

CARAȘ-SEVERIN COUNTY – A GREAT CANVAS FOR ENTREPRENEURIAL DEVELOPMENT IN THE FIELD OF TOURISM

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Abstract: *The county of Caraș Severin, as well as the region of Mountainous Banat as a whole, presents a major development potential in all fields of activity, with many entrepreneurial perspectives. Much of this still remains untapped, although at least one field – the tourism area is particularly remarkable, and some of the tourist attractions, both natural and anthropic, are of great value, being recognized at national level. However, the managerial weaknesses as well as the very low level of investments made in recent years have contributed to the stagnation or even regression in terms of development from this point of view. From a geographic point of view, Caraș Severin County is on the third place as an area in the hierarchy of counties, the relief forms being numerous and various, both plains, reservoirs, as well as balneoclimatic and mountain resorts, the Danube Gorge. Anthropoc objectives join the natural ones, with a number of Geto-Dacian or medieval vestiges, churches, monasteries, museums. However, the situation of tourism at the county level is not exceptional, with a number of deficiencies of several types. In order to analyze this, it is necessary first to observe the situation at national level. A closer analysis regarding the Romanian business environment indicates a general deterioration, partly due to the effects of the fiscal environment (as presented by the EY Barometer, 2013). And in terms of the number of enterprises and the period of their presence on the market, we can see that both the urban environment and the rural environment need to be given a much more serious level of attention, taking into account the fact that the process of transition to the market economy has generated mostly at rural level, multiple economic and social problems in almost all areas of activity. There is a need for actions in the process of identification of solutions in order to solve the problems of the Romanian business environment and the training of specialists in areas where there are gaps in development. We will continue to focus on the tourism and entrepreneurial potential in the area of Caraș Severin County, but we are initially looking at a brief overview of the analysis of the general business potential in rural areas in the region, as presented through statistical data (INSSE, 2016) referring to the tourism in Caras Severin.*

Keywords: *entrepreneurship; business; urban area; rural area; development.*

JEL Classification: *L26; Z32.*

1. The analysis of business potential in the rural area in the county of Caraș - Severin

The development of rural areas continues to be precarious in most counties, largely due to migration from the village to the city, and the poor support of specific activities. The economy is still not stable enough to support a positive development, while the

downward trend in the ratio between price increases for agricultural products and those of industrial products bought by farmers amplifies general imbalances and leads to low productivity.

"Historical transition, by a major complexity, in which Romania has committed itself as a central axis transition from a socialist economy characterized by 1989 to aberrant bureaucracy, a market economy" (Cojocaru). The fact that there have been more than ten years since Romania joined the European Union failed to improve the situation on all the plans and in all the areas of activity, and the rural areas do not excel in development. Cities are often considered a "haven" compared to village failures, but as a reverse, many individuals often seek relaxation even in quiet rural areas, which directly transform them into potentially underutilized or even unexploited potential.

However, in order to be able to develop all areas at an appropriate level, in order to generate interest and attractiveness for potential tourists, infrastructure investments are the basis for drawing the future development co-ordinates. But we should not forget that in 2016, there were still areas where utilities were not easily accessible, only 47% of the rural population was connected to the public water supply system, i.e. 6.3% to the sewerage system, which influences to a great extent both the quality of life as a whole and the possibility to develop commercial and touristic activities.

On the other hand, one of the major problems faced by Caraș Severin County is the lack of entrepreneurial initiative, which is due to a much wider complex of factors. International labor migration is not at all encouraging for local development, with statistics becoming increasingly bleak in this respect. Often from a psychological point of view, the prospect of a much higher level of wage earned outside the country determines individuals to temporarily or permanently emigrate, young people showing a very low level of interest in establishing a company in rural areas (Popescu et al., 2016).

A top of the domains and companies in Caraș Severin indicates that the most popular areas of activity in the county are wholesale and retail trade, repair of motor vehicles, manufacturing industry, respectively, but the number of registered companies is small, the only counties with lower results in this respect being Mehedinți, Botoșani, Covasna, Ialomița and Giurgiu. "Although about 50 percent of Romanians want to start a new business, more than half of those states that they do not have the financial resources needed to do this" (Tocan, 2015).

As for rural areas, even if the situation is in some areas much less good than in the urban environment, one can see the prevalence of family-type businesses, especially in agriculture, but also in apiculture or fish farming. Cultivation of vegetables and fruits is still the main branch of activity in this field. For some of them, farmers can get support from the European Union (Dan, Popescu, 2017), which is a very good opportunity for agricultural development of villages.

Other types of business set up, which can be mentioned in terms of resistance on the local market are small repair shops or carpentry, furniture or transport production. A major advantage in this respect is the high potential of forest areas that can provide the raw material necessary for business development, but from this point of view it is necessary to consider the criterion of sustainability, as the resource used is renewable only with human help.

The touristic potential, as mentioned at the beginning of the present paper, is very large, with a significant number of tourist accommodation units. Most of these are guest houses / bed and breakfast, some of which are agro-touristic type. However,

success in this area is conditioned by a wide variety of factors (Nutu et al, 2016), both internal and external ones. Thus, we can summarize by saying that at the county level, the general infrastructure in the field of tourism is a bad one, which influences to a great extent the opinions of the potential and current tourists. The roads are mainly those that have a negative impact on the flow of tourists, as long as the accommodation infrastructure is one that in time has adapted to the demands exerted by consumers. On the other hand, the level of investment in the county was quite small during certain time periods, the situation gradually recovering, along with the increase of the absorption capacity of the European funds.

A great addition is represented by the beauty of the landscape and of places in general, but also by the many tourist places and objectives that can be visited along the county. Some of them can be mentioned in a few words: Baile Herculane, Sasca Montana, Danube boilers, the Danube - Coronini area, Poiana Mărului, Semenic Mountain, Muntele Mic, Beiusnita cascade and many more.

All these can be promoted through a large marketing campaign, can be popularized and made known to potential tourists, an activity that a few years ago was done quite shy and with little impact. But the existence of a very complex guide to Mountainous Banat region, written by Professor Gheorghe Popovici represents a great step forward in popularizing the beauties of this area.

One of the main factors that can contribute decisively to the development of a business in this field is represented by the efficiency of the practiced management, which again can be considered to be in the process of improvement, given that there are many possibilities for business initiators to take courses in the field and also to study by enrolling in a higher education institution, considering that there is also such an institution nearby, the University "Eftimie Murgu" of Resita.

Certainly, there is always a need to exploit even more the potential of the region, therefore a series of seemingly smaller activities may be initiated and financed, and for which the clients are numerous: veterinary practices, hairdressers - hairdressing, and others. The first, located in rural areas, may become a business with a very good exploitation potential, which can generate rather high incomes, considering the number of livestock found in households. For both, the initial investment is not very high, but will attract a significant number of customers, still there is a need for qualified personnel in the respective areas.

There is still a generally negative perception of the quality of life in rural areas, an idea amplified largely by the veracity of the data (INS; 2016), which identifies a below average quality level of the road maintenance, according to the National Institute of Statistics, more than 70% of rural roads being covered "in stones and dirt" while "less than 10% have been upgraded" over the past two years, generating negative consequences both from the economic and social point of view (Kupiszewski, et al. 1997), because it greatly limits access to certain areas, and on the other hand, poorly maintained roads can cause material damage to vehicles moving in those areas. The perception of tourists is also very important from this point of view, because although accommodation, food and leisure services contribute positively to shaping a favourable image of a location, transport infrastructure can create much larger and longer-term image deficiencies.

The development of an area is also closely related to the human capital of the region, so the level of literacy and education / training can become the determinants of social progress. Although communication has become much easier with the widening of signal coverage areas through mobile and Internet companies, business

development can be greatly affected by the skills, competences or abilities of those directly involved in the business management. The number of young people in rural areas who have graduated or are enrolled in a higher education system, although rising from one year to the next, is still quite low, one of the main challenges facing rural areas in Romania being early school abandon, which in the long run has significant effects.

At present, rural businesses still provide few jobs and social infrastructure is not sufficiently developed. All of these observations can be correlated with an increasing trend towards migration to urban centers, the shortage of staff employed in the primary sector becoming more and more widespread, with an ever greater degree of attractiveness of urban areas compared to rural areas.

Improving the quality of tourism infrastructure and services in these areas could, however, make a major contribution to a proper capitalization of the overall potential and the development of the whole region.

The literature in the field (Popovici, 2011) identifies at the level of Caraș Severin County five main touristic areas:

1. the Semenice touristic area
2. the touristic area Aurora Banatului
3. the touristic area Poiana Mărului
4. the touristic area Baile Herculane
5. the touristic area of the Danube.

Also, the forms of tourism identified in the county are various (Popovici, 2011): mountain tourism, balneary tourism, weekend tourism, rural tourism and agritourism, speotourism, ecotourism, hunting tourism and sport fishing, adventure tourism, religious tourism, cultural tourism. Rural areas can provide a framework in which several of the above can be combined.

2. Analysis of the statistical data regarding turistic reception structures in Caraș-Severin County

In the course of time, the general evolution of the tourist accommodation capacity in Caraș-Severin County was a positive one. Using data provided by the National Institute of Statistics, we can concentrate the main information in the form of the table below, which presents information on the number of existing annual existing places, the number of arrivals, the number of overnight stays, and the net capacity utilization indices.

Analyzing these data in Table 1, we find that, compared to the basis year 2005, we currently have an increase in the total number of existing places at the county level, the increase being constant, which indicates first of all a tendency to increase the number of accommodation structures, but on the other hand, this would only be justified by a similar evolution of the total number of tourists. The number of places added over time is a significant one, totalling from 7113 in 2005 to 9316 in 2016.

The number of arrivals was similar, even doubling over the course of a decade but decreasing the total number of overnight stays, in relation to 2005. From this point of view, we observe a fluctuating evolution, with no constant trend of growth or decrease.

Table 1: Evolution of the touristic accommodation capacity in Caraș Severin

Caraș-Severin County	2005	2010	2011	2012	2013	2014	2015	2016
Existing accommodation capacity								
Number of places	7113	7139	7071	7566	7993	7998	9159	9316
In operation	1674,3	1525,1	1583,2	1818,0	1856,8	1898,6	2040,2	2173,0
Arrivals	95,7	92,8	106,9	109,9	119,1	122,8	171,6	181,2
Overnight stays	745,0	471,0	545,7	497,6	536,4	515,1	711,0	688,3
New capacity utilization indicators (%)	44,5	30,9	34,5	27,4	28,9	27,1	34,8	31,7

Source: <http://www.carasseverin.insse.ro>

The distribution of the touristic accommodation structures by groups is presented in Table 2:

Table 2: Distribution of the touristic accommodation structures

Caraș-Severin County	2005	2010	2011	2012	2013	2014	2015	2016
Total	102	143	149	181	186	188	231	235
Hotels and motels	24	29	33	32	34	34	36	36
Touristic cabins	7	7	6	7	9	9	20	22
Camping and cottage	2	1	2	1	1	1	5	5
Touristic villas and bungalows	15	8	9	11	10	9	13	11
Children camps	7	4	4	4	4	3	4	1
Touristic guest-houses	24	46	48	64	63	62	68	66
Agrotouristic guesthouses	16	36	35	52	55	57	71	79
Hostels	2	5	5	5	5	8	9	10
Tourist stops	4	6	6	5	5	5	5	5

Source: <http://www.carasseverin.insse.ro>

The overall number of accommodation establishments increased from one year to the next throughout the analyzed period, reaching from 102 in 2005 to 235 in 2016, so we notice more than a doubling. Among them are: hotels and motels, tourist cottages, camping, villas, student camps, hostels, tourist stops. The most frequented establishments are generally hotels and guest houses, which is reflected in an increase in their total number. In the case of hotels there is an increase from 24 units in 2005 to 36 in a period of a decade.

Guesthouses are more numerous, and we are noticing an increase in the total number, from 24 in 2005 to 66 in 2016, with small fluctuations in way. Agrotourist pensions, on the other hand, existed only 15 at the beginning of the analyzed period, reaching 79 in a decade, which is the most significant increase in this respect, with a predisposition to the development of rural tourism and rural areas in general, from

this point of view. We therefore have a proactive, positive attitude towards the development of entrepreneurship in tourism in rural areas.

3. Direct research regarding the attitude of citizens from Reșița on the development of entrepreneurial activity in Caraș - Severin County

To determine the main aspects regarding the attitude of citizens of Resita regarding the general development of the entrepreneurial activity in Caraș - Severin County, and to study the degree of satisfaction of the population in this county regarding the tourism activity in the region, a direct research was carried out between the 1st and 30th of November 2017. The purpose of the research was to identify prospects and opportunities in the tourism activity in Caraș - Severin, related to the objectives and the tourist areas analyzed.

In order to obtain better results, there have been set the following objectives:

Main objective: To determine the extent to which the Caraș - Severin touristic objectives are promoted among the population of Resita.

Secondary Objectives:

1. Determining the degree of satisfaction or dissatisfaction that citizens have regarding the existing touristic objectives in Caras-Severin.
2. Determining the level of knowledge about the touristic objectives in Caraș-Severin by residents.
3. Determining the actions needed to better promote the touristic objectives in Caras-Severin.
4. Determining the unfavourable issues to business development in the region
5. Determining the respondents' attitudes regarding the prices practiced for touristic activities in Caraș - Severin County
6. Identification of the price-quality ratio practiced by the touristic units in Caraș-Severin.
7. Identification of the development potential of tourism in Caraș-Severin County through European funds.

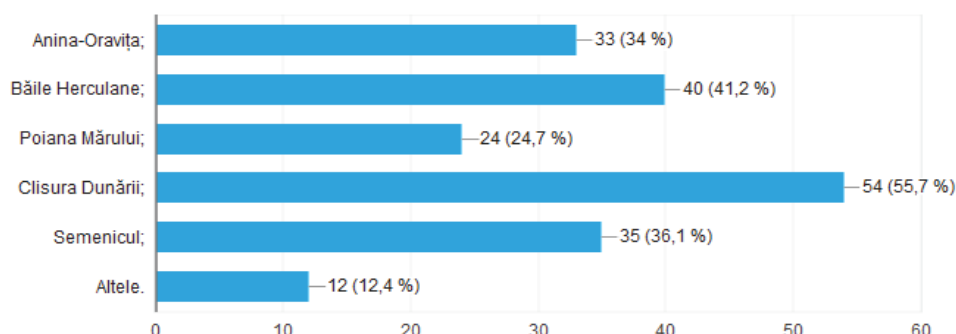
Next, a questionnaire was administered to a sample of 97 randomly chosen residents from Resita, the age, gender and occupational structure being presented in Table 3. The questionnaire contained 14 questions, of which 11 content questions and 3 questions to identify the person. All questions were closed, with variants of responses.

Table 3: The sample structure

Age (years)		Sex		Occupation	
under 18	11,3%	Male	56,7%	Highschool students	13,4%
18 – 24	54,9%	Female	43,3%	Students	51,5%
25 – 34	15,5%			Employees	25,8%
35 – 44	3,1%			Freelancers	7,2%
45 – 54	1%			Entrepreneurs	4,1%
over 55	4,1%			Unemployed	2,1%
				Household	1%
				Retired	3,1%

Conclusions of the study

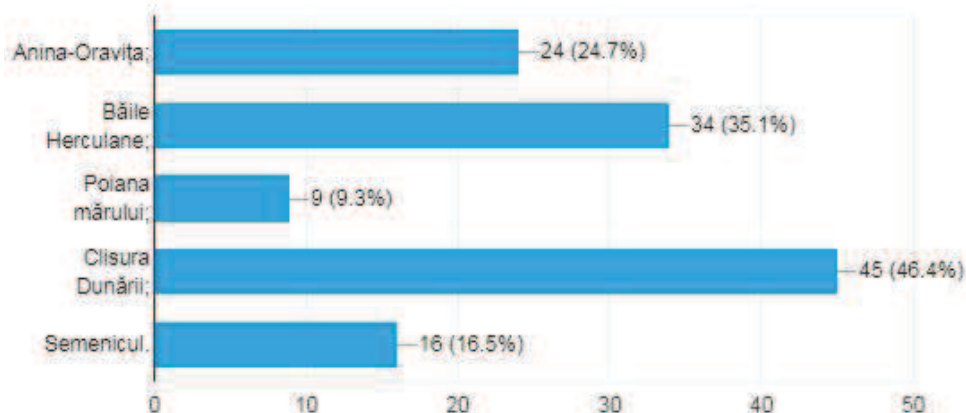
The respondents were asked to indicate which of the tourist attractions they consider to offer opportunities for tourism development in Caraș - Severin. The responses can be represented as follows:



Thus, the Danube Clise is regarded by the respondents as the one with the greatest potential for development, given the multiple possibilities of recreation, the possibility to organize trips and cruises on the Danube, the proximity of the Serbian bank, the existence of numerous accommodation structures, guest houses and villas. Băile Herculane are also regarded as one of the main attraction points with a touristic potential that can be developed, contributing to the centuries-old tradition of the resort and the history of emblematic figures.

As regards the possibility of development in Caraș Severin County through entrepreneurship, the respondents were asked to answer affirmatively or negatively this question. An overwhelming majority - over 95% believes in the possibility of capitalizing the tourism potential through entrepreneurial activities.

In order to express their opinion on the area that is most promoted within the county, the respondents indicated the following ranking:



Thus, according to the respondents, the Danube region has the best promotion, which, according to previous questions, is reflected in a larger number of tourists. The least promoted is the Poiana Mărului area where, although some cultural events are organized regularly, insufficient activities of popularization are initiated, although the positive attributes of the area predominate.

Respondents recommend advertising activities (51.5%), websites (41.2%), the capitalization of the tourist information centers in the county (28.9%), the design of a specialized guide (27.8%), etc.

Nevertheless, there are still insufficiently exploited tourist areas from an entrepreneurial point of view. In this regard, the people surveyed recall: Nera area, Oravița, Forotic, Bigar waterfall, Anina - Oravița railway, Rudaria water mills, Semenic area, Gârâna and Trei Ape, with significant potential, which can attract through time a large number of tourists.

The majority of respondents believe that the quality-price ratio of accommodation units is good (62.9%), but there are also negative opinions (30.9%).

Accessing European funds is also considered an opportunity to finance entrepreneurship development projects, 75.3% of respondents consider this possibility as a future one.

The strengths, compared to other international tourist areas, are mentioned: the diversity of the forms of tourism encountered, the hospitality of the population in the area, the traditional food, the accessibility of the tourist destinations. However, there is a slight emphasis on 67% of respondents, namely the quality of the infrastructure, which leads to the loss of a significant number of tourists.

In terms of the future development of the county, tourism is seen by 80.4% of the respondents as a significant opportunity of development, but other businesses could be developed in areas such as industry, mentioned by 40.2% of the respondents, also trade / services – fields mentioned by 39.2% of the persons surveyed.

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