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# **Business Competitive of Tourist Destination:** the Case Northeastern Montenegro

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### Abstract

Business tourism northeastern Montenegro, in terms of tourist valorization is insufficiently explored. Hence the paper discusses the business competitiveness of tourism destinations. The research results show that the two determinants of destination management and Qualifying Determinants ("at the same level in competing destinations") weakest determinants of competitiveness northeastern Montenegro, while the highest grade awarded determinants of key resources and attractions. How a key competitiveness factors vary depending on the destination, northeastern Montenegro must avoid the universal solution, and must have specific policies and strategies to improve competitiveness, based on the nature of the competitive set. The research results can be of benefit management organizations, tourism policy makers to better understand and identify the strengths and weaknesses of the business tourism northeastern Montenegro, and to help formulate strategies to effectively manage tourist destinations.

**Keywords:** Northeastern Montenegro; destination competitiveness; business tourism.

### Introduction

According to a study on the competitiveness of the World Economic Forum (The Global Competitiveness Report 2008-2009) among the 134 countries, Montenegro is the competitiveness of the economy located on 65 places. Montenegro is ranked poorer than Slovenia (42) and Croatia (61), and more preferably from Serbia (85), Macedonia (89) and Bosnia and Herzegovina (107), when the viewed in relation to the countries of the former Yugoslavia. These data additionally requires an examination of the phenomenon of competitiveness in Montenegro, as is growth of competitiveness assumption of overall economic development and employment (Đurašević, 2009).

In the framework of the EU tourism represents one of the largest sectors of the economy with 9% of the employed and 9% of the consumption. Also represents one of the five export categories in 83% of all countries in the world and a major source of foreign exchange earnings in almost 38 % of countries. According to the forecasts of the World Tourism Organization (WTO), the number of tourist arrivals in Europe will be doubled by the year 2020, and amounting to 720 million (Rajović and Bulatović, 2014). It was noted that most tourists avoid destinations with impaired

environment. It is evident movement of tourists to the eastern Mediterranean, Central, Eastern and South Eastern Europe. One of such destination is and Montenegro.

Montenegro has defined a large number of official documents, which become mandatory for the further its sustainable development. Let's start in 1991 when the National Assembly of the Republic of Montenegro adopted the Declaration on Montenegro as an ecological state in which I defined the strategic commitment to the further development takes place in accordance with the principles and requirements of sustainability. This commitment was confirmed by the Constitution of 1992, in which among other things points out that Montenegro an ecological state is, and where the right to the environment and the duty to preserve and improve, after all, established as a constitutional norm. The need to the need for further work these guidelines led in 2000 to the development of a strategic framework document "Directions of Montenegro as an ecological state" (www.forsmontenegro.org). According to Petković et al (2011) is precisely the development of tourism in the world, as well as the economic benefits that development brings, compelled many governments to incorporate tourism into the priorities of the overall development of their own countries, seeing the development of tourism and the ability to solve economic problems.

Institute for Entrepreneurship and Economic Development of Montenegro (2013), states that the most common trips that were implemented in Montenegro were organized with the aim of vacation that the period of stay combined with a variety of excursions to famous cultural - historical areas. This is confirmed by the research of tourist visitors to experience the northern and southern regions of Montenegro in 2007. This tourist offer of Montenegro has resulted in a share of 6.7% of the total GDP of Montenegro. When it comes to the total number of overnight stays in 2012, it amounted to 9,151,236 overnight stays. When would they look at demographic structure of the guests, 8 times the rates have made foreign visitors than local? This fact shows that tourists love to come to Montenegro as a final destination for rest and relaxation.

Our research-based evidence on research Rajović (2006), Rajović (2010), Rajović and Bulatović (2012), Rajović and Bulatović (2014), Rajović and Bulatović (2014), indicates different possibilities for the development of tourism in northeastern Montenegro\* and they are reflected in the following: untouched nature (for a large part of the studied area can be considered to be largely preserved, a significant part of the pristine natural environment (flora, fauna, landscapes, cultural heritage, healthy air, water, food ...)), archaeological sites and historical monuments (a large number of important archaeological sites of prehistoric, Roman period and the Middle Ages. Also, a large number of the historic buildings (monasteries, castles ...)), healthy food and water (drinking water of high quality and convenient organic foods at the largest part of the territory of northeastern Montenegro complement eco-tourism offer), hospitality of and diverse autochthonous cultures (regional, local) (also known the hospitality of and conviviality as the widest national characteristics and incredible diversity of beliefs and practices inherited back to prehistoric times, the feature richness of Montenegrin cultural heritage in this part of northeastern Montenegro. On the other sides, large number of ethnic minority groups and this offer makes it even richer and more attractive), participation in research projects, protection and conservation (on eco-tourists into regional and local projects, research, protection and conservation of the environment and cultural heritage ...).

According to Zečević (\*\*\*) concept of competitiveness at the country level was first introduced by Porter (1990). His model of competitiveness, based on national competitiveness diamond, was the basis for most models of destination competitiveness. Competitiveness of tourist destinations is determined as factors specific to tourism and greater range of factors that affect providers of tourism services in general (Enright and Newton 2004). Therefore, Nordin (2003) with the right to points out that the destination has to dispose of all material, physical and human resources, i.e. that in addition to attractive communicative and receptive factors, contains the so-called group-specific factors, which, according to Carter and Fabricius (2007) are financial and technological capacities, which should facilitate the development of business tourism destination(conference, exhibition, trade show, demonstration or demonstration and other facilities) within which to place the business component of a business trip. Therefore, a tourist

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<sup>\*</sup> Northeastern Montenegro represents geographical whole, which comprises 10.8% (1,486 km <sup>2</sup>) of the total area of Montenegro (13,812 km <sup>2</sup>), or in the territory lives 8.12% of the population (54 658) compared to the overall population of Montenegro in 2003 (673 094). Reviewed geo space encompasses the territory of five municipalities: Gusinje, Play, Andrijevica, Petnjica and Berane.

destination that wants to take a good position in the domestic and international tourism market should be guided by the basic principles of sustainable development respect the request of clients for maximum quality offered resources and services (Crouch and Ritchie, 1999; Dwyer et al,2002; Mitchelli,2006; Mazilu and Sitnikov, 2010).

Cracolici et al (2008) they find that the performance of tourist destinations can be evaluated by their ability to make their inputs, that is material and human resources, to transform the maximum output (Kozak, 1999; Cracolici, Nijkamp i Rietveld, 2008). In other words, if all participants are firing together in determining what you really want from tourism and how they want to sell, everyone will be a winner (Dohey, 1975; Butler, 1980; Jensen and Lindberg, 2000; Ritchie and Crouch, 2003; Song, 2005; Singh, 2008; Ritchie et al, 2009; Povilanskas and Armaitiene, 2011). Competitiveness in the tourism literature is cited as a key factor for the success of tourism destinations (Pearce, 1997; Crouch and Ritchie, 1999; Dwyer and Kim, 2003; Gooroochurn and Sugiyarto, 2005; Mazanec et al, 2007; Gomezelj and Mihalič, 2008). Over the years, interest in the problems of measurement of competitiveness of tourist destinations in the country and caused an increasing number of models of destination competitiveness. This issue is dealt with a number of authors in the international literature. Among them on this occasion apostrophized Crouch and Ritchie (1999), Ritchie and Crouch (2003), Enright and Newton (2005), Vanhove (2006), Barbosa et al (2010), Zirulia (2011), Dragićević et al (2012) which gives an excellent overview of the various models.

However, four of us is interesting itchier and Crouch (2003) model of competitive advantages of tourism destinations, which includes five groups of factors: key resources and attractions, supporting factors and resources, policy, planning and destination development, destination management and qualifying and reinforcing determinants. Each of these components contains different attributes of destination competitiveness. "Entire model is designed to key resources and attractions are the central point of the model and as such have the power to attract visitors, but so that they can achieve if they have the quality stronghold, which consists of supporting factors and resources. Competitiveness is defined implemented within a clear strategic framework which defines the policy, planning and destination development, destination management and the ability of the strategy to be implemented. Qualifying and reinforcing determinants of are the final shape competitiveness, placing certain restrictions on strengthening competitiveness and giving a basis to further improve it" (Zečević, \*\*\*).

Northeastern Montenegro represents an attractive location for business events. Where it is necessary to improve the image of the destination and provide a competitive position on the domestic and international tourism market. The main objective of this paper is to create and test a model of business competitiveness of tourist destinations, similar to the authors: Vengesayi (2003), Cunha (2008), Craggs (2009) and Dragićević et al (2012), which will include a general tourist factors affecting the competitiveness of tourist destinations. The research results can be of benefit management organizations, tourism policy makers to better understand and identify the strengths and weaknesses of the business tourism northeastern Montenegro, and to help formulate strategies to effectively manage tourist destinations.

#### Research methodology

Methodological approach in research involved a combined use of different research methods. The core of the methodological procedure used in this study makes surveys. The research was conducted in two occasions in late July 2012 and in the middle of August 2013 year. In order to obtain representative data in the study, it is planned that the survey includes approximately 200 respondents. In planning the sample survey was implemented more phased sample in combination accidental and deliberate choice of respondents to provide set quotas, or questionnaire was distributed by e-mail to the tourism industry and tourism operators on the supply side. In the first stage, respondents were asked to indicate three major tourist destinations that are competing northeastern Montenegro. The majority of respondents, 52.5% of them established a competitive set that consists of the Montenegrin coast, Croatia and Belgrade as a tourist cluster (Serbia). On the other hand 14.4% of respondents as are the main competitor's business tourism northeastern Montenegro allegations Italy, Croatia and Bosnia and Herzegovina. At this stage we present the model that resulted in 54 destinations and attributes that are grouped in each of the five determinants according to Ritchie and Crouch (2003): basic resources of and factors (including

17 attributes), supporting factors and resources (including 5 attributes), qualifications and enhancing destinations (including 10 attributes), destination management (12 attributes) and destination policy, planning and destination development (10 attributes). In the second stage, respondents were asked to rate the quality of business tourism destination, and the competitiveness of the North-Eastern of Montenegro in the range of 1 to 5, for each of the 54 attributes in comparison to its competitor destinations. Here is his implementation found Likert scale. Planned number respondents polled in the implementation of the survey have been exceeded, but the stricter logical control questionnaire finally processed a total 189 questionnaires, which represents a very high turnover of 94.5% of the planned sample. The second group of data, including the results of research, published both in domestic and in the international literature. In this respect, definitely are important those that had been published: Porter and Linde (1995), McKercher (1998), Kozak and Rimmington (1999), Ritchie and Crouch (2000), Dwyer et al (2000), Formica (2002), Ritchie and Crouch (2003), Enright and Newton (2004), Vanhove (2006), Mazanec et al (2007), Gomezelj and Mihalič (2008), Blanke et al (2009), Crouch (2010), Kester and Croce (2011), Pedroche et al (2012), Gračan and Rudančić-Lugarić (2013). Explored are written sources on the internet. In the scientific explanation of terms, applied there are two methods: the analytical and synthetic. Analytical method, we have investigated the individual dimensions of the case of research, a synthetic - unity, mutual links researches object and proposed measures that derive there from. Through entire text has been applied and the method integrality, thanks whom we were able to identify, define and assess respondents' opinions. Applying the concept of interdisciplinary research was necessary and was based on the methods and results of research of many scientific disciplines: geography, demography, sociology, economics, psychology.

# **Analysis and discussion**

Having regard to consideration the research Bulatović and Rajović (2007), Rajović and Bulatović (2015), and using the research Dragićević et al (2012) we point in hereinafter referred to as to following results.

# 3.1. Sample characteristics

By gender 60.2% of respondents were female and 39.8% male. Most respondents they were young, under 35 years (67.9%), followed by 20.2% in the age group between 36 and 50 years, while respondents with more than 50 years was 11.9% of the sample. All respondents completed a university degree. Of the 120 respondents, 13.3% were government officials, 5.6% are employed in the local tourism organizations. The highest response rate was from tourism scholars (39% of the sample) and postgraduate students of in tourism (22.9%). In addition, the sample included the managers of travel agencies (7.6% of respondents) and managers catering sector (6.5%), while 5.1% were represented by others. The sample consisted of 60.5% of respondents who were associated with the tourism industry and 5 years, 22.6% had between 6 and 10 years and 16.9% with more than 10 years.

### **3.2.** Competitiveness of the destination

As mentioned above, individual destination attributes in northeastern Montenegro are grouped into the five main determinants of Ritchie and Crouch (2003) Conceptual Model of Destination Competitiveness. Thus, the competitiveness of individual destination attributes is analyzed by each competitiveness determinant, in order to evaluate the weakest, as well as the strongest attributes in northeastern Montenegro tourism.

Basic resources and attractors

As figure 1 show, the highest rating was assigned to the following destination attributes: unspoiled nature, gastronomy offer, multicultural ambience, climate and attractiveness of cultural heritage. This was expected as northeastern Montenegro is one of the most heterogeneous regions in Balkans considering ethnic structure. Different ethnic groups living in the region have preserved its tradition, customs, and gastronomy and presented it on tourist market mostly in the form of different festivals. The smallest standard deviation (StdDev or  $\sigma$ ) for Congress Centers ( $\sigma$  = 0.09) and Presence of 5 and 4-stars hotels ( $\sigma$  = 0.13) indicates quite a high level of agreement between respondents considering that these attributes are evaluated with the lowest scores of all respondents. Also, among all 54 attributes, the respondents assigned the highest rating for

unspoiled nature and gastronomic offer. These two attributes are which therefore represent the primary attractors in northeastern Montenegro. In the context of the development of business tourism, rich gastronomic offer will contribute to the attractiveness of the destination, which is an important (and sometimes predominates) element in the bidding process, when choosing a destination for congress or conference. Also, these attributes can be important elements of incentive tourist arrangements. The presence of five and four stars, as well as professional congress organizer (PCO), the availability of up-to-date audio-visual equipment, the quality of hotel services, sports and recreational activities, special facilities for business events (e.g., fortresses, museums, galleries) and the existence of a convention centers are all respondents rated very low.

# **Supporting factors and resources**

Only one in five of accompanying factors, the hospitality of the local residents (M=4.21) was rated as competitive in relation to the selected set of three competing destinations. Accessibility destination northeastern Montenegro (M=2.34), the political will and impetus for the development of tourism in northeastern Montenegro were rated a low (M=2.36), although they make a strategic document for the development of the business competitiveness of tourist destinations in north-eastern Montenegro. The presence of foreign / international companies in the business tourism destination is an important indicator of competitiveness in terms keeping the corporate organization of business events and incentive travel. This attribute, as well as the quality of local transport services has been assessed as less competitive relative to a selected set of competing destinations.

# Qualifying and amplifying determinants

Compared to its competitive destinations, northeastern Montenegro is considered more competitive than their competitors in six of the 10 attributes: cleanliness of destination, geographic location, transportation costs, political stability, and value for money and a destination for security. How business events usually attend the intellectual and business elites, as well as representatives of local / national authorities the issue of security is an important indicator of business competitiveness of tourism destinations. According to the respondents, the northeastern Montenegro is considered a safe place. However, the low marks given to the overall image of the destination, hotel prices, economic stability, and online booking for accommodation it should alert the interested tourist destination, as well as the organization management and the government.

### **Destination management**

Considering given for the assessment factors destination management, northeastern Montenegro is considered less competitive than their competitors in two (promotion of destinations as a destination business tourism and development and product innovation in business tourism) of 12 attributes, while in all other attributes can be regarded as the similar level as in its competitive destinations (Figure 4). Also, similar to the standard deviation for almost all the factors pointed to the high level of agreement among respondents regarding these determinants.

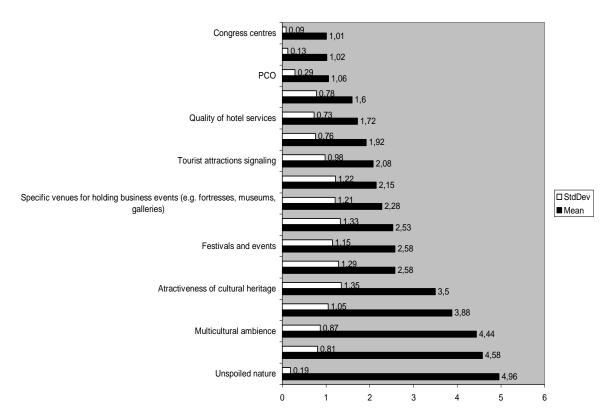


Figure 1. mean values (M) and standard deviations (StdDev) for individual attributes of basic resources and attractors determinant Source: Authors

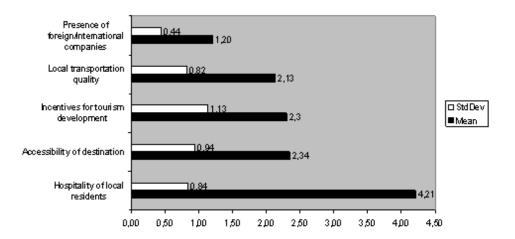


Figure 2. Mean values (M) and standard deviations (StdDev) for individual attributes of supporting factors and resources determinant Source: Authors

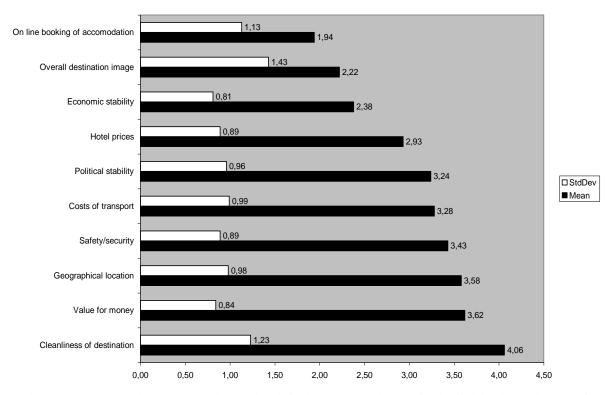


Figure 3. Mean values (M) and standard deviations (StdDev) for individual attributes of qualifying and amplifying determinants

Source: Authors

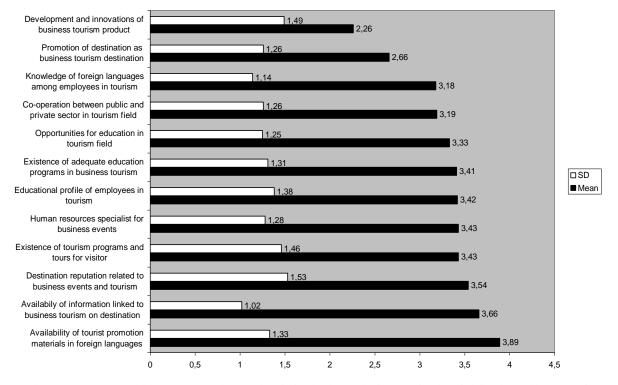


Figure 4. Mean values (M) and standard deviations (SdDev) for individual attributes of destination management

Source: Authors

Destination policy, planning and development determinant is closely connected to destination management determinant. Thus, a low score for this option attribute expected. Only one attribute - recognition of the importance of business tourism destination development received higher scores than competitor's north-eastern Montenegro. The potentials for incentive travel and potentials for maintaining congresses, conferences and events are the same or at approximate level as competitors. Other destinations of attributes are not competitive. Investment in business development, tourism investment, environment and membership in international associations are all rated relatively a low in comparison to competitor's north-eastern Montenegro. Also, Congress and visitors bureau, destinations recognition of in the European market of business tourism, clusters and other forms of cooperation in business tourism and destinations market recognition of business tourism in South-Eastern Europe were given the lowest ratings and were not competitive compared to competing destinations. Thus, the low score for the aforementioned destination of attributes shall to alert all actors interested in the development of business tourism in northeastern Montenegro, and should be encouraged to take work together in order to provide a better performance in north-eastern Montenegro at least on the south-eastern European business tourism market.

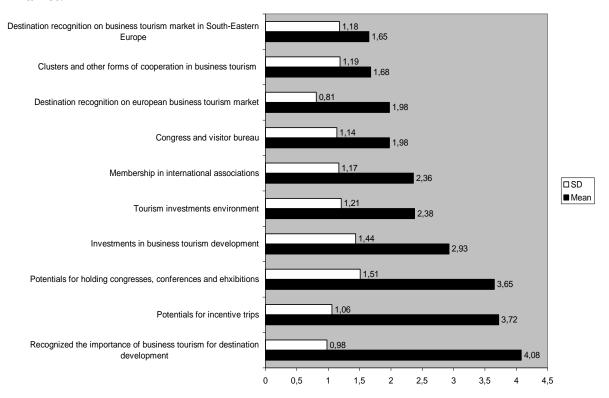


Figure 5. Mean values (M) and standard deviations (StdDev) for individual attributes of destination policy, planning and development determinant Source: Authors

In order to identify weakest points of business tourism northeastern Montenegro, mean values and standard deviations were calculated for each of the determinants competitiveness is (Figure 6). The highest rating assigned destination management, as expected. However, the value of this determinant shows that destination management not sufficient to provide a competitive position of the north-eastern Montenegro tourism business in the region. The general surprise, the weakest point in the north-eastern Montenegro business tourism destinations competitiveness is support factors could only be to explain the absence of foreign/international companies and destinations inaccessibility and poor quality of transport. Different standard deviations for all competitiveness are determinants indicate the different level of consensus in attitudes respondents. All in all, it can be concluded that the northeastern Montenegro is not competitive business tourism destination in relation to a selected set of competing destinations. However, as

Gomezelj and Mihaljič (2008) suggest "competitiveness can be enhanced through proper match between tourism resources and management strategies that support tourism entities".

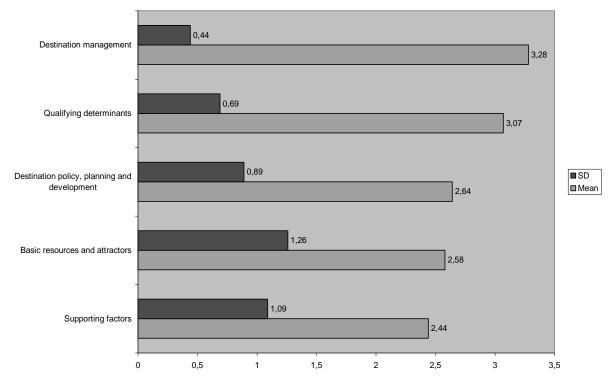


Figure 6. Mean values (M) and standard deviations (StdDev) for competitiveness determinants

Source: Authors

## Proving appointed hypothesis

Proving hypothesis  $H_1$  - On the territory of northeastern Montenegro there are enough of congress centers and hotels with 5 and 4 stars. Calculate our test statistic for treatments f.

 Source of Variation
 Degrees of Freedom
 Sum of Squares
 Mean Square
 f

 Treatments
 4
 9867.05882353
 2466.76470588
 3.3846

 Error
 80
 58304.9411765
 728.811764706

 Total
 84
 68172

Table 1: ANOVA Table Values

f = 3.3846

Obtain critical value: From <u>F critical value table</u>, we get Critical F-value for level 0.05 is 2.4803 and for level, 0.01 is 3.5510. Probability value is 0.0128. Draw Conclusion: Since our test statistic f = 3.3846 we reject the hypothesis  $H_1$  despite the fact that value of f is acceptable for level 0.01.

Proving hypothesis  $H_2$  - On the territory of the northeastern of Montenegro there are not enough presence of foreign multinational companies in northeastern Montenegro. Calculate our test statistic for treatments f.

Table 2: ANOVA Table Values

Source of Variation	Degrees of Freedom	Sum of Squares	Mean Square	f
Treatments	4	2461.2	615.3	1.0268
Error	20	11984.8	599.24	
Total	24	14446		

f = 1.0268

Obtain critical value: From F critical value table, we get critical value of 2.8661. Probability value: 0.4136; Critical F-value for level 0.05 is 2.7763; Critical F-value for level 0.01 is 4.2184. Draw Conclusion: Since our test statistic f = 1.0268 does not exceed critical value for 0.05 and 0.01, we accept hypothesis  $H_2$ . Proving hypothesis  $H_3$  - General picture northeastern Montenegro for business tourism as a destination is very good. Calculate our test statistic for treatments f.

Table 3: ANOVA Table Values

Source of Variation	Degrees of Freedom	Sum of Squares	Mean Square	f
Treatments	4	3171.2	792.8	1.7736
Error	45	20114.8	446.99555556	
Total	49	23286		

f = 1.7736

Obtain critical value: From <u>F critical value table</u>, we get Critical F-value for level 0.05 is 2.5611 and for level, 0.01 is 3.7283. Probability value is 0.149. Draw Conclusion: Since our test statistic f = 1.7736, <u>we reject the hypothesis H<sub>3</sub></u> regardless of the fact the value of f is not greater than the value for the level of 0.05 and level 0.01.

Proving hypothesis  $H_4$  - Development and product innovation in business tourism are sufficiently developed in the northeastern part of Montenegro. Calculate our test statistic for treatments f.

Table 4: ANOVA Table Values

Source of Variation	Degrees of Freedom	Sum of Squares	Mean Square	f
Treatments	4	1502.83333333	375.708333333	1.4822
Error	55	13941.75	253.486363636	
Total	59	15444.5833333		

f = 1.4822

Obtain critical value: From <u>F critical value table</u>, we get Critical F-value for level 0.05 is 2.5279 and for level, 0.01 is 3.6549. Probability value is 0.219. Draw Conclusion: Since our test statistic f = 1.4822 <u>we reject the hypothesis H<sub>4</sub></u> regardless of the fact the value of f is not greater than the value for the level of 0.05 and level 0.01.

Proving hypothesis  $H_5$  - Destination northeastern Montenegro received recognition in the market of business tourism in South Eastern Europe. Calculate our test statistic for treatments f.

Table 5: ANOVA Table Values

[	Source of Variation	Degrees of Freedom	Sum of Squares	Mean Square	f
I	Treatments	4	2628.6	657.15	1.7618
ſ	Error	45	16785.4	373.008888889	
1	Total	49	19414		

f = 1.7618

Obtain critical value: From our <u>F critical value table</u>, we get Critical F-value for level 0.05 is 2.5611 and for level, 0.01 is 3.7283. Probability value is 0.152. Draw Conclusion: Since our test statistic f = 1.7618, <u>we reject the hypothesis H<sub>5</sub></u> regardless of the fact the value of f is not greater than the value for the level of 0.05 and level 0.01.

Proving hypothesis  $H_6$  - On the territory northeastern Montenegro destination management is the weakest determinant. Calculate our test statistic for treatments f.

Table 6: ANOVA Table Values

Source of Variation	Degrees of Freedom	Sum of Squares	Mean Square	f
Treatments	4	210447.36	52611.84	4.0333
Error	20	260888.8	13044.44	
Total	24	471336.16		

f = 4.0333

Obtain critical value: From our F critical value table, we get critical value of 2.8661. Probability value: 0.012; Critical F-value for level 0.05 is 2.7762; Critical F-value for level 0.01 is 4.2184. Draw Conclusion: Since our test statistic f = 4.0333 are greater than our critical value of 2.8661, we reject the hypothesis  $H_6$ .

# **Results of t-tests (Paired Samples)**

In order to investigate the competitiveness of different hypotheses are formed and Pairedsamples t-test was used to test them. The main hypothesis states that a destination management is not the weakest determinant in northeastern Montenegro tourism business competitiveness. To test this, five sub-hypotheses are set. The first sub-hypothesis assumes that in the northeastern Montenegro tourism business is more competitive in relation to the destination management of the support factors. The second sub-hypothesis assumes that in the northeastern Montenegro tourism business is more competitive than in the destination management of destination policy, planning development. The third sub-hypothesis relates to the management Qualifying Determinants and claims that the determinant management more competitive in relation to Qualifying Determinants. Last fourth sub - hypothesis refers to the destination management the basic resources and attractors. Given that weakest values are Basic Resource Supporting Factors and is left us to determine the with the help last sub - hypothesis to determine which is the weakest link in the business tourism northeastern Montenegro compared to previously mentioned determinants. Last fifth sub - hypothesis assumes that the determinant Factors Supporting the weakest link in the business tourism northeastern Montenegro.

# **Destination Management – Supporting Factors**

# → T-Test

#### Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	DestinationManagement	3,3760	5	,13278	,05938
	SuppotringFactors	2,4360	5	1,09500	,48970

#### Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	DestinationManagement & SuppotringFactors	5	-,724	,167

#### Paired Samples Test

				Paired Differen	ces				
					99% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	DestinationManagement - SuppotringFactors	,94000	1,19465	,53427	-1,51981	3,39981	1,759	4	,153

# **Destination Management – Destination Policy**

# → T-Test

#### Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	DestinationManagement	3,3080	10	,41825	,13226
	DestinationPolicy	2,6410	10	,89834	,28408

#### **Paired Samples Correlations**

		N	Correlation	Sig.
Pair 1 Destina & Destin	tionManagement nationPolicy	10	-,241	,502

#### Paired Samples Test

				Paired Differen	ces				
					99% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	DestinationManagement - DestinationPolicy	,66700	1,07849	,34105	-,44135	1,77535	1,956	9	,082

# **Destination Management – Qualifying Determinants**

# → T-Test

### Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair1	DestinationManagement	3,3080	10	,41825	,13226
	QualifyingDeterminants	3,0680	10	,68640	,21706

### Paired Samples Correlations

		N	Correlation	Sig.
Pair1	DestinationManagement & QualifyingDeterminants	10	-,104	,776

### Paired Samples Test

		Paired Differences							
					99% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	DestinationManagement - QualifyingDeterminants	,24000	,83999	,26563	-,62324	1,10324	,904	9	,390

# **Destination Management – BasicResource**

# → T-Test

#### Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	DestinationManagement	3,2833	12	,43806	,12646
	BasicResource	2,9525	12	1,28394	,37064

#### Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 DestinationManagement & BasicResource	12	-,358	,253

#### Paired Samples Test

		Paired Differences							
					99% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	DestinationManagement - BasicResource	,33083	1,49764	,43233	-1,01191	1,67357	,765	11	,460

# **BasicResource - Supporting Factors**

#### → T-Test

#### Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	BasicResource	3,5260	5	,97902	,43783
	SupportingFactors	2,4360	5	1,09500	,48970

#### Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 BasicRes Supporting	5	,699	,189

#### Paired Samples Test

			Paired Differences						
					99% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	BasicResource - SupportingFactors	1,09000	,81154	,36293	-,58098	2,76098	3,003	4	,040

The results indicate no statistically significant differences between the determinants of destination management and support factors (p = 0.153, t = 1.759). Thus, **the first sub-hypothesis was accepted at the 0.01 level.** 

For the second sub - hypothesis, the results showed no statistically significant difference between the destination management and destination policy at the 0.01 level (p = 0.082, t = 1.956). In other words, **the second sub - hypothesis was accepted at the 0.01 level.** 

Also, in the third sub - hypothesis is proven that the northeastern Montenegro, there was no statistically significant difference between destination management and qualifying determinants (p = 0.390, t = 0.904). This means that also the sub - hypothesis accepted.

The fourth sub - hypothesis also proves that destinations management is more competitive than basic resources. It can be concluded that the destination management determinant is the strongest point in the northeastern Montenegro tourism business, has been seen in Figure 6.

Last sub - hypothesis has proved to be the weakest link in the business tourism northeastern Montenegro determinant Factors Supporting the 0.01 level, while the level of 0.05 was rejected.

#### Conclusion

Our research evidence based on similar research istrazivanjima Gračan and Rudančić-Lugarić (2013), Kunst (2009), Jegdić (2010), Damjanović et al (2013) in the form of concluding observations indicate to the following:

1. Tourist destinations around the world compete for your travel segment parallel to other destinations than ever before. Increasing global mobility of tourists means that new competitors

arise globally, not just locally. Accordingly, the tourist destinations have to face the competitive challenges of the world tourism market today. For a tourist destination as well as the composition can be said to be a competitive unit that creates a tourism product for tourists with it's interfunctional activities of all the available resources of its value. In order to achieve competitive attractiveness, capital Content tourist destination - organized the event, will differentiate tourist destination and make the shift from competition.

- 2. Competitiveness in tourism combines several dimensions: economic, socio-cultural, environmental and political. Precisely for this reason is no surprise that in the sphere of tourism competitiveness developed into a focal point of economic policy at the destination level. In parallel with the growth of tourism activities, and thus the competitive struggle among the tourist destinations, tourism policy needs to focus on improving the competitive ability of the method to create an institutional framework appropriate to observe, control and increases the quality and impact of tourism development while protecting the resource base destination.
- 3. On the other page, requires the existence of an institutional framework in the form of a strategy for sustainable destination management and its application. However, in this area such strategic documents do not exist, and often lack the necessary awareness about their decision, and it is clear that the realization of some aspects of the sustainability of these destinations will come in the near future. Yet, the existence of the organization, especially of non-governmental activities of local governments, and their cooperation with local tourist organizations, stands as potential places to start development of the overall complex of destination strategy for sustainable management. In addition, the competitiveness of the destination cannot be increased only in terms of attracting new tourists, but also to increase the quality of service and experience of existing tourists and to create a certain base of loyal customers.
- 4. Even though at this point, with the current structure and responsibilities of the local tourism organizations in northeastern Montenegro are not able to fully take responsibility for the creation of value chain in the area of destination, to strengthen their capacity to take on this function. This shall be best achieved through compulsory partnership with the private and civil sector and the establishment of cross-sect oral model of destination management organization (DMO) for the effective management of a tourist destination, its environment and business activities.
- 5. In this regard, competitive attractiveness of tourist destinations can be created affirmation of their cultural heritage (such as concerts, exhibitions ...) linking the tourist offer of cultural identity, (historical traditions, natural beauty and local traditions), its events, entertainment programs, all in order to attract as many tourists, extending the season and the efficiency of raising the attractiveness of tourist destinations.
- 6. Results of this research showed that the northeastern Montenegro is not competitive business tourism destination in relation to the selected set of competing destinations. Among the five determinants of competitiveness, tourism practitioners awarded the highest rating determinants of destination management and Qualifying Determinants ("at the same level in competing destinations"), while other determinants rated below the same level of competitive destinations. However, the results of individual attributes indicate that the northeastern Montenegro, in relation to its competitors more competitive in the hospitality of the local inhabitants, the purity of destinations, nature, multicultural setting, gastronomy and recognizing the importance of business tourism destination development. These attributes make the destination more attractive to visit, and therefore, they should be the focus of marketing activities northeastern Montenegro.

In conclusion, research conducted for the time being as far as we know, unique to this area, and can contribute to the efforts made in making key decisions related to the development and management of destination. It can continue to bring all aspects of such research are not covered better insight and understanding.

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