

Tourism and Hotel Management Their Impact on the Number of Visitors and the Utilization of Hotel Capacities in Kosovo

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Abstract

The aim of this paper is to present an overview of knowledge on tourism and hotel management, given the great importance of these industries in the economic development, as well as the rapid development they have been experiencing in recent years.

People all over the world organize tourist trips with the intention of resting, entertainment, doing various activities so that they can get away from their work routine and their work responsibilities.

This paper provides a theoretical approach to tourism and hotel management, as well as the impact of effective and efficient management on increasing the number of tourists and visitors and increasing the utilization of hotel capacities in Kosovo.

Key words: tourism, hotel, tourism and hotel management, number of visitors, hotel capacities.

INTRODUCTION

It has been widely accepted that tourism and hospitality studies and education are closely linked to each other. Stear and Griffin (1993:41-42) examined principally the Australian context and found that there

are four flawed assumptions about link between tourism and hospitality:

1. The commercial hospitality industry is the most significant element of tourism,
2. The hospitality sector is the most dominant which leads to an assumption that hospitality industry equals to tourism industry,
3. Commercial hospitality services are just produced to satisfy tourists' needs and
4. Hospitality and tourism education has the same content.

Some of these assumptions are thought to be true outside the examined country, however the authors criticized such beliefs by providing detailed evidence (e.g. restaurants provide food and beverage not just for tourist but for residents as well). The authors stated that the last assumption could result that courses are designed by inappropriate approach as it is believed that there no difference between hospitality and tourism education.

In contrast, tourism incorporates a much broader area of services (e.g. marketing, transportation) which comprises hospitality as one of its components.¹

1. LITERATURE REVIEW

1.1. Tourism theory

The term tourism has evolved throughout the 20th century and today inhabits the imaginary and everyday life of much of the world's population. The term tourism is used to characterize a sociocultural phenomenon that involves transport, motivations, accommodation, hospitality, impacts and the economic, cultural, social and environmental sectors affected and fuelled by the movement of people around the world. Tourism means much more than can be expressed

¹ Mondok, A., Tourism and hotel management + Catering and hotel management equals to Tourism and catering? Assessment of Szolnok, 20th Youth Science Forum, May 23-24, 2014, Keszthely, page 1.

by a simple word, and it may be seen as both reflecting social practices and involving social representations.²

Today, the term “tourism” is closely related to the terms “hospitality”, “recreation”, “entertainment”, “leisure”, “mobility” and “movement”, but it is closest to the term “travel”. Very often, the two are used without a clear definition; in different parts of the world, they may even have different connotations.³

1.2. Tourism and hotel management

Tourism is an economic activity of global importance. However, precise measurement of travel and tourism has not always been easy. These stems in part from different definitions and methods of accounting adopted by different countries. Efforts by the World Tourism Organization (WTO) and the Organization for Economic Co-operation and Development (OECD) have helped in this respect. Vellas and Becherel (1995) describe the WTO as the main source of statistics on international tourism. According to the WTO, tourism is now the largest industry in the world.⁴

Tourism has experienced continued expansion and diversification over the last six decades, becoming one of the largest and fastest-growing sectors in the global economy, according to the United Nations World Tourism Organization (UNWTO, 2012).⁵

At a very general level, the word “management” as applied to tourism refers to how tourism needs to be managed as a growing activity at a global, national and local level in order that its often contradictory forces (i.e. the pursuit of profit as a private sector activity and impact on the resource base it uses such as a beautiful coastline on a Pacific island) are reconciled and balanced so that tourism develops and is pursued in a sustainable manner. This means that there is a need to examine the basic principles associated with the term ‘management’ and how they can be integrated with tourism

² Lohmann, G. and Netto, P. A., *Tourism Theory, Concepts, Models and Systems*, CABI, London, UK, 2017, page 26.

³ Lohmann, G. and Netto, P. A., *Tourism Theory, Concepts, Models and Systems*, CABI, London, UK, 2017, page 27.

⁴ Pender, L. and Sharpley, R., *The Management of Tourism*, SAGE Publications, London, 2005, page 2.

⁵ Marani, M. M., Czakon, W., Buhalis, D. and Vitouladiti, O., *Tourism Management, Marketing and Development, Performances, Strategies and Sustainability*, Palgrave Macmillan, UK, 2016, page 1.

as an activity. The basic functions associated with management focus on planning, organizing, leading and controlling. Each of these functions involves decision-making by managers, businesses, tourist destinations or organizations so that they can be harnessed to achieve the objectives and tasks associated with managing tourism. The word “organization” is often used as an all-embracing term to refer to the type of tourism entity that is involved with tourism as a business or at another level. These businesses are motivated by their involvement in tourism to make a profit and, therefore, the efficient organization and management of their activities is essential to ensure that company or organizational objectives are met.⁶

Hotels are changing and will continue to change. As a result, modern hotel management techniques have to adapt to changing circumstances. Hotels have been affected by the emphasis differences between the country’s lifestyle patterns. The hotel business has been active and it can be said that there are more jobs and a large concentrations of economic activity occur.⁷

The hotel industry though considered a service sector, providing service in the form of food and accomodation to its guests is considered as an industry whose main aim is also to make profits, though this may change at times. The hoteliering sector consists of different categories of hotels- namely the five star, three star and other categories. These differentiate the hotels based on the service of varied types, which are provided to the guest for instance the hotel may provide food accomodation and other services - which include a luxury room with a television, telephone, ticketing, transport etc. For instance the decision of starting a hotel itself involves decision making to analyse the need for opening a hotel the cost to be incurred, the choice of selecting the right place to open an hotel, also plays a role in its growth. The type of facilities offered, the number of rooms to be built, all these decision have to possess the need and timing, for which the concept of economics is utilized. The guiding principles of economics enables the hotel industry to get not only profits but tries to avoid loss and to survive in the competitive situation. Profits in the

⁶ Page, J. S., *Tourism Management*, Sixth Edition, Routlende - Taylor & Francis Group, London and New York, 2019, page 32.

⁷ Rutherford, G. D. and O’Fallon, J. M., *Hotel Management and Operations*, Fourth Edition, John Willey & Sons, Inc., New Jersey, 2007, page 1.

hotel industry depends to a large extent of guest arrivals. In a given year when tourist inflow would be abundant leading to a greater demand for accommodation, the entrepreneurs has to use this opportunity to either modify service charges in a way. So that he obtains a large flow.

In the hotel industry, also there is stiff competition among the same categories of hotels in the form of accommodation. They provide the facilities they have and the price is charged for the service incurred. Here or the name plays an important role.

The hotel industry is only a subsidiary of the main service sector which is tourism, which relates to the flow of tourist within the country from outside. The macro economic concepts help the tourism industry to grow over a longer period of time. The economic policies both fiscal and monetary affect tourism industry, to a great extent. The effective function of tourism depends on appropriate decisions in accordance to the changes in the government policy.⁸

1.3. Visitor management in tourism destinations

Visitor management is practiced, explicitly and implicitly, within every destination, at every attraction, accommodation and tourism transport option. It considers such different issues as tourist facilities, gateways and orientation, transport routes and visitor flows, guiding and interpretation. Accordingly, a varied range of stakeholders at different levels in tourism management exercise interests in visitor management. These can include public sector organizations such as local government agencies or regional tourism organizations, (tourism) businesses or business advocacy groups devising visitor management strategies for the attractions and activities that they offer or manage, local resident groups, and non-governmental and third sector organizations, among others.

Visitor management can be subject to legal regulations or statutory frameworks, for example activities in protected areas, risk management in adventure tourism etc.⁹

⁸ Shellaa, M. A., *Economics of Hotel Management*, New Age International (P) Limited, Publishers, New Delhi, 2002, page 1-2.

⁹ Albrecht, N. J., *Visitor Management in Tourism Destinations*, University of Otago, Dunedin, New Zeland, 2017, page 3.

2. DEVELOPMENT OF TOURISM AND HOTEL IN KOSOVO

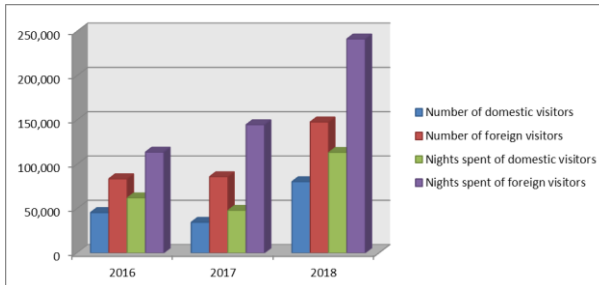
Tourism is an important economic area for the Republic of Kosovo. Through the tourist valorization of its natural and cultural attractions of the international tourism market, our country has a basis to advance its economic strength. In order to determine the impact of tourism on the country's economy, basic indicators reflecting the state of Kosovo's tourist circulation will be analyzed.¹⁰

Table 1. Number of domestic and foreign visitors to Kosovo and their nightsspent in 2016-2018

Year	Number of visitors		Netë qëndrimet	
	Domestic	Foreign	Domestic	Foreign
2016	45,579	83,710	62,211	113,785
2017	34,569	86,032	48,111	144,736
2018	80,423	147,831	113,474	241,493

Source: Kosovo Agency of Statistics

Chart 1. Number of domestic and foreign visitors to Kosovo and their nights spent in 2016-2018



From the data in the table above and from the chart we can notice that in Kosovo during the last years, respectively during the period 2016-2018 there was a large number of visitors, a number that marked a significant increase each year. In the largest number were foreign visitors, i.e. those who visited Kosovo and come from other countries. The maximum figures for both domestic and foreign visitors and their nights spent were recorded in 2018, respectively, with

¹⁰ Tahiri, A. and Kovaçi, I., Management in Tourism, Theoretical Managerial Approache, Research Center, Peja, 2017, page 78.

80,423 domestic visitors and 113,474 nightsspent, and the number of foreign visitors was 147, 831 and their nights spent reached 241, 493.

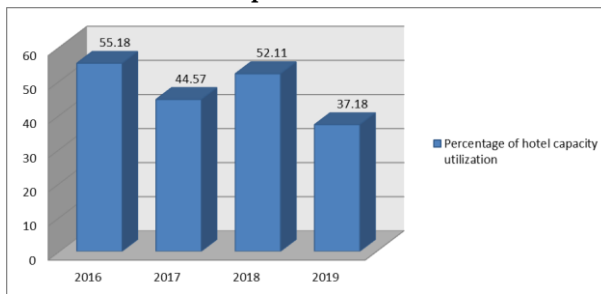
Table 2. Utilization of hotel capacities in Kosovo in 2016-2019

Year	Percentage of hotel capacity utilization
2016	55.18%
2017	44.57%
2018	52.11%
2019	37.18% (the fourth quarter missing)

Source: Kosovo Agency of Statistics

**Note: for 2019 the fourth quarter percentage is missing, which means that this percentage is greater when the fourth quarter is included. The reason why this percentage is not increased is that the Statistics Agency has not yet presented the statistics for this period, as these figures are very new and it takes time until they are reported in the statistics reports.*

Chart 2. Utilization of hotel capacities in Kosovo in 2016-2019



From the data on hotel capacity utilization during 2016-2019 we can notice that the percentage of such utilization reaches the average figures.

There are a considerable number of hotels of different capacities in Kosovo, ranging from 1 star hotels to 5 star hotels.

Table 3. Categorization register of accommodation units in Kosovo

Nr.	Name of accommodation unit	Type Classification /	Municipality	Category by stars
1.	N. H. "Amazona"	Hotel	Obilic	***
2.	"Swiss Diamond Hotel"	Hotel	Prishtina	*****
3.	"OK Hotel"	Hotel	Prizren	***
4.	"Emerald Hotel"	Hotel	Gracanica	*****
5.	"Qarshia e Jupave"	Hotel	Gjakova	***

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	Hotel			
6.	“Afa” Hotel	Hotel	Prishtina	***
7.	“Quenn Vilas” Motel	Motel	Gracanica	*
8.	“Graçanica” Hotel	Hotel	Gracanica	**
9.	“Gorenje” Hotel	Hotel	Prishtina	***
10.	“Centrum” Hotel	Hotel	Prizren	**
11.	“Amsterdam Hotel”	Hotel	Gjakova	*
12.	“Dukagjini Hotel”	Hotel	Peja	*****
13.	“Meka”	Hotel	Dragash	**
14.	“Kristal” Hotel	Hotel	Gjilan	**
15.	Nartel Hotel	Hotel	Prishtina	****
16.	“Vita Hotel” (Al Petrol)	Hotel	Kosovo Polje	***
17.	“Prishtina Hotel”	Hotel	Prishtina	***
18.	“Sirius-B” Hotel	Hotel	Prishtina	****
19.	“International” Hotel	Hotel	Gracanica	***
20.	“Brilant” Hotel	Hotel	Prishtina	***
21.	“Ambasador” Hotel	Hotel	Prishtina	***
22.	“Parlament” Hotel	Hotel	Prishtina	***
23.	“Estrada” Hotel	Hotel	Suva Reka	**
24.	“Garden” Hotel	Hotel	Prishtina	****
25.	“Ulpiana” Hotel	Hotel	Gracanica	***
26.	“Prizreni” Hotel	Hotel	Prizren	**
27.	“Valdrini” Hotel	Hotel	Ferizaj	*

Source: Ministry of Trade and Industry of the Republic of Kosovo, Department of Industry

CONCLUSIONS AND RECOMMENDATIONS

Based on the theoretical review and the above data regarding tourism and hotel management and their impact on the number of domestic and foreign visitors and utilization of hotel capacities in Kosovo, we can conclude that:

- Tourism is a very important industry which is currently experiencing rapid development. The reasons for this rapid development are related to the fact that tourism itself includes hospitality, entertainment, recreation, travel, leisure, etc., in tourist destinations.
- The term tourism today is used in all languages of the world and it refers to the movement of people for the purpose of rest, cultural purpose, entertainment purpose etc.

- Today, people increasingly feel the need to change of permanent residence and to stay temporarily in places that are still clean, unpolluted, in order to update their physical and mental state, i.e., in tourist destinations.
- In order to develop tourism as much as possible, this development must also be followed by the development of the hotel industry.
- The development of hotel industry offers opportunities for accommodation of tourists and visitors and their service in order to meet tourist needs and requirements.
- In the case of Kosovo, natural beauties and tourist attractions have led to an increase in the number of domestic and foreign tourists over the years.
- Also, accommodation opportunities are another important factor for utilization of above average hotel capacity in Kosovo.
- Kosovo offers numerous opportunities for tourists, both in visiting tourist destinations and in accommodating tourists and visitors to hotels in different municipalities of the country. Hotels in Kosovo are of different categories (1-5 stars) and depending on the opportunities and preferences of visitors, their accommodation can be done.
- The largest number are foreign visitors, whose number increases significantly every year, which enables the development of tourism and hotel industry in Kosovo.

And finally we can say that all of the above conclusions lead us to a comprehensive conclusion that:

- Good and adequate tourism and hotel management in Kosovo has led to an increase in the number of visitors, both domestic and foreign, followed by an average utilization of hotel capacity in Kosovo.

Recommendations regarding tourism and hotel management in Kosovo relate to:

- For the tourism and hotel industry to continue to develop in the future, the country's natural beauty and tourist attractions must be protected. Likewise, hotel managers in Kosovo should apply efficient and effective management style that will result in providing adequate services to tourists and

visitors so that their needs and requirements are met and are part of the primary interests of the business.

- Thus, an effective tourism and hotel management will undoubtedly result in a significant increase in the number of tourists and visitors and an increase in the utilization of hotel capacities in Kosovo.

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