

MASTER IN MANAGEMENT OF TOURISM DESTINATIONS

Academic Year 2018/2019

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**Bucharest tourism and Romania's 2007 EU accession as a path-shaping moment
of change**

FINAL MASTER PROJECT

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UNIVERSITAT ROVIRA I VIRGILI

Vila-seca

2019

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General Introduction

If one is asked to think of European capitals of touristic interest, Bucharest is highly unlikely to be named, even by well-travelled individuals. Sometimes confused with Hungary's capital Budapest, Romania's capital Bucharest is often overlooked as a touristic destination, a significant disadvantage considering the growing global impact and reach of tourism and positive contribution the industry can have on development, investment, resident income, way of life, and destination image among others. To encourage and support tourism growth and understand the momentum it could gain in Bucharest in the future, it is first important to grasp the main notes of the industry's evolution so far in connection with the context and conditions, changes in the city scape, events and actors involved. The current research will attempt to show that the dynamics of the city and of the tourism industry experienced in 2007 a major event in the country's recent history, Romania's accession to the EU, the years that followed providing a different momentum, incremental but irreversible progress, more opportunities and success for stakeholders able to recognize them.

Evolutionary Economic Geography (EEG) theory and the model by Sanz-Ibanez et al. (2017) were chosen as the conceptual tools to analyze and understand the complexities of tourism development in Bucharest, the dangers and negative effects of lock-in and how an event can result in path-plasticity and change the trajectory of the destination. Tourism evolution in Bucharest will be viewed along a continuum, the 2007 inflection point dividing the pre- and post-moment scapes, each with its specific conditions and discourse. The implications go beyond a theoretical comprehension of Bucharest tourism which remains the subject of very few studies, as the current state represents the background for future path-shaping events and practical lessons can be learned in setting measures, policies, governance and collaborative structures which further determine the success of outcomes, reactions and responses. The present study aims to provide an angle not yet approached for Bucharest tourism in research papers while also underlining the diversity of events which can be viewed through the EEG-moments lens.

Regarding the pre-moment scape, Bucharest's urban evolution is characterized since the fall of the communist regime in 1989 and up to 2007 by what is often described as a chaotic pattern of development. Until the year 2000 there was no urbanistic plan for the city and a tourism strategic plan at country level did not exist until 2007. Before EU accession, a significant issue was related to the isolated, project specific nature of international funding and financial support (from organizations like the United Nations), not integrated within a general strategy, thus recording partial success. When it

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comes to domestic private investment, it is acknowledged that many projects were developed with low standards and lack of long-term vision and the Regional Development Agencies had little involvement due to limited experience and qualified staff.

With the EU membership, Romania's legal, administrative and political frameworks responded to European requirements, creating a more stable environment of growth and thus increasing the confidence of investors. International groups operating in the tourism sectors brought not only much required funds, but also knowledge, and a higher standard of quality for the touristic offer, training opportunities and insights into market needs and wants. On the public-sector side, institutions gained focus on strategy and long-term objectives, a Master plan for sustainable tourism development was created in collaboration with the World Tourism Organization in 2007 which set objectives until 2026 and concrete actions for the use of structural EU funding for the period 2007-2013 (Master Planul pentru Dezvoltarea Turismului Național 2007 – 2026, 2007). The EU membership had an important socio-cultural impact in addition to capital investment and political and institutional implications, civil society becoming more involvement in projects which affect residents and tourists alike, all such EU consequences leading to tourism path plasticity.

While the positive outcomes of EU membership are believed to prevail, lock-in remains an issue in some areas and there is a consequential need for knowledge accumulation as to support future moments of change with impact on the tourism industry. Tourism in Bucharest deserves a more central role in city and government planning and understanding the long-term evolution of the industry and contribution to regional development can push forward the sector's strategic importance. As tourism remains far from reaching its potential in Bucharest, an EEG empirical approach can draw attention to how actions reinforce themselves over time and have long-term implications of potential innovation and growth, or undesirable stagnation and collapse. EEG allows for an analysis of the wider context, rather than viewing tourism as an isolated sector, considering the economic, social, cultural, environmental determinants and consequences.

As a subsequent knock-on moment, Romania's first mandate to the Presidency of the EU Council in 2019 from the 1st of January for a duration of 6 months is considered a possible new path shaping shift for tourism, if the opportunity is approached correctly by stakeholders and lessons from 2007 are taken into practice.

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Theoretical constructs related to EEG and the moments framework by Sanz-Ibanez et al. (2017) are summarized in the 'Conceptual framework' section of the paper which is followed by an 'Introduction to the place'. Both qualitative and quantitative sources of data were chosen to support the analysis and are reviewed within the 'Methodology' chapter, with considerations on the limitations encountered. In the 'Results' part of the paper areas of focus for tourism development in Bucharest are identified as MICE, industrial heritage reuse, environmental management, image, supply, demand, policies and governance. As exclusionary decisions were made in establishing the points of interest based on impact on overall tourism industry and potential for future development, the analysis is by no means all-encompassing, and Bucharest tourism remains open to further research under the umbrella of EEG models. The 'Discussion' section attempts to tie-out theoretical assumptions with gathered data in demonstrating the initial claim that the 2007 event of EU accession was a path-shaping moment in the evolution of Bucharest tourism. Within the 'Conclusion', the benefits of an EEG-moments perspective for governance and sustainability for Bucharest as a touristic destination are pointed out, and for approaching future events that can delineate evolutionary trajectories.

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Conceptual Framework

Evolutionary Economic Geography (EEG) theory, understood as the uneven distribution of economic practices in space due to historical patterns and processes of development (Boschma and Frenken, 2011), has gained increased attention in the field of tourism study, applied especially in cases where tourism is the main activity of destinations. However, the view of economies evolving over time, remaining caught in certain trajectories or breaking free through path creation and plasticity, is equally relevant in situations in which tourism faces challenges to evolve and grow due to historical limitations and barriers, and actors and events are needed to trigger a positive momentum.

Boschma and Frenken (2006) distinguish between three approaches in economic geography, sharing commonalities, but separated by both core theoretical assumptions and research methodologies: neoclassical, institutional and evolutionary. Evolutionary models link organizational performance to routines in behavior and skills originating from experience and knowledge from doing. New routines can be the source of competitive advantage and innovation, however there must be an active process of trial and search, of disrupting behavior and selecting among promising outcomes. At a larger scale, EEG's aim is to understand spatial agglomerations of economic routines from historically accumulated knowledge, rather than arising from an institutional context (as in institutional theory) or rational decision-making regarding location (as in the neoclassical approach). Success of certain firms can lead to regional concentrations and spatial patterns of development through either spin-offs of the growing parent-companies or knowledge transfer to proximate actors. Strategic collaborations, networking and labor mobility are seen more likely to occur in the spatial proximity rather than with distant organizations. Cities and regions, following the same reasoning, are spatial systems that can become locked through specialization or renew their economic fabric by creating new growth inducing sectors and products. In addition, cities can look to consolidate a central role in global networks of commerce, trade and knowledge transfer by strengthening a function as a transportation node and the presence of multinational corporations. Evolutionary theory cannot be limited to the current time context as past situations outline the directions of development through path dependency, events having long-term implications, processes and mechanisms reinforcing themselves over time.

Having established the EEG framework as a sub-discipline of economic geography explaining how economic landscapes change in time (Boschma and Martin, 2010), three main conceptual principles are

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identified as supporting its theoretical foundations, path dependence, complexity theory and generalized Darwinism (Brouder et al., 2017).

Path dependency can explain how a region's current economy is the result of sectors becoming dominant over time, their productivity and specialization feeding a growing success until they run the risk of collapse, of reaching a level of maturity that can no longer be supported, or which becomes obsolete in a new economic and demand environment. In the years prior to 1989, the communist regime in Romania had the ambition of transforming Bucharest in a major industrial hub of the communist bloc. Factories and plants, many of which built within the city limits, were described by the regime propaganda as the glory of a productive, working-class metropolis. The survival of most of them was artificially maintained until the eventual, inevitable fall of communism. In reality, the technology had always been outdated, products could not compete in quality or price within a market economy and the location of factories close to the city center and residential areas was incompatible with the functions of a modern city. Path dependence prior to 1989 was the result of centralized decision-making rather than knowledge re-enforcement, the end result of collapse for most inner-city plants and factories being unavoidable and privatization taking the form of repurposing or land use in the transition period.

The object of complexity theory is the economy as a complex adaptive system that is not characterized by a state of equilibrium, on the contrary is constantly impacted by self-organization and emergence (Sanz-Ibanez & Anton Clave, 2014). Co-evolution helps conceptualize tourism within the complex local and regional economic systems and understand how sectors impact each other, while taking into account the social, cultural, technological factors that influence institutions, labor and entrepreneurial agents. The evolution of tourism in Bucharest should be approached from a broad perspective that accounts for the difficult transition period the entire country went through following 1989 and progress stemming from EU membership. In recent years the rising entrepreneurial sector, foreign investment, expansion of the service economy, European Union institutional and legal context and funding, cross-cultural and new social context, all facilitated the growth of tourism and complementary sectors.

Generalized Darwinism within the EEG framework looks at evolution as a selection process within a regional unit, an important concept being that of variety, with growth and innovation occurring in activities that complement each other. It can be argued in the case of Bucharest that, as the tourism industry started to gain certain momentum, new players both foreign and domestic found an incentive

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in offering the missing or low-quality services that visitors demanded. In addition, variety, novelty and continuity explain the development of many tourism products and structures, the success of some and failure of others.

The main concepts of evolutionary approaches interrelate and can be imagined as different lens for viewing destination reality as part of the past-future continuum. Path dependence implies historical stability which reinforces regional economies. While lock-in is a possible negative outcome, positive consequences relate to efficiency, specialization and knowledge accumulation. The notion of lock-in is the inability of a system to evolve past a historically set situation, whether institutional, technological or organizational. This state is however not permanent and immutable as actors, networks or events can create a mechanism for change, introducing other important assumption of EEG theory, path plasticity and path creation. Such deviations occur as a result of human agency or events that ultimately determine the reaction of entrepreneurs and institutions. Destination evolution in a certain direction can prove particularly difficult in tourism due to the complex nature of the industry and the myriad of small agents involved, lacking individual power to cause a significant shift for the entire system.

Schumpeter's (1934) research on entrepreneurial agents as 'creative destructors', the source of innovation, finds resonance within the EEG discipline which recognizes human capital as a main factor driving economic systems. Economic evolution is place and path-dependent, and socially constructed by the actions of stakeholders in response to each other and historical changes in the environment.

Tourism destination dynamics, competitiveness and sustainability are thus the result of the context in time and space, with stakeholders acting as drivers for continuity or transformation. EEG (Boschma & Frenken, 2006) has been applied in the local tourism context in connection with relational economic geography (Bathelt & Gluckler, 2003), by Sanz-Ibanez & Anton Clave (2014) who looked at human agency (stakeholder action and reaction that lead to knowledge creation and innovation), contextuality (the local and wider context in social, economic, political and environmental terms) and path dependence (trajectories resulting from historical decisions). Relational economic geography brings important considerations to the case of Bucharest as the micro-firm environment should be understood from the interdependence of agents and institutions on various levels, local actors being influenced by the wider processes and structures at EU level and the consumption and labor markets of the European Union.

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As described by Sanz-Ibanez et al. (2017), the consequences of path shaping and breaking of legacies can be in some cases negative of degradation and abandonment of touristic activities while in others favorable for the destination, taking the form of a new touristic model, growth, a higher level of firm and destination competitiveness. Sustainability and long-term dynamic growth have been connected with path creation by Gill and Williams (2011) in the case of Whistler, British Colombia, and with path plasticity in the work of Halkier and Therkelsen (2013). When it comes to decisive moments of change, the focus of the research literature has mostly been directed towards negative occurrences such as natural disasters or economic downturns and shocks, less attention being paid to socio-cultural developments, institutional interventions and policy formulation. The moments concept as delineated by Sanz-Ibanez et al. (2017) goes beyond a restrictive understanding of events, encompassing all points that lead to changes in the trajectory of a destination's evolution. Thus, the diversity of possible moments implies the need for detailed analyses of their characteristics, of the spontaneity or selectivity of the triggers, the origins of the driving factors, the intensity, consequences and results.

The work by Sanz-Ibanez, Wilson and Anton Clave (2017) provides a mapping for unravelling the role of human agency in destination evolution by analyzing historical trajectories and the key moments that determine shifts, evolutionary inflection points that can have a positive 'de-locking' effect for knowledge creation and growth potential. The moments concept can refer to both shock events with an immediate impact leading to path creation, but also those incremental in their outcomes, resulting in path plasticity in the destination's evolutionary trajectory. Rather than taking a photograph type view of the inflection point, attention is distributed between the unique characteristics of the event, the pre- and post-

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conditions, triggers and impact as shown in Figure 1.1.

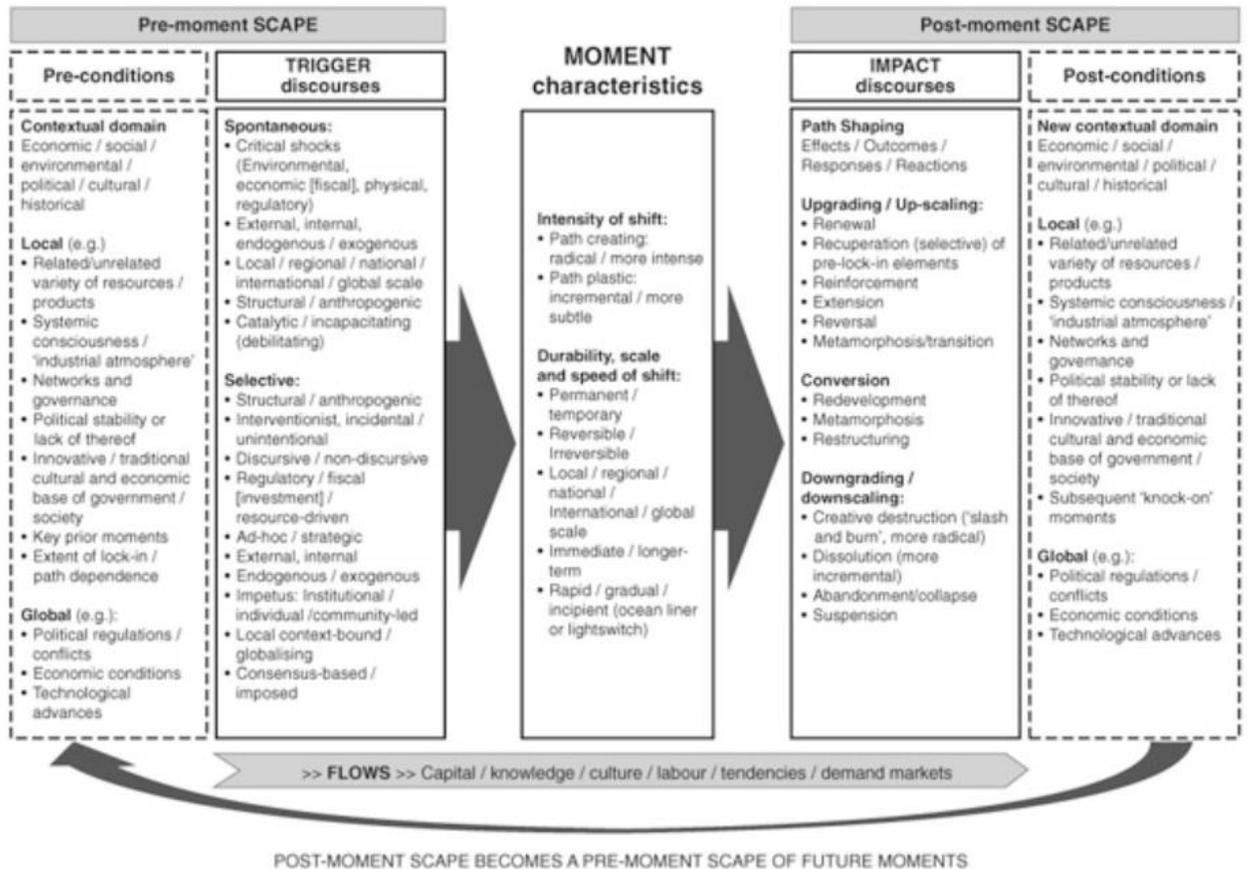


Figure 1.1 Sanz-Ibanez et al. (2017)

The pre-moment scape leads to the actual event, setting certain conditions or circumstances in the cultural, social, economic, political environment. What follows is a trigger incident, spontaneous or selective, the first being more widely acknowledged and reviewed in the literature. Understanding the trigger can be particularly relevant in identifying the change agents and anticipate from where the next shift in dynamics might arise. The moment at the center of the analyzed series of transformation can be radical, leading to path creation or incremental resulting in path plasticity. Other dimensions of interest for deconstructing the inflection point include durability, speed, scale (micro or macro).

The framework flows towards the impacts created by the moment, which can vary significantly from a stabilizing, upgrading effect to the negative opposites. The new path that arises, whether single or among multiple co-evolving trajectories, will be characterized by redevelopment, restructuring or

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changed character of the space and place. Longer-term the situation crystalizes in the post-moment scape, the updated conditions and circumstances that will eventually lead to new moments of inflection.

Thus, the 2007 shift of Romania's EU integration, its intensity and characteristics, cannot be viewed in isolation, but rather should be acknowledged within a flow and timeline which fractures in the middle, where the new trajectory is determined, and path-plasticity occurs for Bucharest as a touristic destination.

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Introduction to the Place

Although many Roman remains exist and the first official mention of Bucharest dates back to 1459 in the tax and property books of the ruler Vlad the Impaler, who spent four out of the six years of his reign here, preferring Bucharest to the capital of that time Targoviste, the modern city started to develop quite late in history and its evolution recorded many periods of stagnation, disaster and decline. The unfavorable events that dot the city's history explain many of the current day shortcomings and why the Romanian capital does not match neighboring capitals such as Budapest and Prague in architecture and touristic appeal.

Very early constructions in the city's development include the Old Court (1558 – 1559) and its church, the oldest building that remains in its original form, the Saint George Church (1562) and the Plumbuita Monastery which housed the first Romanian printing press (1573). Bordering the ottoman and Christian worlds, the capital was occupied by the Turks at the end of the 16th Century, the churches converted into mosques and when forced to retreat the invaders set the city on fire. In the 17th Century beautiful churches were founded, the Radu-Voda Monastery, Cotroceni and Saint Sava Monasteries, the Coltea and Fundenii Doamnei Churches. The city was organized around the religious spots, residents living in slumps and working for the monasteries. In 1692 the Mogosoia Bridge was built, a road linking the Old Court with the Mogosoia estate, the route remains to this day, the current Calea Victoriei. The Vacaresti Monastery was developed in the 18th century in the brancoveanu architectural style, it is described as the largest complex of its kind in South-East Europe at that time. The architectural jewel that could have represented a central touristic attraction for the present city had a tragic faith, it became a penitentiary and was eventually demolished in the last years of the communist regime as many other historical worship places. From an area of 2500 square meters of fresca, only fragments of mural paintings remain on display in the Bucharest National Art Museum and the Mogosoia Palace, a testimony of the artistic and historical value of one of the most important monuments in Bucharest. Churches from the 18th century that escaped communism are Cretulescu, Stavropoleos, Bucur and the "main street" became known as Lipscani. It is only towards the end of this century that the Dambovita river was embanked to try and avoid the recurring flooding damaging the city's center. Later on, during the ruling of Grigore Ghica (1822 – 1828), urbanistic works were carried out, including paving the four main routes in the city. Soseaua Kiseleff got its name in 1844, which remains unchanged for over 160 years. The first art gallery in Bucharest appeared in 1851, where Romanian painters such as Theodor

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Aman, Gheorghe Tattarescu and P. Valstein brought their works, many of which are now on display in the National Art Museum. The most modern mill in the country at that time was opened in 1853, Assan's mill; parts of it were later stripped piece by piece and taken by the Turks to Istanbul. Bucharest was the first city in the world to use lamps with petrol for street lighting. With the unification of Moldova and Tara Romaneasca in 1859, representing the birth of Romania, Bucharest was chosen as the capital in favor of Iasi, and became the headquarters of the parliament, streets were paved with granite, sidewalks built along the main roads, the Botanical Garden opened, new squares, public gardens and educational and science institutions appeared. Under the reign of King Carol the 1st (1881 – 1914), the capital evolved significantly and gained the look of a modern European capital, with Paris as the city of inspiration for many of the works undertaken. With the exception of a few older buildings, most of the historical Bucharest we still see today dates back to this time of development. In the years between the two World Wars, Bucharest witnessed its last period of successful growth and prosperity, not matched to the present day. The city reached a size comparable to that of today, the plans for city transport were continued, public transport, electric trams and buses appeared, the construction rhythm was intense. The cultural life, entertainment and pass-time activities of Bucharest middle and upper classes gained the city the nickname 'little Paris'. Bucharest, having a geographical position with quite intense seismic activity, was severely damaged by an earthquake in 1940, only to suffer more human and architectural losses during the Second World War. The communist period from the end of World War II and lasting up to the 1989 Revolution represented a systematic downfall of all aspects of Bucharest and life in the capital. Peasants were relocated from the countryside to the capital to take on employment in factories and entire neighborhoods of apartment blocks were developed to provide accommodation for the new city residents. With a main objective to keep costs low, the buildings lacked esthetic value and quality. After 1985, approximately a fifth of the city, including most of the Old Center, was demolished for building the Palace of the Parliament, the Unirii Boulevard (which is 1m wider and 1m longer than the Champs Elysees) and communist style apartment blocks. In Dec 1989 a violent Revolution saw the end of the communist regime, gun fire scarred numerous building facades, some gun shots visible also today. During the transition period buildings confiscated by the communist regime were returned to their rightful owners. However, with many owners now living abroad or lacking funds for renovations, the constructions remained in abandonment, decay and danger of complete collapse. In Bucharest, tourism that is based on communist patrimony was never developed, although objectives could include the buildings of the Ceausescu regime, the spaces where the 1989 revolution took place and religious

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places such as the relocated churches saved from demolition and the sites of lost historical religious assets. Touristic objectives from the communist period that are of general interest to tourists but not connected in a thematical approach include the Palace of the Parliament, the Revolution Square, the former headquarters of the communist party with the balcony where Ceausescu tried to hold his last speech before the protesting masses, the House of the Free Press and the Cotroceni Palace (currently the residence of the president). While promoting the communist legacy as a touristic attraction contradicts the general desire of overcoming the period and its consequences, a more desirable approach could be to rebrand items of communist heritage as symbols of change, giving them new meaning. Repurposed communist buildings can become a symbol of a new way of life, of power to triumph over adverse times and events, and constitute a more attractive side of Bucharest as a touristic destination.

The physical representation of the place, although rich in content and historical meaning does not allow for a coherent image and a competitive positioning among neighboring capitals. In addition, Bucharest's socio-cultural identity also suffered such a fundamental shift in 1989, that the culture and way of life can still be considered in a reconstruction process since the fall of the communist regime and up to the present day.

Currently, with a population of around 2.4 million inhabitants (as of 2015) in its functional urban area (Eurostat, 2018b), Bucharest is the 6th largest city in the European Union. From an administrative point of view, the city is divided in 6 sectors, each governed by a local mayor, subordinated to the municipal mayor's office. Bucharest's area is of approximately 226 square km, in a roughly round shape. The northern areas are generally considered more attractive due to a higher proportion of green spaces and larger living spaces in built accommodations, while the southern neighborhoods have a high density of blocks of flats. Ethnic minorities have a low presence in Bucharest compared to other European capitals, over 96% of the population being Romanian; the most important ethnic groups are Roma Gypsies, Hungarians, Germans, Jews, Turks, Chinese. The religious affiliation is also quite homogenous in Bucharest, with 96% of the population Romanian Orthodox and only 1.2% Roman Catholic, 0.5% Muslim.

Compared to other European metropolises, Bucharest with the surrounding Ilfov county has a higher density of the urban areas, lower dispersion than in the cases of Barcelona, Milan, Madrid or Berlin.

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The transport network gives Bucharest a lower level of accessibility than other large European cities, thus reducing its attractiveness and competitive advantage. At a national scale, Romania's railway and highway systems are not adapted to high speed traffic and are underdeveloped. With transport routes within the city often congested from the high number of motorized private vehicles, public transport alternatives include metro, busses, light rail and trolleybuses. Cycling remains limited as a transport choice because of the polluted, bad air quality and lack of tracks specifically designed for cyclists.

Bucharest is the country's main center for education, healthcare, telecommunications, media and sports.

Being the most important economic and industrial center in the country, 24% of Romania's GDP (2017) and one quarter of the industrial production originate from Bucharest. Since the year 2000, the services sectors and the construction and property sectors have represented the main engines for growth. This period is also characterized by a retail boom, from international supermarket chains to luxury brands, most located in the many large shopping malls built across the city. While the city's population recorded for many years a tendency to decline as a result of residents looking for better work opportunities and living conditions abroad, the situation seems to have stabilized in recent years. Industry jobs in Bucharest dropped by 46.7% between the years 1992 and 2002, however this job market trend was compensated by the growth in services sectors, with the overall working population declining by only 7.3% in the same period (Nae & Turnock, 2011). In the post-communist era, Bucharest went through a major sectorial shift from industry to services and commerce, which led to the urban landscape being shaped by many new projects for shopping malls, offices, hotels and entertainment venues. The public sector adopted a permissive approach to development initiatives from the acknowledgement that a modern, 21st century urban environment could not be created without the significant contribution of private investment. Foreign investors found the Bucharest property market particularly attractive, recognizing the absence of many facilities and projects and the sure economic growth that the city would experience. Statistics provided by the National Bank show that 62.1% of total foreign investment in Romania between 2003-2008 was directed towards Bucharest and the surrounding Ilfov county, accounting for a total of 172.7 billion Euros (Nae & Turnock, 2011). The city had to rapidly upgrade its infrastructure to accommodate the move from the secondary to the tertiary sectors.

Bucharest's uncoherent urban development especially in the communist period led to a high density of industrial sites within the urban center, many of which out of use or already converted, but indicating an

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unbalanced use of space. The proportion between density and area is much higher for Bucharest than Vienna, as can be noticed from figure 2.1:

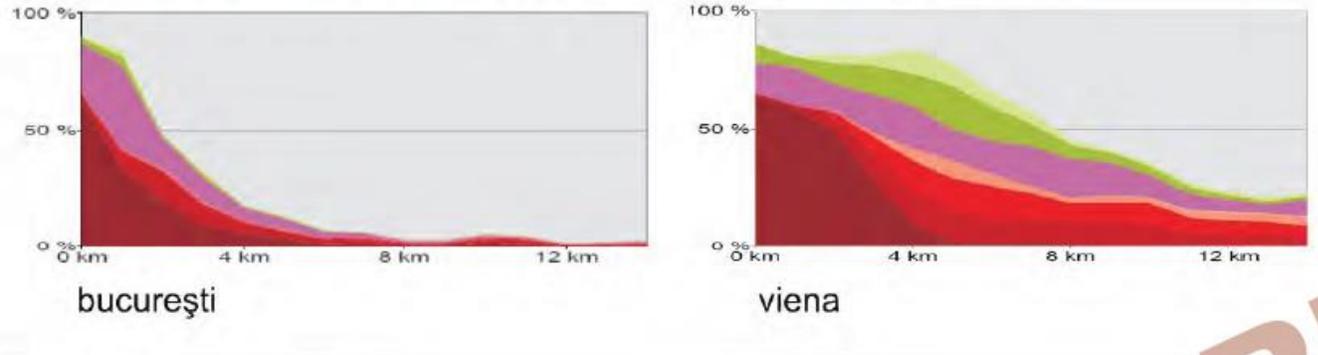


Figure 2.1 Density and spatial distribution, intensity of urbanization – Bucharest Strategic Concept 2035 (2011)

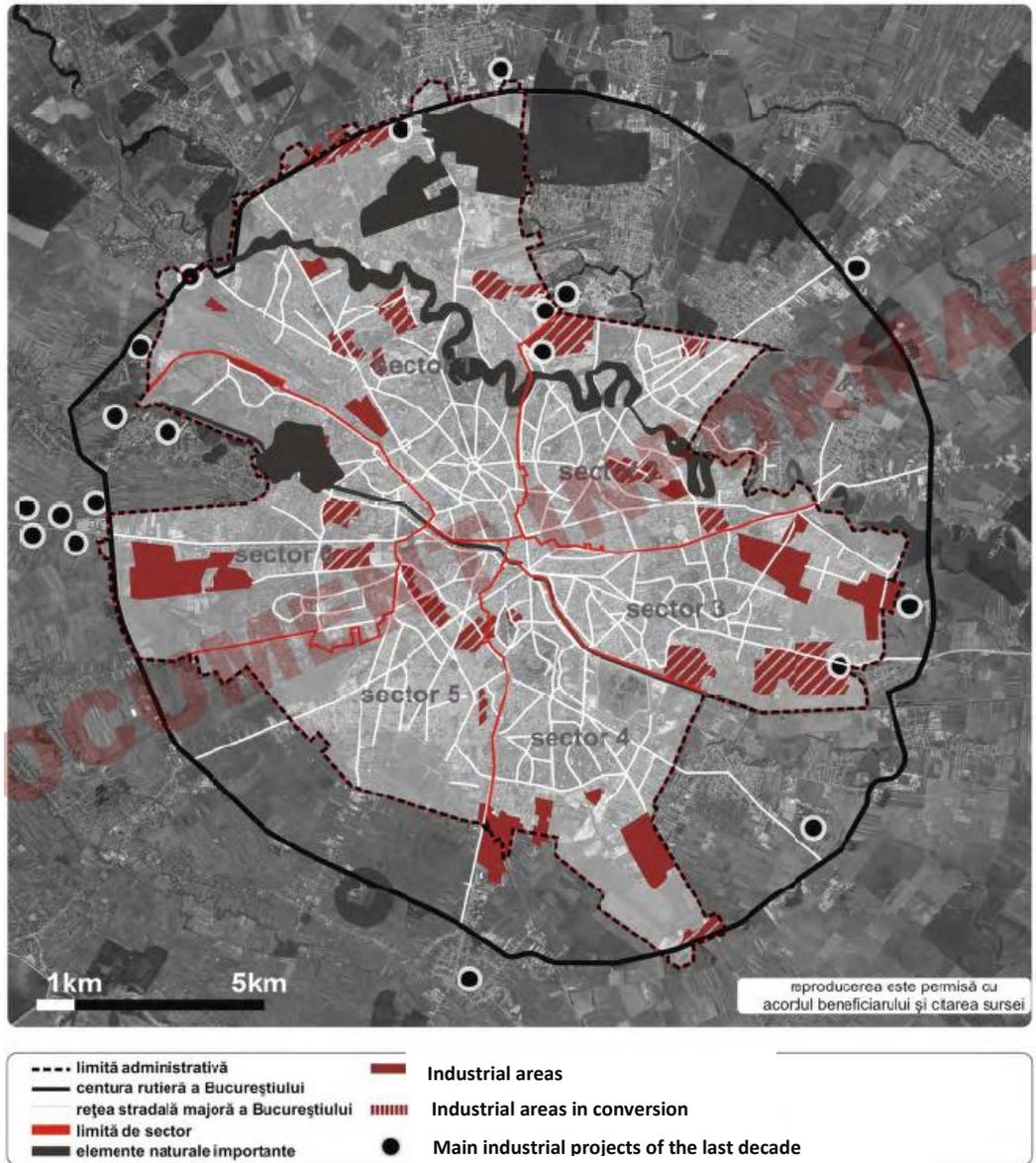


Figure 2.2 Industrial property density – Bucharest Strategic Concept 2035 (2011)

More recent industrial projects are situated at the periphery, in more suitable locations along the heavy-duty transport routes (figure 2.2).

Differences in population density across the city are mainly the result of communist planning and the initiatives of those times for building soviet style blocks of flats to accommodate the working class. From figure 2.3 it can be seen how some neighborhoods register a much higher population density than others:

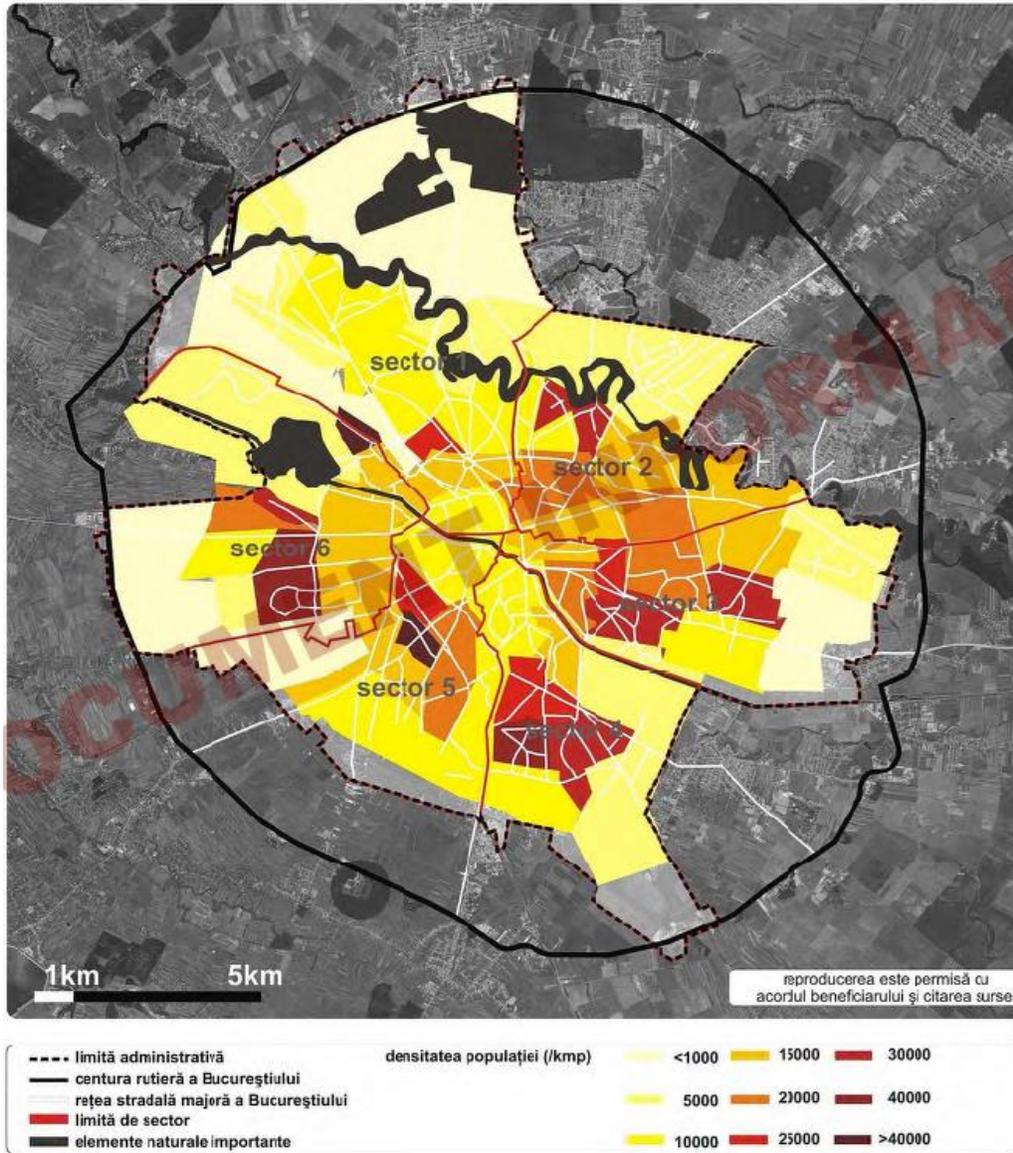


Figure 2.3 Population density – Bucharest Strategic Concept 2035 (2011)

Office buildings are clustered in the central and northern areas of Bucharest, along the transport routes that connect the city to the international airport. Figure 2.4 displays the high level of attractiveness of the Victoria square and the north side for office constructions:

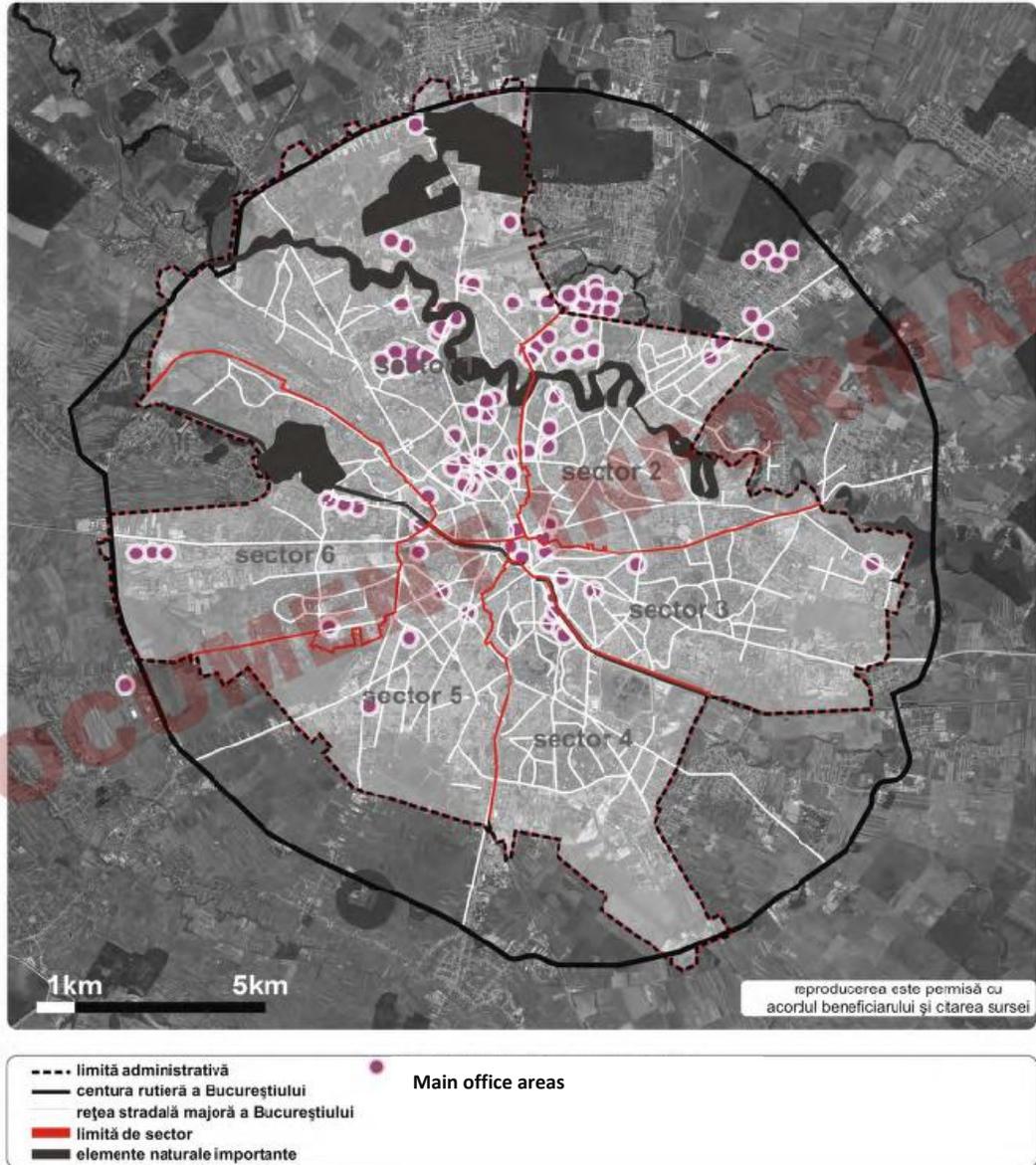


Figure 2.4 Office building mapping – Bucharest Strategic Concept 2035 (2011)

Most hotels in Bucharest are concentrated in the central areas, close to the main office buildings, towards the airport and along the main entrance routes in the city (highways and motorways), as displayed in Figure 2.5:

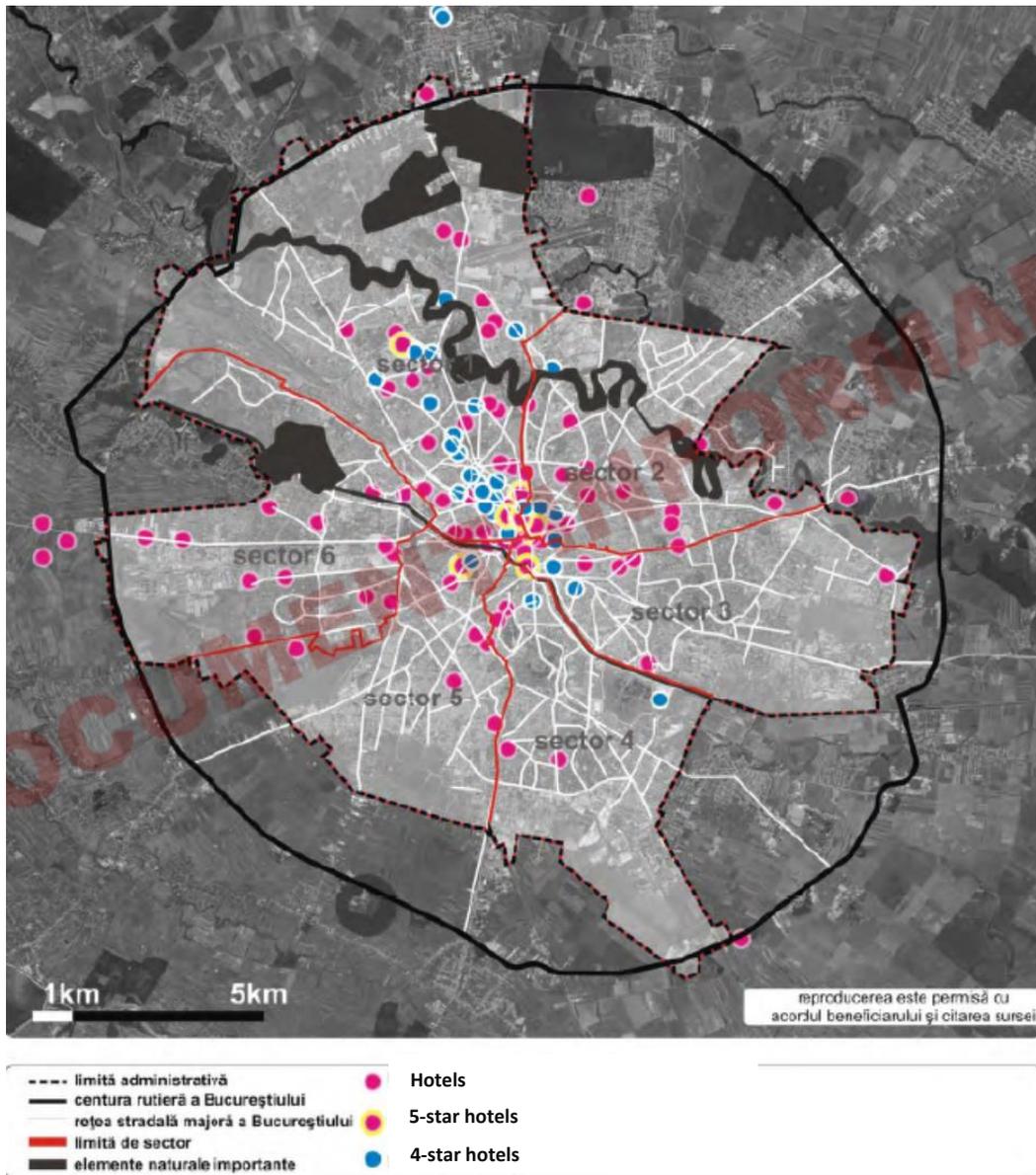


Figure 2.5 Hotel mapping – Bucharest Strategic Concept 2035 (2011)

Large commercial spaces are located towards the periphery, but an important dynamic exists in the south-west of the city where the construction of shopping malls has attracted important traffic (figure 2.6):

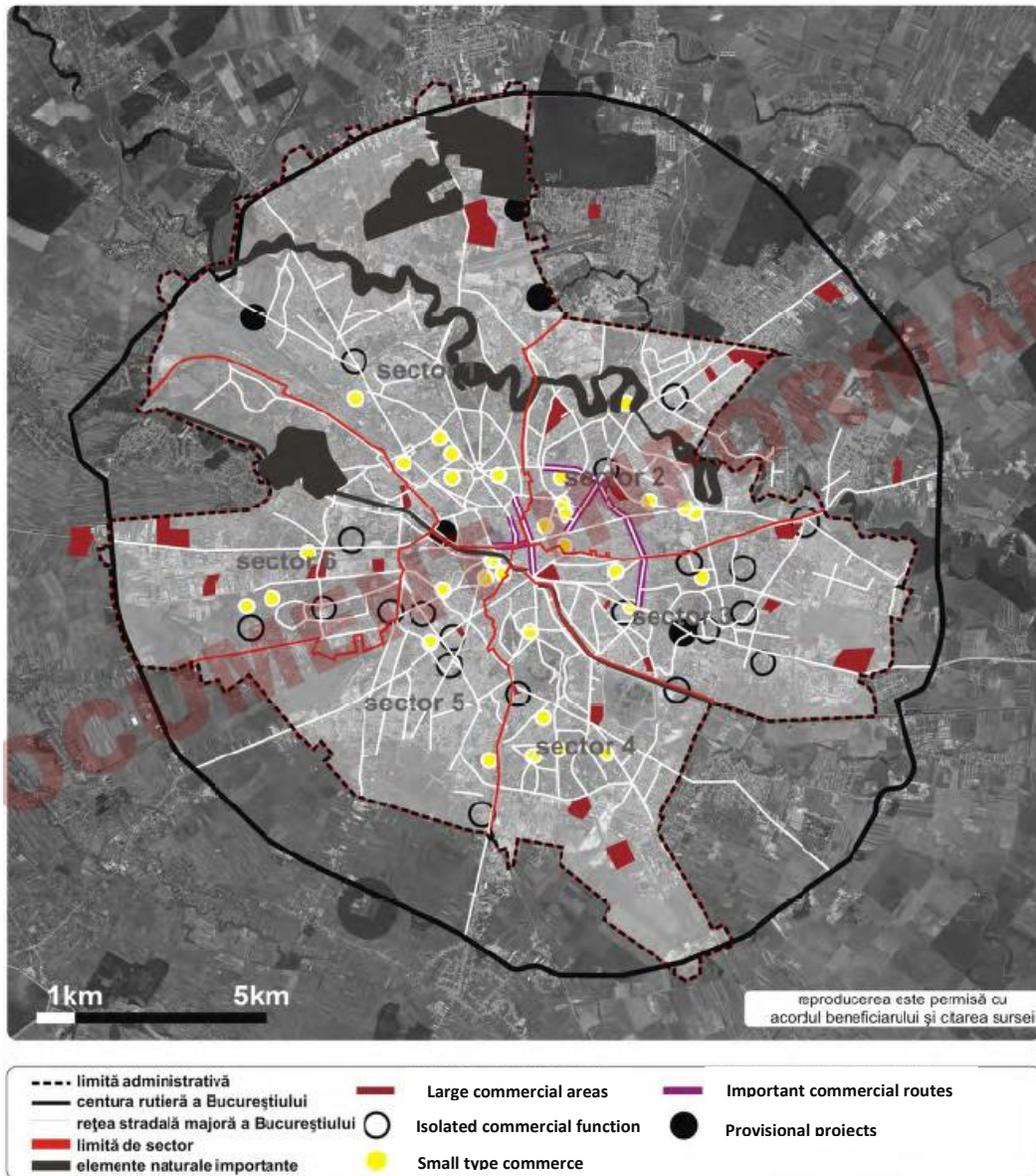


Figure 2.6 Large commercial activity mapping – Bucharest Strategic Concept 2035 (2011)

In the interviews held with professionals of the tourism industry, the main attractions in Bucharest that came up during the discussions, without being organized in order of importance, were the Old City, the Palace of the Parliament, malls and commercial centers, the Vacaresti Natural Park and Urban Delta, rural heritage through the National Village Museum Dimitrie Gusti, events, the old churches and medieval court, the historical Jewish area, evening and nightlife, spas, buildings of architectural significance. Tourism in Bucharest was also linked by the interviewees to objectives located outside the city itself but easy to get to or of interest for tourists to incorporate in a country level circuit: the

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Prahova Valley, Transylvania, Bran – Brasov mountain area, Black Sea coast, natural parks, natural protected areas, virgin forests, the Danube Delta, Snagov, Dracula Castles. Respondents identified the main types of tourism that Bucharest can currently attract as a destination MICE and city break, with a week in Bucharest being less likely for leisure international visitors unless linked with destinations outside the capital.

The touristic offer of the Bucharest-Ilfov region tries to stand out through the mix of metropolitan type attractions and natural and rural elements in the surrounding area. The Ilfov county is home to 4 natural protected areas of national interest (Gradistea, Caldarusani, Snagov, Scrovistea) and four monuments that are on the European Patrimony list: the Romanian Athenaeum, Cantacuzino Palace, Snagov Monastery, Brancoveanu Palace in Mogosoia.

Ceausescu's megalomania left Bucharest with one of its internationally recognized landmarks, the 330,000 sq m Palace of the Parliament, the second largest construction in the world as volume after the Pentagon, a building that captures the contrast between the ambitions of the communist regime for grandness and the reality and needs of those times, of an impoverished population facing daily food rations and oppression. Part of the Palace of the Parliament can be visited by the public and tourists, tours being carried out in both Romanian and foreign languages based on demand and reservations. Many of the grand rooms of the Palace can also be rented for conferences and events, being a key asset for the MICE tourism in Bucharest due to both their size, impressive decorations and prestige, and facilities for translation, display and presentations.

From a functional and architectural-urbanistic standpoint, the most representative buildings for Bucharest were identified by specialists interviewed in the Bucharest Urban Plan (2001) as the Palace of the Parliament and the Cotroceni Palace (in the administrative category), and the Romanian Athenaeum, The Museum of the Romanian Villager and the Romanian Museum of Art (cultural category). The degree of dispersion around the city is high for these assets. On the other hand, protected areas of built patrimony where any interventions require special permits according to current legislation are condensed within the center perimeter as shown in Figure 2.7.

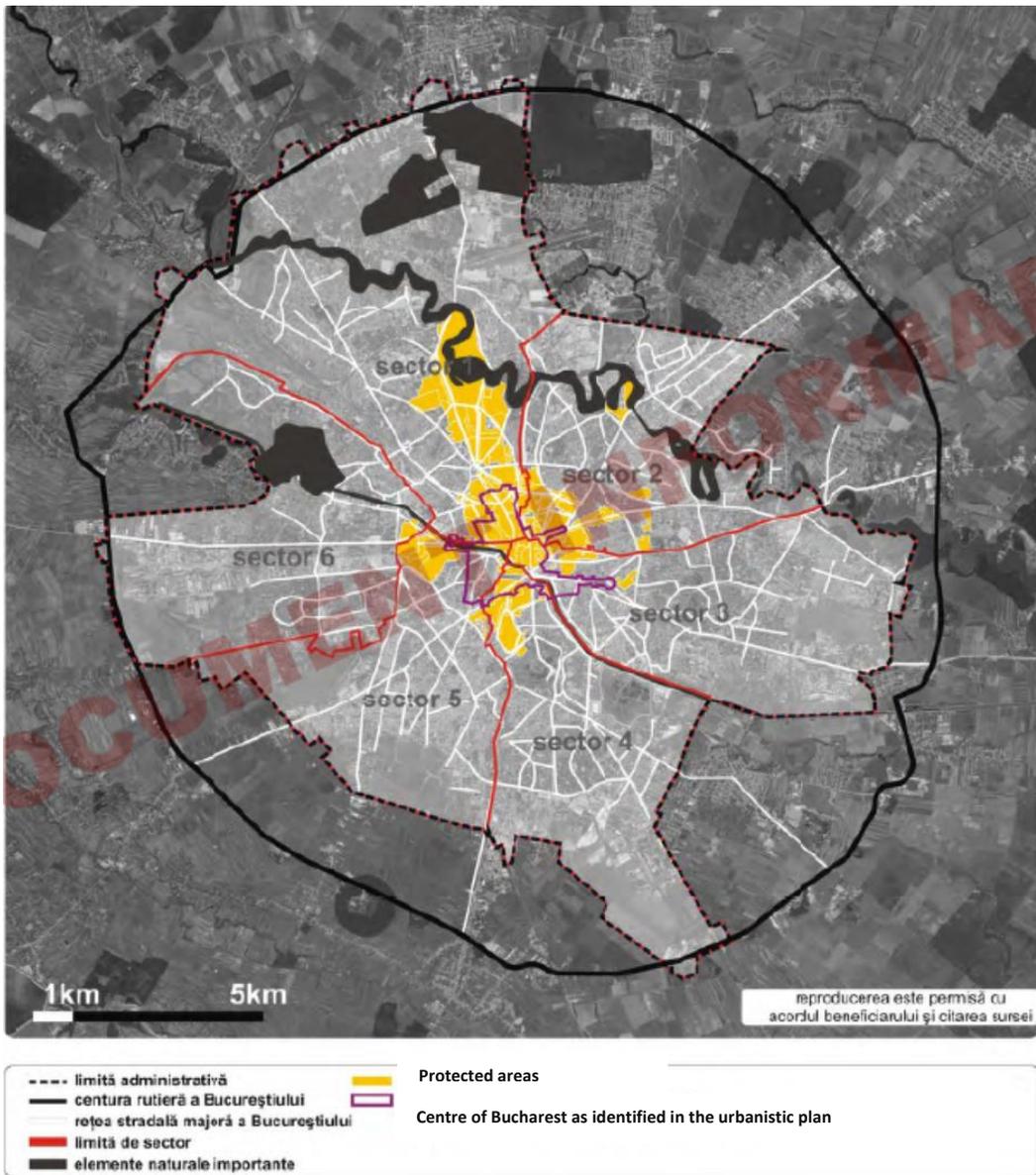


Figure 2.7 Protected urban areas – Bucharest Strategic Concept 2035 (2011)

Theater, show and concert facilities are mainly concentrated in the city center, their distribution being captured in Figure 2.8.

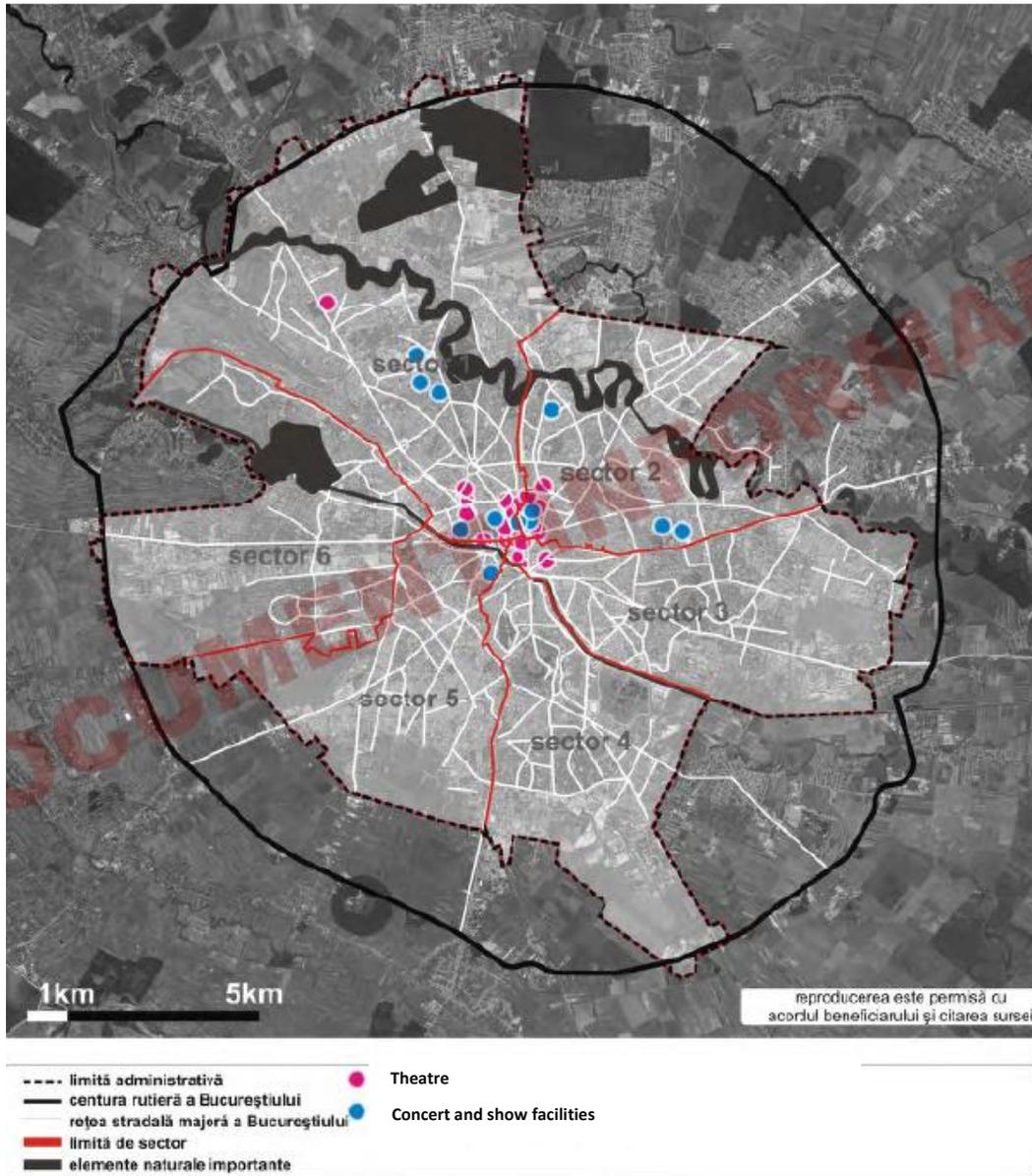


Figure 2.8 Theater and concert facilities – Bucharest Strategic Concept 2035 (2011)

Museums and art galleries are also located in certain sectors, while absent in others, as shown in Figure 2.9.

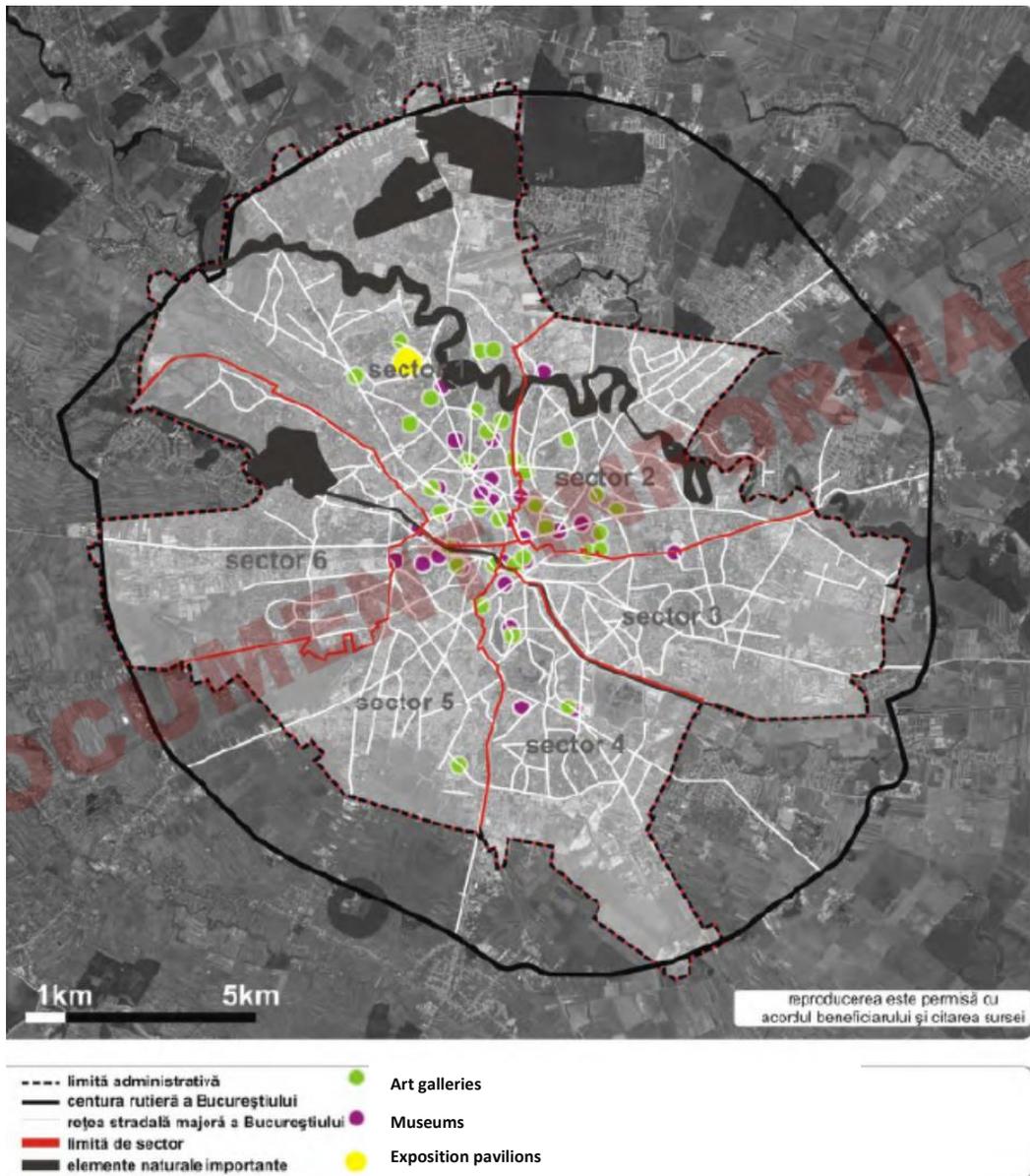


Figure 2.9 Museums, art galleries and exposition facilities – Bucharest Strategic Concept 2035 (2011)

Bucharest remains a city of contrasts in many cases, with a mix of architectural styles, living standards and quality of life, ambitious new projects and abandoned buildings and areas of decay.

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Methodology

The EEG-moments perspective was adopted to analyze the impact of Romania's EU accession on the tourism dynamics in the capital city. The assumption of the present research was that the 2007 event had a positive path-shaping effect for the destination and the tourism industry which resulted in an improved equilibrium.

The paper used a mix of qualitative and quantitative sources to support the EEG-moments perspective on the link between tourism in Bucharest and Romania's EU accession. The research design chosen followed methods traditional to the field of tourism studies, looking to gain an in-depth understanding of the case and combining documentary, statistical and interview data. Qualitative sources included an investigation of resources and assets and their spatial distribution and evolution throughout the city scape along chosen interest areas, the tourism planning documentation developed by public institutions and semi-structured interviews with representatives of the tourism sectors in Bucharest. Quantitative, statistical data relates to tourism dynamics, demand and supply in Romania's capital. As the EEG-moments framework adopts a complex view of places in the time-space continuum, a mix of both quantitative and qualitative data was believed to offer a higher level of insight and assist in capturing different angles for the theory's practical applicability, angles that could be expended on in future research.

The non-exhaustive inventory of assets and events in Bucharest relevant to the tourism industry along several lines of interest was relied upon for understanding the timeline and process of development in the years before and after the moment of EU accession. The timeline of events created for chosen focus points followed the framework by Sanz-Ibanez et al. (2017), showing occasions and asset development within the pre-moment and post-moment scape. The occurrences were chosen for relating to important actors in the tourism industry (international hotel chains, investment groups), major projects that would long-term influence the distribution of tourism within the city (parks, cultural spots). The collected information should be viewed keeping in mind that the study was not designed to include all events and the included ones are not considered to be the most important, as it is impossible to accurately assess the impact and significance level, they are however certainly relevant in depicting the conditions in the local contextual domain prior and following 2007. The role of human agency in destination evolution was highlighted and the fact that EU joining unlocked the growth potential of the tourism industry. The pre-moment occurrences were proof that the socio-cultural, economic and political conditions were

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improving in anticipation on the inflection point, while the post-moment events displayed the outcome of path plasticity, an incremental yet defining evolution of the destination.

Another source of information was quantitative in nature, statistical, taking the latest figures from the National Institute of Statistics on Bucharest tourism (Eurostat, 2018a). While the data could have been displayed in many ways, trends were chosen that best depict the inflection point character of the year 2007. Figures on tourism capacity, establishments and places, were available since 1990, allowing for a comparison of growth trends prior and following the inflection point. The European financial crisis from 2009 created certain limitations in assessing the actual impact of EU membership as it negatively affected the year over year evolution after EU accession, however keeping in mind the international conditions, the data could be reliably interpreted in support of the EEG-moments perspective. On the demand side, figures from the National Institute of Statistics on arrivals and overnights in Bucharest existed only since 2006, making the demand variables unavailable in connection to the pre-moment scape. But the data did not lack significance especially when assessing the year over year evolution and the proportion of Romanian to foreign visitors in Bucharest, adding insights to the new equilibrium that developed in Bucharest as an EU capital city. Judgement could also be made on the contribution of tourism in Bucharest to the local economy and socio-cultural environment and support the fact that tourism is not an isolated sector, as its growth impacts on the context in operates in, which can further fuel the industry's development. The fact that demand side figures existed from 2006 and were available to the public was a result of EU membership in itself.

The summary of tourism strategic documentation underlined both the role of human agency and their actions in triggering a positive momentum and how EU membership was the event that led to the creation and inspired the guidelines and recommendations contained by the tourism public sector planning. Within the pre-moment scape governance lacked strategic, long-term vision and planning. While development existed, its character was rather chaotic, quality and contribution to overall industry questionable in some cases. The potential for networks and collaboration was limited with the absence of stated common goals and direction. Projects and initiatives prior to EU membership were in most cases overtaken and shadowed by later ventures following 2007, as investors benefitted from the created knowledge base, adding to it, innovating and taking advantage of a more favorable environment. In 2007 The Master Plan for National Tourism of Romania 2007 – 2026 (Master Planul pentru Dezvoltarea Turismului Național 2007 – 2026, 2007) was created in collaboration with the World

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Tourism Organisation (UNWTO) with focus on the use of structural EU funding for the years 2007 – 2013. Planning documentation that followed included The Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011) and The Strategic and Operational Marketing Plan for Romania 2011 – 2015 (Planul de Marketing Strategic si Operational pentru Romania 2011 – 2015, 2011). The paper included a summary of DMOs in Bucharest and divided responsibilities. The workings of the public sector appeared as an area particularly affected by lock-in and resistance to change. While the private sector initiatives gained momentum especially after 2007, bureaucratic procedures and complicated regulations limited the speed of the industry's development. The public sector proved to remain inflexible and with little ability to adapt in networks and collaborations.

Semi-structured interviews were held with representatives of the tourism industry in Bucharest to confirm the main common themes, areas of progress and stagnation since the accession to the EU. The small sample of individuals was purposefully selected to represent different institutions and sectors in the tourism industry of Bucharest. The goal was to identify information rich cases related to the established lines of interest and gather insights from individuals with experience in tourism and tourism related areas. An analysis of the discussions using the EDET software for qualitative research highlighted the connection between skills and experience and knowledge from doing and supported previous findings on public sector 'lock-in'. Competitive advantage and innovation need to incorporate learning of new routines, of searching for collaborators and selecting partners for networking and knowledge transfer. Strategic collaboration became a key topic of the interviews, local linkages being crucial for taking advantage of wider benefits related to EU membership and access to EU funding and support. Because of the limited time availability of the interviewees and in some situations the bureaucratic process of reaching the relevant institutions, the number of interviews held was kept low and also the number of questions addressed to each participant. The channel for conducting the interviews varied from case to case, from face to face, phone or email and it can be argued that uniformity in the method would have provided a higher level of insight and better conditions for comparing the cases. However, the information gathered cannot be dismissed and neither can the connection with previous findings, all in support of the theoretical model.

The gathered data, documentary, statistical and interview-based, is presented in reflection of the EEG-moments perspective, analyzing the pre- and post-moment scape and conditions, and the unique characteristics of the incident of change which had a believed positive effect for knowledge creation and

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destination evolution, while certain 'lock-in' and resistance continued. The research method tried to understand the phenomenon in a rigorous way, making-meaning of occurrences and human practices, showing how they arrange on the theoretical backbone of the Sanz-Ibanez et al. (2017) model.

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Results

A prior major moment in Romania's evolution was the 1989 revolution yet path dependence remained an issue in the transition years, the main cause for slow progress in many areas, including tourism. The contextual domain of the pre-moment scape is characterized by an improvement in economic growth and political stability, significant efforts being carried out as to meet the requirements of EU membership. Joining the European Union had been a priority since the fall of communism in 1989 and steps towards this goal included signing the European Agreement in 1993 and submitting the official application in 1995. In the years prior to EU accession, reforms were adopted to strengthen the democratic structures, the rule of law, encourage private investment initiatives and improve the country's image abroad and foreign relations with long-established EU member states. On the other hand, visa regulations were introduced with countries that represented important tourist markets especially in the communist years: Russia, Ukraine, Belarus, Serbia. Demand and supply of courses in tourism and hospitality increased, most of the offer located in the capital. As remarked in the proceedings of the ATLAS conference in 1995, tourism education and training in Central and Eastern Europe needed to improve and grow as to bring quality and effectiveness in tourism services (Richards, 2006). As the country aligned with EU standards and education curricula, tourism education in Romania had to develop especially in management and marketing subjects and focus on quality.

In Bucharest the diversity and quality of tourism services and products increased due to the privatization of assets and investors recognizing the market's potential for growth especially with the prospects of EU membership. New office buildings were constructed, hotels both part of international chains and of local ownership opened in their proximity and thus areas of the city found an upgraded, changed purpose, such as the northern part of Bucharest, once industrial, transformed into attractive real-estate for business clusters, accommodation and entertainment. The culture and way of life in the Romanian capital benefitted from the positive changes felt by residents in the years prior to EU integration: higher salaries, privately owned enterprises, employment in international companies opening offices in Bucharest, access to foreign goods, possibility of travelling.

The House of the Free Press, a 1950s building mimicking the architectural style found in Moscow, was privatized soon after 1989 to provide office space. Further office accommodation became available with the opening of the World Trade Center in 1995 (the result of a public-private partnership), Bucharest Financial Plaza in 1998 and in 1999 an 18-floor business center in Victoria square was started by the

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French construction company Campenon Bernard. Calea Victoriei and the Victoria Square shaped into highly desirable areas by companies looking to set office and commercial spaces. Between the years 2000 - 2007, the development pace quickened with office facilities appearing in the Dorobanti, Pipera, Baneasa and Floreasca areas. The changes to the city skyline were not always well-received by the public opinion and experts, the location of some glass towers considered inappropriate, too contrasting with the surrounding 19th century architecture. The lack of a clear urban development strategy was blamed for modern office buildings being constructed next to and overshadowing cultural assets such as the Roman-Catholic Cathedral and Armenian Church.

International food chains started opening their stores across Bucharest with the French Carrefour in 1999, Cora in 2001 (Belgium), Billa in 1999 (German), Kaufland in 2005 (owned by the German Lidl and Schwarz Group). While the main customers remained Bucharest residents, international chains shaped the city image for national and international travelers and the urban landscape. With Bucharest not having a main shopping street as most European capital, malls proved to be a booming development area, some repurposing communist era food markets. The combination of international retail brands, food supermarkets, and entertainment, consolidated the shopping mall concept as a relaxation, pastime activity for city residents as opposed to a simple utility function. The Unirea central store, which existed also before 1989, was privatized and the first built mall, Bucharest Mall was launched in 1999 by Turkish investors. Calea Victories was consolidated as a cluster for luxury shopping, high-end international clothing and footwear brands. Calea Dorobanti, the location of many embassies, became well-known for the high prices of the housing market, but also a new trending food scene with restaurants and coffee shops.

The hotel sector saw significant growth particularly in the 4 and 5-star categories, with occupancy rates sustained especially by the MICE sector. The year 2000 sees the inauguration of the JW Marriott Grand Hotel in a landmark building located close to the House of the Parliament. In 2004 the Perla Majestic Group started the construction in Baneasa of the Phoenicia hotel, with an investment of 6 million dollars. Hotels followed the office development trend and gravitated towards the northern areas of Bucharest, including in their offer conference rooms and facilities as to attract MICE tourism.

Following the framework by Sanz-Ibanez et al. (2017), the trigger discourse associated with the 2007 moment of change was intentional, strategic, consensus based, high expectations and aspirations being associated with EU membership. The prospects of Romania becoming an EU member created

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confidence for investment decisions, even if the conditions did not ensure immediate profitability, investors looking at 2007 as the year when their businesses would take off and prove successful. It was catalytic, creating opportunities for the tourism sectors and affecting all areas: fiscal (investment), institutional (regulations, strategic policy formulation), resource (tourism workforce, assets).

The moment of change itself was the 2007 EU enlargement which saw Romania and Bulgaria becoming member states on the 1st of January. The intensity of the change was that of path plasticity, a shift incremental yet decisive for the tourism industry in Romania and in the country's largest city and transport hub, political, cultural, organizational and economical capital, Bucharest. In line with the framework of Sanz-Ibanez et al. (2017), the shift can be described as permanent and irreversible as Romania became highly committed to its path within the European Union. The scale was international, impacting especially Romania at national level, but also the European Union as a whole. However, the current paper will only focus on the changes for tourism in Bucharest as a wider scope would be beyond the gathered data and carried-out research.

As we move along the model by Sanz-Ibanez et al. (2017), the post-moment impact discourse underlines the effects, outcomes, responses and reactions to the moment of change. The tourism industry, Bucharest's image and urban landscape followed an upgrading trajectory, maintaining many characteristics, yet adapting to the new conditions. What can be noticed is the reinforcement and speeding up of investment trends, extension of tourism services, variety and quality of offer, growth in demand.

The post-conditions capture the newly created contextual domain. While work restrictions were initially set for Romanians, most EU states opened their labor markets in the years that followed. This created a workforce shortage for the tourism sectors as qualified staff chose immigration in favor of local employment. Public sector bodies adopted a more long-term strategic approach to tourism, regulation being accompanied by marketing and development plans. Positive tendencies in Bucharest tourism that connect to the improved socio-economic, political and cultural environment, which further benefitted from Romania's status as an EU member state also included:

- The rising number of inbound tourists, free movement across EU borders
- Improved tourism infrastructure as a result of investment from both public and private sources, national and foreign

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- Higher number of flights and better transport options for visitors
- Quality of tourism products much higher than in the past as a response to demand and matching EU standards and regulations
- EU funding
- Improved image from word of mouth and associations with a safe destination part of the EU
- Civil society awakening, involvement in projects that affect city life

The success of certain firms within the pre-moment scape, and confirmation of EU accession in 2007 boosted the business environment and economy further, encouraging proximate actors of the initial investors to enter the Bucharest scene with more bold, innovative projects. The post-moment scape saw an accumulation of economic activities and initiatives in complementary areas, projects benefitting from the level of knowledge gained in the pre-EU period, the existence of local agents open for networking and partnerships, a more evolved business mentality and culture. The non-exhaustive timeline of the destination's evolution presented in figure 3.1 below intends to provide an initial layer of evidence in support of the EEG-moments perspective by highlighting the scale, ambition and innovation character of post-moment occurrences when compared to those prior to 2007.

Timeline	Event
Jun-95	Submitting official application for membership to the EU.
1995	Opening of the World Trade Center office building (the result of a public-private partnership).
1999	Construction begins on an 18-floor business center in Victoria square, the start of a cluster of office glass towers in this location.
1999	Bucuresti Mall opens - first shopping mall in Romania. In an abandoned food warehouse of the communist regime.
Feb-00	The Romania-EU Intergovernmental Conference. The negotiation process of Romania's accession to the European Union is launched officially.
Nov-00	Inauguration of JW Marriott Grand Hotel Bucharest.
2004	Plaza Romania shopping mall opens in an uncompleted, abandoned 'hunger circus' (food warehouse) of communist construction.
2004	Phoenicia Hotel started by the Perla Majestic Group, a 6 million dollar investment
2005	Landmark hotel Intercontinental transitioned from the long-standing franchise agreement to a management contract with the InterContinental Hotels Group.
2007	1st Jan – Romania's official entry to the EU
2007	Tourism National Master Plan 2007 - 2026 developed by the Romanian Government.
Apr-08	Baneasa Shopping City opens, incorporating extensive entertainment units, located in a high-end area of Bucharest, proximity with the International Airport.
Sep-08	Radisson Blu Hotel Bucharest inaugurated (building of the previous Hotel Bucuresti).
Oct-09	AFI Mall opens, largest in Romania, 90,000 leasable square meters, part of the Africa Israel group.

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2011	Palace of the Parliament hosts Drift Grand Prix Romania.
2011	Opening of the National Arena, the national stadium of Romania, replacing the old stadium in the same location.
2012	UEFA Europa League Final hosted on the National Arena, first major European football event held in the country.
Oct-13	Promenada mall inauguration - building receiving from the Austrian Society for Sustainable Buildings the "Gold" certificate issued according to OGNI/DGNB standards
Sep-14	Bucharest won the UEFA Euro 2020 bids and the National Arena will host four matches of the event.
Feb-15	Carusel Carturesti, a concept bookstore opens in a monument building located in the historical city center. An initiative of cultural rejuvenation, the 1000 sqr m library is now considered a top touristic attraction.
Aug-15	Former Howard Johnson hotel becomes Sheraton after 1 year of remake and a 6 million Euro investment.
Nov-15	British TV show Top Gear race cars in the tunnels beneath the Palace of the Parliament
Jan-16	Opening of Therme Bucharest, the largest thermal spa complex in Europa, an investment of around 50 million Euros by A-Heat Group AG headquartered in Vienna.
May-16	Vacaresti Wetland declared protected natural area.
2019	Pending finalization of the new patriarchal cathedral, immense project with an estimated cost at completion of €200 million. This controversial project will be the largest Orthodox church in the world when completed by area and volume.
2019	Romania's Presidency to the EU Council – A possible new path-shaping moment for the tourism industry and city development.

Figure 3.1 Timeline of events (author's own creation)

The post-moment scape is characterized by a much higher pace of development, projects and ventures are more numerous, the invested sums reach higher figures and the general quality, scale, style of initiatives improve. Already existing projects set a bar that needs to be surpassed, success before 2007 fuels confidence and clustering occurs.

Although Romania's accession to the EU impacted all aspects of tourism in the capital, areas of focus were chosen due to their importance, uniqueness and potential for future growth: MICE in connection to the hotel sector, repurposing industrial assets for the creative industries, environmental management with private and NGO involvement, destination image, supply and demand, policies and governance. Despite efforts to increase leisure and city break tourism, MICE remains the branch with the highest contribution to the tourism industry and earnings, its development both in the pre moment scape and following EU integration having been supported largely by the private hotel segment both in terms of facilities and promotion. The urban landscape of Bucharest is dotted by industrial buildings inherited from the communist regime which still present untapped opportunities for investors and potential for the redevelopment of the city image. In a city described by many as chaotic, with severe traffic and

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congestion issues, and a high population density as a result of soviet style apartment blocks, environmental management sparked the interest and involvement of a more sustainability conscious civil society in the years following 2007, while also receiving EU funding in some cases. The city's image has been a major shortfall in tourism development since 1989, and to the present day has benefitted more from private initiatives, word of mouth and the general evolution of the city than from a strategic marketing effort. Demand and supply fueled and supported each other, the 2007 moment showing a break in trends, in the years that followed a steeper growth curve and a better understanding of the target market segments and customer needs. On the topic of policies, tourism strategic documentation effectively was born with Romania's EU membership and the prospect of EU funding. Governance can be considered the area in which resilience is most striking, where despite changes in government structures and bodies, collaboration remains difficult, limiting the benefits of EU accession. DMOs and tourism players should understand the EU impact on the focus domains as their full potential has not yet been reached and the future implications for destination competitive advantage are high.

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1. MICE

Coevolution and reinforcement with the hotel sector

A first line of interest in Bucharest tourism is the evolution in MICE, and the strong link with the hotel sector, which provided most of the facilities, know-how and momentum over the years before and after the 2007 moment of change. MICE is a core branch for the tourism industry in Bucharest, investors being attracted by the growth potential, the impact of 2007 being one of upgrading and up-scaling, with better quality initiatives and new ventures. The hotel sector and MICE segment heavily impacted and supported each other both within the pre- and post- moment scape, creating knowledge and opportunity for growth, the 2007 moment having a significant 'de-locking' effect while limitations continued to exist, especially in infrastructure that is not privately owned by hotels, but of public investment, and in the lack of a coherent, MICE-centered promotional effort for the destination.

Until the years 2003 – 2004 there is very little to notice or analyze in terms of investments in either hotels or leisure, initiatives being very rare. In addition, hotels prior to 2003 were developed without a final product in mind, the buildings being at focus and only after completion some considerations being made on the operational side, services and positioning. Such an approach led to businesses in the hotel segment without profitability and possibility to compete with later projects, in a more competitive environment. Starting 2003, more investors assumed the risks of tourism projects, regardless of the continued lack of a tourism strategy and of clear information or endorsement from the state. 2004 – 2007 was a favorable period for Bucharest tourism, new accommodation capacity being created especially during this period, due largely to the good prospects of economic development. Projects started to have a more rational approach, based on feasibility studies and expert advice on hotel concept, while previously a lot had been decided by the existence of opportunity. An evaluation done by Peacock Hotels found that in Romania, in 2005, the hotel segment had priority in hospitality investments, accounting for 68% of the volume, the rest being divided between alternative accommodation solutions (villas, bungalows) 15%, transport 11%, and 6% in pass time activities such as sky facilities and cable carts (Romania Libera, 2006). Total investments in tourism in Romania approached 400 million Euro in 2005, the majority from national private agents and banks. As number of places, in 2005 were added to the total offer of Romania a number of 1.500 rooms in hotel type establishments, 78% in new constructions, the rest in modernization initiatives. The same study by Peacock Hotels found 58 initiated hotel projects, the growth tendency being more pronounced for 4-star

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hotels, while investors were also interested in 2-star hotels of international standards. A limitation for tourism, pointed out in the 2005 study, was in hospitality education and national schools in hotel management. Owners were opting in many cases to hire professionals from abroad as to implement standards and operations at international levels, locally being a shortage of specialized firms and professionals with experience. An improvement was expected in 2006 through contracts between owners and professional schools, consultancy firms and hotel management as to increase local competencies and professionalism. Although between the years 2004 – 2007 there were positive signs in the number of available rooms and the number of investors manifesting interest in projects for the years to follow, according to a study regarding the evolution and level of the hotel market in 2005, Romania had one of the lowest indexes of growth in Europe, both in planned new investments and in average occupancy rate and average tariffs, especially for the capital (Romania Libera, 2006). However, the 2004 – 2007 period saw the environment becoming more favorable and attractive for stakeholders, hotel investors sharing the belief that even if the initiatives would not prove profitable at the beginning, the highly awaited moment of EU accession would certainly improve earnings and make the properties lucrative. According to Paul Marasoiu, former president of the Romanian Conventions Bureau (PCB), the evolution in the hotel market and associated investments in Romania are the exclusive result of efforts and risks assumed by the private sector (Horeca, 2013). Prices were high in the pre-moment scape from a combination of capacity shortage and high demand.

For the MICE segment a similar evolutionary trend can be noticed. Even before the accession, the number of events with international participation increased both in frequency and number of participants. From the discussions held with experts of MICE in Bucharest, it was noted that the 10 years prior to EU integration saw the development of MICE almost from a ground level. These 10 years were crucial for the hotel operators and tourism service representatives to learn about MICE and aspects ranging from what a conference hall requires, what technical services are needed, how catering has to be organized, how all the services must be integrated for a successful event. If looking at tourism sectors and branches separately, some felt the benefits preceding EU accession earlier than others and more intensely. Of importance is the level from which different sectors developed, while for hotels there was a certain base, rooms of acceptable quality existing before the prospect of becoming an EU member started to attract additional investors, for the MICE branch there was almost no foundation before 1997 and the void had to be filled through an active learning process and collaboration. In 2006, due to the interest Romania started to gain as a soon to be EU member, the Romanian Conventions Bureau (RCB)

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undertook, as a first initiative, organized commercial meet-ups under the logo “Meeting Romania” to underline the local offer and stimulate the incoming market for incentive and business travel. The Romanian Conventions Bureau (RCB) presented its initiative to the National Authority for Tourism, as to generate interest for public investments in conference and exposition centers and facilities. Paul Marasoiu, the president of RCB, stated the need in Bucharest of a “Convention and Exhibition Center” with a capacity of around 7000 – 9000 seats, around 20 – 25 rooms for reunions with a capacity between 300 – 500 seats each, spaces, logistics and technology expected in the third millennium (Bursa, 2006). RCB’s participation at Romania’s national stand at IMEX Frankfurt 2006 created prospects for collaboration with Bedouk (the most renowned catalogue of MICE destinations worldwide) and The Planner Belgium (an important firm of marketing and consultancy for MICE tourism). It also set the stage for appearances in other international events, such as the ICCA congress in Rhodos in the same year. In 2006 the RCB updated its base data of infrastructure at country level for MICE, being able to include around 85% of facilities with an error margin of 3-5%, as to reach a total figure of approximately 96.000 places, out of which 36.9% located in Bucharest (Bank News, 2006). The base data was forwarded to the national tourism public sector bodies of 2006, the Ministry of Transport, Construction and Tourism, and the National Authority for Tourism, as to assist in the country level project of allocating points to each district reflecting the level of facilities for tourism. While the public sector institutions could and should have supported the MICE segment consistently and permanently since 1989, this has never been effectively the case mainly because of a lack of understanding of MICE and its implications for the hospitality sectors and the benefits brought in promoting the destination and increasing earnings. Material conditions for MICE (hotels with conference and reunion spaces, transport) and expertise in event organization were progressively provided by the private sector, and the public side is accused of having neglected responsibilities in destination promotion. Following years of requests from the private stakeholders in MICE, IMEX (the worldwide exhibition for incentive travel, meetings and events) was added to the list of fairs that Romania participates in, but there continued to be a very limited understanding of how a destination should present itself for this particular branch of tourism.

2007 created a boost for the hotel sector and MICE but the effects of the economic downturn that was soon to follow could not be avoided. While hotel prices were high within the pre-moment scape, these dropped significantly with the economic downturn. A better approach for maintaining profitability would have been through promotion and incentives as the low prices dictated by higher standard hotels brought the lower ones close to collapse, and increasing the prices back up proved incredibly difficult

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even after the economy stabilized. The economic crisis saw also many investments halted in various stages, either in a plan state or already constructed in a high proportion. Permanent communication between hotels that share a portfolio of clients and a shared strategy were identified by the president of Peacock Hotels in Romania (Horeca, 2013) as the only ways to approach competition in a successful and mutually benefitting way in the Romanian and Bucharest markets. For the hotel sector in Bucharest important partners for investments continue to be banks and investments funds. Hotel development projects are mainly supported by hotel chains and a few specialized consultancy firms. For MICE, important actors, organisations that contribute to the segment's evolution include: professional associations and companies (medicine, pharmaceuticals, law firms, insurance, banks), organizers of thematical events, multinational companies. All such entities generate events that boost the MICE market in Bucharest. Organizers are a few specialized firms and several tourism firms that have departments targeting MICE, acting as integrators of services offered by suppliers in transport, accommodation, catering and multimedia. The local market does not have large firms strictly specialized on MICE that would have the capacity to organize large international conventions. Bucharest also lacks a convention center, an aspect pointed out as a significant limitation by both professionals with experience in the private and public sectors. Even if the hotel capacity in Bucharest has reached a good level, the largest halls remain The Palace Hall, with 4700 seats, a rather outdated edifice, and the Palace of the Sports with around 5100 places, but neither has the structure or facilities of a conference center, reasons for which they remain outside the list of MICE locations. Although the members of the RCB attempted to share their knowledge and expertise, by advising on the need of a convention center in Bucharest that would significantly contribute to the local budget by attracting business and raising tax figures, a shared vision and commitment could not be gained from the authorities. The strategic and marketing plans for Bucharest and Romania did not adopt the proposition, which is not mentioned in any of the planning documentation.

Within the current, post-moment state, annually there are organized, according to the Country Report by the World Travel and Tourism Council (WTTC) (Autoritatea Nationala pentru Turism, no date) approximately 900 MICE events in Romania, 75 to 80% of all located in Bucharest, attracted by the existing conference centers and hotel offer. MICE is considered the main source of income for the hotel sector and the most solid and established branch of Romanian tourism. According to specialists, members of the Romanian Convention Bureau (RCB), MICE has attracted in the last two years between 1,200,000 and 1,500,000 participants and an annual average business figure of 30 million Euros. An

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estimate at country level indicates an annual growth rate of 16%. The segment is supported by the presence of international hotel chains such as Marriott, Hilton, Best Western, Intercontinental, Howard Johnson, Ramada, Golden Tulip, Accor, but also national chains, the most important being Continental Hotels and Ana Hotels. Romania is sometimes a preferred destination for the organization of events due to the lower costs compared to other European countries.

In Bucharest the biggest event complex is managed by The International Conference Center of the Palace of the Parliament. It offers organizers 12 spacious and luxurious rooms, equipped with modern sound systems and simultaneous translation in the main languages of international use. The largest rooms can be mentioned as The Unification (1,900 m² and 1000 seats), I.I.C. Bratianu (920 m² ad 100-550 seats), C.A. Rosetti (1,400 m² and 600 seats), Take Ionescu (850 m² and 160 seats), The reception lounge (400 seats). Here we see concentrated most annual political, economic and cultural manifestations.

The second location with potential in MICE is the Center for Conferences of the Chamber of Commerce and Industry of Romania and Bucharest, situated in the center of the capital, in a modern establishment. The Chamber of Commerce and Industry of Romania offers a number of 7 rooms: Alexandru Ioan Cuza (300 people capacity), Dacia (100 people), Ronda (50 people), Bucovina (80), Oltenia (40), Dobrogea (25), Maramures (20). All are equipped with sound system technology, video projectors, display screens, simultaneous translation. The Center for Conferences of the Chamber of Commerce of Bucharest has a total of 9 conference rooms for business clients, summing 2,200 m². The most important: Assab (300 seats), Ioan Socec (40 – 70 seats), Stefan Cerkez (25 – 45 seats), Banatul (35 – 80 seats), Bihor (15 – 35 seats). The rooms can be organized based on requirements and demand, all being equipped with the necessary technology.

The Romexpo complex of the International Bucharest Fair, is the location for large events. Following several investment initiatives, 40 exhibition pavilions were created, and numerous rooms for business meetings. The largest room is Titulescu 1,142 m² and a capacity of 700 seats. It is followed by the rooms Sadoveanu and Eminescu (each 400 m² and 400 seats), Madgearu (320 m² and 200 seats), Brancusi (140 m² and 100 seats).

The Palace Hall is the main venue for organizers of cultural events. The concert hall has a capacity of over 4,000 seats and also an exhibition center of over 1,500 m², used for fairs and exhibitions.

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Conference Ballroom Turabo was inaugurated in 2006 and is highly appreciated by event organizers.

The Astoria Snagov Village Touristic Complex is located 45 km from Bucharest and has a modern conference center.

The Mogosoaia Palace is highly sought after for cultural events, as a location with important historical relevance. Built in 1702 by Constantin Brancoveanu, it provides 8 halls on the upper level and 5 on the ground floor, a restaurant with 120 seats and catering at the location.

The Olympic "Sydney 2000" Center, close to the Snagov lake is a spectacular venue for business meetings, product launches, seminars and sporting events. Built in 1997, it is 33 km from Bucharest. 6 rooms have a total capacity of 500 seats.

The hotels that attract a large proportion of MICE tourists do so not only by providing high quality accommodation but also due to their facilities and venues for events. Located close the Palace of Parliament, J. W. Marriott is the most elegant and spectacular property owner by the American chain in Europe. 21 spaces can be used for meetings and events, with an overall area of 2000 m². The most important is the Grand Ballroom (over 600 m²).

Hilton Athenee Palace owns 11 rooms, the most attractive Le Diplomat (318 m² and a maximum capacity of 400 seats) and Queen Maria (200 m² and 200 seats).

Howard Johnson Grand Plaza is an investment in the old structure of the Doboranti Hotel, offering 11 venues for reunions, the largest at 530 m² and 220 seats.

Intercontinental represented over 35 years ago the first investment of the American hotel chain in Eastern Europe. Located in the University Square, close to the National Theatre, the hotel has rooms with a unique design and atmosphere, the Ronda room has a capacity of 350 people followed by the Florentine Room with 250 seats.

As part of the Crowne Plaza hotel, exhibition and meeting rooms total 2000 seats.

Capsa is a historical building, a place where until the middle of the last century the political and cultural personalities of the time used to meet. Having been modernized and reorganized, the location has entered the MICE market.

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Also 4-star hotels serve the MICE segment: Ramada Majestic, Phoenicia (in the proximity of the airport), Best Western Parc, World Trade Center and Sofitel (were the first foreign investment after 1990 in the hotel sector in Romania), Novotel (the first direct investment of the French group Accor finalized in 2006).

In Bucharest there is still room for international hotel brands to enter the market. The Lithuanian company Apex Alliance, that already owns a hotel in the center of Bucharest (Hilton Garden Inn Old Center), has plans to develop another 4 properties in the capital, the first opening being in 2019 of the second Hilton Garden Inn in Romania, close to the Henri Coanda airport. While the other two important hotels in Otopeni, Angelo and Rin are positioned on the other side of the highway leading to the airport, the new hotel will be on the same side, only 150 meters from the international airport. Brigita Aleksandraviciute, Development Director of Apex Alliance Hotel Management stated during the TopHotel Conference that the hotel market has recorded significant growth recently and so have the average rates. What is apparent to the Lithuanian director is a shortage of hotel accommodations in Bucharest and thus the decision was made to take over new locations while the moment is favorable for investment (Trends HRB, 2018a). The first Hilton Garden Inn was inaugurated at the end of 2017 by the same group in the Old City center in a historical 7 floor building, with a capacity of 200 rooms and required an investment of 22 million Euros and 2 years to complete. The hotel has 5 conference rooms on the ground and underground floors, the biggest of which having a capacity of 160 seats and panoramic glass ceiling that allows natural light to enter. The hotel proved innovative in bringing two new services to the Romanian market: a convenience store in the hotel lobby, where clients can purchase food and beverage, and hygiene products that are charged to their rooms; and a service for clients to wash their own clothes. The motivation behind was an understanding that many clients have little available time and do not want to always depend on hotel staff for laundry services. While the hotel offers professional dry-cleaning, washing machines and dryers are also available for the clients, the only cost being that of the detergent that guests need to purchase themselves and can do so conveniently from the store in the hotel lobby. The starting tariff from the hotel opening was 79 Euro per person, the desire being for a very competitive positioning in the growing Bucharest market. The General Director pointed out trends in rising demand and subsequently in opening of new hotels in the Bucharest market that suffers from a lack of qualified personnel who prefers to work in different industries or leave the country (Trends HRB, 2018b). International hotel chains use their brands and higher salaries to avoid issues caused by a year to year decreasing hotel employee pool in Bucharest.

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Although not a lot of occupancy data is available for the already existent Hilton Garden Inn because of its quite recent opening, it is foreseen that two thirds of its clients will be business tourists from outside Romania. Maria Dragulin, General Director of Hilton Garden Inn Old Center shared that an occupancy level of 70% was desired for the year 2018, and it is estimated that 70% of clients will represent the business segment, 65% being foreign. The leisure market would thus be around the 30% mark for the 4-star hotel. In addition to the management contract with Hilton Worldwide, Apex has a partnership with Marriott International, based on which it will develop a further 3 hotels in the next years in Bucharest. These will be the first hotels in Romania from the chains Autograph Collection, Courtyard by Marriott and Moxy. The largest of them will be the Courtyard by Marriott, with 260 rooms, in the Aurel Vlaicu area, also expected to open in 2019. Moxy, another 2019 anticipated opening, will be situated in the historical center and have approximately 120 rooms. Marriott is already present in Bucharest with the high-end JW Marriott and Sheraton hotels, the Moxy brand will address a different client market, of millennials with a minimalist design developed in partnership with IKEA and the integration of the latest digital trends, while keeping rates low. The Autograph Collection hotel is a longer-term project for the year 2020 in the historical quarter of Bucharest's center, but the exact location has not yet been made public. With 90 million Euros being allocated to the 4 new hotel openings in Bucharest, Apex Alliance is the most dynamic player in the hotel market in Bucharest. According to Arunas Beleska, President of the Administration Council and owner of Apex Alliance, there is still potential for growth in Bucharest, but experience is crucial in a difficult industry such as the hotel one. Apex Alliance Hotel Management is specialized in managing hotels affiliated to international brands and can help also other developers from outside the Apex group that lack the experience to link with international chains and create successful investment projects (Profit, 2018).

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2. Heritage reuse

Metamorphosis under the creative industries

The 2017 Cultural and Creative Cities Monitor (European Commission, 2017) shows Bucharest as taking a top spot for new jobs in creative sectors, and jobs in new arts, culture and entertainment enterprises. This indicates a high level of dynamism in new companies in culture and creative industries. Bucharest is also remarked in the top on tolerance for foreigners (percentage of population that very strongly agrees with the presence of foreigners being good for the city) and integration of foreigners. For its city size group (the largest category) Bucharest ranks 4th for creative economy, but only 18th for enabling environment and 20th for cultural vibrancy.

A second line of interest relates to the re-use of industrial and abandoned heritage buildings as part of the city's urban regeneration and the role played by the creative industries. Finding a purpose for abandoned industrial assets relates to an impact discourse of metamorphosis, the creative industries in some cases taking over successfully, while in others bureaucratic lock-in and lack of public sector support prevents positive conversion projects. Compared to other European capitals, Bucharest has a high density of industrial assets within the city limits (many already converted, or with a lack of functionality) and a strong effect of deindustrialization existed in its recent history. The inherited communist industrial architecture can play an important role in the reinvention of Bucharest, in promoting culture and creative industries. Bucharest was left with many industrial sites with potential for tourism and revival of the city scape; at the beginning of the 1990s the areas with industrial purpose spanned across 2400 ha, a 10% of the overall city area (Popescu et al., 1997).

Within the pre-moment scape there are a few note-worthy projects such as the opening of the Bucuresti Mall, the first modern shopping mall in Romania, inaugurated in 1999 in an abandoned food warehouse of communist construction located approximately 1 km from the historical center. There was a clear need for private investors to find solutions and functionality for the many other similar assets but low confidence in the context in Romania (corruption, fluctuating economic conditions, legal uncertainty) prevented firms from taking initiatives.

EU integration in 2007 was a turning point, determining a much higher interest from private investors. The building of the former Commodities Exchange was refurbished and repurposed between 2006 and 2008 as a space for the creative industries, now known as The Ark. The historical asset presently houses

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fairs, concerts, expositions and events on the lower floor, while the upper ones are used as office space. In a similar way, the Universe Palace building close to the Cismigiu Park became a hub for the creative sectors, housing also a theater, event space and trending coffee shop. The Bucharest Cotton Factory was transformed in 2015 from an abandoned industrial space with little architectural or esthetic value in a co-working facility for creative entrepreneurs looking to connect, to use the offices and the manufacturing equipment available for rent (wood and metal workshops and other tools). Culture inspiring new life to heritage buildings is also the case of the Carturesti bookstore in the Old City center, a touristic hotspot. The study by Cercleux et al. (2016) points to the strategic role of the creative industries in improving the visual impact of Bucharest's Old City by analyzing specifically the French Street. The many abandoned, or deteriorated buildings scattered across the Old City create visual pollution and significantly decrease touristic satisfaction, however the creative industries can be a saving source of aesthetic production. Not all industrial sites have a story of successful regeneration, the Bragadiru Brewery has yet to be repurposed despite its location close to the city center and distinctive architecture. Abandoned, the structure degraded over the years, with part of the roof finally collapsing as a result of heavy winter snow. While legislation protects historical monuments, it does not force private owners to restore the assets, some choosing to wait for the buildings to decay beyond repair as to obtain the freedom for repurposing the land. The Assan Mill, the first steam mill in Romania is also close to collapse, affected by fires, vandalism and general degradation.

The case of The Ark is one of knowledge accumulation and innovation, created independently from public funding and support, but in which networking among private actors has been a key source for new routines, disruptive positive actions and competitive advantage. This private investment in the restauration of a historical building transformed it in a hub for the creative industries and revitalized the surrounding area through its entrepreneurial input. The building of the former goods exchange has a history of over 100 years, architectural and patrimony importance. The construction was in ruin until bought in 2006 by the companies DC Communication and Headvertising, which invested 3.5 million Euros of private funds and bank loans in the building's rehabilitation, completed in 2008 (Wall Street, 2014). The industrial design of the building from the end of the 19th century was used as an inspiration source for a highly creative, modern interior. The events hosted at The Ark now attract, to an area of Bucharest that would otherwise have little touristic or cultural significance, a public interested in fashion, slow food, music and entertainment. Young artists find it as a place where they can inspire each other and collaborate in bringing to life creative projects, uniqueness and innovation. As the building

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was designed by the architect Giulio Magni, who was later the chief architect of Rome, the Ark has a tradition in receiving visits from students, Romanian and foreign, or groups of architects that are visiting Bucharest. No financial support from the state, town hall or European institutions was used for the Ark and the public sector was considered to have had a delaying, negative impact on the project due to difficult legislation and a long approval process of 8 months that caused the construction period to pass initial time estimates. There is no current collaboration with tourism public sector institutions for the promotion of the events hosted by the Ark or the building itself as an asset of patrimony. While the Ark did not benefit directly from EU funding or support, the social, cultural, entrepreneurial factors that described the project's context were a result among other forces of Romania's EU accession. The small agents involved, although lacking individual power to cause a significant shift for the tourism system in Bucharest, created a network that fueled the initiative's success, with creative companies, event organizers, young entrepreneurs, tourists and cultural enthusiasts consuming the product resulting from this building rehabilitation model.

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3. Environmental management

Redevelopment through EU funding or NGO initiative

Environmental management is a third area of focus when considering Bucharest's evolution pre- and post- EU accession. Two environmental management projects related to green areas in Bucharest are viewed in more detail, both related to the post-moment scape, due to their amplitude, redevelopment character and very different link to EU membership. While for the Drumul Taberei Park the connection to the EU is direct, related to funding from the European Union, for the Vacaresti Natural Park the effects are indirect, of changed mentality and environmental awareness of local community and private actors.

Developing the most appropriate land use policies for green areas has raised many questions on the performance of urban management within the pre-2007 scape. Parks were kept without much rehabilitation and green areas that were not organized for recreational purposes became either sites for construction projects or remained abandoned. For the pre-moment scape green area management in Bucharest is mostly related to maintenance and basic works, maintaining existing infrastructure in parks and recreational areas.

When Bucharest became an EU capital in 2007, authorities gained access to much needed funding, adopted the environmental EU legislation and example and standards of other cities proud of their green spaces and the quality of life which these provide to their citizens. The Drumul Taberei Park was the most expensive project for a green space in Romania, with an approximate budget of 15 million Euros, out of which only 250,000 Euros were from local public funds, the rest being from the EU. The EU funding contract was signed in 2011 by the Ministry of Regional Development and Tourism at that time. The parc was closed in 2013 and reopened 2 years later after the completion of the works which included a suspended walkway over the lake, children's playgrounds, cycling routes and fountains. While the project did not lack criticism regarding the allocation of funds, cutting down of trees for the new facilities, further repairs needed after parc opening and the fact that the greenhouses are not yet open to the public, the Drumul Taberei Parc is the result of a successful collaboration between Romanian authorities and the EU.

A very different case is that of the Vacaresti Natural Park, where neither the EU or local public sector had a significant contribution, but volunteers from the civil society and private actors. The Vacaresti

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Lake is a failed communist project, initially intended to be a lake, currently a wetland and urban ecosystem, the first urban natural protected area in Romania and the largest green space of the capital. During the 1980s, the communist government expropriated the local owners of lands and houses and undertook an ambitious hydrotechnical initiative for the Vacaresti Lake. The area was embanked and in 1989 filled with water from the nearby Dambovitza river, only to discover that the water level could not be maintained long term and infiltrated into the ground, flooding the surrounding properties, as a result the project was abandoned. As the space remained unused, it became slowly overgrown with plants and trees and inhabited by an impressive array of wildlife. Its purpose and management stemmed debate and public conflict over the years.

The Association of the Vacaresti Natural Park was formed in 2014 by a group of specialists in nature conservation and management of protected areas. The project for gaining natural protected area status for the Vacaresti swamp, located within the city limits, seemed unlikely to be successful at the beginning. However, the activists and volunteers accomplished their objective in protecting the biodiversity of the Vacaresti wetland. The Vacaresti Natural Park Association (APNV) organized actions such as photography expositions, conferences on nature preservation and urbanism, field trips, distributed promotional materials, communicated with the public through social media. The actions gained visibility and captured support from the public and also from international officials such as Romania's Honorary Consul in Boston, senior advisors for Europe, the director of Wetland Link International and president of Alpha Bank Romania. In 2016 a decision was passed by the Romanian Government for recognizing the Vacaresti wetland as a natural protected area, preserving one of the much-needed green spaces of Bucharest. While the decision clarifies the area's situation for the moment, its integration in the city's recreational and touristic functions remains unclear. APNV was entrusted the administration of the Vacaresti Park in 2017 for a 10-year period after presenting to the Ministry of the Environment their plan for preserving biodiversity, scientific research, education and outdoor leisure for the public. While APNV would like to collaborate with the Bucharest Town Hall in the management and promotional efforts, the main partners and contributors remain private and volunteer actors. In 2017 the association received the visits of Prince Charles of Wales and the ambassadors of the USA and UK.

The funds needed for the association to function and promote the natural objective to visitors all come from private partnerships, the main sponsor being a bank. The park's administration is paid from

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private funding, and so are the salaries of 12 employees, the construction of 2 bird observation towers, 2 thematical trails, all events that are organized. The collaboration with public bodies is described as 'close to inexistent' although desirable from the side of the park association. The public sector has participated strictly in activities that are in their jurisdiction, approvals, inspections by the police and fire department, garbage removal by the town hall. EU grants have not been used as Bucharest is not eligible as a region for funds dedicated to environmental projects, however the association is looking into the possibility of EEA grants, while considering the private sponsorship as the main financial source also going forward. Although park management does not have any active collaboration with the tourism public sector, the association founders believe the urban natural area could become the number one visitor attraction in Bucharest, as seen in other major European cities. The Vacaresti wetland is the sole attraction in terms of urban biodiversity in Bucharest and is seen as a potential ambassador for the entire natural patrimony of Romania, an area that can promote all that the country has valuable from a natural conservation perspective: natural parks, natural protected areas, the Danube Delta, protected species, virgin forests. Tourist numbers remain low yet increasing numbers of international visitors contact the organization for information and guided tours. In 2018 over 5000 children have visited the area in organized field trips and overall visitor numbers are expected to reach the area's full potential in 5 years.

While the periphery is the location of most recreational and natural areas with touristic potential, some with historical, heritage importance such as Snagov, the Vacaresti Park is the largest natural area with biodiversity value within the city limits, unique by comparison to the other parks and green areas of Bucharest. The Vacaresti Natural Park is relevant to Bucharest tourism development as it brings variety and novelty in the touristic offer and a model for structures of management and organization that involve civil society and volunteers from the public. Stakeholders responded to the changes in the environment of Bucharest, opposing the trend for replacing green areas with built environment, and contributing to a sustainable approach to tourism development.

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4. Image

Breaking of legacies and renewal

Not only the destination landscape and local context and tourism industry changed within the pre- and post-moment scape, but also the market and demand conditions, how potential visitors from abroad perceived the city and the way they reacted to this image in their decision to travel to Bucharest or not. The pre-moment conditions are associated with a destination image with rather negative connotations for foreign travelers. Expectations are low, pejorative, of poverty, a certain level of criminality. However, positive changes already start to occur prior to 2007, younger generations that seek less well-known destinations considering Bucharest of interest and having less preconceptions about what they might discover. Word of mouth has an important impact in the pre-moment period, most travelers reaching Bucharest willing to recommend the experience to acquaintances, family and friends.

Before 2007, tourism in Bucharest and in Romania did not benefit from a strategic development approach. With the country joining the European Union the decision was taken for the necessity of a Master Plan for sustainable development, created in collaboration with the World Tourism Organisation (UNWTO). The Master Plan for National Tourism of Romania 2007 – 2026 was thus established, the concrete actions being related to the years 2007 – 2013 and the use of structural funding to which Romania gained access as a result of EU integration. In the Master plan, it is acknowledged there is no official data that allows segmentation and profiling of international visitors with the exception of a few ad-hoc studies. One of the studies that did exist at that point, USAID Foreign Visitor Survey 2006 (Master Planul pentru Dezvoltarea Turismului Național 2007 – 2026, 2007), found the Internet to have a lower level of importance in the case of Romania for trip planning than for other international destinations, relative and friend recommendations and travel guide advice being highly relevant for tourist choice and planning. The level of satisfaction on a scale of 1 (excellent) to 5 (extremely poor) received 2 or 3 points for all travel purpose categories. The best reviews were obtained for accommodation, restaurants and attraction points/museums, while the worst scores were for tourist information systems, local transport and shopping. Overall visitors rated their stay in Romania as good (1.9), 60% of them considered it met their expectations, 35% that it exceeded their expectations and 75% would have recommended a visit to Romania to their family or friends.

Other studies regarding Romania's image abroad were conducted in 2006 (Master Planul pentru Dezvoltarea Turismului Național 2007 – 2026, 2007), with some extreme, negative results, 49% of

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interviewed French citizens making negative associations with Romania, the British and Germans also making connections with poverty and austerity. The most positive perception was that of Israeli citizens. Main issues and causes are identified as: lack of marketing and promotion, absence of government support, unprofessional practices in business tourism, low standards in services, infrastructure and facility issues. There was a clear difference of perception between those who had actually been to Romania, and those who had only a mental image of the country, the first group having a much higher appreciation level and considering Romania as a positive surprise. The destination was perceived as cheap, both an advantage and a problem for the tourism sector. A positive finding of the 2006 study was related to the age of international citizens interested in visiting Romania, young, under the age of 34, many students, with motivations such as adventure, exploration and active tourism. This suggests that Romania's image was slowly changing, that bad associations were a historical stigma that younger generations were less inclined to make.

Following EU accession, the status of Bucharest changes, it becomes an official EU capital, the location where many large corporate players open offices, business travel expands and with-it standards of quality in services improve. As the Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011) is developed, the tourism target market is segmented, areas of potential growth identified, and strategic long-term actions delineated. Issues of lock-in, inability to adapt and evolve, exist as some of the areas negatively perceived by visitors in surveys prior to 2007, tourist information systems, local transport, online information, remain problematic in the post-moment scape. On the other hand, shopping which ranked badly for tourist satisfaction prior to 2007 is now a strong point for the city in the view of many markets, such as the Israeli tourists.

The Ark and Vacaresti Park, discussed in the previous sections of the paper, could in the future approach event organization and touristic promotional campaigns in a way similar to the National Village Museum 'Dimitrie Gusti', which accessed EU funding and created collaborations with international partners to increase visibility and contribute to the city's image abroad. The National Village Museum 'Dimitrie Gusti' is a vast open-air museum where visitors can experience traditional Romanian architecture from the countryside, with over 200 rural houses, farms, wind and water mills from the 17th till the 20th centuries being relocated here from various ethnographic areas of the country. One of the main attractions in Bucharest, especially for international tourists, the museum has benefitted from funding from the European Union in collaboration with public institutions. The 'Enchanted Town' project was

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carried out with the support and involvement of the Sector 1 Town Hall (Bucharest is divided in 6 sub-areas, each with their own mayor and office), The Ministry for Regional Development and Public Administration, with European Union funding for regional development and EU Structural Funding 2007 – 2013. The main objective of the 'Enchanted Town' was to increase the visibility of the museum, thus targeting an improvement of the touristic offer and creating a new touristic route promoted both at national and international levels (Sectorul 1 Municipiul Bucuresti, 2013). Events, such as the expo 'Femininity and embellishment', organized by the museum, benefitted from an international reach through the involvement of European level institutions, in this case located in Italy. Expositions of traditional Romanian womenswear were held at the Village Museum in Bucharest and in various cities of Italy: Rome, Venice, Milan, Turin. Other collaborations with tourism institutions such as the Ministry or the Direction for Culture, Education and Tourism are usually the result of small events that don't have an impact on the image of the museum, for example related to stands of arts and crafts in an area of the museum. Since the year 2007 of EU accession, the museum has developed better management of resources, organized a higher number of events and learned from doing and from its partners. EU membership was considered to have had a positive effect through free mobility (especially for expositions abroad), in the museum earning visibility abroad and gaining collaborations with external partners, and the access to European funding.

According to the Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011), Bucharest cannot position and promote itself the same way as competitor European capitals. It must position itself starting from its own reality, a capital in motion and evolution, a 'construction site' different at every visit. It has to appeal to 'early adopters', who are the main target. Bucharest does not benefit from the same built patrimony as Prague, or the alternative tourism image of Berlin. Proposed positioning looks towards the future, a living, growing capital for 'explorers'.

Bucharest should respond to the touristic demand with an image of (Détente Consultants, 2011):

- A practical city: main attractions in the north and center, but the tourist has to be better guided.
- Fun, playful, recreational: events, developing the Lipscani (Old City) area, festivals.
- A surprising city that allows escape from the ordinary: better information.

Targeted markets are (Détente Consultants, 2011):

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- MICE – important economically, better facilities and offer of pre- and post-congress stays.
- Young, discovery enthusiasts – important for city image and creating a perception of modernity.
- City breakers – creating an event policy.
- Senior groups – culture and patrimony interested, intermediated by tour-operators.
- Medical tourism – beauty, dentistry.
- Visiting family and friends, Romanians returning from abroad using Bucharest as a transport hub.

For the future of Bucharest's image promoted abroad, Romania's presidency to the EU Council in 2019 has already been associated with the independent project #ExperienceBucharest, that involved 50 of the world's most important bloggers and influencers from five continents visiting the capital in November 2018. Romania is far from having established a consistent online presence that matches its touristic potential. Calin Ilie, the President of the Hotel Industry Federation of Romania remarked to the invited guests at #ExperienceBucharest that considering the upcoming EU presidency and 6 intense months of scheduled political and economic events, online content launched now is likely to have a big impact for tourism in the next years and the country's visibility (Telegraf Online, 2018). #ExperienceBucharest has been, together with #ExperienceRomania, the largest independent project for promoting the destination, gathering over 300 international guests, bloggers, vloggers, journalists, Twitter and Instagram specialists that created content believed to generate tens of millions of Euros in online exposure.

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5. Supply

Upgrading and upscaling

Looking at the latest figures from the National Institute of Statistics on Bucharest tourism (Eurostat, 2018a), there were 172 accommodation establishments in 2017, 124 of which were hotels, accounting for 20,886 overall places and 19,177 places in hotels. Tourist establishments in Bucharest increased in number from 82 in 1990, to 102 in 2006 (a growth of 24%) and by a further 69% from 2006 to 2017 to reach the current figure of 172 (Figure 4.1). The growth for hotel units has been even more dramatic, recording an increase of 51% between 1990 and 2006, from 41 to 62 establishments, and a doubling of numbers since, from 62 to 124 from 2006 to 2017 (Figure 4.2).

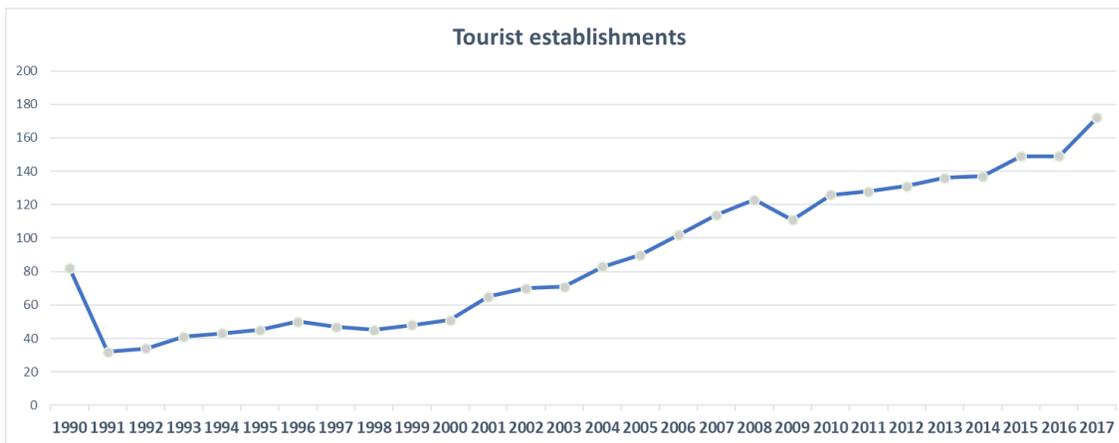


Figure 4.1 Evolution in number of touristic establishments in Bucharest– Author’s own elaboration based on Eurostat (2018a) data



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Figure 4.2 Evolution in number of hotel type establishments in Bucharest– Author’s own elaboration based on Eurostat (2018a) data

When it comes to number of places, the period prior to EU accession proves to be quite flat. For all types of establishments, the available capacity increased by only 4% and for hotels by 2% between the years 1990 and 2006. Following EU membership, the trend changed, displaying a significant ascending direction, for total establishments the number of available places increased by 87% (Figure 4.3) and for hotels by 78% in-between 2006 and 2017 (Figure 4.4).

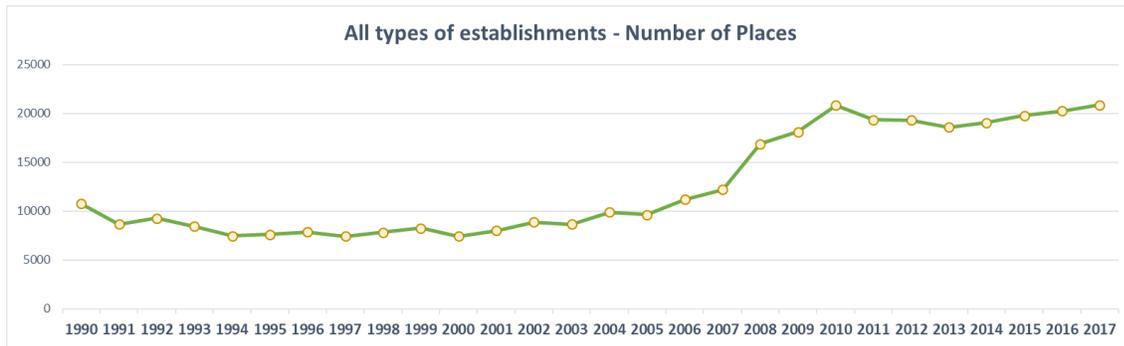


Figure 4.3 Evolution in number of places in touristic establishments in Bucharest– Author’s own elaboration based on Eurostat (2018a) data

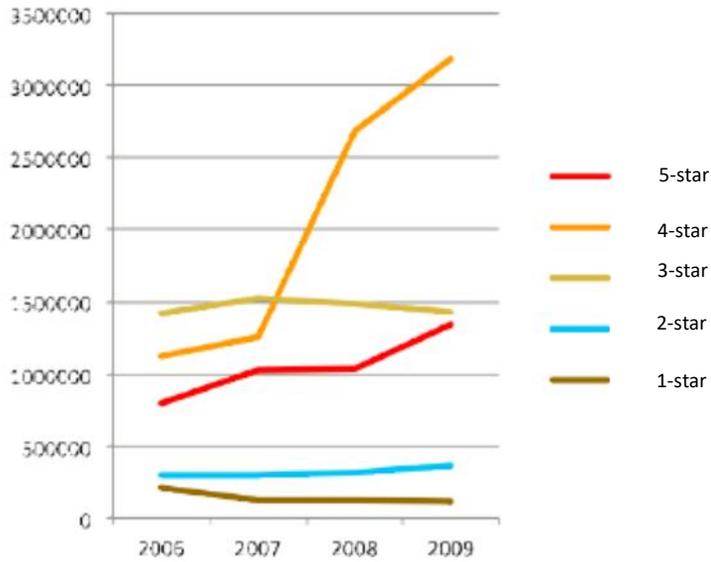


Figure 4.4 Evolution in number of places in hotel type establishments in Bucharest– Author’s own elaboration based on Eurostat (2018a) data

The Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011) shows the hotel sector as dominated by 4 and 5-star hotels, around 70% of the overall offer as can be seen in Figure 4.5, mostly targeting business tourists.

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Evolutia numarului de locuri-zile anuale de cazare turistica pe categorii de confort
Sursa: INS

Figure 4.5 Evolution in number of places by category of comfort - Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011)

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6. Demand

Extension and segmenting

On the demand side, the figures from the National Institute of Statistics show arrivals in Bucharest at 1,926,919 in 2016, 57% of which were foreign travelers. The data on arrivals is only available starting 2006 so a clear trend prior to Romania's EU membership cannot be depicted. However, the trend for the 10 years of available data has kept positive year over year, except for 2009 when, as a result of the economic crisis, both foreign and Romanian tourist numbers recorded a drop compared to the previous year. In 2016, the increase year over year in total number of tourists was 12%, with Romanian visitors at 12% growth and foreign visitors close at 11%. From 2006 to 2016 the total number of tourists went up by 136%, Romanians by 146% and foreign by 129% (Figure 5.1).

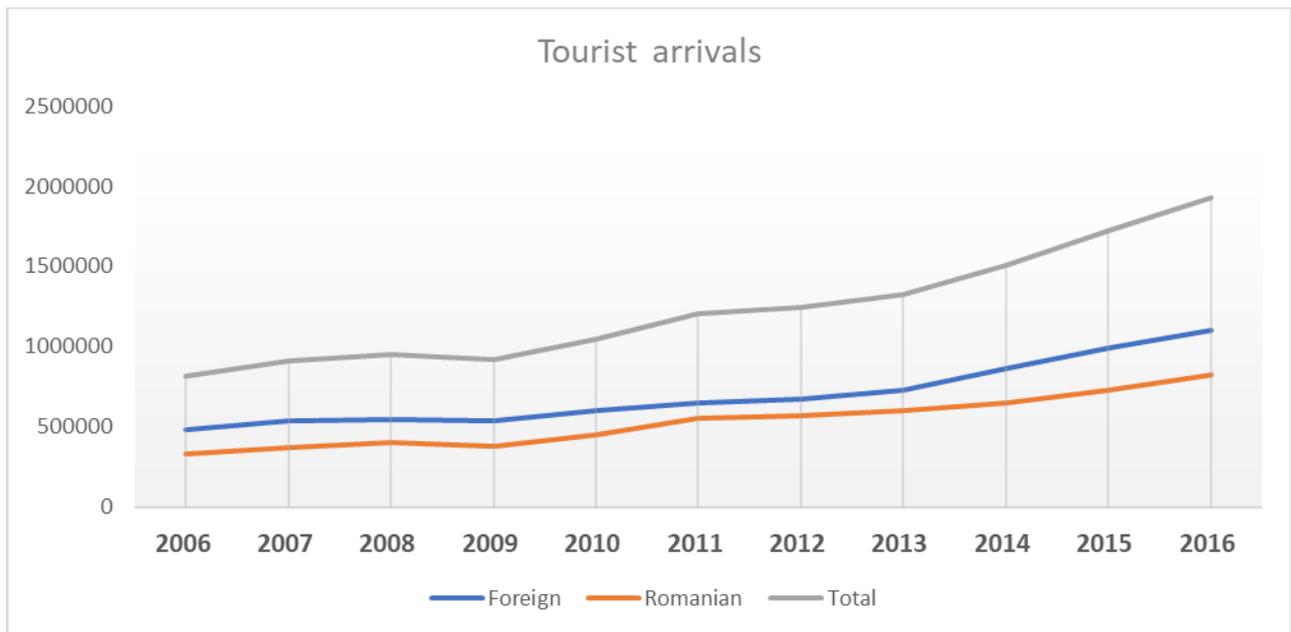


Figure 5.1 Evolution in tourist arrivals to Bucharest – Author's own elaboration based on Eurostat (2018a) data

When it comes to overnights, 59% of the total in 2016 is allocated to the foreign markets. The data only goes back again until 2006, limiting the possibility of reviewing the evolution prior to EU membership. Year over year the trend has been positive, with the exception of 2009 noted also for arrivals, when the economic downturn caused a negative fluctuation. From 2006 to 2016, the increase in total number of

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nights was 104%, 85% growth for Romanian visitors and a much higher 120% for foreigners coming to Bucharest (Figure 5.2).

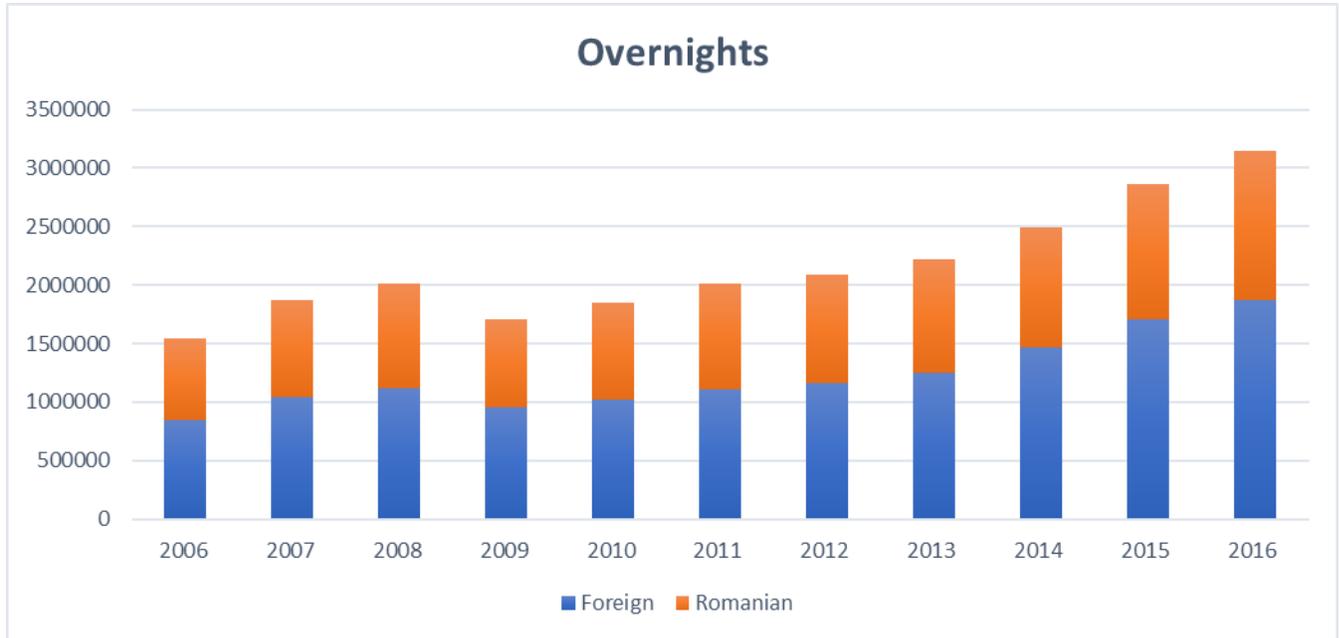


Figure 5.2 Evolution in overnights spent by tourists (foreign and domestic) in Bucharest – Author’s own elaboration based on Eurostat (2018a) data

An observation can be made when it comes to the proportion of foreign to Romanian tourists in arrivals and overnights. While for arrivals the foreign market represented 59% in 2006 and only 57% in 2016, dropping 2%, for overnights the foreign population was 55% in 2006 and 59% in 2016. The foreign market is gaining momentum especially in how long they choose to stay in Bucharest compared to the Romanian visitor population.

The Tourism Marketing Plan for Bucharest 2011 – 2015 (Détente Consultants, 2011) offers insights into the markets and demand following EU membership, and most importantly there is a clear focus on Bucharest as a destination that can achieve benefits from tourism similar to other European capitals. MICE is highlighted as an important segment, a large proportion of nights in Bucharest being spent by tourists with a business/professional purpose. For positioning purposes, the main leisure target group for Bucharest is that of young individuals without commitments, with a medium level income. The city is considered less interesting for families with children.

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In 2017 the Romanian capital recorded for the first time a number of over 2 million tourists. The leisure segment becoming a lot more attractive, with weekends and holiday periods in higher demand. Business tourism remains of high priority, however the many low-cost flights and good connections with European cities boosted leisure and city-break segments. Social media and word of mouth are considered relevant factors in improving the attractiveness of Bucharest. Foreign tourists also find that 4 and 5-star hotels are more accessible in Bucharest compared to other European capitals.

Weekend tourists in Bucharest are viewed along three typologies (Economica, 2018). The explorers look to discover places, experiences and authenticity, mainly young visitors with a high level of curiosity. The discerning tourist, coming for cultural experiences such as the Enescu festival, has either been before as a business traveler and returns for leisure, or has recommendations from friends or family, or is visiting someone they know. This second category is likely to be found in concert halls, museums, high-class restaurants. The third type is that of the consumerist tourist, attracted by casinos (the Israeli market), for shopping (Romanians visiting from abroad), nightlife (mainly the British market) or sporting events. The typologies were not established based on gathered data, but rather on the experience and market knowledge of tourism professionals working in hotels, restaurants, travel agencies and as tourist guides.

According to a 2016 study (Business Magazin, 2016), tourists coming to Bucharest display the following proportions: MICE (business and events) 60%; city break 20%; tourists taking tours of Romania and deciding to spend 1-2 nights in Bucharest 10%; other categories, concerts, visiting friends 10%.

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7. Policies

EU 'de-locking' effect with need for further coherence and applicability

The Bucharest city landscape recorded a rapid growth both pre- and post- EU accession, using as a reference document the Bucharest Urban Plan (2001). The plan itself should have expired after 10 years, but its viability has been extended several times, the latest until Dec 2018. Urbanistic objectives related to the tourism industry established in 2000 had a set deadline for the year 2025, and included:

- Expanding spaces for international cultural exchange: 'cultural axis' Kiseleff Boulevard – Victoria Boulevard – Up to Liberty Park for localizing cultural foundations, organizations for cultural exchange.
- Multiplying and diversifying spaces for museums, expositions, sports and international and national conferences.
- Spaces for international fairs.
- Rehabilitation of the image and atmosphere of the center
- Rehabilitating the image of protected areas: historical Center, Lipscani area, areas with eclectic, modern and garden architecture; restorations and reconstructions.
- Rehabilitating natural areas, lakes and rivers.
- Multiplying pedestrian routes.
- Tourism development: diversifying the offer, expanding attractive areas with touristic services.

Solutions in the area of tourism contained by the Bucharest Urban Plan (2001) included: better promotional activity; better offer for services, accommodation, facilities and activities; emphasizing touristic attractions; stimulating private initiative; education; projecting an image for Bucharest as an 'European Capital' by resolving the major issues related to cleanliness, transport, pollution, beggars; and positive measures regarding diversifying promotion of events, inviting cultural and scientific personalities, organizing expositions, congresses, symposiums and international festivals that attract publicity.

The EU accession played a key role in the development of legislation and planning documentation impacting the tourism sector. While before 2007 there were no official plans delineating the strategy in tourism, the funding and financial support offered by the EU pushed for the creation of appropriate

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documentation that could justify spending and allocation of resources. In 2007 Romania was offered by the EU a budget of approximately 70 million Euros for a period of 5 years to be invested in tourism under the ruling of the Romanian Ministry of Tourism. REGIO the Regional Operational Programme 2007 – 2013 had the objective of financing projects, proposed by both public or private agents, including the area of modernizing tourism infrastructure.

In the plan developed in 2007 (Master Planul pentru Dezvoltarea Turismului Național 2007 – 2026, 2007), touristic resources mentioned for Bucharest include: cultural patrimony (the capital being among the top ten districts at national level when it comes to cultural patrimony), half of the national museums are located in the capital, a Salt Museum (relevant due to the 5 salt mines that can be visited in other parts of the country, of greater touristic value), a 9-hole golf club (Diplomat's Club), MICE facilities.

Based on the analysis of touristic resources, transport infrastructure and market research, areas with touristic potential at country level that should be developed as a priority are identified in 2007. Among the 6, one is related to City Break tourism in Bucharest – culture, MICE and entertainment. Objectives for City-Break tourism development in Bucharest (as set in 2007) targeted: convenient bus transfer to the airports Otopeni and Baneasa (achieved, currently busses link the city center to the Otopeni airport for a cost of under 1 Euro, Baneasa airport however does no longer receive any commercial flights, only private, Otopeni is the only airline hub for Bucharest); walking routes developed on maps in several languages (the Bucharest Tourist Guide developed by the Mayor's office includes such routes linking the main touristic attractions, updating them on an annual bases); tourist information offices (currently one tourism office exists in the University Square underground passageway, receiving mixed reviews from tourists on Trip Advisor, negative comments related to confusing online information about location and opening hours, it is under the management of the Bucharest Town Hall Direction for Culture, Education and Tourism); centralized location/system for buying cultural event tickets (currently Eventim.RO, a member of the international CTS Eventim AG & Co. KGaA Group, Europe's leading Ticketing and Live entertainment Company does meet such an online purpose among other specialized websites); Bus tours (open busses similar to those in most European capitals are now common in the city); marketing.

The Strategic and Operational Marketing Plan for Romania 2011 – 2015 (Horwath, 2011)) was later developed based on the strategic views of the UNWTO experts in 2007. The plan includes many references to general touristic trends (designing of experiences, consumers that look for uniqueness and authenticity), analysis of the main international markets, operational planning (some more practical

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items than others, a web portal with the latest technology, naming a committee that identifies 1-2 national symbols that can be used in marketing, placing people dressed in national costumes in the airport). Analyzing the situation in Romania for city break tourism, the strong impact of the financial crisis is underlined on occupancy and price levels, however it was a sector expected to grow in following years. Weak points in the development of this branch of tourism were named: weak DMOs, need for more professionalism in the commercialization of this type of products, poor quality of accommodations and information in other languages.

The Plan for Regional Development of the Bucharest-Ilfov Region 2014 – 2020 takes into account the Europa 2020 and other publications by the European Commission (Planul de Dezvoltare Regionala a Regiunii Bucuresti-Ilfov 2014 – 2020, 2015). The trans-European transport network is underlined as crucial in ensuring the connectivity of people and goods and sustainable economic development. Limiting factors in tourism growth are identified as: low internet visibility; travelling websites that do not present a coherent image, focusing on various aspects and attractions. Visitor views are consistent in presenting the historical-architectural patrimony as positive and the chaotic character of the city as negative. Comments by travelers point out as positive the patrimony, nightlife, low cost of living and as negative: infrastructure, level of cleanliness, chaos. It is noted that the institutional official websites for Bucharest focus on the patrimony aspects but ignore to a large extent the entertainment and nightlife.

While the accession to the EU unlocked the potential for strategic planning in tourism, the documentation created should have a higher level of coherence in actions and long-term vision, and more practical measures must be delineated for specific public sector organizations that can be monitored and updated. The EU provided both the incentive (EU funding) and model for setting policies in tourism, the effects being positive and significant. The knowledge and documentation base created has to be built upon going forward.

The study by Zamfir and Corbos (2015) included, in the conducted survey, questions regarding the role of institutions in promoting sustainable tourism in Bucharest. Most respondents believed public authorities, local and regional, have the best position to implement programs of sustainable tourism as seen in figure 6.1. Responsibility was further divided between non-governmental organisations (19%) and the citizens (16%).

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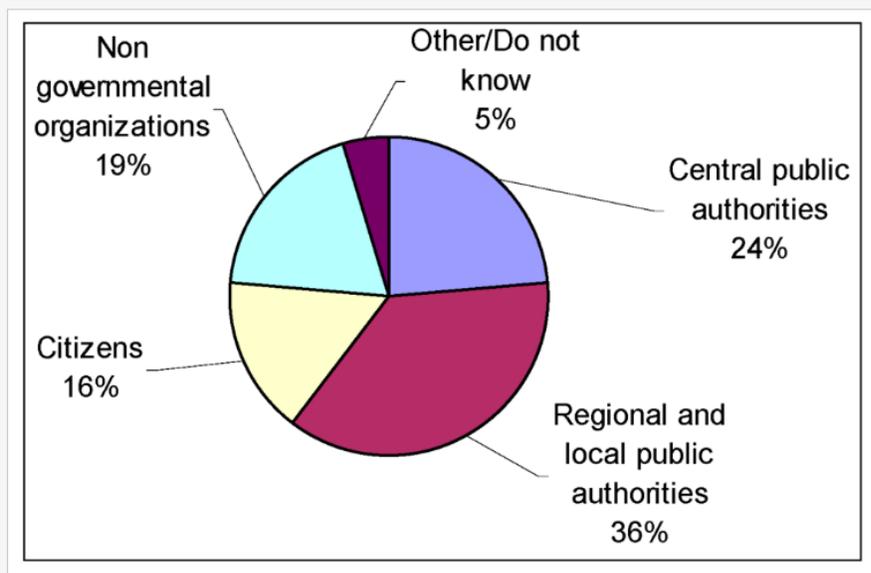


Figure 6.1 Zamfir and Corbos (2015)

In the same study respondents considered educational activities related to sustainability and environmental issues as important for tourism development as shown in figure 6.2.

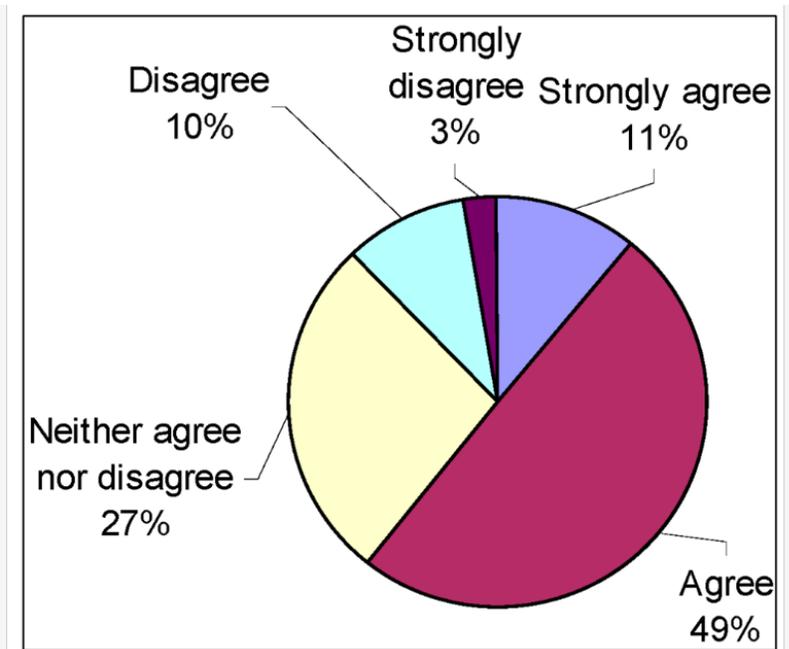


Figure 6.2 Zamfir and Corbos (2015)

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The ways in which tourism can grow sustainably in Bucharest were identified as the limitation of waste and environmental issues and degradation, better tourism management with sustainability strategies, educating people and preserving the natural and cultural heritage of the place (figure 6.3).



Figure 6.3 Zamfir and Corbos (2015)

The study by Zamfir and Corbos (2015) is one of the few for Bucharest which points to the fact that tourism growth should not be pursued without including considerations for the sustainability of the place and although Bucharest is far from the optimum number of tourists, taking actions early and setting urban tourism sustainability strategies should be part of the agenda of responsible authorities. The conclusion by Zamfir and Corbos (2015) resonates with the findings of the present study, that a real partnership between all stakeholders is the most effective means for ensuring a profitable, sustainable evolutionary trajectory for Bucharest tourism.

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8. Governance

Resilience to change

While the planning documentation created a more favorable context for tourism growth in Bucharest, the main impediment remained related to the organization and functioning of the public sector. Before 2007, the public sector in Romania was often criticized for bureaucracy, corruption, nepotism, low salaries and incentives for employees resulting in lack of interest and performance. There was also a very limited knowledge base in the techniques and methods for effective public management with a large proportion of the staff having studied and worked in communist times. The transition period saw an acute need for the public administration to break free from legacies, mentalities and structures, yet the evolution was slow, incremental, of adaptation and dissolution. The tourism industry experienced the same difficulties in public sector management, with the additional barrier of not being considered a sector of strategic importance.

With the accession to the EU, tourism gained strategic documentation and there was restructuring in legislation and public bodies, however public institutions remained numerous, with entangled responsibilities and parallel operations rather than congruent. The research study regarding the development of public investments in tourism infrastructure in Romania between 2007 – 2016 (INCDT, 2017), identified the governmental institutions considered essential in tourism development as: Ministry of Tourism, Ministry of the Environment, Ministry of Regional Development, Public Administration and European Funding, Ministry of Agriculture and Rural Development, Ministry of Culture and National Identity, Ministry of Research and Innovation, regional and local councils. The plan for investments in tourism infrastructure was outlined based on EU and national strategic documents, at EU level documents such as Europa 2020 and the Strategy for Culture in the EU. European context plays an important role in setting objectives for projects in Romania, especially as many depend on funding from the EU, or are under the supervision of European bodies, yet the national and local level institutions are numerous, lacking collaboration and coordination.

DMOs involved in the tourism sector in Bucharest range from: The Direction for Culture, Education and Tourism (subordinated to the Municipal Mayor's Office), The Municipal Tourism Company (one of the recently funded municipal companies in 2017 that took over the promotion of Bucharest as a tourism destination), General Council of Bucharest – Administration of Monuments and Touristic Patrimony,

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Bucharest Tourism Board (founded in 2014 as an association meant to unite the efforts of all actors involved in promoting Bucharest tourism), Romanian Conventions Bureau.

The Ministry of Tourism and the Bucharest Town Hall divide the main responsibilities related to tourism in the capital but operate completely separately. The 2 public bodies, Ministry and Mayor's Office, do not currently engage in aligning their strategies and targeting objectives in a combined effort.

The Direction for Tourism, Education and Culture of the Bucharest Mayor's Office decides on the annual promotional priorities for Bucharest and develops promotional material for touristic objectives, events and conferences. Private actors from the tourism sectors, companies that hold international conferences, universities, can request promotional materials from the Town Hall. Further collaborations with private and public organisations can take the form of projects; tourism initiatives can be raised with the Mayor's Office and can receive support in terms of funding or non-financial effort invested. Contact with the tourist takes place through the Information Center managed by the Town Hall or email, as the Direction responds to visitor email enquiries. The Bucharest City tours, double decker open busses that started functioning in July 2011, were designed in terms of route and operations by the Municipal Mayor's Office and the Municipal Transport Company (PMB, 2009a). Figure 7.1 presents the touristic route as approved in 2009 by the Municipal Mayor's Office General Council and the Direction for Culture, Sport and Tourism part of the Town Hall. Research was conducted as to align the level of service to standards in other countries although a specific city was not used as a model. The collaboration in terms of public sector institutions for the Bucharest City Tour buses is exclusive between the Municipal Mayor's Office and the Municipal Transport Company, with private partners able to purchase promotional modules presented on the vouchers and touristic maps and no European funding was used in the case of this initiative. Generally, the direction for Tourism, Education and Culture part of the Bucharest town Hall has not used and currently does not have access to European funding, which remains under the jurisdiction and control of the Ministry of Tourism.

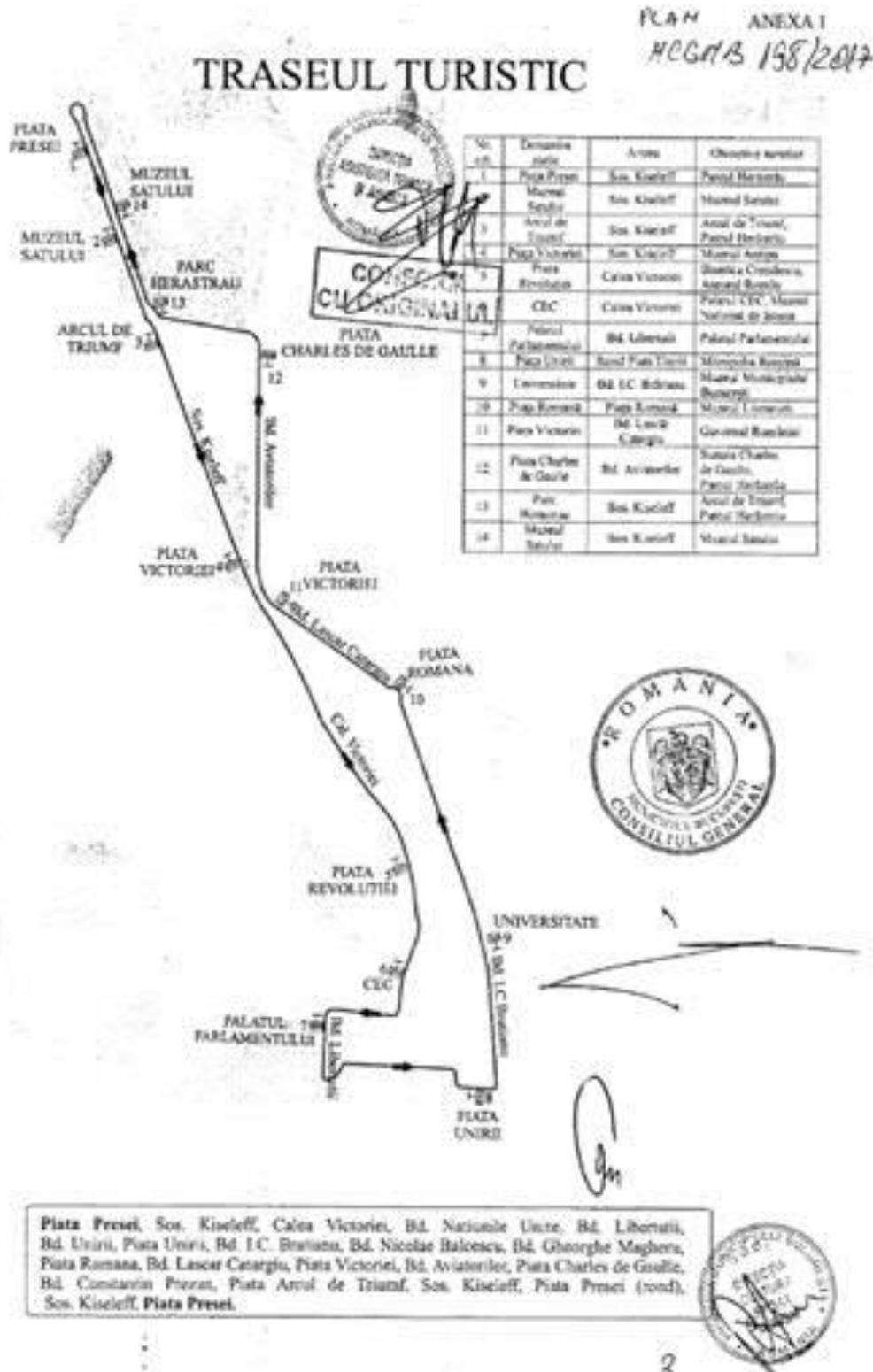


Figure 7.1 Route of the Bucharest touristic line (PMB, 2009b)

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The Romanian Ministry of Tourism is the central administrative body, subordinated to the Government. Tourism was under the direction of various other ministries until 2008 when the Ministry of Tourism was created as a standalone administrative body, only to merge in 2009 with the Ministry of Regional Development. The stated goal of the institution is to apply a governance and strategy program in line with economic, market demand, that stimulates the growth and initiatives of private agents. The Ministry is responsible for legislation and policies and their website the main source for governance information. The Ministry of Tourism developed the strategic planning at country level, implicitly targeting Bucharest. Following EU accession, Romania benefitted from access to 70 million Euros, for a period of 5 years that were directed by the Ministry and utilized only in a proportion of 30%. It can be argued that more significant results would be obtained if the Ministry and Town Hall complemented each other's efforts and attributions in a strategic, planned manner.



Figure 7.2 Logo for Romania's Presidency to the EU Council (Romania2019,2018)

As Romania continues to be committed to a future within the European Union, a new opportunity for significant development is represented by the first mandate to the Presidency of the EU Council in 2019, having started on the 1st of January (figure 7.2 shows the logo of Romania's presidency mandate). Consequences are expected to exist for the entire Romanian society, the international relations with member states, the business climate and the country's image abroad. The responsibilities of the EU Council include negotiating and delineating legislation, coordinating the politics of member states, developing common external policies and security measures, international agreements, deciding on the budget of the European Union.

During the presidency mandate events were organized in all districts of Romania, but most, 122 located in the capital, in Bucharest (Romania2019, 2018). This represents a huge boost to the MICE sector and the city's international image as a business travel destination. The Ministry of Foreign Affairs announced

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the involvement of the Ministry of Tourism and Ministry of Culture and National Identity in the framework for protocol and ceremonial activities, as to seize the opportunity to promote the country on an international level (MAE, 2017).

The Ministry of Tourism planned initiatives, such as buying 24 stands for tourism promotion, to be installed in the Parliament and in airports during the 6-month mandate and also following this period (CECCAR Business Magazine, 2018): 4 to be located in the Palace of the Parliament, 5 in the Bucharest International Airport Henri Coanda, while the rest outside Bucharest. The goal was to draw attention during the EU Council presidency to touristic objectives that have significance for the country's national identity. All those who transit the airports on the way to official events and meetings and those participating in official gatherings at the Palace of the Parliament should be attracted and convinced to visit Romania on a future occasion for its culture, history, heritage and become ambassadors that further promote Romania as a touristic destination. The technical specifications mentioned for all stands included touchscreen displays, internet connection, non-stop availability, with a clear goal to promote an overall image of Romania that encourages return visits.

The EU Council presidency could set the new trajectory for the country's role within the EU. While there is much discussion on how well-prepared Romania is to take advantage of this moment, the tourism industry is certainly one of the many areas where significant benefits could be gain.

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Discussion

The findings of the current paper add to the opinion that the field of tourism studies and professionals of the industry alike can only benefit from a more extensive use of the EEG-moment's perspective for both mature and emerging destinations. Brouder & Ioannides (2014) advocate the evolutionary paradigm of economic geography in urban tourism studies. Urban tourism is characterized by economic complexities, the emergence and co-development of several paths, local governance matters of privatization, use of public space and strong resident impact and involvement. In the CEE context, Niewiadomski (2017) uses the assumptions of EEG in analyzing the link between international hotel chains and knowledge transfer and economic upgrading. The international hotel groups are seen as important contributors in 'de-locking' structures of communist path dependency. The moments theory is applied by Sanz-Ibanez et al. (2017) to the opening of the PortAventura theme park in the touristic region of Costa Daurada, Southern Catalonia, between the towns of Salou and Vila-Seca which heavily depend on tourism for the local service economy to prosper. The present study uses the framework by Sanz-Ibanez et al. (2017) within a wider EEG perspective for the case of Bucharest and the moment of Romania's EU accession. The moments (opening of PortAventura and Romania's EU accession) and destinations (Costa Daurada and Bucharest) are fundamentally different in character, one being a private investment project in a coastal location where tourism benefits from a high level of support and attention from Catalan public authorities, while entering the EU is a macro-level event for Romania, impacting Bucharest as an urban, developing, growing destination, rather than a consolidated, mature touristic space.

The EEG-moments perspective provides important grounding for understanding the evolution of Bucharest as a touristic destination, a city where the industry needs to gain a more central role in public sector planning, and governance has to more clearly overcome government in de-locking the potential for knowledge creation, sharing of experience and common strategic growth. The theoretical model developed by Sanz-Ibanez, Wilson and Anton Clave (2017) accurately captures the trajectory of urban growth and tourism expansion in Bucharest, which can be segmented into periods with certain characteristics and conditions, and moments of inflection and path creation and plasticity. Such destination and industry shaping inflection points include the fall of the communist regime in 1989 (path creation) and Romania becoming an EU member state in 2007 (path plasticity), the second event being the one focused on in the present research. Bucharest is presented in terms of destination and tourism

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industry evolution over a period that includes the years prior to EU accession when development quickened, the 2007 moment, and following post-moment window. Path dependency is visible in the difficulties tourism faced in its evolutionary trajectory, lacking previous productivity and specialization that could feed momentum and being forced to develop from a ground level in some sectors, to gather, attract and accumulate knowledge without a solid foundation of local experience. As stated by complexity theory, the economy is a complex adaptive system in constant motion, and the Bucharest tourism industry evolved within the changing context and factors of the pre- and post-moment scape, EU membership having influenced institutions, labor, entrepreneurial initiatives and investments. Generalized Darwinism as part of the EEG framework is an appropriate lens for understanding the development of the hotel sector and MICE tourism, the two complementing and supporting each other. Applying the framework of Sanz-Ibanez et al. (2017) to the case of Bucharest suggests the model's general practical applicability as the destination is fundamentally different from the initial case study on Costa Daurada.

The research aims to help fill some of the many gaps that exist in understanding Bucharest as a touristic destination and underline the implications and prospects for future growth as Romania continues its path within the European Union. Studies on Bucharest tourism remain few and this has a negative effect not only on a theoretical level, but also for policy formulation, strategic planning and stakeholder governance. The attempt was to critically assess the gathered information and data on Bucharest in an evidence-based analysis of the EEG-moments framework, touching as selected main points the MICE segment, industrial asset reuse, environmental management, destination image, demand and supply, policies and governance. The sources were both quantitative and qualitative in nature, as to gain a more rounded understanding of the areas of focus which were chosen for their significant contribution to local tourism (MICE), interest for future development (industrial and environmental assets), general impact on the industry (demand, supply, image, policies, governance). An answer can be provided to the proposed question of whether Romania's accession to the EU had an effect in shaping the tourism trajectory in Bucharest and more specifically it can be stated that the impact created was significant, of path plasticity, with mostly positive outcomes in the new equilibrium.

With tourism being a very complex mix of sectors, services, elements and stakeholders, limitations do exist in the gathered data, as only certain trajectories and points of interest were developed, while others could pose as topic for future research such as tourism education and the workforce, where the

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EU brought in better training opportunities but also created a significant local shortage of employees with the workforce migration to other EU countries.

An unexpected finding resulted from the data gathering process itself, the fact that reaching public sector officials for information can be in some cases extremely time consuming and difficult, and that responsibilities overlap, one public body resending the enquirer to another. Contacting the Ministry of European Funding regarding tourism projects, an official response was received, signed by the minister, to contact the Ministry of Tourism on the matter. As all requests addressed to the ministries have a one month reply window, such bureaucratic entanglements create unnecessary delays which in the case of tourism investors can result in additional costs and potential lost interest and abandoned initiatives.

It can be summarized that Romania's entrance to the EU marks a moment of both continuity and change in the evolution of tourism in Bucharest. It led to new funding and investment opportunities, growth in offer and demand. Resilience is especially noticeable in the functioning of the public-sector institutions, the bureaucracy and lack of coordination which impeded for a better use of EU funding and a marketing effort with a higher impact on the international markets. Much of the evolution recorded in Bucharest's city scape and the tourism industry came from disruption, from scattered initiatives and actions of both public and private actors. The strategic planning that did appear as a result of EU membership, although relevant, did not benefit from a shared commitment from DMOs and stakeholders, thus reducing its initial importance. The results of EU accession are incremental, of path plasticity in the evolutionary trajectory of Bucharest as a touristic destination, the positive consequences continuing to accumulate, at a lower growth level than in the initial years, as part of the new equilibrium. Tourism has a path that benefits from better conditions and circumstances, the upgrading effect outweighing shortcomings in public sector organization that are inherited from the difficulties of transition and a scarring history of communist institutions and infrastructure.

Based on the discussions held with tourism professionals, there was a general opinion that the country's EU accession was a positive event for the development of Bucharest and tourism in the Romanian capital. While none of the respondents considered EU membership to have had a negative impact on tourism, many limitations were pointed out in drawing the highest advantages from this significant moment of change and disruption.

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Benefits associated with path plasticity derived from Romania becoming an EU member state were mentioned as: an increase in the number of visitors, evolution in the tourism industry itself and investment levels, know-how in management of resources, European funding, collaborations with European institutions thus gaining international attention and promotion, the city image as a safe destination and visitor friendly, free mobility across borders allowing tourists to add Bucharest to an international itinerary.

Limitations derived from 'lock-in' and resilience that prevented EU membership to have a more important positive impact for change included: inability to allocate effectively EU funding, lack of international visibility of Bucharest as a touristic destination, no coherence and collaboration between public tourism institutions, lack of knowledge in management of EU funding, difficult legislation and bureaucracy for investors and private actors.

Both the benefits and limitations identified in figure 8.1 are characteristics of the post-moment contextual domain as presented by Sanz-Ibanez et al. (2017), the post-moment scape being the new, current reality and pre-moment scape of a future inflection point.

New contextual domain	Characteristic	Positive path plasticity or negative resilience
Social/Cultural	Increased number of tourists; Safe environment	Positive path plasticity
Political	Funds not well allocated; Bureaucracy and difficult legislation for investment	Negative resilience
Economic	EU Funding	Positive path plasticity
Variety of resources/products	Tourism has evolved considerably	Positive path plasticity
Innovation	Know-how in management of tourism resources, increase in number of events	Positive path plasticity
Networks	Free mobility and international collaborations	Positive path plasticity

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Governance	Lack of collaboration and coherence between public bodies and limited strategic planning; Limited international visibility	Negative resilience
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Figure 8.1 New contextual domain characteristics resulting from the moment of change – Author’s own elaboration

It could be argued that the benefits identified, and trajectory of Bucharest tourism, have been the result of inertia and a normal evolution, and not the case of a new equilibrium. However, such a statement does not stand when considering the cumulated positive findings that can be clearly traced back to Romania’s EU membership. The fact that the EU accession did not have a lightning bolt effect on all areas of Bucharest tourism makes the case suitable for the model by Sanz-Ibanez et al. (2017), where new trajectories are acknowledged to be also gradual, not only radical. It is the versatility of the framework that gives it additional value, its ability to mold on diverse situations, giving them structure and room for critical interpretation and in-depth analysis. EEG concepts of resilience and ‘lock-in’ explain why higher benefits were not obtained and raise alarm signs for the future and need for more appropriate action in situations of a new equilibrium being born.

Lack of coordination and a common applied strategy among public bodies limited some of the initial positive effects of EU membership, especially in the use of funding, impeding what might have been an outcome of path creation, more radical and immediate impact of the 2007 moment of change. Only 30% of the 70 million Euros of structural funding available during the 5 years following EU accession were utilized. Although there were 2 tourism strategies, one at national level and one for Bucharest, and these were brought to the attention of the Mayor’s office under several elected officials, there remained a lack of unity in promoting Bucharest either internally or internationally. At institutional level more could have been achieved through a coordinated, common approach by the DMOs, as to benefit both private and public actors. After 2013 the annual budget for promoting Romania’s tourism stabilized at around 2 million Euros, after the 70 million budget offered for the previous 5 year period. The current budget can be considered low for a country of approximately 20 million inhabitants and destinations and touristic offers that are diverse from a cultural point of view, forms of tourism and attractions, all

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not sufficiently visible internationally. As the tourism strategies continue to exist, and although they are not up to date because more money has not been invested in bringing them to the present situation, applying the plans could still be successful. Some of the consequences of EU funding not being appropriately utilized were seen later in the precarious way Romania positioned its brand at an international level, in the context in which other close destinations, that benefitted from less funding, managed to create a much higher impact. MICE, the main tourism segment in Bucharest continues to suffer from the weak destination brand and the fact that marketing targeting this specific branch was never developed. A more visible image of the city for international markets remains a main weakness for the destination among others linked to public sector operations and policies: lack of applied strategy, low level of coherence in initiatives and responsibilities, no delimited touristic area.

While the public bodies did not capitalize as much as possible in the tourism area from EU funding, the number of international tourists visiting Romania has increased also due to the country being a member of the EU. Bucharest tourism increased from free mobility within the EU, better connections with neighbor states and being a safe destination. Tourists come to visit Sofia, or visit Bulgaria and stop also in Bucharest, they go towards Budapest and stop also in Bucharest, they want to see Romania and arrive in Bucharest because this is where most airlines offer connections. All the tourism marketing campaigns that were done at Romania level, by the Minister of Tourism, did have a positive impact for Bucharest. The capital is by far the city with most tourists and strong points include the existing investments in tourism, the offer for restaurants and hotels, the safe destination aspect. The increase in demand is less a result of organized strategic planning and actions by the Mayor's office of Bucharest or the Ministry of Tourism, and more a natural consequence of city and industry growth, fueled in part by EU's impact on the economy, social, political and cultural environment.

On the private sector side, airline companies operate more and more flights to and from Bucharest. There are hotel chains that attract tourists with casinos, spas, conference and meeting facilities. But in the absence of a common initiative between public and private the impact remains limited. A common initiative adopted by public institutions would receive the support of private actors and bring benefits to all parties.

Looking towards the future, tendencies in tourism for 2019 include tourism vouchers becoming an important growth means for hotels and local agencies after very good results also in 2018; the opening in Bucharest of hotels Hilton Garden Inn close to the airport, Moxy by Marriott in the Old Center and

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Courtyard by Marriott in Floresca; the number of foreign tourist is expected to rise by at least 10%; Romania becoming a more attractive destination for foreign visitors will encourage international groups to buy hotels from local entrepreneurs; and the number of Romanians that choose to spend their holidays abroad will continue to increase, with low-cost company offers determining them to travel more often (Hostiuc, 2019). Thus, 2019 is expected to bring new investments especially in the hotel sector, more money for local businesses and for airline companies. Bucharest will continue to be at the heart of investment initiatives and new and established travel routes to Romania.

With tourism expected to continue to grow in Bucharest in part pushed by the country's EU commitment, stakeholders should start asking questions regarding sustainability and how it can be guaranteed long term with an increasing tourist population.

An interesting direction for future research could be the use of the EEG-moments framework in assessing the other side of the coin, the ways in which EU tourism evolved as a result of new members joining. The European Union in its expansion process has also been characterized by dual forces of continuity and change. The World Tourism Organisation stated that new members joining the EU would lead to a 'more complete and coherent' tourism industry at EU level, as noted in Hall et al. (2006). Within the European context of rising nationalism and EU-skepticism, such research would potentially bring in focus the benefits of EU expansion to the growing tourism industry, which continues to create new employment, investment opportunities, development of destinations and better quality of life for residents.

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Conclusion

Romania's tourism context is characterized by an impressive diversity of natural resources; however, tourism continues to have a limited contribution to economic development. Romania's wild natural landscape and the well-kept rural traditions have been praised by international visitors, yet their number remains low when compared to neighboring countries. Tourism is a sector with high potential in Romania, in reducing economic and social inequality and improving the country's perceived image abroad. Bucharest, the main gateway to the country, aspires to a status similar to that of neighboring capitals, the delay in joining the European Union having kept it back from more significant progress. Opportunities for Romanian tourism that were created or facilitated by the EU accession include: transfer of know-how from experienced partners willing to invest in the country, EU funding for developing tourism facilities, cultural projects, infrastructure such as highways and motorways, growth in MICE from a higher level of economic cooperation and attraction of international firms, training opportunities for tourism professionals abroad, easy border crossing for EU travelers into the country, airline companies setting new routes connecting Romania to EU members especially with the high number of Romanians working abroad and travelling to visit family, higher quality in the touristic offer from aligning to EU standards.

Joining the EU has not been a mirage for the tourism industry and Bucharest as a destination, at least not in most cases and at a general level. The positive prospects that initially drew in investors in the pre-moment space were founded and followed by an improved reality from 2007. It was a highly awaited moment that determined large projects from private investors and significantly increased demand. While the hotel occupancy rates were not very high pre-moment, investments were made from the belief that property value and tourist figures could only increase with Romania's EU accession, as happened in other member states such as Hungary, Poland, Czech Republic. In addition to the actual changes in context and scape that took place as to meet EU requirements, the simple confidence it gave investors was enough to boost to a certain level tourism development. Bucharest's expansion in the immediate aftermath of EU membership was compared to the economic growth and urban development of Moscow and Shanghai, when keeping the proportions (Wall-Street, 2008). In the post-moment context, growth factors in the tourism property market included the evolution of the real-estate market, retrocession of buildings and lands with clear potential, the trend to eliminate industrial

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spaces from the urban area, hotel projects that integrated accommodation with MICE facilities, shopping and leisure.

Bucharest tourism still suffers from the limited promotion of its image as a destination, an area in which being the capital of an EU member state has helped, especially for business tourism. Most tourists that do come to Bucharest find the experience positive and decide to revisit, adding to the correct perception of the destination that should be otherwise strategically promoted abroad by public sector in close collaboration with private stakeholders. Bucharest does not need a spectacular presentation and virtual presence, but a positive, realistic communication that reaches tourists easily and wins their interest.

Tourism remains governed by a myriad of decisions, orders and laws decreed by the government, not presented in a coordinated way. Clear tourism regulation combined with strong DMOs and a governance approach would be needed to stimulate further development. The EU contributed to the legislative space but only to a certain extent, further efforts being required.

Space for investors continues to exist as to balance the offer and fill current gaps, such as budget hotels at international standards. The MICE segment is expected to support the 4 and 5-star hotels, but economy and budget properties are underrepresented, and Bucharest must adjust its offer if to attract the leisure segment of young international travelers and become a more complete destination.

The originality and value of the current study consist of highlighting Romania's EU accession as a stepping stone in the development of tourism in Bucharest and of the destination by using the moment's model as a conceptual framework. The event was a catalyst for an incremental, but crucial shift in direction and focus, affecting the physical city landscape, the image, the tourism policy and agents involved. The dynamics of Bucharest as a tourist destination were deconstructed by looking at the event of Romania becoming an EU Member state in 2007 as a path-shaping evolutionary inflection point (Sanz-Ibanez et al., 2017). The context of the study was set by evolutionary economic geography theory (EEG) and the path metaphor as to understand both the challenges of breaking free from a difficult transition period, from unproductive structures and outdated processes that lingered after the fall of the communist regime in 1989, and the new trajectories, guidelines, planning and funding opportunities that appeared in the EU context. The moment is not viewed in isolation, but within the pre- and post-event scape, the developments that led to it and subsequent growth with a distinct

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dynamic. It is a moment that links the concepts of change and continuity in the economic landscape of the city. The entrance to the EU caused disruption in Bucharest's development as a tourism destination, however the resilience concept can also be noted especially in the functioning of the public sector and its structuring. While the environment created has been more favorable for tourism growth, the rather inflexible interaction between some actors has led to still outdated structures for planning and management and the full benefit of EU membership remains unexploited for the tourism sectors. Understanding local tourism, its history and trajectory, is the foundation for supporting the industry's growth and predicting and anticipating the effects of future moments of inflection in destination development, such as the knock-on moment of Romania gaining the presidency of the EU council in 2019.

The current paper attempted to show how an EEG-moments perspective can be equally relevant for a complex urban destination where tourism is underdeveloped and could achieve a higher contribution, just as in cases of already established tourism spaces and places, where the activity is the main source of livelihood (Costa Daurada). The EEG framework and moment's theory should gain further focus in the field of tourism studies due to their wide applicability and adaptability to very diverse destinations, circumstances and occurrences. The practical implications of the study are believed to stem from the contribution an EEG-moments perspective on Bucharest can bring for guiding policy formulation, governance and underlining the wider implications and consequences tourism has on the economic, social, cultural, environmental context. With stakeholders being the drivers for continuity or transformation, the public sector should aim for a governance model that includes private actors and civil society, streamlines collaboration and allows tourism to maximize the advantages brought by EU membership.

With Romania's presidency to the EU Council having started in Jan 2019, it might already be too late to capitalize on the full benefits of a new moment of change. However, actions could still be taken to ensure a more positive outcome for the tourism industry and a steeper growth trajectory, if the importance of the event is acknowledged and integrated within a coordinated strategic effort. The subject of the current paper was not to develop an adequate practice for path-shaping events, or to make assumptions on what should have been done for the 2007 EU joining, it is simply to draw attention to tourism evolution in Bucharest, a subject not sufficiently approached by academic research.

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