TOURISM INFRASTRUCTURE, RECREATIONAL FACILITIES AND TOURISM DEVELOPMENT

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Abstract
Purpose and design – This research explores the interconnectedness between tourism infrastructure, recreational facilities and tourism development. It analyses their importance in, and compliance with the current phase of tourism development in the destination (TALC). Attention has been given to the tourist board managers' perception of infrastructural management and key limitation for their involvement in the management process. Finally, the role of the private sector in the development of infrastructure and facilities in destination has been explored.
Methodology and approach – The semi-structured questioner has been repeatedly sent to 312 tourist board managers in Croatia, leading Southern Mediterranean destination. The research applies qualitative and quantitative analysis.
Findings – There is a significant correlation between TALC and number of arrivals, overnights, the current state of the infrastructure and facilities. Findings suggest growing demand and expectations regarding infrastructure and facilities in the examined destination can be related to a destination position in TALC. The compliance level between the stage of the tourism development and state of the infrastructure and facilities varies especially between destinations in initial and maturing phases of tourism development. The destinations position in TALC is correlated with the importance of specific types of infrastructure and facilities for a specific destination. Due to mostly financial limitations, managers are not willing to take responsibility for the development of tourism infrastructure. Their expectations regarding private sector involvement vary, considering the type of infrastructure, facilities and destinations position in TALC.
The originality of the research – Research provides supply-side perspective and new insights into the infrastructural development – TALC relation, and delivers tourist board managers attitudes toward the private sector involvement.
Keywords tourism infrastructure; recreational facilities; tourism development; public and private sector stakeholders; TALC

INTRODUCTION

Recreation is defined as a pleasurable, socially sanctioned activity that restores the individual, concomitant with the experience of leisure (Simmons and Moore: in Jafari and Xiao, 2016). In a deeper psychological sense, recreation refers to the human emotional and inspirational experience arising out of the recreation act. Although it contrasts with the work, which is done mostly to earn money and mechanics of life (eating, sleeping), there is no sharp line between recreation and all other activities (Clawson and Knetsch, 1971). Therefore, some activities may be work at some times and recreation at others. In some manner, tourism contributes to the enlightenment of that

difference. Considering that most of the tourists, arrives in destination for leisure, it is expected that recreational activities they undertake will mostly be focused on recreation in its profound meaning – Latin *recreare*, to renew or to be re-created (Smith, 1992). Recreational activities that visitors undertake may include different specific indoors and/or outdoors actions. Some activities can be relatively formal, as in case of organised events and group activities, while most of the recreational activities are informal and include picnics, hiking, fishing, expeditions and many other activities. Regardless of form, recreation is an integral element of tourism product that influences significantly tourism development and visitors satisfaction (Tribe, 2012).

The concepts of tourism, recreation and leisure are specifically interrelated. Tourism forms special form of leisure: "leisure away from home, on trips", albeit with some dimensions that raise it above daily recreation (Leiper, 1995). In some manner, last two or three decades tourism has contributed to the transformation of simple outdoor recreational activities like jogging to commercial and fashionable products. There has been a shift away from a simple non-commercial outdoor recreation culture toward a more sophisticated demand-driven commercial sector with new forms of recreation and a prospering outdoor retail industry (Buckley, 2000). Such trends have consequently resulted in the improvement of existing and development of new recreational facilities in most of competing tourism destinations.

Recreational facilities are an integral part of physical infrastructure which is an indispensable pillar of overall economic and tourism development (Khadaroo and Seetanah in: Jafari and Xiao, 2016). Along with hotels and other hospitality facilities, they form the constituent called tourism infrastructure. Each of these elements boosts tourism development mostly by raising the attractiveness and competitiveness of a destination. Tourists expect facilitates in their chosen destination to be comparable to what they enjoy at home, especially those that have become the essential element of everyday life recreation (Murphy et.al. 2000; Crouch and Ritchie, 2000).

Recreational facilities are mostly organised, provided and developed in the context of public and commune pool resources, which implies government and public sector involvement and provision. In that process, public sector deals with management issues ranging from simple cost-benefit analysis to complex questions of the optimal mix of recreational facilities (McConnell, 1985). In tourism destinations, public sector involvement implies local or regional authorities and tourist boards activities, focused on fostering sustainable tourism development. The rapid development of tourism has blurred the line between public and private sector responsibilities. Due to different reasons, sometimes the public sector is limited to respond emerging needs of tourism development and depends upon private sector involvement. New challenges that we face in the 21st century are transforming the understanding of "traditional" public and private sector roles in economic and tourism development. The increasing importance of tourism in the local, regional and national economy requires and boosts active cooperation between key public and private sector stakeholders.

The provision of recreational facilities is commonly seen as the responsibility of public sector (Cooper et al. 2008; McConnell, 1985). However, a different understanding of the concept of tourism infrastructure along with the growing importance of tourism has resulted with the stronger involvement of private sector stakeholders. This research explores the concept of tourism infrastructure and recreational facilities to broaden the understanding on:

- The interconnectedness between tourism infrastructure, recreational facilities and tourism development;
- Their importance in a process of shaping tourism product and delivering visitors and local population requirements;
- The compliance between the state of the infrastructure, facilities and the phase of destinations development (TALC);
- Tourist board managers perception of infrastructural management and key limitation for involvement in management process;
- The role of the private sector in the development of infrastructure and facilities.

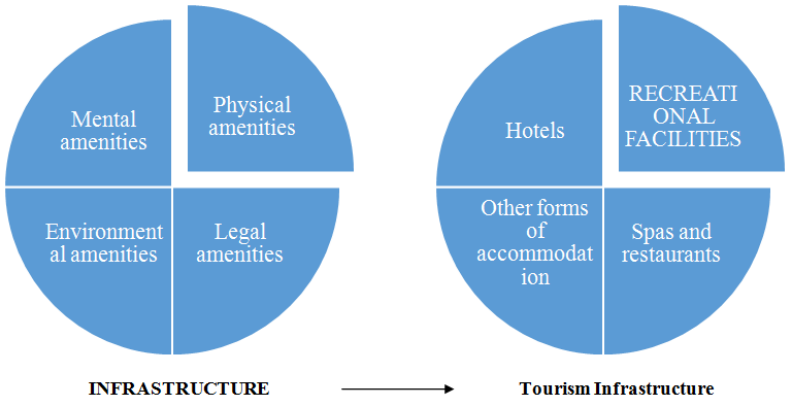
It provides supply side (public) perspective by exploring the TB managers' attitudes. While most of the current researchers use statistical data to analyse destinations development trajectory and accordingly development of *physical plant* (Smith, 1994), we are utilising TB managers holistic approach to analyse specifically the development of one segment of overall tourism product – tourism infrastructure and recreational facilities. Additionally, research contributes broadening the current understanding of the position of private sector stakeholders in the provision and management in Mediterranean destination.

Empirical research has been conducted in Croatia, one of leading Mediterranean destinations with the application of semi-structured questionnaire on a sample of 312 tourist board managers in the period from June to September 2017.

1. LITERATURE REVIEW

In a broader sense infrastructure includes physical, legal, environmental and mental amenities which contribute to making tourism product enjoyable, reliable and sustainable (Khadaroo and Seetanah in: Jafari and Xiao, 2016). The physical infrastructure of direct relevance to tourism includes recreational facilities that along with hotels and other forms of accommodation, spas and restaurants form the main tourism infrastructure (Figure 1). However, both concepts are wide, transformative, and limited mostly with boundaries of individual understanding and national policies. To define tourism infrastructure properly is easier said than done. Mostly because tourism is not a single industry so too there is no clearly defined "tourism" infrastructure (Dwyer et al. 2010).

Figure 1: **Recreational facilities as a constituent of the overall infrastructure**



Source: Adapted from: Jafari, J., Xiao, H. Eds. (2016). Encyclopedia of Tourism. Switzerland, SpringerReference.

Literature has stressed out different approaches to concepts of infrastructure, tourism infrastructure and recreational facilities. Hansen (1965) same as Mera (1973) considers *infrastructure* to be a sum of economic and social overhead capital. While economic capital focuses on supporting productive activities (e.g. roads, streets, bridges etc.), social capital focuses on enhancing human capital mostly via publicly provided social services (e.g. public health and education). Infrastructure focuses more on providing preconditions for development, while *recreational facilities* are seen as a way to improve everyday life. They should be accessible on an everyday basis and developed for local community and visitors (Bell et al. 2007; Lewinson, 2001), including a range of different elements from hiking, trekking and thematic trails to sports halls, water parks and swimming pools (Hadzik and Grabara, 2014; Heldt, 2010). The scope of *tourism infrastructure* is broad and related to all those elements in a destination that enable and boost tourism development (Swarbrooke and Horner, 2001). In that manner, different aspects of infrastructure and recreational facilities can be considered as elements of tourism infrastructure. In a broader sense, it includes all those facilities that tourists use when they leave their homes, reach their destination and return back home (Lohmann and Netto, 2017), while in reality, most of the tourism infrastructure is constantly used by residents (Fourie and Santana-Gallego, 2011, Hadzik and Gabana 2014).

The development of tourism infrastructure and recreational facilities is associated with tourism development (Heath, 1992; UNWTO, 2007; Sharpley, 2009). In many cases, the state of the urban renewal and local infrastructure indicate the destination position in area life cycle (Getz, 1992; Formica and Uysal, 1996; Garay and Canoves, 2011). Therefore, it is not surprising that tourism destinations depending on their position in TALC have different expectations and requirements regarding tourism infrastructure. According to the life-cycle model, tourism management should be pro-active, smoothing the fluctuations foreseen by the cycle and favouring a balanced relation between the costs and the benefits originated by tourism (Van der Borg, 1991).

Once developed, infrastructure and facilities highly influence destination competitiveness (Crouch and Ritchie, 1999; Murphy et al., 2000); increases the efficiency of privately producing and distributing tourism services, and in certain cases makes possible the supply of tourism services (Sakai in: Dwyer and Forsyth, 2006). The emergence of *sustainability* has highly influenced the research path for infrastructure and facilities. Consequently attention has been given to those researchers encompassing both concepts; for instance, the relationship between transport infrastructure and tourism development (Khadaroo and Seetanah, 2007; Khadaroo and Seetanah, 2008; Albalate et al. 2017; Rehman Khan et al. 2017), or management of sustainable destinations (Phillips and Jones, 2006; Currie and Falconer, 2014). Researchers also place the significant emphasis on the development of outdoor facilities. For instance, Deenihan and Caulfield (2015) examine how tourist value different types of cycling infrastructure. They found out how tourists are willing to double their cycling time if proper infrastructure is provided. Bil et.al. (2012) explore the potentials of new technologies i.e. GIS in the creation of a network of cycling tourism infrastructure, to support visitors activity. Olafsdottir and Runnstrom (2013) use similar technology to analyse the hiking trail condition and its relationship with local physical properties. They deliver important managerial implications on how to improve existing and design new infrastructure to deliver visitors requirements and remain sustainable. Fallon and Kriwoken (2003) explore the community involvement in tourism infrastructure. They have concluded how local and cultural community, managers and operators play important role in planning, designing and operating new tourism infrastructure.

Public governance of tourism infrastructure is mostly influenced by the tourism importance in overall economic development and characteristics of the tourism product. In some economies, tourism potential to strengthen other economic sectors in rural and urban regions has resulted with prioritization in the development and improvement of hard infrastructure (facilities, utilities, transportation networks) while the soft infrastructure (human resources) have left underdeveloped (Thapa, 2012). From an economic perspective, public governance and investment is rationale when private markets fail to produce an efficient amount, which is often in a case of public goods such as tourism infrastructure. There is a large body of literature in the economics of natural resources and public goods dealing with the efficiency of government intervention in the market when markets fail to provide information on uncertainty, irreversibility or externalities (McConnell, 1985). *Infrastructure* may be provided by public or private sector, and the outcome is often determined by domestic economic, social and political policies (Dwyer et al. 2010). Most of *tourism infrastructure* can and should be provided by the private sector (hospitality facilities, i.e. hotels, restaurants, shops), while responsibility for the provision of *recreational facilities*, due to their importance for local population and visitors, remain blurred.

2. RESEARCH

Case study: Croatia

Croatia is among leading Southern and Mediterranean Europe destinations. Tourism accounts for 18,1% of its GDP and 7% of total employment (Ministry of tourism, 2016). Development, maintenance and operationalization of tourism infrastructure (including recreational facilities) are extremely important and by that defined with several laws. The basic governmental document is Regulation on public tourism infrastructure that defines tourism infrastructure as:

> *"Public infrastructure in tourism destination that generates direct and indirect impacts on tourism offer and tourism development including: garage and parking lot; sport and concert halls and cinemas; congress centres; skating rink; ski facilities; football pitch, tennis court, basketball court, children's playground; amusement parks; inner and outdoor pools and beaches; beach facilities; promenades; cycling, hiking, horseback riding, educational and thematic trails; excursion sights and sport-recreation facilities".*

In a national context, the concept of *tourism infrastructure* integrates different forms of recreational facilities which are treated as public good, that with given permission from local and/or regional municipality, tourist board can manage. Operationalisation of existing and building of new infrastructure is defined with following laws: *Law on management and use of property owned by the Republic of Croatia, Law on critical infrastructure, Law on concessions, Law on local and regional self-government, Law on communal economy, Law on tourist boards and Regulation on public tourism infrastructure*[i]. The complexity of regulation system often results with infrastructural under-development, meaning that local infrastructure is neither well managed nor developed to deliver residents and visitor's needs. In most cases, private stakeholders via concessions manage most attractive infrastructural elements (beach facilities), while tourist boards' lack of financial and/or human resources to involve in that process.

In this research, the terms *infrastructure* is used to address economic and social overhead capital, and the term *tourism infrastructure and recreational facilities* to address all types of tourism infrastructure according to Croatian Regulation on public tourism infrastructure. Qualitative and quantitative analysis research results have been presented below.

Methodology

Research has been conducted from June to September 2017. The semi-structured questionnaire has been repeatedly sent to 312 tourist board managers in Croatia. Croatia tourist board has a hierarchical structure. It includes Regional tourist board (county and territory), Local tourist board (town, municipality, locality and island) and Tourism information centres. In this research, we have included all regional and local offices due to their potential involvement in the tourism infrastructure management process. The questionnaire consists of three parts. The first part focuses on general information about tourism destination and tourist board. The second part of questioner analyses current

tourism development phase and overall infrastructural development state. The final part of questionnaire delivers answers regarding usage of tourism infrastructure and recreational facilities and potentials of its future improvement. The questions have been prepared to capture current stage, importance and future perspective of tourism and recreational infrastructure. The research applies (1) qualitative (descriptive analysis and analysis of open question) and (2) quantitative analysis (Regression analysis and Kruskall-Wallis H and post hoc test).

Findings

Conclusions have been made based on forty-one (n=41) response. The sample includes tourist board (TB) offices from two regional territories, sixteen towns, twenty-two municipalities and one island.

The size of the destinations included in the sample varies based on the numbers of arrivals and overnights scored in 2016. The highest recorded number of arrivals, in a town level TB was 524.471 and lowest was 347 visitors, while the highest recorded number of overnights was 3.109.224 and the lowest 846. The regional tourist offices have recorded higher numbers, however, their statistics reflect cumulative statistics of lower lever offices, therefore, they cannot be mutually compared. Variations in a size of the destination in the sample are welcome because, in a context of open questions, it is expected that TB managers will stress out different problems, expectations and perspective regarding tourism infrastructure management and use.

The number of beds in all types of tourist accommodation facilities, recognized throughout Croatian classification system, varies considering destination (hotels and apart-hotels, tourist resorts, tourist apartments, campsites, private accommodation, spas and health resorts, holiday resorts, hostels). Distribution of beds in the sample, considering the type, follows the national trends i.e. private accommodation accounts for 59%, hotels and apart-hotels for 12,1% and camps for 20,1% of all accommodation (Ministry of tourism, 2017).

Figure 2: **Characteristic of tourist boards in a sample**

Tourist board office	*In sample*	*Arrivals minimum*	*Arrivals maximum*	*Overnights minimum*	*Overnights maximum*
Regional territory	1	26.678	754.902	49.175	4.457.257
Town	16	347	524.471	846	3.109.224
Municipality	22	400	242.614	1.188	1.497.344
Island	1	-	3.206	-	34.336

2.1. Compliance: tourism and tourism infrastructure and recreational facilities development

The regression analysis (Sykes, 1993) has been used to determinate the interconnectedness between the stage of the tourism development considering destination life cycle (TALC) (Butler, 2005) and four independent variables, namely *number of arrivals*, *number of overnights*, *infrastructural development* and *development of tourism infrastructure and recreational facilities*. Considering that every destination passes from exploration to rejuvenation or decline phase, TB manages were asked to estimate the current stage of tourism development for the destination they manage. Maturing of the destination is characterised with the continuous increase in a number of arrivals and overnights (Ivars et al. 2013) but also stronger pressures on destination space and growing requirements regarding infrastructure and facilities (Ritchie and Crouch, 2003).

Research results have demonstrated the statistically significant correlation between the stage of the tourism development and all four independent variables (p=0,000 – p=0,002). *The positive coefficients for analysed destinations indicate that higher stage of tourism development can be associated with growing demands regarding destination infrastructure and tourism facilities, but also with an increase in a number of arrivals and overnights*. Mean VIF (Variance inflation factor) values, in all four individually tested cases, are one (VIF≤1), therefore multicollinearity can be eliminated as a potential problem in regression analysis and results as valid for interpretation (Kennedy, 1985).

Figure 3: **Regression analysis: dependent variable stage of tourism development – destination life cycle**

LIFE CYCLE PHASE	Coef.	Std. Err.	t	P>ltl	[95% Conf. Interval]	
ARRIVALS _Cons	5.48e-06 2.847452	1.64e-06 .2888162	3.34 9.86	0.**002** 0.000	2.16e-06 2.263266	8.80e-06 3.431638
OVERNIGHTS _Cons	9.76e07 2.831651	2.69e-07 .2810563	3.63 10.08	0.**001** 0.000	4.33e-07 2-263161	1-52e-06 3.400141
TOUR INF. & REC. FAC. _Cons	.7003715 .4814225	.1547187 .6678787	4.53 0.72	0.**000** 0.475	.3874234 -.8694897	1.01332 1.832335
INFRASTRUCTURE _Cons	.7754183 .0830116	.1698596 .7451378	4.57 0.11	0.**000** 0.912	.4318449 -1.424172	1.118992 1.590195

Source: Conducted research in STATA 13.0.

Destinations have to ensure their general infrastructure is properly developed and user-friendly (Wild and Cox, 2008). Many destinations fail to do so (Buhalis, 2000) which consequently negatively affects their image and competitiveness (Jenkins, 1999). Local roads, airports and all other forms of transport should allow unimpeded movement of visitors, while tourism facilities should be able to provide comprehensive travel

experience and influence visitors return. Therefore, TB managers are expected to have a holistic approach to tourism development and planning.

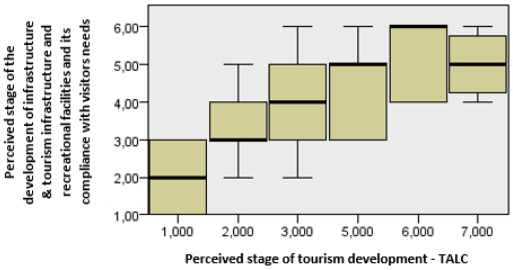
In that manner, they have been asked to rate on the Likert scale (1-7) the *capability of infrastructure, tourism infrastructure and recreational facilities to deliver visitors and local population needs and address current requirements of the tourism development.*

Figure 4: **Compliance level of tourism development with the development of infrastructure and tourism infrastructure and recreational facilities**

** 1= current stage of development cannot fulfil visitors and local population needs; 7= the development of infrastructure and tourism infrastructure and recreational facilities corresponds to tourism development.*

Research results have demonstrated how in most of the destinations in the sample, the compliance level between tourism development and development of infrastructure, tourism infrastructure and recreational facilities is average. TB managers perceive how current state of all types of infrastructure in the destination can be improved to address not only the growing number of visitors but also more sophisticated visitor's needs. A Kruskal-Wallis H (KW H) test indicate *statistically significant differences in compliance level between the perceived stage of tourism development and the perceived current state of the development of infrastructure, tourism infrastructure and recreational facilities* (Chi-Square= 18,331; df= 5; p=0,003). Moreover, a KW H posthoc test has proved how those *differences are statistically significant only between destinations that are in initial and maturing stage of tourism development* (p-value for pairwise comparison, p=0,003), (Figure 5) i.e. 1 stage and 7 stage of tourism development (p=0,026) and 1 stage and 6 stage of tourism development (p=0,025).

Figure 5: **Independent-Samples Kruskal-Wallis Test – perceive stage of tourism development TALC and perceived state of the development of infrastructure, tourism infrastructure and recreational facilities**

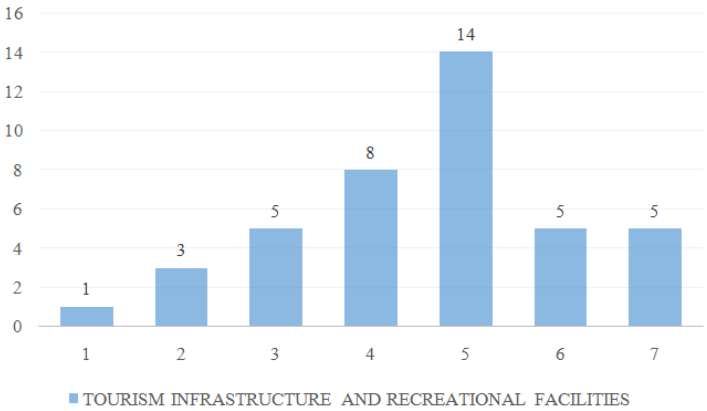


Total N	42
Test statistics	18,331
Degrees of Freedom	5
Asymptotic Sig. (2-sided test)	0,003

1. The test statistics are adjusted for ties

Stronger or weaker public focus on the development of certain aspects of infrastructure, tourism infrastructure and facilities potentially reflect the way destinations compete against its main competitors for target segments (March, 2004). Croatia is a destination where passive rest and relaxation are main motives of arrival for 55% of visitors (TOMAS, 2017). However, there is growing proportion of visitors interested in the active holiday (24% in 2017), sport, and recreation (20% in 2017) (TOMAS, 2017). Consequently, TB managers were asked to rate (on a Likert scale 1-7) the *perceived overall importance of tourism infrastructure and recreational facilities for their tourism product*. Findings suggest that tourism infrastructure and recreational facilities are important for most of the respondents (Figure 6). Furthermore, the Kruskall-Wallis H test results indicate a *statically significant correlation between the stage of tourism development considering TALC and perceived development stage of Sport and concert halls and cinema* (p=0,010); *Amusements parks* (p=0,001), *Beaches* (p=0,044), *Beach facilities* (p=0,014) (Figure 7).

Figure 6: **Perceived importance of tourism infrastructure and recreational facilities in overall tourism development**

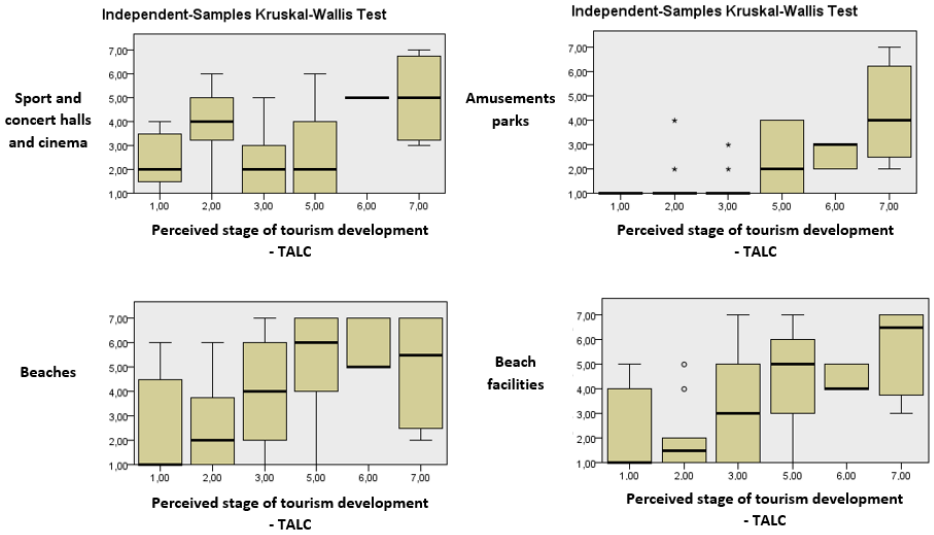


** 1= tourism infrastructure and recreational facilities are NOT important; 7= tourism infrastructure and recreational facilities are vital.*

Depending on a stage of tourism development, destinations have different requirements regarding infrastructure and facilities (Figure 7). Consequently, findings suggest that more complex and expensive infrastructural investments like amusements parks, sport, concert halls and cinemas are requested in those destinations that are in upper phases of tourism development.

Such investments potentially reflect the efforts to improve tourism offer but also can be seen as rejuvenation policy measure (Stansfield: in Butler, 2005). Tourism destinations in upper phases of development (Figure 7) consider almost equally important beaches and beach facilities, which proves 3S to be the dominant product for destinations in the sample (i.e. the ranks are on a similar level). However, those destinations that are in initial phases of tourism development have expressed lower ranks, meaning they are potentially considering niche tourism to be their development path.

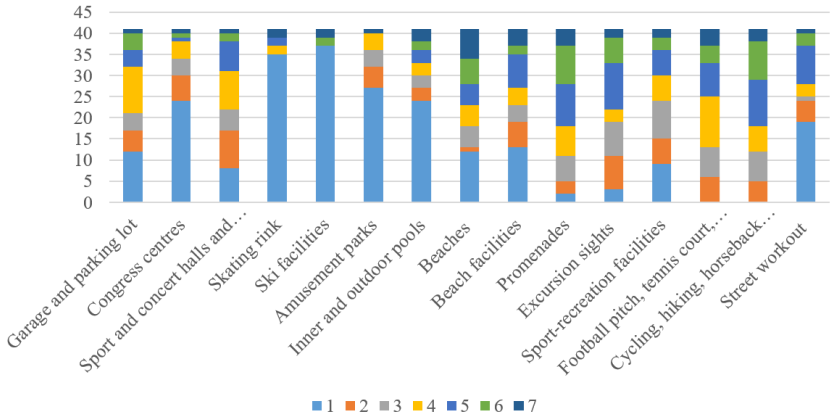
Figure 7: **Independent-Samples Kruskal-Wallis Test – perceive stage of tourism development TALC and perceived development stage four significant forms of tourism infrastructure and recreational facilities**



Maturing destinations higher demands regarding beach facilities and sport and concert halls reflect their efforts to maintain attractiveness and competitiveness on growing receptive market. The outliers presented on boxplot (*) for *amusement parks* prove the existence of a difference in ranks between respondent in same development phase (TALC).

Perceived *development state* of different types of tourism infrastructure and recreational facilities varies across the observed destinations. Findings (Figure 8) suggest *promenades, excursions sights, football pitch, tennis courts and trails* are the best developed. However, even for these categories, there are significant variations between destinations, while overall results are not promising.

Figure 8: **Perceived development state of different aspects of tourism recreational infrastructure**



** 1= highly underdeveloped; 7= highly developed.*

The recreational facilities and infrastructure are related to destination, its resources and main product lines (Murphy et al. 2000). Considering Croatia is 3S destination ski rinks and ski facilities are expected to be underdeveloped, however, the problem arises with poor development of essential facilities including *beaches and beach facilities, different types of sport and recreational facilities, garages and parking lots and congress centres*. Further analysis has proved (Kruskall-Wallis H test) statistically significant correlation between the overall importance of tourism infrastructure and recreational facilities for destination product and the current state of development of the *sport and recreational facilities* (Chi-Square= 14,389; df= 6;p=0,026).

TB managers' *satisfaction with the current state of the development* of tourism infrastructure and recreational facilities statistically significant differs depending on the current stage of the destination development (TALC). KW H test results have pointed out following aspects of infrastructure as statistically significant, namely Sport, concert halls and cinemas (p= 0,004), Amusement parks (p= 0,013), Inner and outdoor pools (p= 0,20), Beaches (p= 0,005), Beach facilities (p= 0,004) (Figure 9).

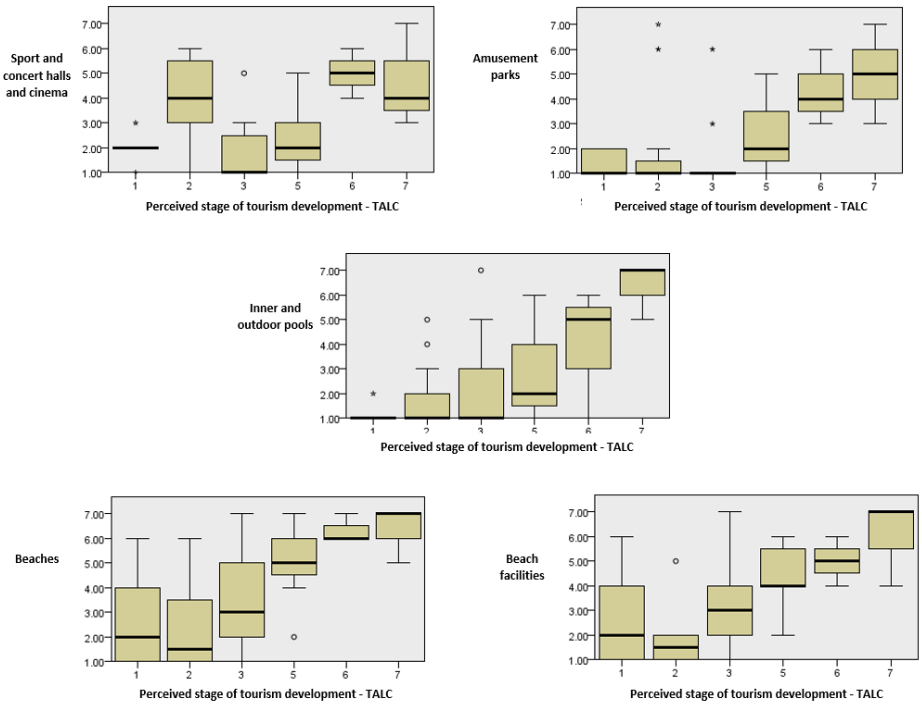
Figure 9: **Satisfaction with the current state of the infrastructure and facilities depending on the position of the destination in TALC**

	Sport, concert halls and cinema	Amusement parks	Inner and outdoor pools	Beaches	Beach facilities
Chi-Square	17.087	14.538	13.343	16.935	17.340
df	5	5	5	5	5
Asymp. Sig.	.004	.013	.020	.005	.004

Mean ranks for five significant aspects of infrastructure delivered with KW H posthoc test (Figure 10) suggest how mature destinations (those in upper phase of TALC), in overall, have expressed higher ranks, i.e. satisfaction with the current development of infrastructure and facilities. The exception are sport and concert halls and cinemas, that

record higher ranks even in destinations that are in initial phases of tourism development. The outliers presented on boxplot (*) prove the existence of a difference in ranks, i.e. satisfaction with the development of *sport and concert halls, amusement parks and inner and outdoor pools*, between destinations that are in the same phase of tourism development.

Figure 10: **KW H posthoc test – satisfaction with the state of the development of infrastructure, facilities and destination position in TALC**



2.2. Usage and management of tourism infrastructure and recreational facilities

The Croatian Regulation on public tourism infrastructure[ii] indicates TB can manage tourism infrastructure and recreational facilities. In most cases, their involvement depends on individual willingness to participate in governance process but also on financial, human and operational resources. Involvement usually reflects individual willingness to change and improve quality of tourism infrastructure. Although TB managers have expressed, mostly, *moderate or poor satisfaction with tourism infrastructure and recreational facilities, they have shown restraint regarding involvement in the management process*.

Research results have demonstrated, in overall, *poor involvement in the management of tourism infrastructure and recreational facilities*. Only seven (n=7) out of forty-one office has been involved in the management of promenades, nineteen (n=19) in the

management of cycling trails, and three (n=3) in the management of playgrounds and street workout. For other forms of facilities, results are none or one TB involved in the management process.

TB managers have stressed out following reasons to be most important for potential involvement in management process (open question results):

1. Boost destination development, competitiveness and attractiveness,
2. Brand tourism destination and redistribute tourism flows,
3. Develop tourism product and boost development of special interest tourism,
4. Increase number of arrivals and overnights,
5. The increase of TB revenues,
6. Increase quality of tourism and recreational infrastructure,
7. Maintain existing and develop new infrastructure,
8. Preserve natural resources,
9. Support adequate valorisation of all resources involved in tourism development.

Stated reasons for involvement are mostly *economical* – focused on fostering local tourism and infrastructural development, and *environmental* – focused on preservation and valorisation of different types of resources, integrated into tourism product.

Croatian laws do not define properly the management of tourism infrastructure and facilities. The *Law on management and use of property owned by the Republic of Croatia* considers management to be *all those coordinated activities aimed at sustainable management of government property based on national strategic plans*. However, there are no specified activities that can be done with government property, including infrastructure.

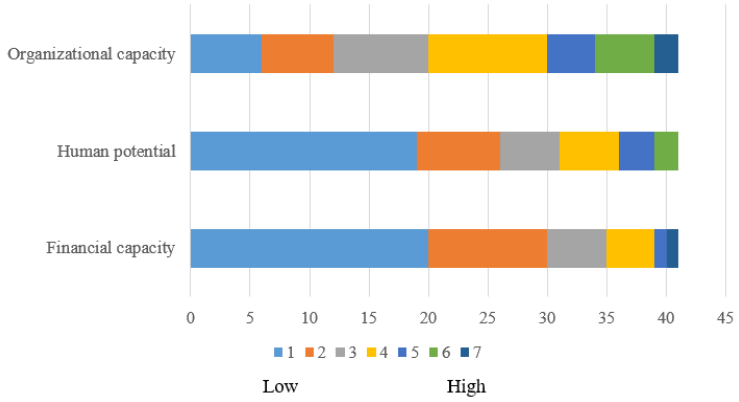
Given the lack of information and instruction, *TB managers were asked to explain their perception of acceptable management activities*. Research results suggest that TB managers perceive management of tourism infrastructure and facilities as a complex process that includes following activities (open question results):

1. Creating tourism offer and promotion,
2. Cooperation with different public stakeholders,
3. Sustainable valorisation of resources,
4. Maintenance of the parks and promenades and other existing infrastructure,
5. Planning and preparing projects,
6. Building new infrastructure,
7. Improving accessibly of sights,
8. Management of historical and cultural sights,
9. Marking tourism sights and thematic trails.

The scope of infrastructural management from TB managers' perspective is quite wide. It includes different *strategic* (planning and building new infrastructure) and *operational* activities (improvement of site accessibility, management and marketing of existing sights).

TB managers have expressed *moderate to high willingness to involve* in the management of tourism infrastructure, *which is limited mostly with a lack of financial resources and human potentials*. Almost half of TB have *low and minimal financial and human capacity* to manage infrastructure and facilities, while the *organizational capacity* results are slightly better but still account for a significant limitation for inclusion in most cases (Figure 11).

Figure 11: **Tourist board capacity to manage tourism infrastructure and recreational facilities**



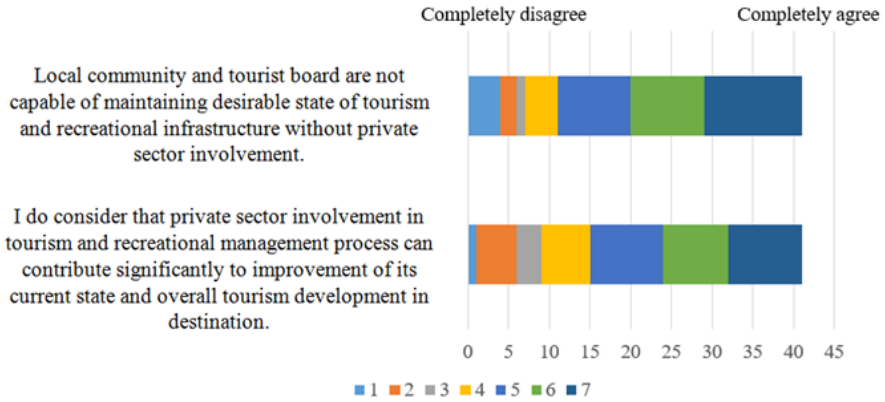
In spite of Kruskall-Wallis H test results have proved there is no statistically significant correlation between TB *self-interest to involve in management of infrastructure and their attitudes toward private sector involvement* (Chi-Square= 3,370, df= 6, p= 0,761), there is significant correlation between their *financial capacity to manage infrastructure and attitudes toward private sector involvement* (Figure 12). Organizational capacity and human potentials have not proved to impact TB attitudes toward private sector involvement.

Figure 12: **Kruskall-Wallis H test – key limitation of tourism board willingness to involve in the infrastructural management process**

	Financial capacity	*Human potentials*	*Organizational capacity*
Chi-Square	12,605	7,005	5,060
df	6	6	6
Asymp. Sig.	,050	,320	,536
a. Kruskal Wallis Test b. Grouping Variable: attitudes toward private sector involvement			

Due to their mostly *financial* limitations, *the majority of the respondents agree that the inclusion of the private sector stakeholders' can contribute improvement of local tourism infrastructure and recreational facilities*.

Figure 13: **Tourist board managers' attitudes regarding the inclusion of private sector in the management process**



Involvement of private sector, according to Croatian Regulation on public tourism infrastructure, and cooperation between public and private sector is possible only via *concessions and public-private partnership*. Despite most of the respondents are highly familiar with both concepts, *there is a correlation only between their knowledge on concessions and their expectations regarding the effects of the private sector involvement on the improvement of infrastructure and facilities*.

Figure 14: **Are the tourist board managers expectations toward the private sector involvement determined with their knowledge on PPP and Concessions?**

	Public-Private Partnership	Concessions
Chi-Square	10,503	12,661
df	6	6
Asymp. Sig.	,105	,049
a. Kruskal Wallis Test b. Grouping Variable: Expectations regarding private sector involvement		

Concessions are most commune form of the private sector involvement in the management of infrastructure and provision of recreational facilities in Croatia. In 2017, Ministry of finance has issued 1441 concession permission for the use of the maritime state property[iii].

TB managers believe that the *private sector involvement would contribute improvement and development of Excursion sights* (p=0,24), *Sport-recreation facili*ties (p=0,45), *Cycling, hiking and horseback riding trails* (p= 0,16). In case of excursion sites and thematic trails, highest ranks are recorded in those destinations that are in the upper phase of tourism development (consolidation, stagnation, rejuvenation and decline), while in case of sport and recreational facilities, ranks are almost equal in destination no matter phase of development. KW H post hoc test results have shown, in a case of *Excursion sights* (p= 0,51) and *Cycling, hiking, horseback riding trails*(p= 0,38), the correlation

between *satisfaction with the current state of infrastructure and/or facilities and attitudes* (expectation from) *regarding private sector involvement*.

Respondents have indicated there are currently (open question results):

- 7 examples of public-private partnership (*build and operate model for viewpoint and halls; operate and maintain public areas – parks, promenades, trails*) and
- 18 examples of concessions (*maritime good – beach facilities; communal services; maintenance and management of trails; management of historical sights and mountain huts*).

Finally, TB managers have stressed out the role of the private sector in the improvement of all those types of tourism infrastructure and recreational facilities that are and should be in the destination; however, they do perceive the importance of the public sector. The role of the private sector is reflected in their involvement in smaller and larger scale projects (depending on destination position in TALC) operationalized throughout concession system. They are expected to improve quality of local infrastructure, facilities and consequently competitiveness of overall tourism product. Large-scale infrastructural projects (ski lifts, congress halls and garages) are perceived as public sector responsibility. Public sector (municipality – county – central government) is expected to provide preconditions for overall economic and consequently tourism development. The former is particularly accentuated in those areas that are economically dependent upon tourism development.

3. CONCLUSION

Infrastructure forms an indispensable element of contemporary tourism destination, a set of tourism facilities that once provided focus on delivering visitors and residents' needs. Commonly is seen as public good and/or commune pool resource. Along with technology and other physical elements, it is a visible feature of tourism product that influences travel experience (Murphy et al. 2000; Choy, 1992). In most cases, it is provided by public authorities and intended to support the local community and its development. It is an essential precondition in early stages of tourism development and competitive advantage in maturing stages of TALC, characterised with the shared and often blurred responsibility of public and private sector stakeholders (Ruso, 2002). The development of tourism infrastructure and recreational facilities is highly determined by governmental laws and regulations. Depending on the importance of tourism in overall economic development, different destinations (i.e. countries) have a different approach.

Empirical research results in Croatia have demonstrated a statistically significant correlation between the stage of tourism development and a number of arrivals, overnights and state of the infrastructure, tourism infrastructure and recreational facilities. Moreover, positive coefficients suggest that growing demands and expectations regarding quality of all forms of infrastructure and facilities in examined destinations can be related to destinations position in TALC. Findings support conclusions made by Seetannah et al. (2011) proving tourism to be sensitive to and influenced by infrastructural development. The compliance level between perceived stage of tourism development and the perceived state of current development of

infrastructure and facilities varies i.e. there is the statistically significant difference in compliance level between maturing destinations and those that are in initial phase of tourism development. Tourism infrastructure and corresponding facilities should follow up the position of the destination in TALC and develop correspondingly (Ioannides, 1992; Da Conceic and Roque Águas 1997, Russo, 2002; Ivars i Baidal, et al. 2012); otherwise, infrastructural underdevelopment could, potentially negatively influence visitors' satisfaction and decision to return (Buhalis, 2000).

For most of the respondents, tourism infrastructure and recreational facilities are important in process of tourism development. However, not all forms of infrastructure and facilities equally. Empirical results have demonstrated there is a significant correlation between the development of some forms of infrastructure and destinations perceived position in TALC. Destination in upper phases of tourism development requires the development of more complex and expensive infrastructural projects including amusement parks, sport and concert halls and cinemas, i.e. big scale projects for maturing destinations can equally be treated as an effort to improve tourism offer and rejuvenation policy measure. Those destinations that are in initial phase of tourism development have expressed low ranks for all significant forms of infrastructure, including beaches and beach facilities, which means they still do not have a clear vision of their tourism development. Maturing tourism destinations focus on maintaining existing consumers (tourist) throughout increasing service quality, widening distribution channels but also developing tourism infrastructure and recreational facilities (Da Conceic and Roque Águas 1997). Depending on the state, maturing destinations often require destination repositioning which can be achieved through large-scale infrastructural projects (Butler, 2005).

Findings suggest that the current state of the development of recreational facilities is significantly correlated with their overall importance for tourism development. Moreover, satisfaction with the state of the development varies considering the stage of the development of the destination. In average, maturing destinations have shown higher satisfaction with the current state of the infrastructure and facilities; however, there are differences between destinations and considering the type of infrastructure.

Despite tourist-board, managers have expressed poor to moderate satisfaction with tourism infrastructure and recreational facilities due to mostly financial limitation they are not willing to involve in management processes for which they believe would gain the economic and environmental benefits. I that manner, their financial capacity to manage infrastructure is significantly correlated with their attitudes toward the private sector involvement. They do believe the private sector can potentially contribute improvement and development of a different form of tourism infrastructure, namely, excursion sites, sport and recreational facilities and thematic trails. Moreover, the preferred form of involvement would be well-known concession permissions. Currently, public and private sector cooperate through several examples of public-private partnership (mostly on larger infrastructural projects) and a large number of concessions (mostly on maritime goods and thematic trails).

In highly tourism-dependent countries like Croatia, tourism sustains economic and overall growth and development. Therefore, it is expected that public sector failure in the provision of tourism infrastructure and recreational facilities will mostly and effectively be addressed via private sector involvement throughout existing models of public-private partnership and concessions. Private sector stakeholders are profit-driven, agiler and capable of delivering visitor needs in short period. From the other side, public sector stakeholders are more robust, slow to react and limited by numerous internal regulations and capacities. As a continuous process, tourism development must be driven and directed. In that process tourist boards, are not and should not be alone. It is possible to expect their stronger reliance on the private sector in the context of the provision of those services that were before exclusively public sector responsibility, i.e. management of tourism infrastructure and recreational facilities.

Despite a limited number of tourism board managers involved (n=41), this research provides valuable and useful conclusions and supply (public) side perspective, regarding provision and management of tourism infrastructure and recreational facilities and their compliance with TALC in Mediterranean destinations. While most of the previously stated researchers use statistical data to analyse destination development trajectory this research is among first to explore the TB managers' attitudes. In that manner we are utilising their holistic approach to deliver comprehensive analysis. Additionally, research findings highlight and confirm tourism infrastructural development can be related to destinations position in TALC. Furthermore, it contributes broaden the understating of the role of both public and private sector stakeholders in management and provision and delivers key limitations for and expectations from their involvement.

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