

PERSPECTIVES OF DEVELOPMENT OF SPA TOURISM IN SERBIA

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ABSTRACT

Serbia abounds in thermal mineral springs, which are not tourist valorized and used in the proper way. With more than 50 spas and more than 1000 springs, of which about 500 springs of cold and hot mineral water, as well as the abundance of natural gas and mineral mud, has a huge potential in spa tourism. Because of that, Serbia is so-called "Spa country". According to the number of overnights and arrivals, spas are the leading tourist destinations in Serbia. The subject of this paper refers to the assessment of prospects for the development of spa tourism. The aim is, based on analysis of the characteristics of spa tourism in Europe, to indicate that the spa tourism in Serbia needs a new development concept in line with modern trends in the tourism market. Special attention will be dedicated to analysis of tourist traffic, considering the key factors for tourist valorization, comparison with contemporary trends in certain spa resorts in Europe, as well as defining the strategic direction of advancement of spa tourism in Serbia. At the end, it was concluded that Serbia, despite extremely favorable natural resources for the development of spa tourism, still counts as insufficient evolutionary destination, and this is of particular importance for the future improvement of this type of tourism and positioning spas as tourist destinations on the international tourism market, is precisely their transformation of specialized hospitals to modern spa centers and wellness tourism.

Keywords: *spa tourism, Serbia, wellness, development, perspectives.*



1. INTRODUCTION

If we look at the map of Serbia we will see that almost in all regions there are spa towns. From flat Vojvodina to the slopes of Župa in the foothill of middle and high mountains but also in the slit canyons and ravines of Serbian rivers, especially in central Serbia.

Spas as centers of health, recreation and rehabilitation, cultural and sporting events, meeting other people for vacations, congress meetings, scientific and professional gatherings are of great importance and therefore attract attention of huge number of tourists. Serbia is rich in thermal mineral springs that are not properly valorized and used for tourism purposes. With over 50 spa resorts and over 1000 springs, from which around 500 are sources of cold and hot mineral water, as well as the richness of natural mineral gases and healing mud it has huge potential in spa tourism. That is why Serbia is popularly called "spa land" because of numerous thermal springs, long tradition, general familiarity and its importance in tourism traffic.

The trend of tourism development in the part related to the human health care varies in Europe from the classic spa tourism to the modern concept of health tourism, which in addition to medical components (preventive, curative, rehabilitation) includes other components (wellness, sport, recreation, entertainment, food, etc.) that can attract not only sick but also healthy man, who is aware that it is necessary for his own health and fitness to spend his vacation in spa destinations.

Considering the growing importance of spa resorts, Serbia needs to work on valorisation of those significant places. The intention is to improve the so-called level of transportation connections to spa towns, accommodation capacity, greater orientation towards foreign tourists with adequate marketing campaign and to successfully connect medical health resort features with sports, cultural, conventional activities and manifestations.

2. THE DEVELOPMENT OF SPA TOURISM IN SERBIA

The spa tourism has long and rich tradition. Hot springs have always attracted people which is why they have been visited. Traces of the oldest baths in the territory of our country were found in Vička Banja (Toplički Kiseljak), 20 km west from Prokuplje. It dates back to the Neolithic period, which means that it is over 4,000 years old. A. Ščerbakov believed that it is "the oldest trap of mineral springs in the world."

Traces of the material basis and written sources, clearly confirm the cult of the Romans towards the healing waters which they knew very well. The Romans built villas, baths and facilities for treatment near those springs. They had enormous army which had a lot of injured and sick soldiers in the wars. Many of them were treated in spas, which were in times of peace meeting places for prominent people. There are material traces of the Romans in Niška, Vrnjačka, Gamzigrad, Jošanička, Sijarinska, Sokobanji spa town and etc. A specific mark to spas in Serbia gave the Turks during the centuries-long reign in our region. Hammams represent the most significant remains of turkish spa culture. Only in the late 19th and early 20th century a number of "national spa spots" grew into true spas, whose waters are medically tested and hygienically maintained. At that time Vrnjačka Banja, Sokobanja, Banja Koviljača, Bukovička banja, Ribarska banja and Vranjska banja allocated from the other spa towns. The state took care of them during the season, which lasted from two to three months, and appointed the best doctors – "district physicians" to take care of visitors (Maćejka, 2003).



From the standpoint of social treatment, post-war development of spas had numerous oscillation phases of ups and downs. From 1948 to 1960, most spas existed as institutions whose capacity was filled by Social Insurance Organization. During this period, insurers were massively sent on spa treatments, relaxation and recreation on favorable terms. Economic reform in 1965 abolished the free treatment in spas, but did not negate the activity of natural spas.

This has resulted in a certain stagnation and neglect of spas, which had to adapt to new market conditions and orient at different clientele (Jovičić and Ivanović, 2006). After 1971, there was a turnover in construction, not only hotels but also rehabilitation centers. All in all, in this period spa resorts got their modern physiognomy (Maćejka, 2003).

In the past ten years, several spas in Serbia made a real breakthrough in their business management and began to innovate their medical tourism offer. Spas that have adopted such tendency and expanded their own offer with various additional services made a progress on tourism market.

3. MATERIAL BASIS FOR THE DEVELOPMENT OF SPA TOURISM

In Serbia, the spa tourism is mainly linked to a traditional health tourism, which includes prevention, curative treatment or rehabilitation using natural healing factors in combination with modern medicine. Traditional spa treatments are carried out in health facilities or in "sanatoriums" in all areas of medicine. These institutions are part of the Serbian health system with 4,111 beds in spa centers and 2,096 beds in the climatic health resorts (Statistical Yearbook of the Republic of Serbia, 2016). Notable is the fact that the tourism content in these areas have developed precisely on the use of natural healing factors. Some spas and resorts, thanks to the existence of a "Special Hospitals" achieve significant tourist flow throughout the year, in spite of underdeveloped tourist infrastructure.

Table 1: Accommodation Facilities in Spa Tourist Resorts

Facilities	Romms			Beds		
	Total	Of which		Total	Of which	
		Spas	Percent		Spas	Percent
Hotels	15728	2296	14.60	31682	4669	14.29
Motels	347	10	2.88	755	25	3.31
Apartments	927	28	3.02	2682	98	3.69
Boarding houses	73	16	21.05	168	32	18.93
Overnight stays	3745	445	11.88	8896	910	10.22
Inns	563	94	16.70	1401	257	18.34
Garni hotels	2257	195	8.64	4623	471	10.19
Apart hotels	517	60	11.61	1757	142	8.08
Spa cures	1979	1899	95.96	4111	319	7.76
Climatic cures	812	357	43.97	2096	1156	55.15
Workers' resorts	394	124	31.47	1084	329	30.35
Youth and children's resorts	1023	75	7.33	4301	319	7.42
Hostels	2001	6	0.29	6110	6	0.09
Camping grounds	3087	300	9.72	6487	600	9.25
Private rooms	7473	4524	60.54	19006	10633	55.94
Private houses	1738	1029	57.71	3064	1447	47.21
Rural Tourist household	383	98	25.85	997	304	30.49
Other	80	27	33.75	303	90	29.70
TOTAL	43127	11583	26.86	99523	25449	25.57

Source: Author's calculation by Statistical Yearbook of the Republic of Serbia, 2016.



The offer of accommodation in Serbian spas, in addition to the listed capacity in special hospitals, includes hotels, garni hotels, apartments, apart hotels, workers' cabins, private rooms and houses, as well as other accommodation facilities for tourists. The total storage capacity in the spa tourism results in 11.583 rooms and 25.449 beds, which represents about 26% of the total accommodation capacity, which can be seen in table 1.

The quality of accommodation capacity in spa resorts is not on satisfactory level. In the most spas accommodation consists mainly of old hotels and special hospitals, which have not been renovated for years, some of which still await for privatization to acquire a new look, with attractive contents which are in accordance with modern trends in European spa places (Milićević, 2015). In some spas new accommodation was built with attractive contents, but it is not enough to change their old-fashioned image. It is necessary to point out the negative phenomena in housing construction in some spas (e.g., in Vrnjacka Banja), such as wild building while disregarding the basic prescribed town and other conditions of construction. This phenomenon was registered in the core of the spa which is generally unacceptable and especially when it comes to tourism development (Hrabovski-Tomic and Milicevic, 2012).

Despite significant quality improvement in recent years, the capacity of the spas in Serbia do not satisfy with their size and structure contemporary requirements of tourism demand. Very diverse range of spa guests by age today requires proper design, expansion and division of facilities and equipment for spa treatments, leisure and sporting activities. With contemporary planning solutions of spa arrangement, depending on the basic and additional functions and demands on the tourism market, physical and functional separation of health and tourism facilities is needed. This can be the most easily achieved at less urbanized spa places, where there is still room for dispersion of objects (Stanković, 2006). It can be said that in recent years the individual spa resorts genuinely took step forward in its operating and began to innovate their health-tourist offer, modeled after the famous spas of Europe. They begin to develop wellness tourism, to invest in the renovation of accommodation and in high-quality marketing activities, with the aim to attract foreign tourists. These innovations contribute to some extent in changing the old-fashioned image of serbian spa resorts so that they are not visited only by the the old and sick, but also healthy people of different ages and with different motives for arrival (Milicevic, 2013).

4. TOURISM TRAFFIC IN SPA RESORTS IN SERBIA

The circulation of tourists in serbian spas is the main indicator of their competitiveness and popularity on the tourism market. Compared to other types of tourism, spa tourism as a very special type on the tourism market has its own specifics. Undoubtedly the longest tourist stays compared to other categories of tourist resorts and unjustifiably high degree of seasonal concentration of traffic are the two most important characteristics of spa tourism (Stanković, 2006).



Table 2: Tourists Arrivals in period 2010 - 2016.

Spa Tourist Resorts		2010	2011	2012	2013	2014	2015	2016
Vrnjačka Banja	Total	146246	152603	139609	156240	146756	175153	202820
	Foreign	13866	17224	17711	21078	23601	28945	38823
Sokobanja	Total	48837	53402	49175	50629	42438	41676	45918
	Foreign	1265	921	772	1588	2756	4522	3193
Bukovička Banja	Total	4446	22802	25513	26050	28102	29145	34564
	Foreign	499	3239	4977	5295	5462	5897	6493
Mataruška Banja	Total	8567	7138	6151	4767	2792	1173	464
	Foreign	774	365	413	271	283	12	33
Banja Koviljača	Total	20512	21693	17538	20644	15147	15094	23026
	Foreign	2212	2550	2150	4053	3566	3707	5835
Prolom Banja	Total	14915	15.986	16712	12831	11731	14363	14078
	Foreign	1369	2990	2873	1868	2179	3709	2353
Gornja Trepča	Total	10841	9762	10381	9814	9913	9718	11180
	Foreign	938	997	1111	1286	1427	1395	1302
Vranjska Banja	Total	6262	5628	4874	4943	4413	2523	2143
	Foreign	280	257	455	519	526	157	133
Banja Kanjiža	Total	13345	11467	7930	10720	11662	13579	11560
	Foreign	1879	2347	1955	3309	3567	5947	3177
Banja Palić	Total	18617	18408	19220	20135	22030	26656	28725
	Foreign	5075	5772	5745	7371	8025	12099	11084
Selters Banja	Total	8864	8914	7674	6789	6973	5910	4924
	Foreign	84	83	70	79	129	139	203
Lukovska Banja	Total	7023	9400	12236	11318	11152	12616	13344
	Foreign	201	350	555	599	772	1508	1225
Gamzigradska Banja	Total	4966	5753	6056	4389	3105	2255	1750
	Foreign	234	257	319	229	159	84	75
Ribarska Banja	Total	10712	9176	8021	7703	7419	7538	7749
	Foreign	99	176	264	629	841	766	720
Sijarinska Banja	Total	6701	6372	4735	5598	5721	5802	6060
	Foreign	149	281	448	329	471	176	221
Banja Vrujci	Total	11557	11372	9387	9202	7688	9.656	10162
	Foreign	475	790	435	563	693	899	707
Niška Banja	Total	21049	21614	18338	4440	4916	4747	5059
	Foreign	1069	1257	2199	-	1656	1596	1574

Source: Author's calculation by Statistical Yearbook of the Republic of Serbia, 2011 - 2016, Statistical Release - Catering and Tourism Statistics, Number 18 - Year LXVII

The traffic of tourists in spas in Serbia for the observed period shows certain oscillations per year, when it comes to growth and fall in tourist traffic, which can not be explained by certain events that could have affected, but only with the need of domestic tourists to visit various spas each years. Most spa resorts recorded a drop of visits in recent years as a direct result of the economic crisis that hit the whole world as well as our country. However, growth is noticeable in Bukovička spa, Vrnjačka Banja spa town, Prolom and Lukovska Spa and their offer is significantly enriched with the wellness facilities and have become centers of spa and wellness tourism in Serbia, but it can be concluded that this type of tourism perspective has tendency of continuous growth in tourist traffic. Vrnjačka Banja is on the leading position for years. In 2016 Vrnjačka Banja registered 202,820 visitors and had 677,690 overnight stays and is also the second most visited tourist destination in Serbia, right after Belgrade.



Although the tourist offer in Serbian spas may seem diverse at first glance, it is modest in comparison with the offer of famous spas in Europe, which is reflected in the traffic of tourists. Spa tourism in Serbia is characterized by an extraordinary domination of domestic tourists, while visits of foreign tourists is on an extremely low level. However, the growth of foreign tourist visits has been noted in Vrnjačka Banja in 2016 which is 34% higher compared to the results in 2015. In Palić spa, the percentage of foreign tourists is the biggest which is 38.58% of the total number of tourists. From a total of 423,526 tourists who visited spas in Serbia, even 81.78% were domestic tourists, and only 18.22% were foreign tourists.

Analyzing the data in Table 2 we can see that the traffic of tourists in spas in Serbia in 2016 grew approximately 15% compared to 2010. This result is related to the beginning of the modernization of our traditional spa and health resorts, which in addition to basic health resort features introduced spa and wellness programs in their offer. With the opening of wellness center in the spa, the tourist offer of spas has been expanded and enriched, which attracted many tourists. With this in mind, the further development of spas in Serbia should go precisely in this direction, and it should be worked on the modernization of traditional spas so that they become, not only destinations for treatment and rehabilitation but also a place for rest and relaxation.



Table 3: Tourists Nights in period 2010 - 2016.

Spa Tourist Resorts		2010	2011	2012	2013	2014	2015	2016
Vrnjačka Banja	Total	559549	579041	506446	594804	497893	562862	677690
	Foreign	45225	50078	51480	63230	66438	81712	104296
Sokobanja	Total	295098	325207	306568	306506	219755	194896	219224
	Foreign	4523	3707	3069	5327	10697	10874	7011
Bukovička Banja	Total	19894	59569	57338	66460	66078	67144	87395
	Foreign	955	5694	9213	10961	12254	12146	15265
Mataruška Banja	Total	78317	74263	60039	45450	24681	12836	4641
	Foreign	2926	1534	1067	690	798	124	315
Banja Koviljača	Total	185881	217476	167941	171809	131352	103465	147026
	Foreign	18673	25106	17570	21132	17093	19989	32442
Prolom Banja	Total	66336	67066	76788	60655	58756	73609	78164
	Foreign	3090	5739	6600	5227	6758	8688	7548
Gornja Trepča	Total	117016	110665	100845	104300	103674	102039	113611
	Foreign	12327	12863	13777	16677	18160	17610	16182
Vranjska Banja	Total	48386	41311	34856	33000	23948	20664	19134
	Foreign	670	770	1221	1468	1257	792	809
Banja Kanjiža	Total	89301	72527	37875	53639	53574	52892	46952
	Foreign	5386	10233	6029	14698	14466	10827	7800
Banja Palić	Total	39751	34855	36624	37635	40356	45123	48532
	Foreign	9105	9258	9813	11935	12257	19969	17233
Selters Banja	Total	145214	145290	148210	146439	140046	124188	110772
	Foreign	632	519	576	560	883	1245	1201
Lukovska Banja	Total	39125	40569	43367	72564	76305	83059	87600
	Foreign	982	1690	2537	3084	3545	5525	5083
Gamzigradska Banja	Total	57326	71630	65494	59410	32948	23832	20844
	Foreign	870	1141	925	539	354	321	326
Ribarska Banja	Total	150727	134648	60964	53018	53042	50282	50750
	Foreign	873	1758	2020	3154	3845	3148	2551
Sijarinska Banja	Total	67546	58558	45852	51426	48471	46995	48177
	Foreign	781	1381	5009	1773	1823	946	1082
Banja Vrujci	Total	39853	46215	39747	39513	29491	39311	46281
	Foreign	1736	2840	2056	2275	2617	2864	2506
Niška Banja	Total	212034	198606	194599	29649	33675	34406	33873
	Foreign	3262	3621	4447	-	4164	4415	4850

Source: Author's calculation by Statistical Yearbook of the Republic of Serbia, 2011 - 2016, Statistical Release - Catering and Tourism Statistics, Number 18 - Year LXVII

When it comes to structure of overnight stays of domestic and foreign tourists in spas in Serbia, the previous table shows that in 2010 the number was very small, in some spas even negligible. After seven years, the number of overnight stays that were made by foreign tourists increased by 50%, which can also be connected with the process of modernization of spa places and their offerings. Particular growth is evident in Vrnjačka Banja, which takes a leading position when it comes to analyzed value, leading to the conclusion that the modernization of spas is key to success in attracting both domestic and foreign tourists.



Table 4: Average length of stay in Spa Tourist Resorts 2016.

2016	Total	Domestic	Foreign
Spa Tourist Resorts	4,44	4,76	3,00
Vrnjačka Banja	3,39	3,55	2,70
Sokobanja	4,81	4,99	2,23
Bukovička Banja	2,59	2,63	2,42
Mataruška Banja	10,02	10,06	9,55
Banja Koviljača	6,54	6,81	5,74
Prolom Banja	5,67	6,05	3,45
Gornja Trepča	10,16	9,87	12,35
Vranjska Banja	9,08	9,20	6,93
Banja Kanjiža	4,13	4,78	2,47
Banja Palić	1,70	1,79	1,56
Selters Banja	22,81	23,43	6,78
Lukovska Banja	6,66	6,86	4,40
Gamzigradska Banja	12,11	12,46	4,34
Ribarska Banja	6,80	6,97	4,50
Sijarinska Banja	8,12	8,23	5,09
Banja Vrujci	4,62	4,69	3,71
Niška Banja	7,06	8,72	3,05

Source: Ministry of Trade, Tourism and Telecommunications

The average duration of stay in spas in 2016 was 4.44 days (for domestic 4.76 and for foreign 3.00 days). Tourists have stayed the longest in Selters spa center (22.81 days) and those were mainly domestic tourists (23.43 days). Foreign tourists stayed the longest in Gornja Trepča - 12.35 days.

Table 5: Positioning of Spa Tourism in total tourism of Serbia in 2016.

	Arrivals			Overnight stays		
	Total	Domestic	Foreign	Total	Domestic	Foreign
Republic of Serbia	2753591	1472165	1281426	7533739	4794741	2738998
Belgrade	877061	164500	712561	1703340	285207	1418133
Novi Sad	158510	58670	99840	330847	1831205	253839
Spas resorts	477102	391085	86017	2085044	1831205	253839
Mountain resorts	522424	425793	96631	1928533	1641427	287106
Other tourist resorts	605136	369032	236104	1216312	763017	453295
Other places	113358	63085	50273	269663	170871	98792

Source: Author's calculation by Statistical Release - Catering and Tourism Statistics, Number 18 - Year LXVII

In complete serbian tourism industry the number of people who visited Serbia in 2016 counted 2,753,591 tourists, where spa tourism was 17.33% and 27.9% of the total number of overnight stays in Serbia. Tourism in serbian spas, given the total number of tourist arrivals during 2016, increased by 11.6% compared to 2015, thanks mainly to the increase of domestic tourist arrivals (12.2%), as a result of action of Ministry of tourism, trade and Telecommunications' travelling vouchers, where the number of foreign tourists rose by only 9%.



5. SPA TOURISM IN EUROPE

Developed European tourism countries have rich experience, long even two centuries, in the use of natural factors in spas, dedicated not only to domestic clients, but also to satisfy international demand. In Europe, there are over a thousand hydrothermal places of which about 30% are located in Germany, 10% in France, a significant number is located in Italy, Austria and Switzerland, that now constitute a significant segment of the tourist offer of health tourism. (Geić, Geić and Čmrčec, 2010).

To be able to compete on the international tourist market, spas in our country must take into account the experience of other countries and modern tendencies in the development of spa places and determine patterns of development that would respect the specificity spa resorts individually (Sibinović and Belij, 2010). The world market offer of spa resorts daily, dynamically develops and enriches. Each spa is trying to find something unique to offer that will extract it from other spas and attract more visitors (Fontanaro and Kern, 2003). In our country we have not yet reached that level of market orientation. Today wellness is a giant trend and planetary phenomenon. Wellness tourism, as part of medical tourism in recent years has the most dynamic and fastest growth in the European tourism industry (Smith and Puzuckó, 2008). Target group of wellness tourism are healthy people, whose main goal is to preserve and improve health with relaxation. A crucial segment of wellness tourism includes spa services in hotels and spas, aiming to meet the needs of the people of all ages in modern age, because it provides relaxation, fun and excitement.

Slovenia now has 15 fully conceptually new spa resorts. Olimia Thermal Spa Podčetrtek is one of the most popular Slovenian spa places in which investors and owners (mainly state-owned companies and funds) invested big money to turn it from a small thermal spring into modern tourist, health and recreational - wellness center. Podčetrtek is one of the twenty villages in which fifteen years ago there were only thermal springs. Those twenty villages, after the investment boom supported with national development plan, now in its "spas" bring 46% of tourists in Slovenia. Only thermal spa Olimia annually has 400,000 overnight stays and thermal spa Čatež 800,000 overnight stays (Sibinović and Belij, 2010).

France, as one of the most developed countries in the world, has over one hundred arranged spa resorts, mostly located in the foothills and lower parts of the attractive mountainous systems (the Alps and Vosges Mountains, the Pyrenees, the Massif Central) such as: Divonne-les-Bains, Aix-les-Bains, Vichy, Evian, Vittel, Contrexeville, Trianon Palace & Spa and other centers. The basis of their business is based on the market appearance and the animation of the tourist clientele, which in recent years relates to attracting and animating young people by offering wellness programs (Sibinović and Belij, 2010).

Italy is rich in thermal and mineral springs and is generally divided into 20 spa regions and among the most visited resorts are the spas of Tuscany. In the tourist offer of Italian spas more frequent are congress contents, on the one hand, while in spas which lie on the coast (especially in the Ligurian Riviera and the Riviera Romagnola) health and wellness facilities are combined with swimming and recreational tourism (Sibinović and Belij, 2010). In the Alpine hinterland, in the region of South Tyrol in recent years more than 20 new spa centers have been opened of which the most attractive is at Gartner hotel.

Neighboring Hungary has a very successful strategy for the development of spa tourism, which is based on integrating traditional spa tourism with other forms of



tourism. Medical treatment properties of mineral springs of the country are combined with visits to Budapest and other major cities in the program "Land of Spas" ("Earth Spa") (Jovičić, 2008).

6. ANALYSIS OF ESSENTIAL STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS FOR THE DEVELOPMENT OF SPA TOURISM IN SERBIA

Analysis of the internal and external environment is an important part of the analysis of the current situation in the Serbian spa tourism. Most commonly used techniques in the strategic planning and operation in the present circumstances is the SWOT analysis (Strengths; Weaknesses; Opportunities; Threats). Internal factors that are analyzed using this technique are marked as the strengths and weaknesses of the spa of tourism, while external factors are identified as opportunities and threats for spa tourism. This is one of the techniques used in strategic management to define the strategic directions, objectives, policies, measures and actions for improving the overall development of spa tourism in Serbia. In this way, an analysis of environment provides information that greatly assist in identifying key resources and opportunities for the development of spa tourism in comparison to competitive environment (Ilić, Stamenkovic and Conic, 2014).

Throughout the analysis of internal and external factors relevant for the development of spa tourism in Serbia key strengths, weaknesses, opportunities and threats have been identified for the development of this type of tourism all of which the most important are listed in Table 6. This table shows that spas in Serbia have a lot of weaknesses and that they are exposed to numerous risks from the external environment that restricts their development. However, the benefits and opportunities that spas have for tourism development can not be disputed. After identifying key strengths, weaknesses, opportunities and threats it is necessary that spa places in their development rely on core strengths, eliminate major drawbacks, take advantage of opportunities in the right way and avoid dangers which can limit its further development with appropriate actions.

The most significant weaknesses and threats for the development of spa tourism in Serbia are reflected in the under-developed traffic infrastructure and suprastructure, outdated transport capacity, low level of quality accommodation facilities, inadequate and outdated medical equipment and medical rich tourist offer of the competition.

Despite the identified deficiencies and risks for the development of spa tourism, Serbia has a number of advantages and opportunities that should be used in the future. It should be emphasized: a low price in the Serbian spas in comparison to European spas; the traditional method of treatment in spas (in terms of prevention, treatment and rehabilitation) is relatively satisfactory; Serbia has good chances for the development of spa tourism because besides spa values its offer can include both natural and anthropogenic values in the immediate spa surrounding (healthy food, cultural and historical heritage, mountains, rivers, lakes, waterfalls); offer that covers wellness and other modern programs that meet the needs of tourists of modern age. It can be concluded that the oldest form of organized tourism in Serbia after almost two years since its formation, has not been turned in a sufficiently developed tourism product that can be, given the potential that it has. Spa tourism has not been sufficiently developing over time, considering the available resources on the one hand and modern trends in the world when it comes to development of health and tourism products, on the other hand.



Table 6: SWOT Analysis of Spa Tourism in Serbia

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Long tradition • Natural medical factors • Well-educated staff • Rich cultural heritage • High quality environment • The production of healthy food • Reasonable prices 	<ul style="list-style-type: none"> • Bad infrastructure • Inadequate medical equipment • Lack of strategic plans • Unsuitable new educational profiles • Insufficient marketing researches • Unstable political situation
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • The transformation of traditional medical spa functions into a modern concept of health and recreational tourism • The growth in demand in health tourism • Completion of the reconstruction of accommodation and medical equipment • Market segmentation: conferences, sport, recreation, eco-tourism, excursions, events 	<ul style="list-style-type: none"> • The impact of the global economic crisis • Lack of funds for investing in tourism • Lack of interest of the local community for integrating the product of the destination • Insufficient efforts to motivate foreign visitors • The degradation of the environment due to the uncontrolled construction

Source: Jovičić and Tomić, 2009.

Considering the advantages and opportunities, it is necessary in the future period to work on developing the capacity for the use of the additional resources for the development of spa tourism, develop a system of encouragement in terms of health and tourism services, develop promotional activities, promote health tourism means of signaling, etc. One of the tasks, therefore, should be to define and develop distinctive tourist product for each spa tourist destination (Ilić, Stamenkovic and Conic, 2014).

It is necessary to clearly differentiate medical indications and emphasize unique values and competitive advantages in a tourism facilities. Successful development requires the application of quality standards in medicine and beyond. All services in spa resorts should be aligned with the standards that comply with standards in European spa resorts and only then it is possible to expect a greater number of foreign visitors.

The following are main challenges Serbia is facing in the development of spa tourism (Popović, Novović and Vukadinovic, 2013):

- optimal use of natural, cultural and historical resources, but also traditional and ecological values;
- Protection of cultural-historical heritage, as well as natural complexes in the context of viable development of spa tourism;
- creating a healthy environment for the life of the local population and stay of tourists, through adequate resource planning, promotion of eco-friendly technologies, new alternative energy sources and the introduction of new systems for managing sustainable development



Facing with these challenges is also one of the strategic issues of development and promotion of spa tourism in Serbia. To ensure the successful development of spa tourism in Serbia it is necessary to (Popović, Novović and Vukadinovic, 2013):

- develop, diversify and promote health tourism offer;
- define health tourism brands in essential areas;
- use the geographical position of municipalities for more efficient operation and promotion
- enhance cooperation with neighboring health tourism markets;
- to complete privatization process of tourism facilities
- ensure a balanced development of the medical tourism sector in Serbia;
- increase the supply of health tourism products and services in the conditions of strong competition;
- establish relations with other forms of tourism for which there is a possibility of development in Serbia (hunting, fishing, hiking, etc.);
- improve and intensify the promotion of health tourism potentials of Serbia at the national, regional and international levels;
- develop tourist entrepreneurship continuously;
- educate the population on the importance of spa tourism;
- develop health tourism projects with partners outside the borders of Serbia.

7. DEVELOPMENT PERSPECTIVES OF SPA TOURISM IN SERBIA

Spas in Serbia should be developed according to the concept of sustainable development which are in accordance with the capacities of thermal mineral water. In order to be able to talk about some forms of transformation of spa places it is necessary to prepare the strategic and planning documents and elaborate the concept of development with the ratio of foreign investment and public interest and in general to recognise the need for development of spas. According to the authors of the Strategy of tourism development, it is necessary to reposition product of the today's spa and health resorts in Serbia on the market. The greatest potential for the development of spa products lies in the fact that Serbia has a product that can meet the growing international demand for specialised medical treatment.

Perspectives of spa tourism in Serbia can be evaluated as positive, although the current situation is not on the satisfactory level. Jovičić (2008) emphasizes that the future development of spa tourism must be based on a strategic approach, which is an essential precondition for development of tourism in the modern world, and market specialization. By defining the strategy main goals and the way to achieve them should be determined. The strategy of spa tourism must also take into consideration the complexity of the changes that are continually taking place in the environment (market, economic, ecological, political, technological, traffic, etc.), but also respect the the following principles (Jovicic, 2008):

- orientation towards the use - to develop instructions, which should enable the practical operation of all entities involved in the tourism economy in spas (direct offer carriers, state and local authorities, the local population);
- orientation to the system - tourism should be treated as a whole (system), having in mind all its elements (subsystems) as well as the specific conditions which are realized between them;



- multidimensionality – tourism planning has a multidimensional character as it treats the heterogeneous aspects and elements of this complex phenomenon: material (construction of tourism facilities and infrastructure facilities), functional (developing forms and forms of tourist traffic) and organisational elements (dimensions and regulations for improving and encouraging tourism development);
- the integrality - the need to integrate the various components and sub-systems which form tourism (internal integrality) and at the same time integrating the tourism in the environment, that is, the general concept of the development of the state and of its immediate spatial units (external integrality);
- orientation towards values - planning of tourism must develop and encourage different types of values: authenticity and preservation of the natural ecological environment, hospitality, medical quality, hotel quality, transport services, protection of tourism clientele and similar.

Spa resorts in Serbia must adapt their concept of development to the target segment of the tourist clientele, which would involve specialization of those forms of transport that will bring them the highest profitability in the market. Specialisation can accelerate the differentiation of health and wellness from recreational functions, sometimes completely transform medical treatment in recreational function, and increase tourism consumption everywhere (Jovičić, 2008).

Tourism Development Strategy of the Republic of Serbia for the period from 2016 to 2025 identified health tourism as bearer of Serbian tourism. However, the reasoning boils down that it would be better to have "sold spas", using the flat-rate estimates, without any argument. Terminological error It is not even corrected , which can be often heard in the media, because instead of spa the term "health facilities in the the state-owned spas" should be used. Spas are a much wider term, especially when discussed in the context of privatisation.

Taking into consideration the current trends in the development of medical tourism in Central Europe, and especially in Slovenia, Vesenjajk (2010) gives recommendations for the future development of spa places in Serbia and possible privatisation. Recommendations for the development and reorganisation of the ownership of spa tourism in Serbia are:

- Reorganisation of natural sanatoriums (special hospitals, rehabilitation centers, spas) in entities, with professional management in order to:
 1. The optimal economic valorisation of resources (and skilled personnel) and natural healing factor of individual spa;
 2. achieving the development cycle and increasing the quality, and thus the competitiveness on the regional and international markets;
 3. allowing privatization and further investment of strategic, financial and quality investors.
- Retaining and improving professional medical elements in the offer of sanatoriums with widening the concept of wellness and raising the quality of supply and expansion of tourist facilities.
- Enabling and encouraging the development of health tourism offer and wellness offer to private investors with transparent and equal system of awarding concessions for usage of natural healing factors.
- Creating a special medical tourism brand of Serbia - Serbian spas, which will be based on:



1. natural and cultural particularities, as well as on the human resources;
 2. natural healing factors
 3. the quality of professional medical support
- Investing in the development of quality infrastructure and suprastructure and additional accommodation capacities in spa destinations and diversification of services.
 - Focusing on the increasing number of tourist programs in filling capacity while retaining contractual relationship with the health insurance funds and providing services in the health network of the Republic of Serbia.
 - Primarily targeting the domestic market and the nearest markets in the region in the first phase of development and gradually entering foreign and distant markets.

Recommendations for the process of privatisation and increasing developmental, economic, efficient and quality of spas in Serbia are:

Defining priorities and segmentation of individual spas:

- special hospitals (spas) 100% in the public health network;
- natural sanatoriums (spas) with outstanding offer in health and wellness tourism;
- wellness and tourism centers.

Defining the ways of privatisation of specialized hospitals in spas (state-owned, according to the segmentation):

- Special hospitals that will remain 100% public ownership for strategic national reasons in the health care network, of the Republic of Serbia;
- Special hospitals which will gradually get into reorganisation, privatisation and development;
- specialised hospitals that can be immediately sold to private investors or to get into public-private partnerships.

Privatisation of selected specialised hospitals (spas) in three steps:

- reorganisation of the (selected) spas, special hospitals into corporate entities (capital companies, ad, Ltd., and similar) with 100% state ownership and their management and operating in accordance with the principles of business organisations;
- The first developmental investments in improving the quality of infrastructure and services in the reorganised business companies;
- gradual or fast but efficient privatisation with investments and / or sale of a stake in commercial entites with quality, "private", strategic and financial investors.

In the context of increasing in the demand for destinations that offer a holistic experience based on prosperity, traditional spas across Europe have had to adapt to the market. The newly established conditions (elimination of financial support from the state for the use of balneotherapy as part of the health system, the trend of termination of going on long vacations, the need to move away from a purely medical aspects and the old-fashioned image of the city in which the elderly are recovering), and the growing competition of new destinations with new luxury hotels that have seriously invested in wellness contents have led to the necessary transformation of traditional spa places which currently operate with excellent results.



8. CONCLUSION

Since Serbia, despite the extremely favorable natural resources for the development of spa tourism, is still among the underdeveloped destinations, special importance for the future improvement of this type of tourism and positioning spas as tourist destinations on the international tourism market, is the transformation of traditional sanatoriums into modern spa and wellness tourism. The complete domination of domestic over foreign tourists characterized the current development of spa tourism in Serbia. Attracting foreign tourists and positioning on the international tourist market should be one of the priority directions in the further development of spas.

Since the spa and wellness tourists are very active, both in everyday life and on the break, the development of these forms of tourism in Serbian spas provides an excellent opportunity for development of, not only spas but also the local community in surrounding. Keeping in mind the natural and anthropogenic tourism values, which are certainly located near each spa in our country, it is clear that the development of these types of tourism prosperity would be significant and benefit big.

In order to become competitors, spas in Serbia must conceptualise their development on the model of the already well-established spa and wellness tourism destinations, which would require major changes in the management and marketing of our spas, and therefore would place us on the better position on the tourism market, attract new tourists and make economic profit. Furthermore, we should strive to preserve the authenticity, as an exceptional tourism value and attraction, which spas in Serbia certainly have. Harmonization of all of the above will contribute to the development of spa and wellness tourism in Serbia and will enable our country significant progress in this aspect of tourism.

As global trends imply further growth of medical tourism and since we are aware that there are over 40 spas (mostly modestly furnished) with the undoubted qualities of thermal mineral water upon which is based their offer, all of these indicate that spas are a great developing potential for the future of Serbia. However, for long-term success on the international tourism market, with the large necessary investments, large and ambitious ventures are needed for successful positioning of undoubtedly valuable and rich spa offers Serbia. Spas in our country must certainly take into consideration the experience of other countries and modern tendencies in the development of spa resorts and determine patterns of development that would respect the specificity of spas individually.

In order to meet the demands of today's tourists, spas in Serbia should offer essential tourism product that includes: diverse offer of medical treatments based on natural resources, medical program, wellness program, cosmetic treatments, sports activities combined with high quality accommodation, authentic cuisine and cultural and entertainment content.



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