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Original Contribution

STATISTICAL ANALYSIS OF THE RESULTS FROM A SURVEY ON POSSIBLE ALTERNATIVES FOR THE DEVELOPMENT OF RURAL TOURISM IN BULGARIA

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ABSTRACT

The purpose of the survey is to develop an understanding of the interaction between tourist enterprises and institutional frameworks which are relevant to these enterprises, and to establish the differences in their opinion regarding alternative decisions about the marketing environmental factors, price policy, financing and the existing fiscal system in rural tourism.
The analysis of the results of the survey is grouped in four parts:
-The first part is concerned with the characteristics of the enterprises/organizations and questions on the details concerning the nature of barriers, cooperation as an alternative, changes in the existing legal requirements, etc.
-The second part deals with the possible alternatives for the use of the marketing environmental factors in rural tourism
-The third part comprises the feasibility concerning the price policy in rural tourism
-The fourth part concerns questions about the alternatives for financing the enterprises and the existing fiscal system.

Key words: Rural tourism, institutional frameworks, price policy, marketing environmental factors, financing of the tourism enterprise

INTRODUCTION

Over the last 12-13 years rural tourism has developed significantly in many rural areas in Bulgaria, especially in the Rhodope Mountain, Dobrudja and other regions The advantage of Bulgarian tourist potential is the variety of researches concentrated on a relatively small area /40 000 monuments of different historical periods – seven listed by UNESCO, 160 monasteries and 229 museums, 700 mineral springs, 378 km. long Black Sea coastal line, 16 million square meters of beaches, alpine to low mountains, ski slopes, snow retention for 190 days, rich biodiversity, etc./, which enables the development of diversified tourist products and alternative tourism forms /rural, eco, hobby, etc./.

Rural tourism in Bulgaria is under high pressure of high speed of tourism supply on national and international dimensions. In this sense, with the constant speed of development of rural tourism, it can be saved only on the basis of varieties of the rural tourism product and its individuality in this type of tourism (1).

Rural tourism entrepreneurs usually have the main motive for starting of tourism enterprise as predominantly life-style or family-related base (2). Opportunity for rural tourism entrepreneurs in Bulgaria are offered in a number of villages in the Balkan range, Strandja Mountain, as well as in the Rhodope Mountain and Dobrudja with well preserved old crafts and folklore. There is ecologically pure environment and there are suitable places for accommodation (3).

Actually, investments during the after privatization period directed for gaining higher quality have offered their services. Simultaneously, after 1997 a new form of tourism supply appeared – in a number of settlements in typically rural areas /Rhodope, Balkan, Strandja/ entrepreneurs developed very fast with typical family hotels, restaurants business and attractions like attending and partaking in local folk holidays, riding, visiting architectural and ethnographic

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complexes, monasteries and churches, organizing picnics.

The purpose of the survey is to develop an understanding of the interaction between tourist enterprises and institutional frameworks which are relevant to these enterprises, and to establish the differences in their opinion regarding alternative decisions about the marketing environmental factors, price policy, financing and the existing fiscal system in rural tourism.

MATERIAL AND METHODS

The four research areas are chosen according to the criteria "near to a big city – remote from a big city", "upland – lowland", "well-developed tourism infrastructure – less developed tourism infrastructure". Four research areas are chosen in Bulgaria – the Rhodope Mountain, the ForeBalkan, Dibrudja and Strandja.

Two main groups have been questioned – enterprises and organizations, 49 and 51 respectively, working in the field of rural tourism.

People who took part in the survey comprise 5 groups depending on the region (the area) in which their enterprises or organizations function – near lowland, far lowland, near upland, far upland and the like (Table 1). There is an exception to this in the tables with respect to the organizations where there is a fifth group, as well as the others. It comprises organizations on a central level – ministries, departments and other organizations which are located in none of the four studied regions[2].

Table 1. *Distribution of both groups respondents in the four regions*

Group Location	***Enterprise***	***Organization***
Lowland near	13	11
Lowland far	13	9
Upland near	11	11
Upland far	12	11
Other	0	9
Total	**49**	**51**

Depending on the type of activity of the enterprises and organizations, the same has distribution shown in Table 2:

Table 2. *Distribution of both groups respondents according to the type of activity.*

Organizations	
General level	13
Education level	7
Promotion level	14
Planning and control	4
Physical development	6
Infrastructure level	7
Total	**51**
Enterprises	
Accommodation	20
Gastronomic	16
Leisure activities	7
Pluractive	6
Total	**49**

The analysis of the results of the survey is grouped in four parts:

- the first part is concerned with the characteristics of the enterprises /organizations and questions on the details concerning the nature of barriers, cooperation as an alternative, changes in the existing legal requirements, etc.;
- the second part deals with the possible alternatives for the use of the marketing environmental factors in rural tourism;
- the third part comprises the feasibility concerning the price policy in rural tourism;
- the fourth part concerns questions about the alternatives for financing the enterprises and the existing fiscal system.

The following statistical methods for analysis of data from surveys were applied - analysis of two- and multi-dimensional frequency tables, analysis of multiple response data and multiple dichotomy data. Chi-square test was used for comparison the opinion of the two basic groups questioned. Chi-square test was used for examining associations in two-way tables. The dependency of the choice of answers on the type of the activity of the enterprises (organizations) has also been surveyed, as well as their residence. Statistical analysis of the results of the survey was performed by the StatSoft Statistica package (4).

RESULTS AND DISCUSSIONS

The characteristics of the enterprises and organizations

The opinion of the enterprises and organizations varies a lot depending on how the fiscal and industrial barriers influence their activity.

The opinion of the two main groups

[2] *Percentages in all tables are in the row count. For multiple response items the sum of percentages in a row is more than 100.*

respondents about basic barriers for their development is significantly different (χ^2 = 3,98; p=0,045) (Table 3). Most of the enterprises – 29 (59,8%) point "Fiscal Barriers", while 31 (60,8%) of the organizations believe that the industrial barriers influence their activity.

***Table 3**. The frequency distribution of the answers of the two main groups respondents about basic barriers for their development.*

	Fiscal barriers	***Institutional barriers***	***Row totals***
Organizations	20 (39,2%)	31 (60,8%)	51
Enterprises	29 (59,2%)	20 (40,8%)	49

There was no statistically significant difference found regarding the process of cooperation.

Most of the people questioned in both groups answered positively to the need of cooperation – 41 (83,6%) of the enterprises and 47 (92,16%) of the organizations.

As regards the cooperation in the regional or national chain, the given answers are influenced by the position and the type of activity (Fig. 1).

On the whole, the preferences of the two main groups are given in Table 4. No significant difference is found in the general respondents' opinion of both groups – organizations and enterprises about cooperation.

***Table 4**. The frequency distribution of the answers of the two main group respondents – organizations and enterprises about cooperation.*

	National chain	***Regional chain***	***Row totals***
Organizations	22 (46,8%)	25 (53,2%)	47
Enterprises	24 (58,5%)	17 (41,5%)	41
Totals	46 (52%)	42 (48%)	88

There is, nevertheless, a significant dependence between the position of the enterprises and organizations and the type of activity and the choice of the type of cooperation. For example, while with the enterprises of near lowland (6 out of 10) and far lowland (7 out of 9) have chosen "Regional chain", with far upland the preferences are for "National chain" (9 out of 11) ($\chi^{2=}$ 11,2; p= 0,01)

Among the organizers who took part in the survey, those from lowland far are significantly contrasting the other groups (χ^2 = 12,35; p = 0.001) – the relation is 7 to 0 in favor of the Regional chain.

On the other hand, the type of activity also influences to a great extent the answers. For example, in the group of the enterprises, with Pluractive, the opinion is different from the common support in favor of the "National chain".

With the organizers at the General level, the relation is 8 to 3 in favor of the "Regional chain".

There are not significant differences between the two main groups of enterprises and organizations regarding the "Changing of the structure" The most common answer is "Advertising", followed by "Improving infrastructure' and "Training/qualification".

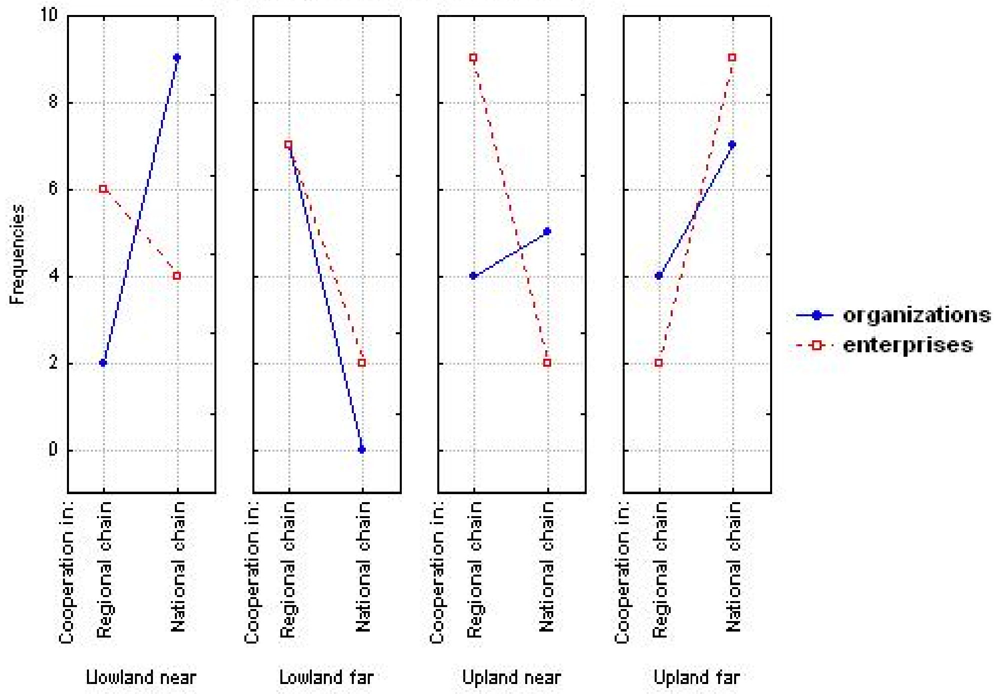
With the enterprises of the different areas, there is a significant difference in the choice of enterprises and organizations of the different areas. Those of lowland near and lowland far have preferred "Advertising" (5 out of 12) and "Planning" (4 out of 11), while among those of upland near/upland far, most of the questioned pointed "Accommodation" (10 out of 23) and "Gastronomic" (8 out of 22) (χ^2 = 56,8; p=0.001)

There is a statistically significant dependency between the type of activity and the vision about the structure of the cooperation. With the enterprises, the preferences among the first two types of activity, "Accommodation" and "Gastronomic" coincide with the answer with the same name. (χ^2 = 66,01; p=0,001) – respectively, 10 (50%) and 8 (61,5%).

With the people from the group of the organizations who took part in the survey, the dependence between the type of activity and the choice of region for structuring is as follows: from Educational level 7 (100%) pointed "Training/qualification in tourism"; from "Planning and Control" 3 (75%) pointed "Planning and monitoring of business and finance" or "Physical development", 5 (100%) pointed "Physical development in tourism". From "Infrastructure level" all 6 (100%) pointed "Improving the infrastructure".

In both main groups most of the people questioned believe that some changes in the existing legislative requirements would influence the activity of the respective enterprise or organization – 47 (96%) and 48 (94%), respectively.

Fig1. The interaction between respondent oppinions about the cooperationand and their location



Both groups pointed out that the changes in the requirements of the national level would have an effective influence on their activity – 29 (61,7%) of the enterprises and 25 (52%) of the organizations.

The vision of the two groups about the direction in which the legislative changes would give more freedom in the business activity is as follows:

Both groups point out at the first place “Fiscal system in tourism” -1 . As the second preferable option the respondents from the enterprises point out “A leasing arrangement system for buildings…”- 3, while the organizations have preferences for “Legislation for encouraging employment”- 2, at the third place both groups point out “System or promoting the income” -4 (Table 5). The three most often pointed out factors for the people who took part in the survey are: “Economic factors”, “Legislative regulation” and “Executive power” (Table 6).

***Table 5**. Summary table of the most preferable options of a multiple response item concerning the direction of the legal changes*

	1	***2***	***3***	***4***	***Row totals***
Organizations	32 (66,7%*)	26 (54,2%)	20 (41,6%)	21 (43,7%)	48
Enterprises	37 (78,7%)	12(25,5%)	26 (55,3%)	25 (53,2%)	47
Totals	69 (72,6%)	38 (40%)	46 (48,4%)	46 (48,4%)	95

***Table 6.** Summary table of the most preferable options of a multiple response item concerning macro environment factors determining efficient business.*

	Economic factors	**Legislative regulations**	**Executive power**	**Row totals**
Organizations	39 (76,5%*)	33 (64,7%)	29(56,8%)	51
Enterprises	42 (85,7%)	33(67,3%)	28 (57,1%)	49
Totals	81 (81%)	66 (66%)	57(57%)	100

The most often pointed out alternative for attractions of customers are the following three market factors - "Product of rural tourism and its diversity" –1, "Product prices" -2 and "Advertising" – 3 (Table 7). The opinion of the two main groups that took part in the survey do not differs significantly (χ^2 = 4,66; p = 0,3).

***Table** 7. Summary table of the most preferable options of a multiple response item concerning the three most effective management schemes of the market environment factors*

	1	2	3	Row totals
Organizations	39 (76,5%*)	33 (64,7%)	41(80,4%)	51
Enterprises	36 (73,5%)	40 (81,6%)	32 (65,3%)	49
Totals	75 (75%)	73 (73%)	73(73%)	100

The most important factors of tourist demand that could provide increase in the business income, as pointed in Table 8 are "Consumer's income" -1, "Prices and price variations of the products and services offered" -2, "Concentration of demand in time and possible objects of rural tourism" -3.

***Table 8.** Summary table of the most preferable options of a multiple response item about the three most important factors of tourist demand, which could provide extra income in business.*

	1	2	3	Row totals
Organizations	42 (93,3%*)	39 (86,7%)	22 (48,9%)	45
Enterprises	46 (95,8%)	41 (85,4%)	23 (47,9%)	48
Totals	88 (94,6%)	80 (86%)	45 (48,4%)	93

Analyzing the structure, quantity and quality of the product of rural tourism, which the people who took part in the survey point out, the first three in importance are the following alternative decisions which could increase the effectiveness of the sales: "Examining the strong and weak points"- 1, "Seeking opportunities" - 2 and "Direct marketing and sales" - 3. The opinions of the two main groups do not differ significantly.

The four most preferred indicators which the people in the survey pointed out, which they believe would help them get efficient results from their promotional activity in the different directions, are as follows:

- Advertising – "Quality labels for holidays"- 19 (21,3%), "Trade show" – 20 (22,5%), "Mouth to mouth promotion" – 16 (18%). There is no significant difference in the two groups (χ^2=4,66; p=0,45);
- Sales promotion – " Protective prices" – 22 (25,8%), "Price type" – 21(24,7%), "All- inclusive price" and "Variable/Temporary prices" – 18 (21,2%) – the opinions of the two groups do not differ significantly (p= 0,3; χ^2 =4,82);
- Trade activities – the preferences of most of the people are for "Sales by distributors and agencies" – respectively, 30 (61,2%) and 14 (73,7%). (The percentages come from the number of the people). No significant difference is observed between the two main groups respondents- (χ^2 = 0,93; p=0,33).
- The most preferred media for announcing promotional activities are TV (38,4% and 34,8% from the respective groups), Internet (25,6% and 25,6%, respectively) and Newspaper (20,51% and 23,3%). These differences in the opinion of the representatives of the two main groups are not significant (χ^2 =0,15, p=0,98).

Possible alternatives referring to the price policy in rural tourism

The most important possible alternatives used as an instrument for forming the prices in the near and not –so- near future are shown in Table 9. No significant difference in opinion was found between the organizations and enterprises.

Regarding the type of the prices of the products in rural tourism that can be used as an alternative of the current prices in the field, in case of decrease of the number of tourists, the most often pointed out are "Promotional or stimulating prices" -1, "Advertising or introducing prices" - 2, and the price type "Buy to get one free" - 3 (Table 10). No significant difference in the opinion of the two groups is noted.

Here, we should note a significant difference in the opinion of the people who took part in the survey on the part of the enterprises, depending on their position – lowland near/far pointed out at first place "Seasonal prices" (10 out of 20), while those from upland near/far put at first place "Promotional prices"(17 out of 22) (Fig. 2). In the analysis of this dependency, χ^2 =25,28 and p=0,01. From the other group – that of the organizations, in regards of the type of activity, the only different opinion is of the "promotional level", who give their preference for the "Promotional prices".

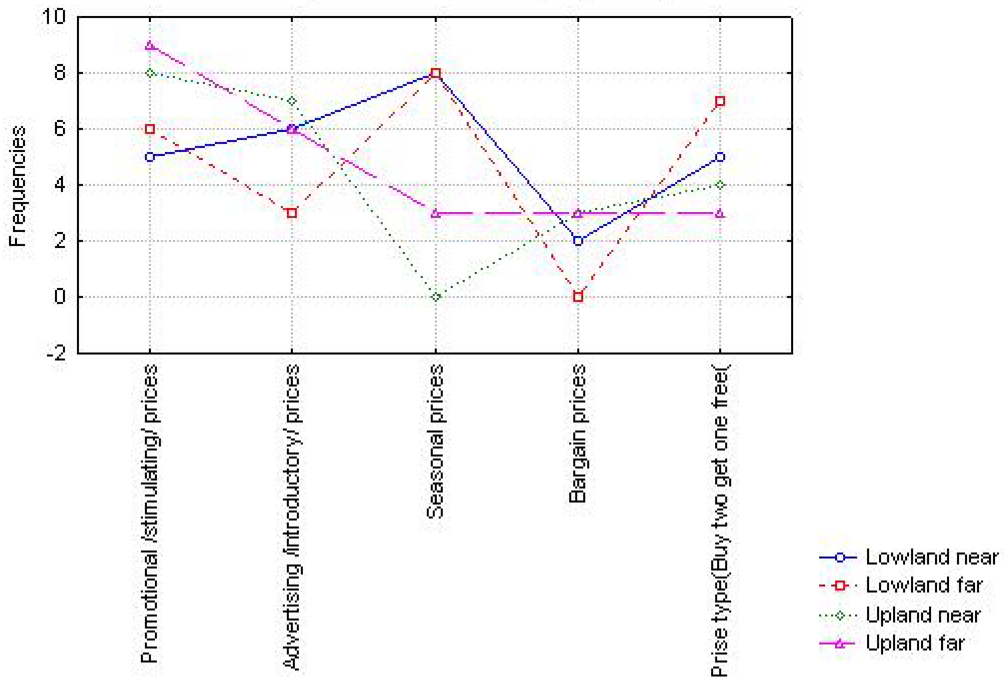
Table 9. *Summary table of the most preferable options of a multiple response item about the three most important tools of price formation in the short and mean term. 1 – "Cost according the life cycle of the product"; 2 – "Analysis and evaluation of profits"; 3 – "Analysis of price/cost relation".*

	1	***2***	***3***	***Row totals***
Organizations	41(80,4%*)	36 (70,6%)	34 (66,7%)	51
Enterprises	31 (67,4%)	34 (74%)	35 (76%)	46
Totals	72 (74,2%)	70 (72,1%)	69 (71,1%)	97

Table 10. *Summary table of the most preferable options of a multiple response item about the alternative type of prices within the market in the case of a decreasing tourist flow*

	1	***2***	***3***	***Row totals***
Organizations	27 (55,1%)	30 (61,2%)	17 (34,7%)	49
Enterprises	28 (57,1%)	22 (44,9%)	19 (38,7%)	49
Totals	55 (56,1%)	52 (53%)	36 (36,7%)	98

Fig2. Interaction between location and the oppinion about price alternatives of the respondents from the group enterprices.



Possible alternatives for financing

A significant difference in the opinion regarding possible alternatives for future activity financing has been found between the companies and organizations (χ^2 = 6,24; p=0,025). The organizations define as most important "Determining the sources and possibilities" (39 – 79%) and "Organization of the financial flows" (30 – 61%), while the enterprises define respectively "Maintaining optimum dynamics" (27 - 59%) and "Determining the sources and possibilities" (24 - 52%)

The most preferred are the national agencies, while the consulting offices may be used for applying for loans or subsides. There is no significant difference in the opinion of the two main groups. (χ^2=1,89; p=0,16).

Most of the people who took part in the survey believe that the program "Special Accession Programme for Agriculture and Rural Development" -SAPARD (2000-2006) (5),(6) could provide them with an alternative investment in their business and two of the most often pointed out directions of the program are: "Alternative employment of rural population" (38 - 42,7% of the total number), and "Developing rural and ecological tourism" (33 - 37% of the total number) "Steady development of the rural region" (38 - 42,7% of the total number). It should also be pointed out that with upland near of the organizations the preferences are for "Preserving and maintaining" – 6 out of 11.

Regarding the types of the existing taxes in the fiscal system, which are considered to be barriers for the normal functioning of the activity, the people who took part in the survey pointed out as the most important the following: "Direct income taxes" (84 – 86,6% of all), at the second place – " Direct property taxes"(68 – 70% of all). Among the enterprises, the most often chosen were "Direct income taxes" (42-87,5%), then "Direct property taxes" (34 -70,8%). Among the organizations for the respective issues, positive answers gave 42 (85,7%) and 34 (69,4%). The third most often pointed out is "Interest, fines, confiscation" (18 -36,7%), while the enterprises chose "Indirect taxes" (21- 43,7%).

CONCLUSION

Almost 70% of the entrepreneurs working in rural tourism consider that economic factors and legislative regulation are the two most important factors of the macro environment which could determine the effective development of the rural tourism business.

The better part of the organizations operating in each of the four studied regions on an educational, planning, promotional, physical development, infrastructural level and also on a general level support the idea that legislative regulation is the most important element of the macro environment as well as the most important prerequisite for successful business in rural tourism.

With respect to a market environment factors management scheme that enterprises could point as a successful alternative, entrepreneurs respond that the product of rural tourism and product prices are most important in the business.

In the market environment factors management scheme, apart from the two aforementioned factors, the organizations also point out advertising and forms of supplying tourist services as factors determining a successful business.

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