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**Entrepreneurship of Residents as the Factor Influencing
Tourist Destination Competitiveness**

*Podnikanie obyvateľov ako faktor ovplyvňujúci
konkurencieschopnosť cieľového miesta*

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Competitiveness of tourist destinations, in the times of continuous struggle to win clients, has been playing an increasingly important role. One of the major factors, even though unrelated to tourist attractions, however influencing this competitiveness, is represented by the entrepreneurship of residents in tourist destinations. The article presents an example of Polish tourism oriented municipalities in which the entrepreneurship of their residents, apart from tourist attractions and infrastructure, exerts the crucial impact on establishing the competitiveness of a tourist destination.

Key words: *Competitiveness. Entrepreneurship. Tourist destination.*

V dobe neustáleho boja o zákazníkov zohráva konkurencieschopnosť cieľových miest čoraz dôležitejšiu úlohu. Jedným z hlavných faktorov, aj keď nesúvisiacim s atraktivitami cestovného ruchu, ale ovplyvňujúcim konkurencieschopnosť cieľového miesta, je podnikanie obyvateľov v cieľových miestach. Stat' prezentuje príklad poľských obcí zameraných na cestovný ruch, v ktorých podnikanie obyvateľov, odhliadnuc od atraktivít cestovného ruchu a infraštruktúry, pôsobí ako zásadný faktor konkurencieschopnosti cieľového miesta.

Kľúčové slová: *Cieľové miesto. Konkurencieschopnosť. Podnikanie.*

Introduction

The current tourism market is highly competitive. Both, enterprises and particular tourism specific regions compete between one another to attract as many tourists as possible. Economists have been interested in the problem of competitiveness, in terms of enterprises, for many years. The theory discussing this subject matter is abundant and well developed. Competitiveness of an enterprise is manifested by winning competitive advantage over the market rivals, by meeting consumers' needs through offering them adequate quality products, supplied in the proper place and time, at the price which they can accept. Competitiveness, with reference to tourist regions (destinations), represents a more complex problem, since it depends on numerous factors (picture 1), including local entrepreneurship. It also depends on the effectiveness of territorial socio-economic systems functioning and their capacity in providing the extensive reproduction of regional and national resources. The specific nature of regional competitiveness is characterized by parallel competition between producers and that of the environment in which they function.

Tourist development	Competitive tourist destination	Visitor management
Geographical location		Hospitality
Social infrastructure		Service quality
Seasonality of tourist traffic		Service quality
Entrepreneurship of residents		Transportation accessibility
Tourist attractions		Fashion
Policy of regional authorities		Promotion and marketing

Picture 1 Factors influencing tourist destination competitiveness.

Source: Author's compilation based on Derek, 2008, pp. 67-68; Niezgodna, 2006, pp. 119-121.

We can, therefore, assume that a competitive tourist destination represents the area which is capable of winning the competition against other regions, whereas from the perspective of tourism, competitiveness of a tourist destination refers to the ability of creating and developing such tourist offer (tourist product) which could distinguish a particular destination from others and thus could attract tourists and increase socio-economic benefits resulting from the development of tourism in this area. Therefore, competitiveness means offering a difference, being better and more attractive (Derek, 2008, pp. 67-68). Such offer is created by entrepreneurs based on regional tourist assets, as well as both, tourist and social infrastructure. Developing such offer depends, to a great extent, on the entrepreneurship of residents in tourist des-

tinations. The author has already published more extensive studies referring to tourist destination competitiveness (Gryszel, 2010).

The concept of entrepreneurship is a multi-faceted one. From economic perspective entrepreneurship is frequently referred to as the fourth production factor, manifested in the area of rationalization and creative application of innovative solutions, resulting in better effects of taking advantage of the remaining factors. Hence, its role is crucial not only in terms of effective allocation of the existing resources, but also in establishing new and improved ones (Drucker, 1992, p. 33). Therefore, entrepreneurship can be referred to as an attitude, or as a process. If it is approached as an attitude, entrepreneurship represents the feature of individual people and consists in their inclination towards undertaking new activities, improving the existing environmental components, or their active approach to the surrounding reality (Nawrot, 2008, pp. 108 – 122). Entrepreneurship as a process consists in establishing and developing units of entrepreneurial economic activity (enterprises – companies). The essence of economic activity – from the perspective of entrepreneurship – is represented by the involvement of the existing productive apparatus in future expectations, which carries risk and uncertainty, however, allows to trigger the initiative and create new attributes of entrepreneurship (Nawrot, 2008, pp. 108 – 122).

1. Objective, material and methods

The objective of the article is to evaluate the impact of tourist destinations residents' entrepreneurship on strengthening these areas competitiveness of. The research covering entrepreneurship in tourist destination areas is conducted quite frequently and analyzes many aspects of this problem. The already quoted Ł. Nawrot (2008) performed research among entrepreneurs in order to study barriers for entrepreneurship development in selected Kashubian municipalities. D. Wyszowska, on the other hand, conducted research among the employees of local government units in order to identify the carried out municipal activities, aimed at supporting entrepreneurship. In the area of Małopolska the research focused on entrepreneurship development support was undertaken by D. Dryglas and K. Wach (2007). Much less research has been done in relation to entrepreneurship and its impact on tourist destinations' competitiveness.

Therefore, survey studies were conducted in ten selected municipalities of Dolnośląskie region and aimed at evaluating the competitiveness of particular municipalities in the opinion of tourists, against similar tourist centres in Europe, Poland and The Sudeten. In case of each

municipality, about 100 to 200 tourists, visiting a particular municipality, were surveyed by means of an online questionnaire. The survey covered municipalities which tourist function is of decisive (polarizing) impact. For this purpose the tourist function indicators of a location, developed by Baretje and Defert, were used to present the number of beds per 100 permanent residents. The municipalities, in which this indicator was higher than 10, were selected for the study. Urban municipalities - district capitals (e.g. Jelenia Góra, Kłodzko) - were omitted intentionally. The second indicator, illustrating the tourist function intensification in a municipality, was the percentage of entities running business activities in tourism economy, i.e. in H sections (transport and storage management), I (activities related to providing accommodation and gastronomy services), N (administrative and supporting activities – including the operations by tourism organizers and tourist agents) and R (activities in the field of culture, entertainment and recreation) – in accordance with PKD (*Polish Classification of Business Activities*) of 2007. All the surveyed municipalities are characterized by the percentage of entities running a business within the tourism economy sector at an above average level for a given region. In case of Dolnośląskie region 15 % of enterprises, on average, are included in the tourism economy sector. Karpacz and Szklarska Poręba are much ahead of all the studied municipalities where half of all entrepreneurs function within the framework of broadly understood tourism economy. The presented research results constitute a pilot study of a larger research project carried out by the author.

2. Results and discussion

The majority of municipalities covered by the study are characterized by the above average entrepreneurship of their residents, confirmed by the statistical indicators. In these municipalities there are usually many more entities registered in REGON (*Official Company Register*) per 10 000 population than their average number in a region. In case of Karpacz even doubled. It is also interesting that the number of new businesses being registered per 10 000 population in these municipalities is much higher than their average number registered in a region. These observations confirm the appearing entrepreneurial characteristics among a larger, than average, number of residents. Additionally, the number of deregistered entities is smaller than the number of new registered ones. It proves that the decisions made about initiating business activities represent, in most cases, the correct ones based on well thought over reasons and entrepreneurial orientation of the residents. Moreover, these arguments can be strengthened if we consider indicators referring to working age population. In case of Karpacz

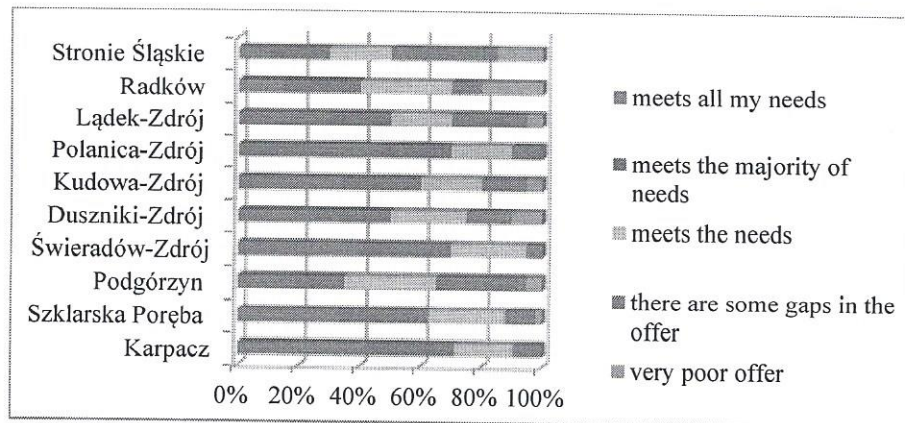
and Szklarska Poręba every fourth or fifth working age resident is running his/her own business, whereas in Dolnośląskie region every 10th person, on average, performs such activity.

Table 1 Entrepreneurship and tourist function in the selected tourist municipalities of the Sudeten in 2012

	Entities registered in REGON per 10 000 population	New entities registered in REGON per 10 000 population	Entities deregistered from REGON per 10 000 population	Natural persons running a business per 100 working age population	New registered entities per 10 000 working age population	Percentage of entities run- ning a business in tourism economy in %	Indicator of the location tourist function - municipalities
DOLNOŚLĄSKIE	1156	104	72	12	161	14,91	2,02
Karpacz	2169	182	146	25	270	51,07	190,83
Szklarska Poręba	1925	154	111	21	234	46,39	65,20
Podgórzyn	1251	113	65	14	170	24,69	18,19
Świeradów-Zdrój	1338	108	70	14	171	37,77	56,32
Duszniki-Zdrój	1216	151	91	13	244	23,41	32,38
Kudowa-Zdrój	1012	89	73	12	141	22,07	25,79
Polanica-Zdrój	1630	126	108	19	206	22,91	24,99
Łądek-Zdrój - rural	1093	91	86	13	142	20,48	11,24
Łądek-Zdrój - city	1174	96	81	14	150	22,57	13,64
Radków - rural	796	68	52	8	103	16,37	11,6
Radków - city	1196	79	72	9	122	16,12	36,00
Stronie Śląskie - city	980	86	73	11	132	20,58	8,35
Stronie Śląskie - rural	1186	103	80	14	153	26,82	31,38

Source: Author's compilation based on Local Data Bank of the Central Statistical Office, 2014.

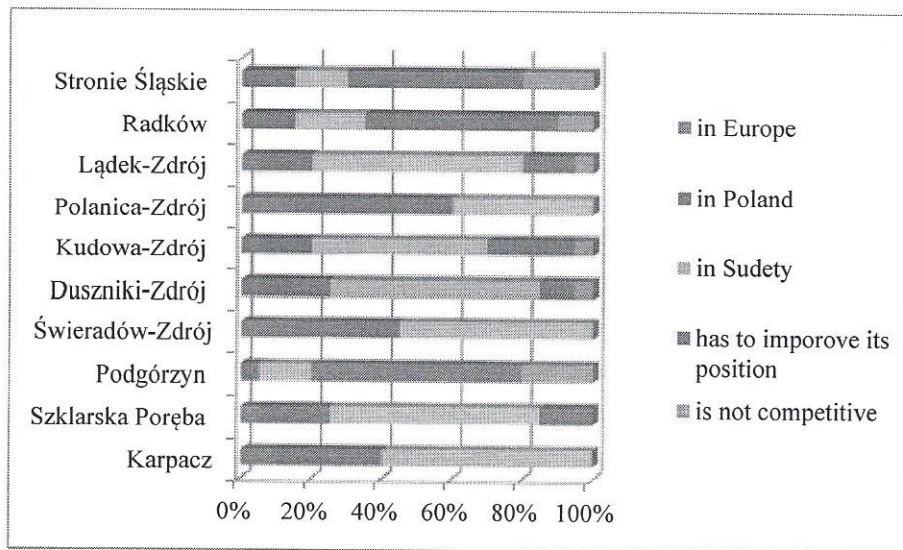
The first step in analyzing the impact of residents' entrepreneurship on tourist destination competitiveness was the study regarding meeting the level of needs presented by tourists in terms of the offer provided by tourist entrepreneurs (picture 2). The research revealed that the offer prepared by entrepreneurs, covered by the tourist locations research, meets the needs, expressed by tourists visiting these places, very well. Among the locations focused on typical mountaineering tourism (in summer and winter) the visitors' needs were best met by Karpacz and Szklarska Poręba. Whereas among spa resorts Świeradów-Zdrój and Polanica-Zdrój presented the best offer to serve their guests. The poorest evaluation results referred to Radków and Stronie Śląskie, i.e. the locations characterized by the lowest tourist function indicators.



Picture 2 The level of meeting tourists' needs based on the offer prepared by entrepreneurs in tourist municipalities

Source: Author's compilation, 2014.

In the opinion of the survey respondents, i.e. tourists visiting the analyzed tourist municipalities, their vast majority can compete with other tourist locations characterized by a similar tourist type and function (picture 3). The best competitive positions, among the research municipalities, are occupied by Karpacz, Świeradów-Zdrój and Polanica-Zdrój. They represent three tourist municipalities which are most frequently chosen by tourists as their destinations. Therefore, if it is adopted that a competitive tourist destination represents the one which is capable of winning the competition against other regions, then these locations can be regarded as competitive. Additionally, if it is assumed that the tourist offer, prepared by these municipalities, is best adjusted to the needs of their visitors (picture 2) it can be concluded that this competitiveness is, to a large extent, constructed based on entrepreneurial attitudes represented by their residents, since the tourist offer is created by entities running a business within the area of a municipality. Additionally, it is also confirmed by the correlation ratio between tourists' satisfaction level from the tourist offer of a particular municipality (picture 2) and the possibility of this municipality to compete against other tourism oriented regions (picture 3), which amounts to 0,95. The author is, however, aware that the competitiveness of tourist destinations is also influenced by other factors presented in picture 1. Their impact on tourist destination competitiveness will become the subject matter of further research.



Picture 3 The possibility of locations situated in The Sudeten to compete against similar tourist locations in Europe, Poland and The Sudeten

Source: Author's compilation, 2014.

Conclusion

The conducted evaluation allows for concluding that tourist communes are characterized by the above average entrepreneurship of their inhabitants. Such attitude is probably imposed on the residents by both economic reality and the environment in which they have to live and work and mainly their peripheral location in the area presenting abundant tourist advantages. Tourism economy is mainly based on rendering services which offer very extensive opportunities in starting and running a business. Entrepreneurship and creativity, presented by the residents of tourist municipalities, enhance their competitiveness at both domestic and international tourist market. Apart from numerous other factors influencing the competitiveness of tourism oriented municipalities, the entrepreneurial attitudes manifested by their residents are of crucial significance in the establishment of their competitive potential.

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