The role of tourism types in the context of rural development in Hungary

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Abstract
Various expressions are used in the international literature for tourism in rural areas, which mainly reflect what activities they focus on while realizing tourism. By national and international researchers and authorities, rural tourism is usually interpreted as a part of rural, agricultural, regional, environmental and tourism development as well, highlighting the interaction between these fields. The aim of our study is to have an overview on the role of tourism in the rural development, by collecting the various approaches. In our paper, we also focus on the situation of Hungary, since many rural areas consider tourism as a way to catch up, even if they do not have the necessary economic and social conditions and resources. Tourism is thought as the easiest development possibility for areas lagging behind, but it is a misleading concept. We believe that in many cases tourism can be an appropriate tool to revitalize rural areas, to keep and create rural jobs and to maintain services, but without an overall and long-term concept it is not possible to achieve sustainable development in the sector.

Keywords: agro-tourism, rural tourism, eco-tourism, complex packages, rural development

JEL Classification: R58, Z30, Z32

1. Introduction
According to Swarbrooke (1996), rural tourism is one of the main priorities of tourism development in a lot of European countries. The demand for relaxing in rural areas is growing, while many rural areas face challenges and their future is unstable either due to the changes in the agricultural structure, or the more attracting urban life. At the same time, the expressions of rural-, agri- or agro-, farm-, and ecotourism are all common, which means that it is not a clearly defined touristic product/service, however, most of us know and understand the essence of it and know what to expect if involved in rural tourism. Such expressions are usually considered the same, however, they cover different sectors and activities in different countries, even in Europe, because tourism activities are based on the local agricultural structure, traditions and cultural relations. In the chapter the various expressions, approaches are summarized in relation with rural tourism.

1.1 Major types of tourism related to the countryside
The supply of agrotourism is quite specialized, it has concrete profile. In this case, agriculture-related endowments are selected from the local conditions and are formed into tourism supply. Agrotourism includes tourism located in agriculture-dominated regions aiming at the sales of agricultural products. Agrotourism represents a concrete product type in rural tourism, where a small-scale agricultural company provides the frame for the receiving tourists. Most of the attractions are from agricultural activity and products which are usually served to the guests. Accommodation is a related supply to agricultural products, but it is not the most important element in agrotourism product supply. The supply is specialized for the selected target groups. It covers sport- and hobby-tourism related to agriculture like horse-riding, fishing, hunting and wine-tourism. It is about joining the agricultural activity, e.g. harvesting, drying fruits, making honey on a conventional or even on an organic farm.
Consuming and trading with the agricultural products (wine, cheese, vegetables, fruits, smoked processed meat products) on site as well as active participation in the processing of agricultural products are popular attractions. The advantage of agrotourism is that it supports the direct sale of local products, thus helping the marketability of agricultural products.

**Ecotourism** is also strongly related to rural tourism. According to the Québec Declaration (19-22 May 2002), the major features of ecotourism are as follows:

- It covers all the tourism types which are based on nature and the main motivation of tourists is nature. In addition, learning about the local culture is becoming increasingly popular.
- Tourists have strong learning motivations and environmental nurturing.
- It is usually organized in small groups, local enterprises may take part in the organization. It is not a mass-tourism and is conducted by a guide.
- Main attempt is to avoid or minimize unfavourable impact on natural, social and cultural environment.
- Especially important aspect is to allow the local community to take part in the organization and management of tourism.

The defined principles and criteria reflect that ecotourism meet the gentle tourism requirements and have strong link with sustainable tourism. Thus it may offer alternative touristic types to mass-tourism.

As the range of the tourist is expanding in the rural areas, the special characteristics of rural areas are more and more emphasized. Such intensive attraction might be a famous traditional product of the given area, e.g. wine, cheese, tobacco. To learn about such agricultural products, **thematic routes** may be created. Thematic routes offer the whole range of rural experience (making and consuming traditional products as well as the related celebrations) including the built memories of the past. One of the engines of rural tourism is the wine, covering wine-routes, wine-related events, festivals, auctions etc. Based on the above-mentioned it can be seen that there are various forms of tourism which are related to the countryside, however, it is because of the values they represent but not because the necessary conditions and resources are all available for a successful, profitable and sustainable tourism in the rural areas. Moreover, the venues of rural tourism are often disadvantaged rural areas or ones lagging behind, which are valuable areas from environmental point of view but usually do not have the necessary economic and social background.

Agriculture has always had significant role and important functions in the life of rural areas as well as in rural development. However, the ability of agriculture to keep the population in the countryside has dropped sharply, which is reflected by the number of people employed in the agriculture as well as in the decrease in the agricultural incomes. Thus it is necessary to find supplementary income sources for agricultural employees that can be through organic farming, herb production, hungaricums, animal husbandry, handcrafting or tourism. It can be stated that rural tourism cannot be the main source of income, it may only be an additional activity, since it contributes to the diversification of the farmers. In that way, it takes important role in meeting the ecological-environmental targets of rural development, i.e. creating sustainable agriculture, agro-environmental protection, and the preservation of natural and built environment. As rural tourism provides supplementary income to farmers, it contributes to strengthening the rural values, especially in those areas where intensive farming is not feasible due to the natural endowments.

So tourism should be able to function together with agriculture, thus can be efficient tool of complex rural development. However, in many cases the lack of cooperation in the region as well as the lack of regional approach are obstacles of the development. Many of those living
in the countryside do not know or underestimate the local resources, possibilities, attractions which are usually famous nationwide. It is a very important, successful determining value of a settlement, to have a “seed” which unites and moves the community and if people representing various interests, values can connect to this. An active local community seed is thus needed. The community’s internal structure, dynamics is a value, which can turn into a strategic resource when helping in mobilizing the local economic and social resources. Activities of a narrow core group cannot result in a lasting success if there is no adequate support from the wider community (Nagyné, 2013). According to Kassai and Ritter (2011), much more emphasis should be put on joint actions and encouraging cooperations within and across the regions, since such cooperations could strengthen the local activity and contribute to a more efficient use of local resources. Rural tourism has real potential in such areas where in addition to the attractive natural resources, the local businessmen recognize the importance of cooperation and cooperate in offering complex packages to tourists. It should be highlighted how tourism in rural areas can often bring about unintended conflict and the importance of dialogue and co-operation among actor groups to bring about mutually beneficial outcomes (Vaugeois, 2015). For the hosts, tourism provides extra income (Bainé Szabó, 2003), however, it is stated that rural tourism in Hungary is not really linked to agriculture and services apart from accommodation (catering, programs) are rarely offered. The average length of stay is short, the supply is limited and the rate of use of facilities is poor. The human resource in rural tourism is not sufficient, since most of the hosts do not speak foreign languages. The role of qualified human resource is inevitable (Bainé Szabó, Könyves, and Tikász, 2006). Considering the Western-European samples, our handicap in human and technical facilities is huge.

1.2 Various interpretations of rural tourism

Rural tourism is interpreted in various ways by authors in different countries. For example in Italy, it covers all activities related to the countryside either it is a weekend spent in a hotel for 100 people or walking on a wine route. In the Netherlands, village tourism is rather a holiday in a camping next to a farm, in which the most popular activities are going on excursions, cycling and horse-riding (Turner, 1993). In Greece, e.g. the major service provided in rural tourism is “bed and breakfast”, i.e. accommodation in traditionally furnished rooms and breakfast made from home-made traditional products. Additional services might be offered by restaurants; other cultural and recreational programs may also be available. In Finland, village tourism is rather the rent of a holiday home, usually without catering (Rátz & Puczko, 1998). In Hungary, there is no generally accepted definition for village tourism. It covers activities from the simple village accommodation to a complex product with multiple elements.

The definition by EURTER French Institute is broadly accepted and applied: rural tourism is defined by the valorisation through tourism of agrarian spaces, natural resources, cultural heritage, rural housing, local popular traditions and products through specially labelled products that reflect the regional identities and cover the needs of the consumer for accommodation, gastronomy, leisure activities, animation, and other services, with the objective of a local sustainable development and an adequate answer to the needs of leisure of the modern society within a new social solidarity between city and countryside.

1.3 Rural/village tourism, as a complex supply

From the host’s point of view, village tourism is advantage because:

- it creates jobs, thus reducing the number of migrants or commuting;
- it can function as a supplementary activity to agriculture, so it can contribute to diversified profile;
it can be a secondary income source which comes from serving own, home-made products to the visitors, renting rooms for tourists as well as providing additional services;

- it may encourage infrastructural development;
- it may expand the range of leisure-time and cultural activities in the village;
- it may have impact on the change in lifestyle, thus bring the urban and rural lifestyles closer to each other.

From the tourists’ point of view, the following advantages can be listed:

- village tourism offers holiday which is cheap and close to nature;
- it enables the tourists to know the landscape and people in their own environment;
- it is an active free-time activity, which means that guests may take part actively in the work of village people (harvest, feeding animals, pig slaughter);
- it contributes to learning new skills, rural traditions (old, traditional handcrafting, real local flavors);
- it helps the domestic tourists to learn their own country;
- it helps the foreign tourists to get to know more about our country.

Some statements about village tourism:

- Village tourism – in most cases – is created artificially because of must, which aims to generate supplementary income (Antal, 1994).
- It is based on local resources. It can utilize natural values, local agricultural products, empty houses, unused resources, knowledge of elderly people as well as unexploited human resource (Kovács, 1995). Village tourism may benefit from such things which have no or low cost, like intellectual capital, natural treasures, traditions, local famous places and if they are not used, the population becomes poorer not only economically but culturally as well.
- It is really a complex product.
- If there is one family in a village who receives tourists, it is not rural tourism yet. It is about creating a community (Kovács, 1993). It is usually based on family businesses, but the cooperation in the region is inevitable (Faludi, 1994).
- Village tourism is close to nature and exempt from urbanization, offering recreation without noisy and stressful cities. However, the demand for convenience is a high.
- It provides personalized services. One feature that makes rural tourism unique is that there is a personal relationship between the host and the guest (Danis, 1995). That “personal” feature exists with the broader environment and the host population as well.

The supply of village tourism is really complex. It is much more than providing accommodation with some programs. The village atmosphere, the personal relationship with the hosts and the local people, the wide range of programs and services are all parts of rural tourism, as well as the price, accessibility, weather etc. (Sharpley & Sharpley, 1997). Clean environment, neat gardens, high quality restaurants as well as convenience should be basic elements of supply because urban population, even if shifting from cities to villages, need and insist on basic services like pharmacy, doctor, shops of high quality. So rural tourism – as a touristic product – contains both hard and soft elements. The key factor of rural tourism is not the village, but complex services related to historical, traditional, cultural, environmental, sport, leisure-time activities under rural circumstances. Based on the abovementioned, rural tourism with its wide range of supply both uses and preserves, takes care of the natural beauties, gastronomy, traditions and intellectual heritage of the countryside.

Even if there are various concepts and definitions for tourism carried out in the rural areas, we consider the “rural” expression the most appropriate, since such tourism is related to several
other sectors and activities, and at the end it can contribute to a complex development of the countryside, so it may result in rural development.

In the next part of the chapter we summarized the most important policies and concepts of tourism development in Hungary so that we could see how much the policy-makers take tourism and rural tourism into consideration in the future development of the country. Due to its favourable geopolitical features and natural endowments, tourism industry has always been a key sector in Hungary. It is well-known even on the international market and visited by increasing number of foreign tourists. At the same time, we should see that tourism is concentrated in a few specific locations (Budapest, Lake Balaton, Lake Velence, thermal bath cities etc.) and it does not really contribute to the development of rural areas lagging behind (Kollár, Tóth, and Péli, 2012). So tourism should not be targeted as an individual sector, but it should be integrated into spatial development policies to achieve positive results all over the country.

1.4 Recent policies and strategies on the development of tourism in Hungary

The New Széchenyi Plan entered into force in January 2011, which had 7 key priorities, including the Healing Hungary – Health-industry program, with special focus on health tourism. The rest of the key programs (green economy, housing, enterprise development, science-innovation, employment, transportation) also had touristic linkages (Kardos, 2011). They all integrated various industries and sectors, leading to competitive products and services even in middle-terms. The Program, on one hand, aimed at a more efficient use of thermal water reserves and geothermal conditions, on the other hand, harmonized system of industries which preserve health and promote health-conscious lifestyle. A focal point of the Program was a complex use of thermal water supply and to create a uniform structure of the related products and services. Consequently, it had several links to other sectors of the economy. The Program did not aim at the financing and restructuring of the Hungarian healthcare system, but it intended to use the worldwide unique thermal water supply in a complex and sustainable way, creating synergies among the sectors.

Major objectives of the Program:

- **Catching-up of areas lagging behind:** Complex economic and social development programs for underdeveloped areas where there are only a few cities and usually near the borders of the country.
- **Complex use of geothermal energy:** It includes the energetic use of high and low temperature thermal water before and after healing, economical and sustainable energy use, the reduction of energy-dependence as well as the self-sufficient energy supply.
- **Protection of natural endowments, maintaining their quality:** Health tourism can be based on the favourable natural conditions, and human resource. To provide the basic requirements of long-term international competitiveness, special focus should be put on the protection of the water-basis, regular control and quality assurance of healing pools, the promotion of water use and reuse, introduction of modern technologies as well as the revise on quality brands.
- **Long-lasting increase in the country’s competitiveness:** Most of the sectors in the health industry contribute to the supply of products and services. Such a „national industry” may be created that may provide strategic advantage and specific to our country. It creates numerous jobs, makes a lot of income, thus increases the national gross output.
- **Knowledge-development:** In order to improve the quality of health industry and health tourism, the expansion and development of professional knowledge are inevitable. Experts with information about international trends are expected to bring
the need for introduction of new technologies (http://kultura.kreativeuropa.hu/letolt/uj_magyarorszag_fejlesztesi_erv_0801.pdf).

Two major parts of the program: one is about health industry-based tourism, the other is about thermal health industry. The key priority of the first one is to create the framework and the institutional system for health touristic products and services, aiming at the maintenance of the health of both the body and the soul. The second aim is to discover all the possible ways of using the thermal-, healing- and mineral water, as well as the relations to other sectors. It aims to find out what innovation can be carried out based on health industry and to define the “background” sectors that serve the development of the industry (Kardos, 2011).

According to the National Tourism Development Concept (2014-2024), Hungary is expected to be the most popular destination of Europe in health tourism by 2024. In order to get the supply to the market, efficient, well-organized and strategically managed system of incentives is necessary, including the country-brand and the national marketing activity.

Tools to achieve the desired aims:

- innovative and creative high quality products and supply;
- creation of an environment that improves the competitiveness of the tourism in Hungary, job creation;
- restructuring of the institution system of tourism based on the TDM system;
- opening to international markets, to the Eastern countries by international marketing and by using incentives.

The Concept also includes product-specific priorities as follows:

- **health tourism** – touristic products based on the complex development of bath destinations providing medical services;
- **heritage and cultural tourism** – major national and cultural heritage promoted as touristic attractions by establishing thematic routes and visitors’ centers;
- **MICE-conference tourism** – establishment of one large congress center and the conscious expansion of further conference facilities, strengthening the professional tourism character of Hungary;
- **religion tourism** – complex development of pilgrimage routes and touristic networks which can be known even Europe-wide;
- **festivals, event** – marketing of national or regional events onto the international market;
- **development of national gastronomic networks and important festivals**, matching the region-specific traditions, cultural and historical conditions;
- **ecotourism** – complex development of ecotouristic destinations, creation of visitors’ center in national parks, organizing events and exhibitions;
- **bicycle tourism** – complex development of bicycle routes by exploiting the territorial differences;
- **water tourism** – establishment of port networks meeting the international standards, development of water tour bases, harmonizing them with bicycle tourism;
- **equestrian tourism** – complex development of equestrian touristic centers, increasing the interest of domestic tourists in equestrian tourism, creation of routes that can be interesting for foreign tourists as well;
- **village- and agrotourism** – development of village and rural touristic attractions and services by diversifying the supply based on local values, cultures and traditions (National Tourism Development Concept, 2014–2024).
Expected results due to the realization of the objectives by 2024:

- the GDP contribution is expected to increase to 10%;
- the number of registered employees in tourism sectors is expected to increase by 50%;
- Hungary is expected to be among the top 30 in the world, regarding competitiveness;
- statistics on domestic tourism is expected to increase by 30%;
- the number of foreign visitor nights and average spending are expected to increase by 50%;
- penetrating new markets in harmony with the Eastern opening strategy (National Tourism Development Concept, 2014–2024).

Based on the strategies and concepts detailed above we can see that tourism in general is supported in Hungary, tourism is expected to contribute to the national GDP to larger extent and provide more jobs. Due to the favourable natural conditions and thermal water resource, most of Hungary is thought to be suitable for tourism activity, but it is a misleading concept. The rich natural and historical resources and attractions are not enough to maintain sustainable tourism in the whole country. There are several micro-regions (especially in Northern-Hungary, Northern-and Southern Great Plain, Southern-Transdanubia) which are the least-developed micro-regions and require complex development programs to catch up and to moderate the territorial inequalities within the country (which is the major aim of cohesion policy).

2. Data and Methods

In order to achieve the aims of our research, we have done detailed literature review about the European and Hungarian literature related to rural tourism. We collected various definitions and expressions that are used to reflect tourism activities carried out in the countryside to show how different they are considering the country-specific conditions. In addition, we made it clear what approach we represent. We collected data about the number of nights spent by tourists in accommodations in villages of Hungary for the last 15 years. The information source was the Central Statistical Office. The Office collects the relevant data only after 1998, so we covered the period from 1998 to 2013. We also wanted to see the proportion of foreign and Hungarian tourists in that relation. We wanted to find out if rural accommodations are preferred by domestic or foreign tourist. In our opinion, rural tourism is still a way for recreation for mainly Hungarian people with low incomes, which strongly restricts the development needs defined by the people dealing with rural tourism. We believe that rural tourism should be built on a professional basis and requires various economic, social and environmental conditions.

3. Results and Discussion

In order to see whether there is real improvement in rural tourism and whether it is a real potential for most of the villages, we have collected statistical data about the nights spent in accommodations in villages of Hungary. Regarding methodology, it has to be mentioned that the Central Statistical Office collects separate data for village accommodations since 1998, so it is the first year in our analysis. Figure 1 shows that despite of the various links of rural tourism with other sectors and despite of the favourable natural endowments of Hungary, the number of nights spent in village accommodations shows a gradually decreasing tendency after 2006. Due to the lack of local cooperation and the poor quality of services as well as the low qualification of people dealing with rural tourism, the figure dropped to 329,155 by 2013. Compare to the peak year (2003) value – 586,529, the decrease was 44% by 2013. The
increase between 1998 and 2006 was due to the increase in the number of service/accommodation providers and not due to the increase per former existing units.

**Figure 1: Number of nights spent at accommodations in villages**

![Figure 1: Number of nights spent at accommodations in villages](image1)


Unfortunately, figures show that there is huge potential in rural tourism but it requires complex development measures.

**Figure 2: The distribution of nights spent at accommodations in villages**

![Figure 2: The distribution of nights spent at accommodations in villages](image2)


On Figure 2 it can be seen that village accommodations are preferred by domestic tourists, they are not popular among foreign visitors. It clearly shows that there are no festivals, programs, events, exhibitions which would attract foreign tourists to small, rural villages to stay overnight. The high rate (51%) for nights spent by foreign tourists in 1998 and 44% in 2001 can be explained by the lower total number of nights spent (431,272 in 1998) compared to the year of 2013. So the number of nights spent by foreigners was not higher earlier, but the share in the total changed only.

It is not only the total number of nights spent in village accommodations decreased over the years, but the territorial distribution is imbalanced as well. In Hungary, there are 9 touristic regions (which are not equal to the NUTS 2 spatial development regions applied in cohesion policy).
As it is in cohesion policy, huge inequalities can be observed in the tourism sector as well among the regions. Such inequalities could be moderated by increasing the efficiency of tourism in the rural areas, generating more income for the local population, building on the rich rural values, but unfortunately tourism is concentrated in the capital and near the Lake Balaton, Lake Tisza and near the thermal resources. Looking at the Figure 4, we can see the regional distribution of nights spent in village accommodations. It is surprising that Lake Balaton is not included in the figure, which represents the most popular touristic destination of Hungary, but the Central Statistical office does not collect data about it in relation with village accommodations. We can see a clear picture about the significance of Northern Hungary, which had over 100,000 nights spent in the past few years. It is partly because in this regions there are not many hotels and partly because of the rich natural and cultural heritage of the region. Referring to the statement above, the village tourism in Hungary – despite of its potentials in catching up of the regions lagging behind – reflects decreasing tendency. Not to mention the significant territorial imbalances.
Figure 4: Number of nights spent in village accommodations by touristic regions of Hungary

![Figure 4](image1)


If we look at Figure 5, we can see that it is not only the demand which could be blamed for the decrease, but the supply. It can be seen that the number of those providing village accommodation dramatically dropped over the years as well as the number of beds. In 1998 there were 4,893 hosts, providing village accommodations, reaching the peak in 2004 (7,431), then dropping to 3,713 in 2010. At the same time, the number of beds started from 26,340 in 1998, reaching the peak in 2009 (49,862) and going back to 26,210 in 2010.

Figure 5: Supply in village tourism in Hungary

![Figure 5](image2)


The abovementioned tendencies are good basis for conscious and targeted tourism strategies because they prove that rural tourism has not brought the expected positive results and there are unexploited potentials and capacities. However, what we can see that there is a lack of integration, efficient information flow as well as cooperation between the service providers so that the potentials could be exploited more.
4. Conclusion

Based on the overview on the major recent tourism policies in Hungary, it is clear that tourism has always been present in the policies but somehow as a secondary priority. According to some experts and strategies, it is only one sector in the economy, while others say that it should be dealt with as an individual, gradually increasing activity in the economy. It is because Hungary has favourable conditions for various types of tourism. Still, it must not be forgotten that tourism requires high quality resources (not only regarding the natural endowments, but e.g. the human resource and the quality and availability of services). As it is seen from the strategies, tourism was always important, but not a strategic sector. Due to the last tourism development strategy (effect until 2024), tourism can find its real role in the economic and social development of the country, thus making it more competitive in the global market. Tourism has already had great impact on the development of regions, but we believe that it could have been greater if it had been elaborated in a harmonized and structured way. Each region has great potentials for tourism, however, it must not be the number one industry in regions lagging behind where there is a lack of necessary infrastructure. In such areas, the short-term strategies should focus on the basic infrastructure and business environment and only later on may come tourism. Regarding rural tourism, there are even more challenges, since in many regions it should be managed and organized with creativity, the people involved in rural tourism should be proactive, since they are in less favourable market position compared to the most attractive capital or lakes and thermal resorts, however, they should survive on the same international touristic market.

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