

# RISK MANAGEMENT OF TOURISM DEMAND IN SOUTH- WESTERN BULGARIA THROUGH CORRELATION ANALYSIS



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# I. Introduction:

- ▶ The favorable geographical location of Bulgaria makes tourism one of the priority sectors of the national economy. The tourism sector provides the country's economy with about 10% of the gross national product. The main focus of the tourist product in the country is mainly on the traditional mass tourism - sea and mountain.
- ▶ Southwestern Bulgaria encompasses the central zones of the Balkan Peninsula, where the high mountains of Rila and Pirin rise. The relief here is intersected by vast plains and hollows. The beautiful gorges of the Struma River and the Mesta River, which have a mild Mediterranean climate, are well known. This part of Bulgaria is also characterized by hot mineral springs, which number over 200, scattered throughout the region. It was they who favored the birth and development of life here since the deepest antiquity, attested by the discovered and registered archeological, archeological.
- ▶ The natural resources, the cultural and historical heritage of the region, the rich culture and traditions are an opportunity for the conversion of this region to tourists. Supplying different models for the the development of tourism in the Southwest is useful in determining the directions for its further development as a tourist destination, as well as for developing regional strategy for tourism.

## II. LITERATURE REVIEW and SOME BASIC CONCEPT NOTES:

- ▶ The performed development is based on the analysis of a wide range of scientific works of Bulgarian and foreign authors, information bulletins of international organizations, international organizations. The specific econometrics applied is based on statistical data on the tourist demand in the study area. The difficulties accompanying the development are based on the theoretical bases and the choice of specific coefficients used in the multifactor analysis.

### III. THE METHODOLOGY AND MAIN RESULTS:

- ▶ The theoretical and methodological bases of the research are based on the modern achievements of the neoclassical and neo-institutional economic economy. The main methodological approaches applied in the research and analysis are the abstract-logical approach and the system approach. Analysis, synthesis, induction and deduction have found application as their specific manifestations. Statistical methods used for research (descriptive, correlation and regression analysis), the method of scoring, etc. were used. In the processing of the empirical information and its tabular and graphical representation, the specialized statistical package (Excel, PowerPoint, Point 13 program SPS) was used.

# III. METHODOLOGY AND MAIN RESULTS:

Table 1. Correlation analysis of the means for accomodation as a quality indicator according to the income from the overnight stay - calculations with SPSS software

When studying the influence of the quality of the hotels as a level and the income from the overnight stays, again statistically significant and determining for the tourist demand is the factor Number of shelters and accommodation 4 and 5 stars ( $r=0,922$ ). It is followed by 3 stars in terms of significance for the shelter.

Source: Author's calculations

Correlations				
		Revenues from overnight stays-total (lv.)	Number of shelters and accommodation 1 and 2 stars	Number of shelters and accommodation 3 stars
Revenues from overnight stays-total (lv.)	Pearson Correlation Sig. (2-tailed) N	1  5	,369  5	,447  5
Number of shelters and accommodation 1 and 2 stars	Pearson Correlation Sig. (2-tailed) N	,369  5	1  5	,951*  5
Number of shelters and accommodation 3 stars	Pearson Correlation Sig. (2-tailed) N	,447  5	,951*  5	1  5
Number of shelters and accommodation 4 and 5 stars	Pearson Correlation Sig. (2-tailed) N	,922*  5	,676  5	,754  5

### III. METHODOLOGY AND MAIN RESULTS:

#### **Recomendation:**

- ▶ Construction and promotion of high-class hotels and spas with a view to the fact of their determining importance in tourist demand. For the purposes of the study, the correlation coefficient of foreigners and Bulgarians in relation to financial income was estimated. Determining for the tourist demand is the factor for the number of foreigners ( $r = 0.991$ ) in relation to the financial income from the nights. Therefore, they are the determining factor in the development of a development strategy.
- ▶ In the conducted correlation analysis with variables for the tourist demand by types of tourism and indicators for assessment of the impact, the following results were obtained: In case of studied factor - incomes from overnight stays are statistically significant:
  - Mountain Tourism / Conditions for mountain tourism, Number of huts - 0,922
  - Cultural (cognitive) tourism / Museums number - 0.926
- ▶ Therefore, the determinant for the tourist demand in the South-West region is the Mountain Tourism and the Cultural-Cognitive Tourism.

### III. METHODOLOGY AND MAIN RESULTS:

Table 2. Correlation analysis - tourist demand by types of tourism with studied parameter - income from overnight stays

Correlations				
		Revenues from overnight stays-total (lv.)	Health tourism / Presence of mineral springs, Number	Mountain tourism / Conditions for mountain tourism, Number of huts
Revenues from overnight stays-total (lv.)	Pearson Correlation	1	,209	,922*
	Sig. (2-tailed)		,735	,026
	N	5	5	5
Health tourism / Presence of mineral springs, Number	Pearson Correlation	,209	1	,420
	Sig. (2-tailed)	,735		,482
	N	5	5	5
Mountain tourism / Conditions for mountain tourism, Number of huts	Pearson Correlation	,922*	,420	1
	Sig. (2-tailed)	,026	,482	
	N	5	5	5
Sports tourism / ski slopes with level for world championship	Pearson Correlation	,319	,869	,631
	Sig. (2-tailed)	,601	,056	,254
	N	5	5	5
Spa tourism / number of spa centers	Pearson Correlation	,591	,800	,762
	Sig. (2-tailed)	,294	,104	,134
	N	5	5	5
Cultural (cognitive) tourism / Monuments of culture of world importance, number	Pearson Correlation	,407	-,408	,129
	Sig. (2-tailed)	,497	,495	,837
	N	5	5	5
Cultural (cognitive) tourism / Monuments of culture of world importance, number	Pearson Correlation	,537	-,513	,509
	Sig. (2-tailed)	,351	,377	,382
	N	5	5	5
Cultural (cognitive) tourism / Museums	Pearson Correlation	,926*	-,175	,766
	Sig. (2-tailed)	,024	,779	,131
	N	5	5	5
Ecotourism / number of national parks	Pearson Correlation	-,365	,408	-,086
	Sig. (2-tailed)	,546	,495	,891
	N	5	5	5

### III. METHODOLOGY AND MAIN RESULTS:

#### Recomendation:

- ▶ A strategy is needed for the development of Spa tourism and development of mineral springs in view of the development of healthy tourism for foreign tourists. In next research only for the elements of the cultural tourism the following data were obtained: (Correlation matrix - detailed study of the segments of cultural tourism) - determining influence of the museums as defining tourist demand in the segment (0.926). Results for research of the factors that influence the tourist demand. According to the obtained results in the study of rank values of the variables in combination with quantitative (realized nights - number), statistical values with Spearman's coefficient.
- ▶ Existence and realization of the conditions for facilitating the access of the disadvantaged people to the tourist sites = 1,000
- ▶ Presence of cultural and historical sites = 0.975
- ▶ High forest cover, diverse and well-preserved natural resources - 0.949
- ▶ The analysis shows that the presence of cultural and historical objects is decisive for the tourist demand in relation to the studied variables.



### III. METHODOLOGY AND MAIN RESULTS:

- ▶ According to the obtained results in the study of rank values of the variables (External factors influencing the tourist demand) in combination with quantities, quantities (realized nights - number), statistically significant with the coefficient of Spearman are:
- ▶ Accessibility to national and international programs supporting the development of the sector = 1,000
- ▶ Degree of economic activity of private entrepreneurs = 0.949
- ▶ The economic situation and the impact on tourism - 0.900
- ▶ The analysis shows that the external factors influencing the tourist demand determining according to the studied variables is the accessibility to national and international programs supporting the development of the sector and the degree of economic activity of private entrepreneurs.

# III. METHODOLOGY AND MAIN RESULTS:

Table 3. Correlation analysis of the influence of internal factors on tourist demand - calculation with SPSS

Correlations			Number of beds	Realized overnight stays - number Total
Kendall's tau_b	Number of beds	Correlation Coefficient	1,000	,800
		Sig. (2-tailed)	.	,050
		N	5	5
	Realized overnight stays - number Total	Correlation Coefficient	,800	1,000
		Sig. (2-tailed)	,050	.
		N	5	5
	Existence and realization of the conditions for facilitating the access of people in an unequal position to the tourist sites	Correlation Coefficient	,800	1,000**
	Sig. (2-tailed)	,050	.	
	N	5	5	
Spearman's rho	Presence of cultural and historical sites	Correlation Coefficient	,738	,949*
		Sig. (2-tailed)	,077	,023
		N	5	5
	High forest cover, diverse and well-preserved natural resources	Correlation Coefficient	,894*	,894*
		Sig. (2-tailed)	,037	,037
		N	5	5
	Presence of mineral springs, RANKING VALUE -	Correlation Coefficient	,738	,738
	Sig. (2-tailed)	,077	,077	
	N	5	5	
Kendall's tau_b	Number of beds	Correlation Coefficient	1,000	,900*
		Sig. (2-tailed)	.	,037
		N	5	5
	Realized overnight stays - number Total	Correlation Coefficient	,900*	1,000
		Sig. (2-tailed)	,037	.
		N	5	5
	Existence and realization of the conditions for facilitating the access of people in an unequal position to the tourist sites	Correlation Coefficient	,900*	1,000**
	Sig. (2-tailed)	,037	.	
	N	5	5	
Spearman's rho	Presence of cultural and historical sites	Correlation Coefficient	,872	,975**
		Sig. (2-tailed)	,054	,005
		N	5	5
	High forest cover, diverse and well-preserved natural resources	Correlation Coefficient	,949*	,949*
		Sig. (2-tailed)	,014	,014
		N	5	5
	Presence of mineral springs, RANKING VALUE -	Correlation Coefficient	,872	,872
	Sig. (2-tailed)	,054	,054	

# CONCLUSIONS:

- ▶ The South-Western region is an attractive place for cultural, SPA / balneo, eco and mountain tourism. The main competitors in the region when choosing a destination for specialized tourism are the tourist destinations in Greece and the Republic of Turkey. The proposed tourist destination in the whole South-Western region is of high quality and is appreciated very well by consumers. The "satisfaction" indicator is stable over time. Foreign tourists are loyal to the destination and would not hesitate to recommend it as a place for specialized types of tourism. Roads and traffic remain a problem area, and it is possible for them to become a threat to the development of specialized types of tourism in the region.
- ▶ The information and advertising of the South-Western region as a destination for specialized types of tourism is defined by the tourists as insufficient.
- ▶ The main problems are:
- ▶ Insufficient cleanliness in the facilities, which provokes criticism from tourists. Lack of satisfaction with the low culture of service and etiquette.

# CONCLUSIONS:

- ▶ The following can be said as recommendations:
- ▶ When offering specialized types of tourism, it is good to focus on the adventure.
- ▶ It is important to emphasize the uniqueness in its various forms of nature, special experience, additional services. "Adventure" element in the package can be cultural tourism. This would improve the attractiveness of the Bulgarian tourist service and would increase the average daily expenses of the tourists in the country.
- ▶ In the case of SPA / balneal packages and packages for rural tourism, the following must be taken into account: the desire for staticity and the purpose of these types of rest - "anti-stress" and "relaxation". If an adventure / provocative element is offered, it must be within the same locality. In the case of "eco" packages, the need for "adventure" in the holiday must be taken into account. Eco and cultural tourism are perceived in a similar way, so it is advisable to think about combining them. Both types of tourism are united by the concept of "adventure" vacation. The South-Western region retains its leading position among the other regions of level 2 in the country in terms of basic economic indicators (Gross Domestic Product-GDP, Gross Value Added-GVA, Foreign Direct Investment-FDI) in 2007-2010.



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