# PERSPECTIVES FOR DEVELOPMENT OF RURAL TOURISM IN REPUBLIC SERBIA\*

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#### **Abstract**

Rural development is a very complex social, political, economic, ecological, cultural, and development issue, and represents a significant challenge for developed and developing countries. In the context of the analysis of rural development, this scientific work deals with the importance and promotion of rural tourism in Serbia, with a focus on international experiences.Rural tourism offers visitors an "rural environment" so that provides him a unique way to experience the life network of nature, culture and people. The economic development of Serbia is characterized by variation is, particularly expressed in rural and urban areas. Rural areas are far behind as compared to urban. On the other hand, the rural resource base is seen as a rich and varied and provides an almost ideal conditions for the development of different types of activities and services, and it is especially good for the development of various types of tourist activities. Besides general, the work deals with the specific issues of rural tourism. In this regard, attention is focused on the major challenges for sustainable development of rural tourism in Serbia, the competitive disadvantages of rural tourism in Serbia, as well as the main activities for the sustainable development of rural tourism in Serbia.

**Keywords:** rural tourism, agriculture, development, sustainable development, Republic of Serbia

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#### Introduction

Transition countries, whose economic system was based on decades of marginalization and exploitation of agriculture and rural areas, are faced with the same problem: how to ensure long-term sustainability of rural areas and provide equal conditions for their participation in economic development. Therefore concept of rural development in the late twentieth century became equally important in developed countries and countries in transition. Overcoming regional development disparity is no longer the main focus of development policies in rural areas. The new rural development policy focused on the definition of effective mechanisms to ensure coordination of agriculture and other activities in rural areas in accordance with the principles of sustainable development, in order to improve the standard of living and quality of life for citizens.<sup>3</sup>

In the context of the analysis of rural development, this work will deal with the importance and promotion of rural tourism in Serbia, with a focus on international experiences. The rural tourism (agritourism) is a specific form of tourism in which the main motivation for travel is, "the return of man to nature." Sublimating different views in theory and practice, which will, among other things, will be presented in the work, based on the fact that rural tourism is environmentally conscious, socially responsible, culturally authentic, ethical, valuable, market-competitive and economically profitable.

A wonderful example of the possibilities for rural development is the integration of agricultural development with the development of tourism in rural areas. A key activity for this integration is working on its grounds - improving the quality and safety of food at all stages of the food chain. Of course, the success of these actions will depend on how the local development strategy successfully identify available resources and, based on them can be defined most successful economic activities that have the capacity to contribute to the well-being of local communities. If natural and human resources do not permit the development of agriculture and tourism, all efforts may be wasted. Establishing the local economy to the sustainable management of available resources, together with rational improvement plans as a tool for their increase, is an essential precondition for success of any actions taken. For this reason, building of local

<sup>&</sup>lt;sup>3</sup>Bogdanov, Natalija (2007): Small rural households in Serbia and rural non-farm economy, UNDP, Belgrade,p. 23

capacity for the development, which includes the promotion of partnership of all interested parties is an integral part of rural development.<sup>4</sup>

# **Rural Development and Rural Policy**

The concept of rural development can be found in economic theory and economic practice in recent decades. Rural Development was created as a response to problems related to intra and inter regional inequality degree in the economic development and serve as a (suitable) concept for more complex analysis of the development potential of rural areas.<sup>5</sup> Development of rural areas is a very complex social, political, economic, ecological, cultural, and development issue. The approach to rural development is necessary, first of all, take into consideration the view that it is a social process that is long-lasting and quite different from the previous simplified model of centralized planning for rural development in close connection with the issues that social theory today is trying to problematize: the question of regional development and decentralization, ie, issues of (neo) endogenous and territorial development, the issue of sustainable development in the socio-economic, environmental and any other terms, networks between relevant institutions and actors, different strategies of living and working farms and households (farm system) issues of level and ways of participation, the role of civil society, social capital, the importance of social inclusion, fight against the (rural) poverty, etc.<sup>6</sup> Rural development is difficult to define. One of the more meaningful definition given by Moseley, according to which rural development is a long and sustained process of economic, social, cultural and environmental changes that are designed to enhance the long-term well-being of the entire community.<sup>7</sup>

In the past, the agricultural sector is often the engine of growth of the rural economy and represent the dominant source of rural income,

<sup>&</sup>lt;sup>4</sup>Djordevic Milosevic, Suzana, Milovanovic, Jelena (2012): *Sustainable Tourism in function of Rural Development* - Small farms and rural tourism in Serbia, the Faculty of Applied Ecology Futura, Singidunum University, Belgrade Agroznanje, Vrsac FAO, Budapest, p. 11 <sup>5</sup>Bogdanov Natalija (2003): Rural Development – *EU policies, status and perspectives in Serbia*, Journal Agriculture and Rural Development in the European integration, agricultural economist symposium on the 40th anniversary of Agro Department, Faculty of Agriculture, University of Belgrade, Belgrade, p. 82-92

<sup>&</sup>lt;sup>6</sup>Jankovic Dejan (2012): *Environmental dimensions of rural development*, Themes, Year XXXVI, No. 2, Nis, 627-642, p. 628-629

<sup>&</sup>lt;sup>7</sup> Moseley J. Malcolm (2003): *Rural development. Principles and practice*, SAGE Publications, p. 4.

employment and production. Consequently, rural and agricultural issues are considered virtually synonymous and often assumed that agricultural and rural objectives can be realized single policy created to help transition the agricultural sector. This situation has changed, primarily because agriculture is no longer a major sector in the rural areas when is word about production or employment . Policy makers increasingly realize that rural development policy requires at least three reasons. First, rural areas face significant challenges which undermine territorial cohesion within countries. Second, rural areas often have economic potential that is largely untapped and could be better utilized for the benefit of the rural population and overall national development. Third: no sectoral policies or market forces are not able to fully respond to the heterogeneity of the challenges and potential of rural areas and to cope with all the positive and not a negative external factors. 8Many researchers suggest that "there is a need for a new paradigm of rural development." Its main features should focus on territory, rather than sectors and highlight the investment, rather than subventions. While targets such as equalization of living conditions in rural and urban areas, increasing farm income, farm competitiveness should supplement the competitiveness of rural areas, valorisation of local resources, the exploitation of unused resources. The key stakeholders for the implementation of this paradigm are not just national governments and farmers but all levels of authorities (supranational, national, regional and local), various local stakeholders (public, private, non-governmental organizations). Taking into account that rural areas make up about 85% of Serbia's territory, and that the rural population accounts for more than half of the population is an evident need for further investment in this area with the aim of improving the social and economic conditions, both in isolated rural areas which are faced with a tendency depopulation, and in suburban areas. Investing in the development of the rural economy and the local community is a vital factor in improving the quality of life in rural areas through improved access to public services, the construction of infrastructure and favorable business environment. So far foreign investment was not conducive to rural development and there is space for increasing. According to data available from RS, 2012, in the period 2001-2011. The total foreign direct investment (FDI) in Serbia amounted to about 17 billion euros (or about \$ 15 billion net), of which about 40% was invested in the privatization of

<sup>&</sup>lt;sup>8</sup>DordevicMilosevicSuzana, MilovanovicJelena (2012): *Sustainable Tourism for Rural Development* - Small farms and rural tourism in Serbia, op. cit., pp. 20-21

<sup>&</sup>lt;sup>9</sup>Ibid., p. 21

the economy and the financial sector. The said amount was not nearly enough for a noticeable recovery of the economy, especially industry, because about 35% of the total FDI inflows were directed to the sectors of non-tradable goods and services, and only about 15% of total FDI were called. Greenfield investments - investments that are starting to work completely from scratch, without infrastructure, office space and staff. 10 as An example of this we can state the following. One of greenfield investment is the construction of a hotel on Stara Planina mountain namesake in Knjaževac and is the first greenfield project in the framework of the development of mountain tourism in Serbia in the last 20 years. Within the project, the first ski gondola in Serbia which enabled transport skiers to the top of Babin Zub, from where a total length of ski trails 13 km. Starting gondola station is near the hotel in Jabucko Ravniste. Its initial capacity is 1200 skiers per hour, expandable to 2400 skiers. Master plan for the development of tourism in Stara Planina is anticipated that the final stage is done with the accommodation capacity of 22,000 beds. Hotel Stara Planina is a marketing-oriented, a primary target group consists of family skiers. 11 Improving the competitiveness of rural areas requires the promotion of sustainable development and the creation of new employment opportunities, particularly for young people, as well as providing access to modern information and communication technologies. The diversification of activities in rural areas in agricultural and non-agricultural activities, support for non-agricultural activities and the strengthening of links between the different spheres of rural development plays an important role in this. 12 Thus, summarizing the above, we can make certain points. Rural development is a significant challenge for developed and developing countries. Adequately solving problems of rural areas can enable a shift towards an integrated approach to sustainable development in relation to the previously dominant - sectoral approach.<sup>13</sup>

<sup>&</sup>lt;sup>10</sup>KosticStankovicMilica (2013): *Marketing and Rural Development*, Permanent Conference of Cities and Municipalities - Association of Towns and Municipalities of Serbia, Belgrade, p. 6

<sup>&</sup>lt;sup>11</sup>Ibid., pp. 6-7

<sup>&</sup>lt;sup>12</sup>Ibid., p. 7

<sup>&</sup>lt;sup>13</sup>Dekic Snezana, Jovanovic, Sonja, Krstic, Bojan (2011): Some determinants of policy making and strategy for sustainable rural development, Theme Collection: agricultural and rural policies in Serbia need to speed up reforms, 49-63, DAES - Serbian Association of Agricultural Economics, University of Novi Sad - Faculty of Economics, Belgrade, Novi Sad, p. 50.

Integrated approach to sustainable rural development is based on the simultaneous focus on several key development elements, such as: a) population b) industry c) the natural environment; d) institutions. The tendency towards this, an integrated approach, especially in the EU where the reform of the Common Agricultural Policy contributed to the transfer of financial assets and liabilities to the new institutions for rural development. Unlike the EU, other countries conducted different programs of rural development, depending on the specific institutional and political characteristics, but also is very important the degree of rurality. Therefore, in some countries dominate attitude on the modernization of agriculture, and in other development policies of most underdeveloped, rural areas. 14 The policy of rural development, reliance on agriculture does not give satisfactory results. It is necessary to consider all available resources in order to diversify. However, the development of new business is a necessity because there is often an inability to deal with the existence of only agricultural activity. Therefore, the development of trade, tourism, handicrafts, services, increasingly become the backbone of rural development. It is necessary to motivate the residents of rural areas to take advantage of the comparative advantages of these areas and the development of skills and abilities of community members affect the diversification of activities. However, institutional limitations in the form of financial indiscipline, inefficiency in decision strategies and programs, law enforcement, can slow down the development of rural areas. <sup>15</sup> One of the important issues in rural development Policy, especially in the EU, is the protection and preservation of the environment. Agriculture should ensure sustainable growth while preserving natural Resources. The development of agriculture has to be harmonized with the Law on Environmental Protection. EU, this segment is given special care, which is reflected in a number of programs for the improvement of rural areas that comply with environmental requirements and regulations. These programs are mainly related to incentives to farmers to preserve the natural environment. Environmentally responsible behavior of farmers means less use of chemicals or their complete elimination, protection, conservation of natural pastures and others. In this segment, it is necessary to encourage local communities to recognize, promote and protect the natural and cultural values. Of great importance is to raise awareness of these values and the importance of their conservation. Ecological and economic sustainability of the basic assumptions of the

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<sup>&</sup>lt;sup>14</sup> Ibid.

<sup>&</sup>lt;sup>15</sup>Ibid., p. 50-51.

survival of rural areas. The Society expects from the rural population to play a role of, "guardian" and "protector" of the environment. Therefore, one of the goals of sustainable rural development is the development of the highly competitive agriculture with respect to environmental issues. <sup>16</sup>

## The importance of rural tourism in the world and in Serbia

Rural tourism in Serbia is defined as tourism which offers visitors a "rural surroundings" by allowing him to uniquely experience the network of life of nature, culture and humans. This implies that a visitor enjoys the authentic, original experiences and return to the roots and essence of rural life. Rural tourism is based on the principles of sustainability and includes a range of activities and services that the population in rural areas is organizing precisely on the basis of the elements that characterize the rural areas. At the same time rural tourism includes not only the visible features of nature, architecture, folk literature, gastronomy, but also invisible ones such as , for example , traditional hospitality, traditions, culture relations with the nature , culture of communication , beliefs and legends of the local people of different nationalities and religions that are in a given area have developed a specific way of life . Exactly that experience, unique multidimensional net of life achieved through personal contact with the local population makes rural tourism unique. <sup>17</sup>

Despite the foregoing definition of the concept of rural tourism in different countries, this term is understood differently in practice and includes specific features, such as:

- in Finland it means renting to tourists of small rural houses (the cottages), including food services;
- in Hungary, said term means the offer of services and activities offered to tourists in the rural environment (financially acceptable / affordable housing, participation in agricultural work, etc..);
- in Slovenia the most important form of rural tourism is tourism on family homes farms, where guests spend the night in the same house with the owner or in a separate guest house (emphasis on gastronomy and visits to the property);

<sup>&</sup>lt;sup>16</sup> Ibid., p. 51

<sup>&</sup>lt;sup>17</sup>Djordjevic Suzana, Milovanovic Jelena (2012): *Sustainable Tourism in function of Rural Development* - Small farms and rural tourism in Serbia, op. cit., p. 47

•in the Netherlands the term implies, primarily camping in family homes - farms, with an emphasis on additional activities such as. biking, hiking, horseback riding, etc..;

•in Greece is the main product of rural tourism 'bed and breakfast' accommodation in the traditionally decorated rooms with traditional breakfast often based on local products. 18

Optimistic estimates of the volume of tourist demand, given, primarily, by the UNWTO, include their positive impact on the overall relations in the tourism market, given the dominant position of the demand in the tourism offer. In this context, as the prevailing tendency of tourism demand, especially in Europe, we can mention:

-refreshing through the contrast (tourist travel on the route lowland Mountain, urban-rural, mainland-island, etc.);

-aspiration towards experiences related to the cultural and historical heritage and untouched nature, a "green" movement and tourism, also known as the alternative, responsible, "soft", "good" or "new" tourism - refers to the tourism in the country, so in the cities and on the coast. Implies, first of all, pure water, clean and safe sea, healthy food and clean air, and tourism, which is not massive, but "friendly" directed towards to the natural environment;

-"blue" or nautical movement, or demand (cruise sea using systems marina, harbor and anchorage);

-demand for places, events and experiences that have strong identity, integrity and diversity of demand for rural (rural) and agritourism - means staying in different types of accommodation (not exclusively in rural households) and engaging in activities (sports, adventure, challenges, art, handicrafts work et al.);

-demand for health, spiritual, mental renewal and reconstruction of identity - refers to new forms of health and spa tourism: the aspiration to a better fit (recreational activities, sports and exercises, diets, fitness) and a desire for better health by combating stress. <sup>19</sup>"Green" tourism, health tourism and tourism related to natural and cultural environment may be considered, in the synchronized effect, the backbone of all significant forms of tourism, which is referred to as eco-tourism, alternative tourism

<sup>&</sup>lt;sup>18</sup>Jelincic, Daniela Angelina (2007): *Agritourism in the European context*, Studia ethnologica Croatica, vol. 19, 269-291, Zagreb, p. 274

<sup>&</sup>lt;sup>19</sup>Popesku Jovan (2014): The key issues of the development of rural tourism, the Center for Responsible and Sustainable Tourism Development, <a href="http://www.cenort.rs/?page\_id=78">http://www.cenort.rs/?page\_id=78</a> (28.02.2014.)

and responsible tourism. An important part of this, all the more important forms of tourism, the rural, ie rural tourism. <sup>20</sup>

Characteristics of demand and supply in rural tourism suggests that rural tourism is only one segment of the overall tourist offer, and the tourism market. There are many factors that influence the direction of tourism demand to rural areas. Still missing, however, the relevant research of specific factors that define the scope and structure of demand, according to the type of tourist destination. According to research in the UK important impact on this type of tourism demand have, in addition to the general factors (leisure, the general attitude towards nature as a tourist attraction), and: social status (education, income volume, etc.)., Car ownership, location of residence, age, gender.It is evident, based on the survey results, that are more likely to share in the tourist village of movement towards younger people, more educated, managerial positions, car owners who live in areas surrounded by nature. The main motive for directing tourists to rural areas can be considered a desire to stay in a preserved natural environment and a sense of freedom, authenticity and tradition, which together result in a feeling of relaxation and calm. These incentives are contrary to the way of life in urban areas, that are the antithesis of life in these areas. It seems that the actual or presumed "rurality" an important factor that determines the size and structure of tourist demand to rural areas, and that tourists are primarily motivated by the overall attractiveness of rural areas and not opportunities to participate in certain activities (recreational and other). 21-The heterogeneity and complexity of tourism demand directed towards rural areas auses that the tourist offer be complex. If we look at the process of forming offer from a marketing point of view, it is the education of the tourism product. Rural tourism is characterized by the existence of a large number of participants in the tourist offer side, ie in the formation of the tourism product, with the highest representation of a large number of small organizations in the private sector, and independent entrepreneurs.<sup>22</sup>Tourist product of rural tourism in order to be contribution to sustainable tourism development needs to be locally controlled, small volume, based on authenticity, with the price that needs to maximize the economic effects on the local population, while retaining exclusive values, status and promotion that emphasizes realistic expectations of use of the product. Should be

<sup>&</sup>lt;sup>20</sup>Ibid.

<sup>&</sup>lt;sup>21</sup>Ibid.

<sup>&</sup>lt;sup>22</sup>Ibid.

specifically include accommodation in a local-farming family, visits to places of work activities in rural areas (farm, Decorative Handicraft, etc..), Participation in daily activities in their free time, tasting local foods and learn about the preparation of traditional national dishes, talking with elderly members of the rural communities of rural life in the past.<sup>23</sup> If we look at the situation in Serbia, we find that, according to the Strategy Plan for rural development, 2009-2013<sup>24</sup>, rural areas of Serbia, depending on the applied methodology, including even 70-85% of Serbia's territory and there live 43-55% of the total population. From a total of 174 municipalities in Serbia, 130 are classified as rural, with 3,904 settlements on its territory. Low population density is one of the important characteristics of these areas. Thus, in rural areas Serbian population density is 63 inhabitants per square kilometer, which is less than the national average (97 inhabitants / km<sup>2</sup>), and significantly less than in urban areas (289 inhabitants / km<sup>2</sup>). Natural features of these areas are assessed as extremely affordable. Rural area of Serbia is characterized by high concentration of natural resources (such as agricultural land, forests, water, etc..) With intact ecosystems and biodiversity. Also, a wealth of cultural resources, as well as preserved traditions of the people who live in this area, is one of the advantages of these areas. Natural and cultural resources, the human resources are the most important elements of the rural resource base in Serbia. But, despite the opportunities offered by the rich and diverse resource base, the development of rural areas are identified numerous problems and limitations, as evidenced by their economic characteristics. Compared to urban, rural areas recorded lower realized gross domestic product per capita, which is an indication of their lagging behind in economic development. Analysis of the economic structure of these areas indicates a high dependence on the rural economy of the primary sector, especially agriculture. The rural population of Serbia recorded a high percentage of employment in just the agriculture sector. At the same time, it highlights the problem of low diversified activities and income of the population living in rural areas. The situation is further aggravated by the fact that the productivity and intensity of Serbian agriculture is below the European average. A major problem in these areas is the high unemployment rate (around 21%), which indicates a lack of jobs and employment problem. All these economic circumstances influenced the list of development problems of rural areas

<sup>&</sup>lt;sup>23</sup>Ibid

<sup>&</sup>lt;sup>24</sup>Plan a strategy for rural development, 2009-2013, the Republic of Serbia Ministry of Agriculture, Forestry and Water Management, February 2009

adds a depopulation and abandonment of the area by population, primarily those younger and more educated population. <sup>25</sup>As a result of all these phenomena, and lagging in development in a long time, today the rural areas of Serbia is characterized by extreme poverty, which is quite contrary to their resource potential. That is why in lately make the efforts, in line with European practice, the application of a new model of economic revival of rural areas by way of diversification of economic activities. In the process of diversification, tourism, due to its numerous advantages over any other activities singled as one of the most important activities which encourage the development of national policy and rural development. The experience of some European countries (eg Austria) have confirmed that the development of such models can be very successful and that tourism can contribute to the revitalization and economic empowerment of under-developed rural areas. <sup>26</sup> As regards the supranational level, in the European Union, which, on the one hand, reached a high level of economic development, in which, on the other hand, the economic importance of agriculture has fallen significantly, support for rural development is an important instrument of development in recent years has significantly gained in importance. There are three main reasons for this:

- 1. rural society still has an important role in the demographic, social and economic processes. According to estimates of the Organization for Economic Cooperation and Development (OECD), which is based primarily on population density, rural areas cover 90% of the territory of the European Union. More than half the population of the EU live in these areas and over 40% of domestic product is produced there;
- 2. rural areas fulfill a number of functions vital, not only for the people who live there, but also society as a whole: enable the production of food and renewable raw materials, maintain habitat for flora and fauna (ecology) are important recreational and tourism potential;
- 3. rural areas have their own specific economic and social structure, in which agriculture, forestry, crafts, small, medium and large companies produce, sell and provide service of narrowly local to international scale, such as tourism. These economic structure and services interact, compete with each other, create, evolve and develop. Nonetheless, compared with the global economy, many rural areas are lagging behind in economic

<sup>&</sup>lt;sup>25</sup>BoskovicTatjana (2012): *The economic effects of tourism development in rural areas of Serbia*, School of Business, no. 2, 29-34, Novi Sad, Higher School of Professional Studies, pp. 30-31

<sup>&</sup>lt;sup>26</sup>Ibid., p. 31

development. This is the reason why in these areas is higher unemployment, and income per capita is much lower than in urban areas because the economy relies on agriculture and forestry.<sup>27</sup>

## The improvement of rural tourism

The complexity of tourism as an economic and social activity causes the the planning and management of tourism and its promotion, be specific and require a separate organization at all levels. Rural tourism has also a number of specifics that must be followed when planning and management. The overall objective of the planning and management of rural tourism development would be to create a balance between supply and demand, and the total capacity (spatial and other) in order to minimize conflicts and the full exploitation of the natural basis for the development of tourism, without degrading the environment. <sup>28</sup>The concept of sustainable tourism development, which is particularly important for the development of rural tourism can become the basis for meaningful development of tourism in tourist destinations on all levels if its principles are involved in the planning of tourism development, particularly strategic, and if they are expressed in the strategic development goals. One of the basic requirements for successful planning and management of sustainable rural tourism development is the active involvement of rural communities, and the local population in the process. The existence of equilibrium, or partnership relationship between the number of participants in the development of rural tourism is another important factor in the success of the planning and management of rural tourism development. Aspiration of sustainable development of rural tourism means that visitors/ tourists to actively participate in the overall process, in order tosatisfy their overall behavior of the set development goals, particularly the protection and preservation of the natural environment, cultural and historical heritage. It is the guiding behavior of visitors / tourists, and the management mode of use of total resources in rural areas by visitors / tourists (visitor management). <sup>29</sup>The main challenges that are defined by the Master Plan for the sustainable development of rural tourism in Serbia are presented in the following

<sup>&</sup>lt;sup>27</sup>Lazic Lazar (2007): *Rural Tourism*, University of Novi Sad, Faculty of Sciences, Novi Sad, p. 145-146

<sup>&</sup>lt;sup>28</sup>Popesku Jovan (2014): *The key issues of the development of rural tourism*, op. cit. <sup>29</sup> Ibid.

table. These challenges present an opportunity for Serbia to strengthen its natural and cultural resources, foster rural community and rural tourism.

**Table 1.**The main challenges for sustainable development of rural tourism in Serbia

The main challenges for sustainable development of rural tourism in Serbia			
1	Mnogi jazovi u lancu vrednosti ruralnog turizma		
2	The high level of competition and major challenges for the diversification of the current competitors (Romania and Bulgaria) and potential competition (Hungary and Czech Republic)		
3	The need for organization and management of rural tourism		
4	The need to develop the awareness and capacity of human resources		
5	The need for a structured and holistic products and experiences that include rural tourism activities, accommodation and facilities created		
6	Lack of created objects which provides an integrated tourist offer		
7	The lack of international standards and quality assurance, as well as the need for improvement, standardization and diversification of rural accommodation, F & B and other services		
8	The need to develop synergies between the agricultural sector and tourism, including the local crafts		
9	High seasonality with low occupancy capacity (average occupancy rate for rural units was 4% and 21% for other accommodation units)		
10	The need to improve the local infrastructure (especially rural roads to rural resources)		

**Source**: Popesku Jovan (2011): Sustainable development of rural tourism, TAIEX, Belgrade Chamber of Commerce, ppt, p. 9

The situation in Serbia in the field of representation and development of rural tourism, we discussed in the previous section work. If you look at the competitive disadvantages of rural tourism in Serbia as a starting point to specific recommendations that support the sustainable development of the tourism industry, we will see the following indicators.

Table 2.Competitive disadvantages of rural tourism in Serbia

The strategy and structure of the	Terms demand	f rural tourism in Se Activity in the suport sector and	Condition of production
company and competition		complementary sectors	factors
- lack of accommodation facilities in rural areas	- lack of diversification and specialization of offers, activities and services	- lack of complementary activities	- accessibility by road is limited due to the poor quality of roads
- lack of strategic direction and investment for the development of rural tourism accommodation facilities	- lack of image and positioning	- lack of specialized destination management company (DMC) as the organizer of products, activities and packages for rural tourism product	- low quality of public transport by bus and train
- lack of cooperation between the accommodation sector and other sectors in the tourism industry (tour operators, travel agencies and tourism organizations in some places)	- lack of specific information regarding the activities and products of rural tourism services	- low level of use of local attractions for tourists	- lack of specialized guides for the products of rural tourism
	- Travel demand is based on the domestic market, the lack of management and promotion of product from rural tourism	- insufficient number of specialized trade related to local products and local tradition	- insufficient use of cultural and natural resources for tourism
			- low quality system for the protection and maintaining of cultural and natural resources

**Source**: Popesku Jovan (2011): Sustainable development of rural tourism, TAIEX, Belgrade Chamber of Commerce, ppt, pp. 12-15

For the purposes of the foregoing, the main activities for the sustainable development of rural tourism in Serbia are given in Table 3

**Table 3.** The main activities for the sustainable development of rural tourism in Serbia

Actions that should be applied:			
1	Build a unique positioning and differentiate rural Serbia with multilayer unique selling proposals that emphasize the unique character of Serbia		
2	Develop a holistic experience of rural tourism, which includes physical and emotional experience gained through rural activities and in rural accommodation		
3	Develop an integrated operational marketing plan that supports the promotion and commercialization of rural tourism and allows visitors / tourists to reach their personal experience of rural tourism		
4	Create quality assurance of products and services across the entire value chain by providing human resources through the development of service centers and the establishment of minimum standards		
5	Develop an organization to manage the development of rural tourism at national and regional level		

**Source**: Popesku Jovan (2011): Sustainable development of rural tourism, TAIEX, Belgrade Chamber of Commerce, ppt, p. 17

### **Conclusion**

The economic development of Serbia is characterized by variation is, particularly pronounced in rural and urban areas. Rural areas are far behind as compared to urban. On the other hand, the rural resource base is seen as a rich and varied and provides an almost ideal conditions for the development of different types of activities and services, and especially good for the development of different forms of tourism activities.

Turbulent changes in the tourism market, both in tourism demand, and at the tourist supply, demand constant adaptation of all participants in the process. This means that the planning and management must be continuous and it infused with an innovative approach. The main goal is to protect and preserve all resources associated with the development of rural tourism.

In achieving the main goal, particularly must take account of environmental protection (preserved environment creates the basis for a successful business, and a degraded environment destroys opportunities for efficient business), as well as protection of the rights of consumers and their choice.

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