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STRATEGIC PLANNING AND ACTORS' PERSPECTIVES IN RURAL TOURISM

STRATEŠKO UPRAVLJANJE I PERSPEKTIVE AKTERA U RURALNOM TURIZMU

ABSTRACT

Rural tourism is a potentially important resource of revitalization in rural areas, which constitute more than 90% of Croatian territory occupied by nearly 50% of the population. Although the rural area is exposed to permanent depopulation due to favourable conditions of life in the cities, there is no development strategy of rural tourism at the national level, while strategic documents are rare at the regional and local levels. Although rural tourism represents an important opportunity for (self)employment due to the fact that family members and local population work in such economies, a number of Croatian counties have almost no registered rural households engaged in tourism, including even the counties that with more than 50% of the rural inhabitants in overall population belong to the predominantly rural regions. This study examines the key strategic documents regarding rural tourism at the national level due to examination of its current state and development perspectives. In addition to the secondary data analysis, the results of semi-structured interviews are presented. Interviews were conducted in January 2015 with five representatives (owners and managers) of legal entities active in rural tourism in the Split-Dalmatia County. The market-recognized forms of rural tourism were included, while the following business aspects are reviewed: work motivation, business development, impact on the environment and the local economy, business intentions and recommendations, etc. The theoretical framework of the study is the idea of indivisibility of the micro and macro levels of society. Its relevance is confirmed by the research results as strategic documents show a poor representation of rural tourism in tourist traffic at the national level, which also applies to Split-Dalmatia County. Such a situation is particularly conditioned by weak financial and human resources of the public sector at the local level, burdening bureaucracy, poor municipal infrastructure and lack of awareness among local population about the development opportunities of rural tourism. Interviewees face these disadvantages through practice, but their permanent influence slowly alters the public institutions' actions towards strategic planning with an aim of achieving the favourable economic effects and better life quality of rural residents. Given the complemen-

tarity of the findings at the micro and macro social levels, the interview results are applicable to other micro-locations in Croatia.

Key words: *village, rural tourism, strategic planning, tradition, employment, Croatia*

SAŽETAK

Ruralni turizam je potencijalno značajan resurs revitalizacije seoskog prostora koji sačinjava više od 90% hrvatskog teritorija na kojemu živi gotovo polovina stanovništva. Iako je ruralni prostor izložen dugotrajnoj depopulaciji zbog povoljnijih uvjeta života u gradu, ne postoji razvojna strategija ruralnog turizma na nacionalnoj razini, a strateški su dokumenti rijetki na regionalnoj i lokalnoj razini. Iako ruralno-turističke aktivnosti predstavljaju važnu mogućnost (samo)zapošljavanja iz razloga što na takvim gospodarstvima rade uglavnom članovi obitelji i lokalno stanovništvo, brojne hrvatske županije gotovo ni nemaju registriranih seljačkih domaćinstava koja se bave turizmom, a među njima čak i županije koje s više od 50% seoskog stanovništva pripadaju pretežno ruralnim županijama. Ova studija razmatra ključne strateške dokumente ruralnog turizma na nacionalnoj razini zbog sistematiziranja njegova trenutnog stanja i razvojnih perspektiva. Osim analize sekundarnih podataka, izneseni su rezultati polustrukturiranih intervjua provedenih na pet predstavnika (vlasnika ili voditelja) pravnih osoba djelatnih u ruralnom turizmu Splitsko-dalmatinske županije. Obuhvaćeni su tržišno prepoznatljivi oblici ruralnog turizma, a razmotreni su aspekti poslovanja poput radne motivacije, razvoja posla, utjecaja na okoliš i lokalno gospodarstvo, poslovnih namjera i preporuka itd. Teorijski okvir studije su polazišta o nedjeljivosti mikro i makro razine društva. Njihovu relevantnost potvrđuju rezultati istraživanja jer strateški dokumenti pokazuju nisku zastupljenost ruralnog turizma u turističkom prometu na razini države, što također vrijedi za Splitsko-dalmatinsku županiju. Takvoj situaciji naročito doprinose slabi financijski i ljudski kapaciteti javnog sektora na lokalnoj razini, prezahtjevna administracija, loša komunalna infrastruktura te neosviještenost stanovništva o razvojnim mogućnostima ruralnog turizma. Intervjuirani suočavaju te nepovoljnosti kroz praksu, ali ustrajnim djelovanjem polako mijenjaju svijest nadležnih institucija prema strateškom planiranju s ciljem ostvarivanja povoljnih privrednih učinaka i bolje kvalitete života lokalnog stanovništva. S obzirom na komplementarnost nalaza na mikro i makro društvenoj razni, rezultati intervjua su primjereni na ostale mikro-lokacije u Hrvatskoj.

Ključne riječi: *selo, ruralni turizam, strateško planiranje, tradicija, zapošljavanje, Hrvatska*

1. Introduction

According the Organization for Economic Cooperation and Development (OECD) criteria (up to 150 inhabitants per square kilometre), the proportion of rural areas in Croatia covers 91.6% of the entire administrative territory, while 47.5% of the overall population lives there (Kantar and Svržnjak, 2011, 143). Despite the still high degree of rurality of the country, the rural population has been declining for decades in relation to the increase of the urban population. This has been particularly contributed to the socialist industrialization and urbanization, as well as the lack of development policies in rural areas during the last two decades (Kušen, 2003). Šundalić (2010) points out that the proportion of rural population declined by 30% in the inter-census period from 1953 to 2001. It can be concluded that rural areas are characterized by overall social stagnation and survival (particularly those removed from the modern computerization and larger cities), and only some of them will thrive in an environmentally and economically sustainable basis (Štambuk et al., 2011, 239).

Strategic documents and professionals recognize rural tourism as a possible source of revitalization of rural areas, i.e. economic and consequently demographic and overall social recovery, emphasizing its underdevelopment and recent occurrence in Croatia in the late 1990s (Demonja, 2014, 75). In addition, *rural tourism* is a very broad term that encompasses all tourism activities (services) that can be organized within rural areas - hunting, fishing, tourism in natural parks, gastronomy, residential, cultural, adventure, winter, health and religious tourism, etc. When traditionally linked to nature or cultural heritage of a given area, it is considered as *village tourism*. When tied to agriculture as a core economic activity, it is *tourism at rural households* (i.e. agritourism offering domestic produce, in addition to accommodation and activities such as excursions, workshops, cultural and artistic events, etc.) (Baćac, 2011, 16-17).

Tourism at rural households is considered to be the basis for the optimal development of rural areas, without compromising the conditions of nature, customs and traditional activities (Krajinović et al., 2011, 32). The dynamics of development of agritourism indicates the capacities of rural tourism for growth, although still underdeveloped. While 32 rural households were registered in 1998, there were 352 in 2007. Most of them were registered in Dubrovnik-Neretva (70), Istria (64), Osijek-Baranja (56), Zadar (41) and Split-Dalmatia County (31), while as many as six counties did not have a single registered rural household¹ (Demonja, 2014, 77). Therefore, it is not surprising that the development of rural tourism, as "the most important economic activity in rural areas which do not fall under agriculture", is one of the objectives of the *Rural Development Strategy* (2008-2013), as well as the recent *Rural Development Programme of the Republic of Croatia* (2014- 2020) especially because there were only 427 rural households in 2014. Considering the global demand, variations of rural tourism, such as cycling, health, culinary, adventure, ecological and sports tourism, are mentioned in the *Croatian Tourism Development Strategy till 2020* as products with a distinct perspective of development.

Rural tourism should be developed strategically, including as large a number of stakeholders as possible, due to the adaptation of pluralistic interests and avoidance of adverse competition that could lead to a lack of realization of the set objectives (Krajinović et al., 2011, 34). The strategic documents should be coherent, starting from the practices of local entrepreneurs to national guidelines, taking into account the interests of consumers, but also the preservation of tourist destinations in the environmental, sociological and cultural terms in order to achieve the competitive advantages, accelerate the economic growth, raise the standards and obtain a satisfactory level of welfare in rural areas (Gredičak, 2010, 116). The experience of countries with developed rural tourism can provide guidelines. Some of the obviously good practices are the variety of offers, as well as clustering, joint promotion at the national level, standardization, certification and continuing insistence on raising the quality (Baćac, 2011, 188).

2. Research methodology

In order to discuss the strategic framework for the development of rural tourism, a secondary analysis of the *Rural Development Strategy* (2008-2013), *Rural Development Programme of the Republic of Croatia* (2014-2020) and *Croatian Tourism Development Strategy till 2020* was conducted. In addition, the aforementioned form of selective tourism is the subject of other strategic documents at the national level, but included were only the documents in

¹ Five counties belong to predominantly rural regions with more than 50% of rural inhabitants in overall population (Požega-Slavonia, Virovitica-Podravina, Bjelovar-Bilogora, Karlovac and Lika-Senj County), while Primorje-Gorski Kotar County belongs to significantly rural regions with a share of rural inhabitants between 15 and 50 percent (Census, 2011).

which the development of such tourism is clearly designated as a priority, with at least somewhat elaborated analysis of the situation, desirable activities and results, as well as the sources of funds, indicators of successful implementation of measures, etc. Their quantitative and qualitative data are related with the results of semi-structured interviews conducted in January 2015 with five representatives (owners and managers) of legal entities within the segment of rural tourism in Split-Dalmatia County. The analysis included market-recognized forms of rural tourism (self-catering house, rural hotel, agritourism, adventure tourism and eco-ethno village). Using interviews, the authors have tried to get an answer regarding the following aspects of participants' business:

- brief description of the activity;
- work motivation;
- business development (start-up capital, the dynamics of income, offer and employees' structure);
- strengths, weaknesses, opportunities and threats²;
- cooperation with local population as well as public and private sectors;
- impact on local economy and environmental protection;
- business intentions,
- recommendations for successful business.

Interviews were conducted with representatives of eco-ethno village Škopljanci (Municipality of Lećeveica), rural hotel Sv. Mihovil (City of Trilj), adventure tourism services organization Rajske Dveri (Municipality of Zadvarje), rural household Vrata Biokova (Municipality of Podgora) and self-catering house Krželj (Municipality of Zadvarje). Informants have agreed to the publication of the data. To ensure anonymity, their names were changed as follows: Jure (eco-ethno village), Ivan (rural hotel), Frane (organization of adventure tourism), Damir (rural household) and Mario (self-catering house). For the same reason, the authors occasionally described respondents in false sex. Neyland (2008) promotes a similar approach, finding that the level of anonymity should be negotiated on the field in research with a smaller number of participants because there is always the possibility of identity recognition.

Although the two legal entities are located in Zadvarje, the association of adventure tourism operates in the Municipality of Omiš, offering services of rafting and canyoning, while the self-catering house is located at the crossroads of municipalities of Zadvarje and Šestanovac. This circumstance ensured getting the information from different administrative areas. There are not many self-catering houses in Split-Dalmatia County, while the aforementioned forms of adventure tourism are present only along the river Cetina. Furthermore, the Municipality of Podgora belongs to Makarska Riviera, but the rural household is located ten miles from Podgora, on the Biokovo Mountain. Therefore, we can treat it as part of the tourist offer of Dalmatian hinterland, particularly due to the available local roads from the interior (directed from City of Vrgorac and Municipality of Zagvozd).

In order to achieve a greater validity of data, the method of triangulation was used. Conducted interviews, analysis of strategic documents and their connection into interpretation indicate theoretical assumptions of the study, which represent a kind of attempt at "reconciliation" of theories that insist on the primacy of the social structure in shaping individuals and those who insist on actions based on actors' understandings (*Verstehn*). Those are the starting points that advocate a micro-macro social bond in terms of generating the structure through continuous interactions and relationships, whereby the structure performs retroactive influence on the actors' meanings (Ritzer, 2004). Within our research, linking the analytically different levels of study improves efficiency of the actors responsible for making of strategic documents because such documents should ultimately serve as the basis for further actions in

² In organizational management known as SWOT analysis (Buble et al., 2005, 69).

relation to other stakeholders in rural tourism. Therefore, through the linking of secondary data with the participants' experience, *the complementary insight into the state of rural tourism in the administrative area covered is enabled, i.e. the overview of the efficiency of performance the strategic tasks set in relation to the everyday life of people who deal with this kind of selective tourism and their answers to the wider social reality*. Recognizing the richness of informants' understandings, answers are delivered in their original form, i.e. in a way they were imposed, which leaves room for reinterpretations³.

Having explained the theoretical and methodological aspects of the study, it is possible to determine the nature of the research paper that is a combination of *exploratory* and the *explanatory* study. Thus, the first type is used for exploring the subject through an analysis of existing documentation, while the second provides deeper understanding of causality through the perspectives of insiders within the rural tourism.

3. The experience of rural tourism in Croatia and strategic (dis)advantages of its development

Although it is inappropriate to compare rural tourism in Croatia and the more developed European countries⁴, the general statistics show the possibilities of its long-term development. While the rural areas participate with 2.9% regarding the total overnight stays at the Croatian level, the same participate with 10-20% in the European terms (Ruzić and Demonja, 2013, 46). According to Eurogites⁵, Croatian rural households achieve 120 000 overnight stays with approximately 900 registered beds, while the annual income of rural tourism is around 4 million euros. Regarding the share of rural households in the totality of rural tourism in Europe, around 100 000 units with 1.3 million beds are offered, which gives an income of about 12 billion euros a year (Baćac, 2011, 175). As noted, rural tourism includes other forms of accommodation in addition to rural households (self-catering houses, hotels, campsites, breakfast and bed, etc.), as well as a variety of activities besides accommodation and catering, so total revenues are undoubtedly higher.

In contrast to countries with a long tradition of rural tourism, such as Austria, Germany, France, the Netherlands, England and Sweden (some of the most receptive and emissive areas of such type of tourism), which have begun to intensively develop rural tourism in the 1970s⁶ due to the economic restructuring of rural communities, rural tourism in Croatia started gaining momentum only in the 1990s. The above mentioned countries already have a highly

³ Atkinson et al. (2001) emphasize the desirability of such a practice in qualitative studies because it discredits "totalizing" views on society and culture.

⁴ Štambuk (2002: 18-20) emphasizes that *recomposition* in Croatia, as a developmental phase of the village areas after its *decomposition* during the socialist period, has not yet begun. Characterized by leaving the village due to the forced industrialization and urbanization, in European terms decomposition ends in the mid-20th century, when the village started to be revitalized due to non-agricultural population while agricultural production has been modernized with a decline in the share of farmers in the occupational structure. Together, this leads to a greater complexity of social relations and boosts the social structure. The author considers the development of the tertiary and quaternary sectors (which also includes tourism) as a necessary precondition for recomposition of Croatian rural social system.

⁵ It is the acronym for the European Federation of Rural Tourism, which includes 35 organizations from 27 European countries. Its activities are networking at the international level, professional representation in European organizations, training, marketing, definition of quality standards and branding. At the European level, some other organisations deal with similar issues, such as the European Centre for Ecological and Agricultural Tourism (ECEAT) and European Council for the Village and Small Town (ECOVAST) (Petrić, 2006, 157-158).

⁶ Although the rural area has attracted people since the time of Ancient Greece and Rome (Olympic Games, visits to healing springs, spas, villas - summer houses, etc.), beginnings of modern European rural tourism are associated with a small village Chândal a la Jaive in Provence (France) where a pilot project of self-catering house was launched in 1951. Traditionally built barn was converted for tourism purposes. Through economy recovery, it was sought to stop the emigration (Baćac, 2011, 11).

developed "bottom-up" approach, while European Union suggests the same for present day Croatia. It implies decentralization of planning of rural tourism at the local and regional level through the use of valid strategies that are harmonized with the natural and cultural context (Croatian Tourism Development Strategy till 2020, 2013). The transition to multi-party system and capitalism has spurred the interest for development of rural tourism after several decades characterised by the neglect of rural areas.⁷

Positive economic effects of tourism were already evident during the socialist period when the "sun and sea" tourism began to develop due to the oversupply of newcomers in the coastal cities for which there was no place in industrial production. Even then rural tourism existed in some littoral and island villages, but was not recognized as a concept at the national level (Petrić, 2006, 162). It developed sporadically until 1995, when the Ministry of Tourism started to implement education on the subject and gather information on the ground. Activities were focused on the development of rural households. In addition to the aforementioned ministry, an important role in finding suitable farms and animation of their owners for the refurbishment of facilities and the provision of tourism services had the experts of the Institute for Tourism as well as organisations Croatian farmer, Member club "Village" and Croatian Chamber of Economy (Ružić and Demonja, 2013, 45-46). Istria County became first involved in significant development of rural tourism. Number of rural households started to increase significantly since 1998, when there were 32 rural households, while the number was doubling on an annual basis until 2000, when 151 rural households were registered in total (Demonja, 2014, 76). Since then, the growth of their numbers slowed, while the recent information published by the Ministry of Agriculture suggests "unreasonably low level of representation, with 447 rural households that are very unevenly distributed across counties" (Rural Development Programme, 2014, 25).

Demonja (2014: 75) points out that the period from 1999 to 2004 was marked by weaker activities on behalf of the ministries regarding the rural tourism development (financial supports, training, etc.), in contrast to the stability of individual initiatives, while the government has been engaged significantly in the revitalization of the rural areas since 2004, particularly the Ministry of Tourism, Ministry of Agriculture and Ministry of Economy, which passed various measures for stimulation of rural development, such as financial programs, (co)funding of projects and favourable credit lines (Rural Development Strategy 2008-2013, 2008). Similar programs are offered by the regional and local governments, as well as the business sector and professional associations. The funds are intended for the public, private-profit and non-profit sectors, which are often stimulated for joint activities due to the strengthening of resources and comprehensive actions.

The pre-accession funds of the EU were available for the purpose of economic recovery through rural tourism, such as Special Accession Programme for Agriculture and Rural Development (SAPARD), Instrument for Pre-Accession Assistance (IPA) and Instrument for Pre-Accession Assistance in Rural Development (IPARD). According to the Ministry of Agriculture from 2013, 144 million euros were available to Croatia just under the IPARD program, while all previous resources and programs have been intended to prepare the former candidate country for the use of the European Agricultural Fund for Rural Development (EAFRD), intended for EU member countries. With regard to the EAFRD, approximately two billion euros will be available for Croatia during the period from 2014 to 2020.⁸ As was the case

⁷ Socialist (planned) economy was forcing the industrialization and urbanization, while the agricultural property was constantly reduced to prevent the establishment of a market economy and its origins in a rural area (Kušen, 2003). Disrepair of arable land, schools, clinics, houses and other buildings has become a reflection of the negative demographic and socio-economic processes (Nejašmić, 2005).

⁸ This should be seen as an opportunity rather than resources that will surely be assigned. Utilization of funds depends primarily on applying highly evaluated proposals by the contracting authorities.

with the pre-accession funds, only a portion of the funds will be directly aimed at the development of rural tourism as financing includes nineteen measures, while Measure 6 involves the development of agricultural and non-agricultural activities in rural areas. Approximately 240 million euros will be available for this purpose (Rural Development Programme of the Republic of Croatia, 2014, 392). However, significant investments in the sector may be indirect. The Rural Development Programme of the Republic of Croatia (2014-2020), which serves as a basis for tendering within the EAFRD, sets comprehensive goals, priorities and measures for the integrated development of rural areas. Thus, it is intended to restore and improve ecosystems, promote organic agriculture, devise strategic documents on the development of rural areas, raise entrepreneurial awareness among the local population, encourage networking into associations and public-private partnerships, build museums, playgrounds, hiking trails, squares, parks, markets, etc. These factors can significantly contribute to the recognition of tourist destinations, invigorating their natural and anthropogenic basis.

Table 1 SWOT matrix of rural areas in the Republic of Croatia

Strengths	Weaknesses	Opportunities	Threats
Preserved environment	The weaker availability of physical infrastructure in relation to urban areas	Stable macroeconomic indicators at the national level	The slow process of structural reforms
Landscape diversity	A lower level of social infrastructure compared to urban areas	The quality of the highway and the development of telecommunications	Depopulation and aging processes in rural areas
Cultural and historical heritage	Financially and organizationally weak local authorities	New trends in tourists' demand	Extremely uneven regional development
Traditional skills and products	Abandoned settlements and abandoned arable areas	The favourable geographic position of the Republic of Croatia	Slow demining progress in areas that were affected by the Homeland War
Forest areas with the potential for hunting and timber industry	The lower level of education than in urban areas	Strengthening the multifunctional role of agriculture and rural areas in the economy and society	Low employment and higher dependence on social transfers in rural areas
The diversity of agricultural production	Low level of initiatives at the local level	The trend of decentralization within the rural and regional development of the EU	Lack of coordination between the programs and activities in rural areas
SMEs sector in developing	Underdeveloped waste water management and waste management	Strengthening the sector of energy production regarding the renewable sources	The low degree of organization of civil society and local initiatives
The upward trend of rural tourism	Lack of experience and knowledge regarding the rural development programs	Horizontal and vertical alliances aimed to increase the competitiveness	The high incidence of environmentally vulnerable areas
Groups and individuals with experience in the regional planning	Fragmentation and disunity of entrepreneurial initiatives	Changes in the consumers' minds with regard to nutrition, animal protection and environmental protection	Problems with ownership of real estate and real estate markets
The rise of entrepreneurial initiatives	Labour shortages in rural areas	Expanding the market without trade barriers	Aversion to rural lifestyle in the social system
Centralized monitoring of forest areas		Pre-accession and other EU funds	

Source: Rural Development Strategy (2008-2013), pp. 32-33

Efforts of the Programme towards strengthening the planned development of rural areas and raising the education of rural population are indicative. According to the SWOT analysis within the Rural Development Strategy (2008-2013), next factors are listed as some of the fundamental weaknesses of the rural area: a low level of initiatives at the local level, a low level of education in relation to urban areas, a lack of experience and knowledge regarding the rural development programs, a poor physical and social infrastructure when compared to urban areas, labour shortage as well as financially and organizationally weak local authorities. Some of the main threats are depopulation and aging processes, low employment and higher dependence on social transfers. Among other things, next indicators are listed as strengths and opportunities: the upward trend of rural tourism, preserved environment and diverse natural and cultural heritage (strengths), new trends in tourists' demand, decentralization policy within the rural and regional development of the EU, favourable geographical position of Croatia as well as the pre-accession and other EU funds (opportunities) (see Table 1).

Given the time distance of the publication of the strategy, the validity of some indicators can be discussed (the stable macroeconomic indicators at the national level, the sector of small and medium-sized enterprises in developing, etc.). However, the discussed factors continue to determine the rural area. According to the administrative organization of the Republic of Croatia, in addition to 128 cities, there are even 428 municipalities (Statistical Yearbook, 2014, 59), many of which do not have the financial and operational capacity for strategic development (Croatian Tourism Development Strategy till 2020, 2014, 24). A negative natural increase has determined Croatia since the 1990s, while a net migration with foreign countries has shown negative indicators since the 2009⁹. In comparison, a negative natural increase has been very noticeable phenomenon in rural areas since the mid-1970s, while a negative migration balance has been present even earlier (Akrap, 2002, 62-63). Therefore, a worse average education of rural population is not surprising (percentage of people who have completed only a primary school, while having 15 years of age or more, is twice higher than in urban areas, ranging from 20 to 35%). Furthermore, rural population has greater exposure to poverty and social exclusion (38.1% in rural areas while the national average is 20.5%) (Rural Development Programme of the Republic of Croatia, 2014).

Spotting the animosity toward "rural" in the social system, especially because it is the opinion of public authorities¹⁰, puts an emphasis on the claims of sociologist Štambuk (2002: 27) on the "astonishing indifference of politicians for the research results of rural areas within the social sciences and humanities, with regard to population and area categorized as rural social segment, which determined the number of scientists and research papers that discuss this subject". In addition, rural tourism in Croatia does not possess a long-term developmental history. Therefore, a small number of authors who systematically study this issue is not surprising. The potential for strengthening the scientific deficit in the study of rural tourism has legislation that prevents registration of restaurants and other tourist activities as rural households if a precondition of agricultural production isn't satisfied. Considering that the total supply of such products and services can be a very diversified, it is obvious that the law contributes to the obstacles for monitoring the development of rural tourism. The individual statistics are made only for rural households. Demonja (2014: 75) argues that neither such statistics are updated regularly. He stresses that the last publicly available records date back to 2007.

Unfavourable role for monitoring the state of rural tourism has also a non-adoption of a nati-

⁹ This trend overlaps with the strengthening of economic recession in Croatia (see Statistical Yearbook 2012, 2013 and 2014).

¹⁰ Rural Development Strategy (2008-2013) is an official document of the former Ministry of Agriculture, Fisheries and Rural Development.

onal strategy for its development. On three *Croatian Congresses on Rural Tourism with International Participation*, held in 2007, 2009 and 2012, a national strategy was highlighted as one of the priorities among the conclusions. Since the rural area covers most of the national territory and nearly half the population, such tourism can contribute to improving the living conditions and economic growth through sustainable development "while preserving local identity, traditions and customs, protecting the environment and promoting indigenous, traditional and ecological production" (Baćac, 2011, 10). Although rural tourism is considered within several strategic documents of which the most relevant are mentioned in this paper¹¹, it is clear that its potentials are not evaluated enough (at the level of priorities, measures, financial and evaluation plan, etc.). In most of them, it is considered very generally, without significant explanations which activities should be supported, when and where¹². In addition to described weaknesses of rural areas, by all accounts, we should rely more on individual initiatives than major strategic planning of rural tourism at the national level. When only a few counties have adopted their tourism development strategies with an emphasis on rural areas (Zagreb, Sisak-Moslavina and Split-Dalmatia County), a quick and territorially balanced development of activities that belong to this type of selective tourism cannot be expected (Ružić and Demonja, 2013, 59).

4. The Situation in the Split-Dalmatia County: the Experiences of Actors in Rural Tourism

Rural tourism is based on natural and cultural conditions of the given area. It starts with the tourist valorisation of existing resources (Kranjčević, 2010, 145). In this sense, the interviewees emphasize a good demand regarding the local products and services. Damir (42) points out that the rural household offers "typical traditional food products and specialties. One can also ride horses. Finally, a tour of Biokovo Mountain crags is available". Besides adventure tourism (horse riding, rafting, biking and hiking) and accommodation, local gastronomy is also a part of the offer of the rural hotel Sv. Mihovil, as well as the eco-ethno village Škopljanci. Eco-ethno village has accommodation capacities too, while its offer is broad and makes integrated complex of local heritage. As Jure (40) emphasises:

"We possess a museum, eco garden and farm animals that are used in catering purposes. We present folklore. The sports facilities, picnic spots and a children's program are another part of the offer. We possess 1745 exhibits of retro objects, 45 folk costumes and numerous musical instruments. There are three old rustic taverns and a hall with a capacity of approximately 300 seats. We hold different events such as bullfighting, rural Olympics, carnivals, midsummer night's ceremony and a Miss Dalmatia hinterland pageant. There is an oak tree forest that is protected as a natural monument, while the village is protected as a cultural monument. The perspective is excellent. We have invested a lot."

Frane (37) emphasises the profitability of rural tourism too. His job is rafting and canyoning. "With the current resources, I make enough money for me and my family, despite the fact that I am one of the smallest contractors. I work with two boats. During high season, rafting is consumed by a thousand people a day. There are around 20 companies engaged in this kind of business. Each of them has three to four boats whose capacities are fully utilized during the morning and afternoon tours. Around eighty boats are driven in the morning hours and a little

¹¹ Its importance is undoubtedly stressed in the *Strategic Development Framework (2006-2013)*, *Government Programme for the mandate 2008-2011*, *Croatian Tourism Development Strategy till 2010*, etc.

¹² Finally, it is the case with the Rural Development Programme of the Republic of Croatia (2014-2020). The concept of rural tourism is rarely mentioned and explained through several pages of the document that contains a total of 420 pages.

less during the afternoon. Seven to eight people fit in each of them. So, it is close to a thousand people a day that consume rafting. The situation has been the same over the last few years”.

Participants suggest that business success depends on the design of the offer, which often combines several products and services, which can attract different target groups. Petrić (2006: 43) points out that it is necessary to meet the aspirations of visitors to the consumption of cultural and educational elements, especially through the participation in activities and daily life of residents. Visits to Croatian rural destinations are also motivated by extreme pleasures of outdoor activities and desirable health impacts (Ružić and Demonja, 2013, 46).

Results confirm that rural tourism does not destroy nature. There is no need to construct major new facilities, while such tourism seeks the best way to use existing resources (Rajko, 2013, 50). Rural hotel, eco-ethno village, rural household and self-catering house that are presented in this study have been created by restoration and adaptation of family-owned buildings. Their valorisation for tourism purposes informants often associate with the degradation of unused assets whose adaptation enables a good life in the countryside. Mario (28) emphasizes that his family “went into business with a self-catering house by renovation of the old family-owned houses that have been without tenants for years. It was sad to see that such a capital collapses in the middle of nature, near the arable land and the lake.”

In the presented cases, tourism is generally based on the desire to stay in the countryside to preserve heritage. Therefore, dealing with financially feasible activities is an existential precondition. Jure comments typically: “I wanted to keep the life in the countryside, preserve old customs and provide guests with the beauties of this region. We have a lot to show.” Damir emphasizes that his father, who was a rancher at Biokovo Mountain in the 1960s, has introduced him into the business. “I have been in love with the business since childhood. I found myself by working on our ranch. Simply, I enjoy it! I am outside the city, I live alone on the mountain and that's the future I desire.”

Even if one owns valuable assets, rural tourism requires cautious planning. It is important to keep in mind that an offer should be developed gradually - usually due to disadvantages of the political and economic environment. Indeed, it is not easy to succeed. This is confirmed by Ivan's (49) case:

“I am an entrepreneur, like the other members of my family. We've always been here. We were looking for the best developmental opportunities. We had a bar before the Second World War. After 1965, we were allowed to start new businesses. We opened the restaurant immediately. Later we built our hotel. Then we struggled with that. Who knows what else we could have made if we had not encountered major economic crisis. Croatia has always been in some kind of crisis. First there was war, and the post-war period was difficult too. In the end, the weakest are always affected the most. Indeed, Dalmatian hinterland is weak. Especially, when considering the economy, but also infrastructure, demographics, etc.

His further comment shows that informing the public about rural tourism activities as well as well thought out market analysis can be crucial for success:

“We built the hotel through the adaptation of the restaurant when they began to build a golf course in the City of Trilj. The golf course failed when the war started. At that time, I was a graduate student of tourism. I studied the global trends. I saw the possibility of active holidays, i.e. adventure tourism. While I was developing my thesis, I studied family hotels in Italy and France, gathering a lot of information on the bu-

siness success of such hotels in countryside. As one of the pioneers, my family has started rafting, canyoning and kayaking on the Cetina River. We learned from the professionals that were active on the Dobra River. Then it was in the beginning. We came here and made a similar story."

One of the reasons why interviewees started their business were the finances i.e. the improvement of their material conditions. However, business development has often required considerable financial sacrifices. This is not the case with Mario who stresses that his family "owns a few shops along the coast and the hinterland. But still, at the beginning of the self-catering house, a great effort of the whole family was invested", including his father, five brothers and sisters and him as well. For Frane, who was unemployed, a low level of investment made the situation a lot easier regarding the service business registration and purchasing of two boats. "I spent approximately one thousand kunas to register my service business. Equipment wasn't expensive too. My parents helped me financially. I took out a small loan. However, it was understandable to avoid loans. This is still a new branch in which you can earn something, but the opposite is also true. Only the earned money, I invest in business development."

Damir and Jure both emphasize great sacrifices. "When the war was over, we had no money. We had to make a plan even before buying a sack of cement. When we bought it, we had to bring it to the ranch and begin construction. But, we have owned a beautiful location on the Biokovo Mountain which is now a boom in the tourist industry. However, a perseverance and work have brought us success." The following Jure's comment perhaps best illustrates why rural tourism is developing slowly in this area. The causes may be sought in the lack of organization and lack of necessary professional capacities of national, regional and local authorities and the population, the large capital which sometimes needs to be invested, as well as a poor economic, demographic and communal situation in the villages. "A huge amount of money was needed due to the expensive renovation of the old houses made of stones, some of which have collapsed to the ground. We had to rebuild them with such materials, according to original construction parameters. The project was entered with a hundred thousand deutsche marks of loans and debt to state that gave us the cows that were sick. Likewise, authorities have given us the incentive for planting the almonds. A natural disaster has occurred and everything went dry. The authorities have given us the wrong directions. Nevertheless, we had to pay incentives. Then we continued with financial deficit. We have invested a lot, sold the house, real estates, abandoned our comfortable life and continued to live here where only in 1976 the electricity was introduced. However, the water supply is still missing, while the Internet access could be considered as a science fiction. In the 21st century, we do not have basic supplies, while the costs for utilities are similar to those of the capital of Croatia. "

Previous arguments make unreliable the statements on rural tourism as an ideal area for lifestyle entrepreneurs that seek for autonomy, keeping the family together and a certain way of life, uninterested in a significant strengthening of the economy (Petrić, 2006, 146). Although all interviewed emphasize the features of their tourism as a "family business", they often employ local population and point out their influence on the development of the local economy. They want to develop their businesses. Of course, the high-quality preconditions are needed. In this sense, Ivan points out:

"My parents and I have always strived to employ the other members of the family, while the local inhabitants have been an important workforce since the beginning of our business. However, we cooperate within a broad network of entrepreneurs, consisted of carriers, rural households, skippers, cafes, nightclubs, etc. Tourism seeks a broad inclusion. I financed the construction of the pool last year. The local companies have done this. I have just hired another local company to build a lift. Later, a local painter will decorate it. Again, the curtains should be changed. A seamstress from Trilj

will earn around ten thousand kunas. Since the last two years, I have invested 250 thousand euros. All the money has remained in Trilj and the surrounding area.

Frane emphasizes the importance of employing local people in order to reduce further emigration from rural areas. "When I have too much of work, I hire some guys from the village using the employment service mediation. It's their extra income. For some of them, it is the only one. Rafting is the only way out for many local guys. What else would they do if rafting did not appear in the late nineties? There is already a deficit of people in rural areas. It would be even worse if the youngsters emigrate to larger cities or abroad. There are 20-25 local rafting companies, while canyoning spreads. Each company hires four to five skippers, so there are 100-130 skippers along the Cetina River every summer season."

Informants indicate a good informal cooperation with the local population in terms of mutual promotion, logistics support in the realisation of activities and events, etc. This is important because it creates the potential for community development and creation of the tourist destinations wherein the relationships with the guests are crucial. Rural tourism is not targeted at the masses, but develops a personal approach towards guests with whom an everyday life is shared (Baćac, 2011). Damir explains: "The inhabitants support me verbally with kind words down the road. Their nice statements motivate me because it is obvious that I contribute to our community at least with an original and interesting offer." Furthermore, Mario emphasizes that several times a year he organizes parties for his friends and other inhabitants, while tourists are frequent participants too. "We gather in a restored tavern not far from my home. We make a barbecue and go bowling. Foreign tourists come often. They socialize with us. Some friendships arise." Finally, Frane believes that mutual respect leads to a reciprocal benefit:

"I am often a sponsor of sports and cultural events. Furthermore, my organisation cooperates with the local fire department. Our firefighters visit their colleagues and other fire departments in Croatia. When their colleagues come to Zadvarje, rafting is the biggest attraction. Firefighters from Vukovar, Osijek, Koprivnica and some other places have been here more than once. Sometimes, I do rafting for them free of charge, while sometimes they pay. In such cases, the salary is not important, as the feelings of honesty, solidarity and unity are."

Interviewees generally do not cooperate with the profit sector when designing their products and services because it is not a so developed offer in need of such support. They cannot cooperate with non-governmental organisations due to their underdevelopment in rural areas. None of the informants took a part in the EU projects. The lack of own knowledge regarding this subject is noticeable. The situation is a bit different considering the rural hotel in Trilj which offer is a very diversified. It is located in the metropolitan area so the civil society conditions are somewhat better, although the apparent lack of knowledge and professional staff. Ivan emphasises the collaboration with for-profit and non-profit sectors as an important factor in ensuring the quality of the business:

"We work with the miller in Grab, farmers on Kamešnica and people who deal with other services. For instance, rural households and various services providers among the Cetina River. People are often not professionals or initiators. You should initiate. It will be much better once you get people involved in tourism educated to the extent that they would initiate. I have to take my staff when coming to miller or to Kamešnica to fake on the authentic conditions. Again, this means that people need help to find out how to treat guests, exploit the potentials and develop the offer. Then services bind all the time. The local governments should promote development, support people to learn how to manage the entire process. Tourist boards are very important stakeholder considering the strategic development, while local governments have become

aware that it is possible to do something. When possible, it is necessary to utilize their capacities."

Participants consider the relations with the government and the public sector as unfavourable, while the public administration is seen as a serious threat to their future business. They identified the complexity and instability of legislation and procedures, as well as indifference, incompetence and specific suppression of activities along the political lines. As Damir claims:

"They do not care. They are even not informed what happens here. Is it out of ignorance or negligence, I really do not know. We encounter obstacles that neither the administration often knows how to solve. Let's say for this part of the Nature Park Biokovo. The local administration usually needs to consult with the others to get some information. It is always someone waiting, waiting, call forwarding, redirecting. "

Jure clearly suggests the indifference of local authorities for the development of community, stating how he has built an electrical substation for the development of his eco-ethno village, while the mayor even did not know for all this. Lack of interest can be even more trivial: "Chinese tourists came with two buses a few days ago. I asked the authorities to put a street lights on the bus stop. They did not listen so I had to use a flashlight. The visitors found it interesting. Flashlights are our standard for the 21st century. The authorities should put the street lights because they are paid for that. However, I have decided to finance it on my own. I cannot wait such a long time." Furthermore, Jure describes how it looks like when you are completely prevented to start a new business: "I have experience with starting a camp. Everything is unclear. Regulations are sluggish, while it is difficult to deal with the mass administration which cares only for itself. The prosperity of the community is not important as much as its own pleasures. A typical attitude is to cut you down. Otherwise, you are supposed to come repeatedly with a lot of papers, requirements, etc."

As a major threat to their businesses, participants state elements of what they see as an opportunity at the same time - the future of tourism destinations, which is like Janus. Development should be based on strengthening supply all within the destinations, otherwise there will be a disappearance of rural tourism for the benefit of other counties that will be competitive (Rural Development Programme, 2014). As it Ivan explains: "You cannot act alone on the market. We have recently created the destination. If it does not develop significantly, a danger is decreasing the quality of experience. Our way of rural tourism is very popular at the moment. But, when it stops to be a hit, we should put an emphasis on the quality." The informants as well as relevant documents suggest the significant tourist attractions of the Dalmatian hinterland and good transport connections with the coast where rural tourism can support the basic offer of the "sun and sea" destinations. Therefore, it is necessary to find the new ways of animating such activities due to the increasing tourists' interest in Croatia and Split-Dalmatia County.

5. Conclusion

The conditions of rural tourism are similar at the level of Croatia and Split-Dalmatia County. This effect is enhanced by the consequences of the socialist period, when the perspectives of the rural areas were suppressed in a uniform way for decades. Since the 1990s, the political and economic decentralization has occurred. Although a single part of the Croatia cannot be exempt from the impact of social spheres at the national level, decentralization promotes the autonomy of action and social changes. A certainly positive example in terms of the rural tourism is Istria County. Its tourist traffic constantly increases. However, there is a considerable scope for strengthening the offer, as evaluated by visitors (Ružić, 2012, 230). Positive changes are also taking place in Split-Dalmatia County, which belongs to the rare counties

with the strategy of development of rural tourism. Although many activities are financed every year (Stella, 2010, 440), the share of rural tourism in the overall tourist traffic remains unchanged and very low. As in other regions, the limiting factors are burdening bureaucracy, inadequate and unclear legislation, lack of initiatives by the public authorities, general lack of knowledge, poor municipal infrastructure, etc. The wide presence of the problem suggests a strong structural impact on the lives of individuals. However, their answers to the social reality are equally important. As the strength of their businesses, informants generally claim a quality of work and persistence, i.e. the successful resolution of many (especially administrative) obstacles. Our respondents actively change their living environment. A typical example is Jure. He points out that the local residents have established new attractions without any assistance (rural Olympics, Miss Dalmatia hinterland pageant etc.). Undoubtedly, interviewees contribute to the local economy and preserve the environment, which they consider as their "office and playfield". Informants intend to develop a tourist offer (mainly accommodation) which shows a good prospect of such activities. However, significant development requires the inclusion of a number of people - public sector professionals, entrepreneurs, non-governmental organisations, etc. Despite of the many attractions as well as demographic potentials which are favourable still, there is a lack of knowledge and resources in Dalmatia hinterland, which is similar to many other rural areas in Croatia. These factors should be planned and improved according to further elaborations in strategic documents adopted at the local, regional and national levels (Ružić and Demonja, 2013, 59), especially because of the amount of money available from the EU funds. In this case, such documents should be considered as a valuable tool for changing attitudes of individuals and groups on the basis of emerging social changes (Relja and Alfrević, 2014, 453). This is the only way to revitalize the rural areas.

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