tourism destination has been developed, which represents an authentic model for the specific needs of Serbia as a business tourism destination. This model should be the starting point for further research on competitiveness of Serbia as a business tourism destination. Its modular construction allows a relatively easy and quick adjustment to the needs of other aspects of Serbia's development. Thus, its contribution is multiple and significantly impacts the strengthening of Serbia's position in the business tourism market.

#### BIBLIOGRAPHY

1. Ali S.H. and Ali A.F. (2010): *A Conceptual Framework for Crisis Planning and Management in the Jordanian Tourism Industry*, *Advances in Management* 3(7), pp. 59-65.
2. Crouch G.I. (2007): *Modeling destination competitiveness: A Survey and Analysis of the Impact of Competitiveness Attributes*, Cooperative Research Centre for Sustainable Tourism, Gold Coast, Queensland, ,
3. Crouch G.I., Devinney T.M., Louviere J.J., Islam T. (2009): *Modeling consumer choice behavior in space tourism*, *Tourism management* 30 (3), Elsevier, Oxford, 441-454,
4. Crouch, G. I., Ritchie, J. R. B. (1995): *Destination competitiveness and the role of tourism enterprise*, *Working paper*, The University of Calgary, Calgary.
5. Davidson R. (2009): *EIBTM 2009 Industry Trends and Market Share Report*, Reed Travel exhibitions, retrieved on September, 21<sup>st</sup> 2011 from [www.iccaworld.com/dbs/eibtm/files/3464\\_eibtm\\_industry\\_report\\_print\\_2009](http://www.iccaworld.com/dbs/eibtm/files/3464_eibtm_industry_report_print_2009)
6. Davidson R., Cope B. (2002): *Business Travel – Conferences, Incentive Travel, Exhibitions, Corporate hospitality and Corporate Travel*, Prentice Hall,
7. D'Hautesserre, A. (2000): *Lessons in managed destination competitiveness: the case of Foxwoods Casino Resort*, *Tourism Management*, 21 (1), 23-32.
8. Dwyer, L., Kim, C. (2003): *Destination Competitiveness: a model and indicators*, *Current Issues in Tourism*, 6 (5), Routledge, 369-413.

9. Enright, M.J., Newton, J. (2005): *Determinants of Tourism Destination Competitiveness in Asia Pacific: Comprehensiveness and Universality*, *Journal of Travel Research*, Volume 43 (4), 339-350,
10. Ge.C., Liu Z. (2010): *The Global Economic Crisis in the Perspective of Keynesian Business Cycle Theory*, *International Business Research*, 3(2), Canadian Center of Science and Education, 21-23.
11. *Investor's Profile Serbia, 2011*, Serbia Investment and Export Promotion Agency, Belgrade, Retrieved on October 29<sup>th</sup> 2011 from [http://www.siepa.gov.rs/files/pdf2010/Investors\\_Profile\\_Serbia.pdf](http://www.siepa.gov.rs/files/pdf2010/Investors_Profile_Serbia.pdf).
12. *Investment Guide to Serbia - Questions and Answers* (2011), Serbia Investment and Export Promotion Agency, Belgrade,
13. Lokshin M.M. and Jovanovic B. (2003): Wage differentials and state private sector employment choice in Yu, *Economics of Transition* 11(3), pp. 463-491.
14. *Progress and Priorities 2009-10*, World Travel & Tourism Council, London,
15. *Statistical Yearbooks of the Republic of Serbia 2000-2011*
16. Šimičević D., Nicić M. (2007): *Osnovni elementi i pravci razvoja destinacija poslovnog turizma*, *Naučno-stručni časopis Turizam No. 11*, Faculty of Sciences – Department of Geography, Tourism and Hotel Management, Novi Sad, 52-54.
17. Štetić S. (2011): *Poslovni turizam*, LI, Beograd
18. Taylor-Powell E., Herman C. (2000): *Collecting Evaluation Data: Surveys*, University of Wisconsin – Extension Cooperative Extension, Madison.
19. *Tourism Development Strategy of Belgrade*, (2008), Institute of Economic Sciences, Belgrade, Retrieved on February, 10<sup>th</sup> 2011.
20. Vengesai S. (2003): *A conceptual model of tourism destination competitiveness and attractiveness*, *ANZMAC Conference Proceedings*, Adelaide, 637-647.
21. Wilde S., Cox C. (2008): *Principal factors contributing to the competitiveness of tourism destinations at varying stages of development*, *Conference proceedings paper*, Cauthe.
22. UNWTO Tourism Highlights, 2011 Edition, Retrieved on October, 26<sup>th</sup> 2011 from [www.mkt.unwto.org/en/content/tourism-highlights](http://www.mkt.unwto.org/en/content/tourism-highlights).
23. [www.arenabeograd.com](http://www.arenabeograd.com)
24. [www.data.worldbank.org/indicator/ST.INT.RCPT.CD](http://www.data.worldbank.org/indicator/ST.INT.RCPT.CD) retrieved on October, 27<sup>th</sup> 2011.
25. [www.earthtrends.wri.org/text/economics-business/variable-252.html](http://www.earthtrends.wri.org/text/economics-business/variable-252.html)
26. [www.epp.eurostat.ec.europa.eu/statistics\\_explained](http://www.epp.eurostat.ec.europa.eu/statistics_explained) [www.expoxxi.rs](http://www.expoxxi.rs)
27. [www.merr.gov.rs](http://www.merr.gov.rs)
28. [www.nbs.rs/internet/cirilica/80/platni\\_bilans.html](http://www.nbs.rs/internet/cirilica/80/platni_bilans.html)
29. [www.wttc.org/research/economic-data-search-tool/](http://www.wttc.org/research/economic-data-search-tool/)