ISCTE Business School
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SITUATION ANALYSIS OF CROATIA AS A TOURISTIC DESTINATION

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Project submitted as partial requirement for the conferral of Master in Marketing

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October 2018

Abstract

Croatian tourism is growing rapidly in the last couple of years. But it has been recorded that one of the biggest problems is seasonality of a destination and the importance of positioning Croatia as a year-round destination is of highly importance, as the Croatian Minister of Tourism Gari Cappeli said. Croatian economy is too dependent on tourism and it is too risky not to have precise strategical goals. Millennials are the presence and the future of traveling segment for any destination. Thus, it is important to research which drivers influence their choice of specific travel destination in a certain period of year. More than 45% of targeted population mentioned that they are not interested in Croatia in an off-season period (Chart 22, Appendix A) and the mission of this thesis is to provide information which motivators influence their decision to specify the strategies for the future tourism of Croatia. This study attempts to explore the association between these motivators: perception of safety, perception of good airlines connection, climate conditions, positive e-WOM, social media activity with the attractiveness of Croatia as a tourist destination. The findings of an online survey indicate that for the targeted population good climate conditions were in a moderate association with attractiveness of Croatia and the rest of the tested motivators were not significantly related to attractiveness. We have also discovered that social media engagement of consumers is strongly dependent on social media activity of Croatia as a destination. These results give us great space to manipulate targeted populations' interest in Croatia as a destination and to model specific strategical goals for the future of Croatian tourism.

Key words: Millennials, Croatian tourism, Seasonality, Attractiveness, Safety, Social media activity, positive e-WOM.

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List of abreviations

UNWTO – United Nations World Tourism Organisation

GDP – Gross Domestic Product

SWOT – Strenghts, Weaknesses, Opportunities and Threats

CNN – Cable News Network

E – WOM – Electronic Word of Mouth

CPI – Consumer Price Index

NATO - North Atlantic Treaty Organization

SSS – Sun, Sand and Sea

SPSS - Statistical Package for the Social Sciences

UGC – User Generated Content

CTI - Climate Index for Tourism

1. Introduction

1.1. Relevance of the topic

Tourism is the only industry sector in Croatia that realizes growth during the economic crisis. 7 % of country's employees work in tourism and foreign exchange income from tourism is 18% in total country's GDP. (World Tourism Organization UNWTO, 2018)

Croatia is becoming a hit touristic destination due to many of her natural beauty, historic significance, good weather and because of one very important point nowadays; security and safeness. In 2016, as compared to 2015, arrivals increased by 8.7% and nights by 9.0% in tourist accommodation establishments in the Republic of Croatia (Brozović & Perko, 2017)

A great interest in visiting Croatia has been recorded among younger generation. Being surrounded with lots of different types of information on a daily basis, on multiple channels, as Millennials nowadays are, I was wondering what triggered their interest to visit Croatia. Millennials belong to an age group of 18 to 35 (dictionary.cambrige.org, n.d.), but definition of Millennials extends beyond age group restriction. We can easily define them as being tech-savvy, price sensitive consumers who place their trust in their peer and experts over brands. They look for tailored and personalized brand experiences. (Padveen, 2017) The reason why I chose this particular age group is that the targeted group is interesting, there haven't been any research focused exclusively on this group type related to Croatia tourism and yet there have been significant growth in visits in the last couple of years. (Brozović & Perko, 2017)

From the point of view of a tourist board of specific destination it is harder and harder to keep the travelers in their country or a region because customers always want something new, they always want to try some new places to eat, see some new monuments or experience something unforgettable. (Biesiada, 2018) The country needs to have precise, structured, and planned marketing strategy to attract new visitors and keep existing ones. But there have been a clear empirical gap and lack of literature that examines the main motivators for this particular age group that have suffered a total shift in mentality with the ever-evolving access to Internet and phone technologies that allows the reach of more options and fast changes; tourists don't want to buy the tourism product, but they want the whole experience that goes beyond anything they've seen before. (Fromm, 2018)

This Thesis is going to take the form of dissertation because this type allows more in-depth investigation of the given topic which will show better perspective of the situation analysis of Croatia as a touristic destination. Thesis will provide and test drivers which can help Croatia to attract more travelers off season and to all parts of Croatia. Also, this thesis will show how to create clear marketing strategy of a country for most important types of tourism and show description of targeted tourists and ways to attract them and at the end keep them.

This research is going to analyze factors that influence attractiveness of a destination and apply it to specific destination – Croatia. It will also study past experiences of consumers as mediators. This leads us to the main research question which is:

What are the drivers that correlate with the perception of attractiveness of Croatia as a travel destination among the Millennials?

Consequently, the objectives of this thesis are:

• Explore which drivers/factors are important to the targeted population

• Test and analyze the drivers which correlate with attractiveness of Croatia as a travel destination

• Test if the social media presence of Croatian tourist board correlates with engagement of consumers among the targeted population

1.2. Structure of the thesis

This thesis is divided in 4 cohesive parts that build upon each other. The first part will provide all the relevant literature review with definitions and explanation of all the topics that this thesis covers to better understand all the terms and concepts used in the situation analysis as well as in the research and development of the new strategies. In this part definitions of tourism, tourist and tourist product were provided as well as deeper analysis of tourist behavior to better understand what drives the tourist and what types of tourist we've had so far within the research done by Plog and Cohen. With evolution of internet and social media new type of tourist has been developed – Poon first calls them „new tourists' in the book Tourism, technology and competitive strategies (1993.). These new travelers are increasingly being seen to be environmentally sensitive, displaying respect for the culture of host nations and looking to experience and learn rather than merely stand back and gaze. For that reason, this thesis will also look into how the internet and social media influences their decision of choosing traveling destination as well as what drives them and motivates them.

In the next part of this thesis the situation analysis of Croatia as a tourist destination will be provided. Since most of the readers of this thesis are not quite familiar with Croatian geography, economy and statistics I presented it in this work so it is easier to understand some suggestions and proposals I made for strategy development of Croatian tourism. Next, I have collected some tourism statistical data, mostly within the THOMAS research developed by Croatian Institute for Tourism, as well as provided a profile of Croatian tourist and description of Croatian tourist products. I concluded this part with SWOT analysis of Croatia as a tourist destination.

Third part of this thesis is mainly primary research. First, I decided to do an interview with Zrinka Marusic. Interview was divided into 3 different categories: safety, tourist products and social media and story sharing. Each category has 3 to 5 questions regarding that specific topic in Croatia. The questions were based on the Thomas market research and were also inquiring the future of Croatia as a tourist destination based on the knowledge and experience of Zrinka and her colleagues. Then, based on the mentioned interview and the secondary research I have developed a survey to question motivators and decision makers nowadays when it comes to choosing a next travel destination. My targeted population for this study were younger adults of age 18 – 35, from different parts of world that have already visited Croatia or are interested in visiting Croatia. This survey has 150 respondents and has guided me a lot on developing the strategies for Croatian tourism, which brings us to the fourth and final part of this thesis.

At the end of this thesis I also give some suggestions and guidelines for more structured development of Croatian tourism. Croatian tourism is developing rapidly with more and more newcomers each year. Sometimes it feels like our representatives and experts are not changing the structure and organization of Croatian product with the flow of growth and with the new trends. With the lack of research on how the new trends are influencing decisions of the tourists and constant evolving Croatian tourism I find this topic really interesting to research.

2. Literature review

In the next chapter my focus will be directed on defining relevant concepts for the topic. This part will provide deeper explanation of the term tourism and forms of tourism provided by The Department of Economic and Social Affairs of the United Nations. Also, to better understand the noted hypothesis of this thesis it is necessary to provide detailed clarification of term tourist and their motivation. 2 models are presented in this part one by Plog and one by Cohen. Plog classifies tourists on the type of holiday they choose, whereas, Cohen classifies tourists into four types, based on the degree to which they seek familiarity and novelty.

2.1. Tourism

Tourism has been defined as travel by people away from their residential environment for less than a year for leisure, business, religious, medical, or family reasons. They may be visiting a particular destination for sightseeing, meeting friends or relatives, or simply taking a vacation. (International Recommendations for Tourism Statistics, 2008)

UNWTO defines tourism sector as "the cluster of production units in different industries that provide consumption goods and services demanded by visitors. Such industries are called tourism industries because visitor acquisition represents such a significant share of their supply that, in the absence of visitors, their production of these would cease to exist in meaningful quantity" (UNWTO Glossary terms, n.d.)

In relation to the country of reference 3 forms of tourism can be defined (International Recommendations for Tourism Statistics, 2008)

1. Domestic - which comprises the activities of a resident visitor within the country of reference either as part of a domestic tourism trip or part of an outbound tourism trip

2. Inbound – which comprises the activities of a non-resident visitor within the country of reference on an inbound tourism trip

3. Outbound - which comprises the activities of a resident visitor outside the country of reference, either as part of an outbound tourism trip or as part of a domestic tourism trip

These three basic types of tourism set forth above can be combined in various ways to derive other forms of tourism (International Recommendations for Tourism Statistics, 2008)

1. Internal - which comprises domestic tourism and inbound tourism, that is, the activities of resident and non-resident visitors within the country of reference as part of domestic or international tourism trips

2. National - which comprises domestic tourism and outbound tourism, that is, the activities of resident visitors within and outside the country of reference, either as part of domestic or outbound tourism trips

3. International - which comprises inbound tourism and outbound tourism, that is, the activities of resident visitors outside the country of reference, either as part of domestic or outbound tourism trips and the activities of non-resident visitors within the country of reference on inbound tourism trips.

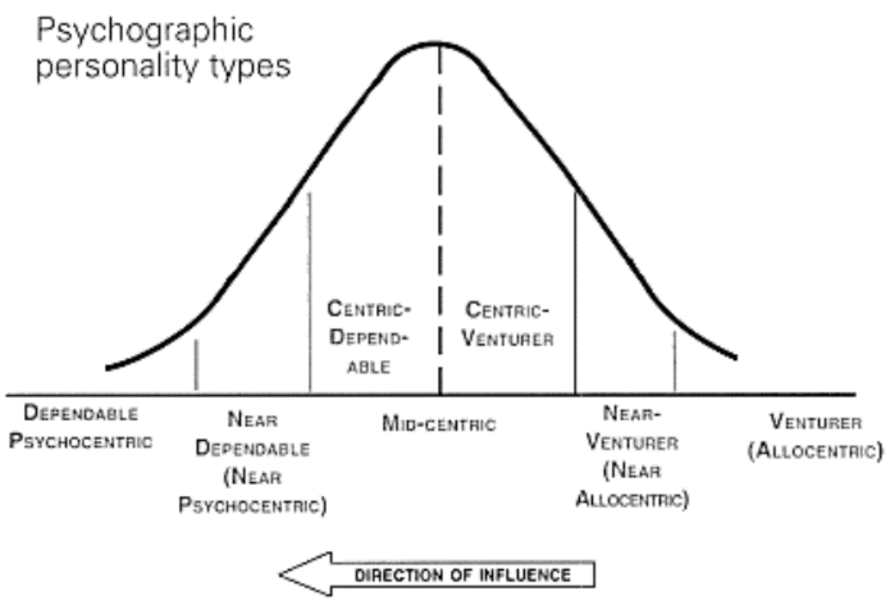
2.2. Tourist behavior

Now that different definitions of tourism have been provided let's focus on the "tourist". Tourist, or often called visitor, is traveler taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited. These trips taken by visitors qualify as tourism trips. (UNWTO, 2008)

Tourist in this scenario is a consumer of touristic goods, and related to that tourists have different characteristics we must take in mind to attract them. (Department of Economic and Social Affairs, 2010) Target consumers have a large impact on a company's marketing and advertising plans. When companies design campaigns with messages to be conveyed in advertisements, they compose them specifically around the target consumer attributes. (Kotler & Keller, 2012) It is the same with touristic destinations. When developing and portraying advertising and communication they need to have their targeted tourists in mind. Touristic products and communication channels and message need to contain the attributes their customers - tourists desire. While keeping this criteria in mind we have to understand our targeted tourists and identify some of their specific attributes like: demographics, education level, lifestyles, routines, purchasing power, unmet desires, how they want to use the product aka what type of tourism attract them. As a marketer and as a destination, understanding the attributes of your target consumer can provide many benefits.

When the attributes of your target are defined, you have the ability to communicate in a manner they will grasp. Once the targeted tourist is defined, destinations have to figure out what is their motivation. The tourist motivation model proposed by Stanley Plog has been one of the widely cited. Plog classifies tourists on the type of holiday they choose, mainly due to the location (Plog, 2001). Plog proposes 3 types of tourists based on his research: Allocentircs, Psychocentrics and Midcentrics as seen in Picture 1.

Allocentric (The Venturers) is a tourist who seeks new experiences and adventure in a wide range of activities. This person is outgoing and self-confident in behavior. An allocentric person prefers to fly and to explore new and unusual areas before others do so. Allocentrics enjoy meeting people from foreign or different cultures. They prefer good hotels and food, but not necessarily modern or chain-type hotels. For a tour package, an allocentric would like to have the basics such as transportation and hotels, but not be committed to a structured itinerary. They would rather have the freedom to explore an area, make their own arrangements and choose a variety of activities and tourist attractions. (Plog, 1974)



Picture 1. Plog's psychographic personality types

Psychocentric (The Dependables) tourist is usually non-adventuresome. They prefer to return to familiar travel destinations where they can relax and know what types of food and activity to expect. Such tourists prefer to drive to destinations, stay in typical accommodations, and eat at family-type restaurants. Midcentric (Combination) category of tourists covers the ones who swing between the above said two types. (Plog, 1974).

This personality scale helps to explain why destinations rise and fall in popularity. In particular tourists' characteristics determine their travel patterns and preferences.

However, his model must be considered and applied within its limitations. In the current research, the model conclusively failed as a predictor of travel behavior. However, it equally conclusively helped us to understand people's travel aspirations. As such, tourism marketers, those most likely to rely upon Plog's model, must be careful in its application to ensure that they are measuring the correct dimension, i.e. travel attitude rather than travel behavior. (Litvin, 2006)

Besides Plog, other tourism researchers have tried to explain tourist recreational behavior by developing typologies of tourist roles. Cohen, a sociologist of tourism, classifies tourists into four types, based on the degree to which they seek familiarity and novelty: the drifter, the explorer, the individual mass tourist, and the organized mass tourist. (Cohen, 1979) Table 1 depicts the characteristics of these four types.

Type	Familiarity	Novelty	Others
The Drifter	Lowest	Highest	Highly adventures; lives within local community
The Explorer	Lower	Higher	Travels alone; seek comfortable accommodations and reliable transportation
The Individual Mass Tourist	Higher	Lower	Not bound to a group; somewhat controlled time and itinerary
The Organized Mass Tourist	Highest	Lowest	Follows a tour guide; follows an itinerary fixed in advance

Table 1 Cohen's Model of Typologies of Tourists. *Source: Toward A Sociology of International Tourism by Erik Cohen*

In 1993., British Consultancy of Futurology, Henley Centre has developed model of holiday taking and divided the tourists into four phases. The model is built on empirical observation that as people become more affluent they tend to ravel more and that the experience of travel is cumulative. The more leisure travel people take the more they tend to want to do. They also tend to be more adventurous and confident as their level of affluence and travel experiences increases. (Pizam & Mansfeld, 1999)

Phase I- Bubble Travelers − They do not have much money as well as knowledge. They prefer packaged tours. They long to observe different cultures without being a part of it. They travel mostly out of curiosity.

Phase II- Idealized Experience Seekers − They are confident tourists with the experience of foreign tours. They are flexible and comfortable. They prefer tour offers made for individuals.

Phase III- Seasoned Travelers − These tourists are more affluent than the idealized-experience seekers. They are more confident to experiment and experience different places and environments. They are more adventurous and prefer individualistic tours.

Phase IV- Complete Immersers − These tourists have an intention of immersing completely into the foreign culture, heritage, culinary experience, and language. Their holidaying is well-planned but not well-structured.

All these theories and models help marketers understand what motivates tourists in their decision process of a destination and what influences it. However, they should not take it as a rule but as a starting point of further research and comprehension.

There are many factors that influences decision making process of a tourist like prices, reputation, weather, culture, history, diversity, etc. Nowadays, due to a lot of terrorist attacks one of the most important factors is safety. (CNN Travel staff, 2017) For more than two-thirds of global respondents' safety and security is of greatest concern when choosing an international travel destination. (CNN Travel staff, 2017) In this research I wanted to test the perception of Croatia as a touristic destination. Many people still connect Croatia with Yugoslavia and war zone and have their own perception of Croatia before coming to visit the destination. Both perceived risk and perceived safety are major influences that may affect individuals' considerations, as prospective tourists tend to avoid risky situations and to visit destinations that they perceive to be safe. (Liu, Schroeder, & Pennington - Gray, 2016)

H1a: Perception of safety of Croatia as a destination positively relates to perception of attractiveness of Croatia

2.3. Marketing communications strategy

Marketing communication has been considered as saying the rights things to the right people in the right ways. (Delozier, 1976) An integrated marketing communication approach dictates that all forms of organizational communication should adhere to and reflect the corporate or organizational goals and values. Therefore, not all the forms of communication should be necessarily directed towards potential customers. (McCabe, 2009)

To be more successful in communication strategy one must understand the main motivators. Travel motivation is regularly examined by motivation's theory based on push and pull factors. (Mohammad, M., & Mat Som, 2010) The concept of push and pull factors involves the theory that people travel because they are pushed by their own internal forces and pulled by the external forces of destination attributes. Moreover, the push factors are internal and instill a desire for people to want to travel, whereas the pull factors are external and affect where to go based on destination attributes. Looking to the factors identified as push attributes, Marzuki's study revealed that the needs for novelty and knowledge seeking were among important motives that trigger the need to travel. (Yousefi & Marzuki, 2015.)

Navrátil, Pícha and Navrátilová in their study of satisfaction with visit to natural attraction discovered that pull motivation leads to perceived quality, which leads to perceived value, which at the end leads to satisfaction. In addition, it also indicated the on-site experience as significant mediation element in causal path between perceived quality and perceived value: perceived quality leads to on-site experience, which leads to perceived value, which at the end leads to satisfaction. (Navrátil, Pícha, & Navrátilová, 2012)

The results of their study also confirmed the importance of pull motivations to overall satisfaction by being an antecedent of perceived quality. However, the linkage of push motives on the causal chain of predictors of satisfaction was not supported. A very important factor in the final satisfaction of tourists is their initial pull motivation. The research confirmed that the most important motivators are 'pleasant environment' and 'interesting landscapes'. (Navrátil, Pícha, & Navrátilová, 2012)

In the tourism context two main choices exist. The former is to adopt an intensive, selective or exclusive distribution strategy regarding outlets types and numbers, while the second is to adopt push and pull strategy. The latter choice is that which is fundamental to all tourism-related organizations. (Fyall & Garrod, 2005) The distinction between the two is that the push strategy focuses on distribution outlets, urging them to sell to the tourist, while a pull strategy is directed at generating tourism demand, which is then sucked through the appropriate distribution outlets. (Fyall & Garrod, 2005)

For a successful concept of integrated communication, the key is the integration of all communication activities (from marketing and public relations) and the integration of the target audience of the organization into its activities. To be able to do so, it is necessary to apply a strategic approach. Such an approach creates the prerequisites for synergy, which is the central phenomenon of successful integrated communications. (Holy, 2016) The main difference between push and pull communication is in the approach to the consumers or targeted population. In push communication the idea is to promote products that are "pushed" towards consumers. Pull strategy works to build long-term relationships with consumers and loyalty to organization or product. Social networks have revolutionized the communications market and changed the communication process from traditional push strategies to user pull strategies. (Holy, 2016)

Push and pull strategies relate to directional thrust of the communication through the marketing channel, directly targeting end-users by either *pulling* them towards contact with the organization or *pushing* the communication towards intermediaries, such as destination marketing partnerships, tourist information centers, travel agents and tour operators. (McCabe, 2009)

In the case study of Dubrovnik on creating holistic marketing of the cultural heritage tourism destination by Deša Karamehmedović it is discovered that the most important push factor, for the population with high degree of education, between 20-29, is education about culture, history, the heritage. The most important pull factor is the built heritage and it is much more important than entertainment. (Karamehmedović, 2018)

Climate and weather are important factors in tourists' decision making and also influence the successful operation of tourism businesses. (Becken & Wilson, The impacts of weather on tourist travel, 2013) Weather also influences how enjoyable an experience is and therefore tourists' satisfaction is likely to be at least partly weather dependent. (Becken & Wilson, The impacts of weather on tourist travel, 2013) Besides climatic conditions at tourist destinations, the climate in tourists' home countries was also found to be very important. Unfavorable climate or poor weather conditions, either in the year of travel or the previous year, can act as a push factor for tourists to travel to warmer and drier locations. Weather conditions experienced by tourists at the destination are important for many reasons. Foremost, weather allows for an activity to be undertaken, or likewise may act as an inhibitor to participation. (Becken, The importance of climate and weather for tourism, 2010)

In order to measure the climate suitability for tourism activities De Freitas came up with the new Climate Index for Tourism (CTI). They include thermal, aesthetic and physical aspects of weather regarding beach tourism. (De Freitas, 2001) The thermal component describes how comfortable the tourist feels. The physical dimension relates to non-temperature climatic conditions such as wind and rain and is important to assess whether a certain activity is possible or not. The aesthetic aspect describes a psychological perspective as the tourist enjoys certain climatic conditions, for example the light or formation of clouds as seen in Table 2. (Becken, The importance of climate and weather for tourism, 2010)

H1b: Good climate conditions of Croatia is positively related to perception of attractiveness of Croatia

Facet of climate	***Impact on tourists***
Aesthetic	
Sunshine/cloudiness	*Enjoyment, attractiveness of site*
Visibility	*Enjoyment, attractiveness of site*
Day lenght	*Hours of daylight availabl*
Physical	
Wind	*Blown belongings, sand, dust, etc*
Rain	*Wetting, reduced visibility*
Snow	*Participation in activities*
Ice	*Personal injury, damage to property*
Air quality	*Health, physical well-being, allergies*
Ultraviolent radiation	*Health, suntan, sunburn*
Thermal	
Integrated effects of air temperature wind, olar radiation, humidity, long-wave radiation, metabolic rate	*Environmental stress, heat stress Physiological strain, Hypothermia Potential for therapeutic recuperation*

Table 2 Facets of climate and impact on tourists. Source: Becken and Hay (2007) after De Freitas (2001)

2.4. Tourist products

Tourism product represents a combination of different aspects (characteristics of the places visited, modes of transport, types of accommodation, specific activities at destination, etc.) around a specific center of interest, such as nature tours, life on farms, visits to historical and cultural sites, visits to a particular city, the practice of specific sports, the beach, etc. (Williams, 2004) This notion of “tourism product” is not related to the concept of “product” used in economic statistics, but rather to that used by professionals in the tourism business to market specific packages or destinations. (UNWTO and the United Nations Statistics Division, 2008)

A tourism product can be defined as the sum of the physical and psychological satisfaction it provides to tourists during their travelling en route to the destination. (Reily, 1988) The tourist product focuses on facilities and services designed to meet the needs of the tourist. It can be seen as a composite product, as the sum total of a country’s tourist attractions, transport, and accommodation and of entertainment which result in customer satisfaction. (Williams, 2004) Each of the components of a tourist product is supplied by individual providers of services like hotel companies, airlines, travel agencies, etc. The tourist product can be analyzed in terms of its attraction, accessibility and accommodation. (Reily, 1988)

Tourism products are mainly service products or services which have several characteristics: intangible, psychological, highly perishable, composite product, unstable demand, heterogeneous, risky, marketable. (Introduction to Tourism Products)

The classification is increasingly requested and used by tourism stakeholders as a marketing tool. Because these “products” are still not sufficiently characterized in a uniform way, there is no international recommendation for the use of this type of classification of “tourism products”, such as culinary tourism, ecotourism, city tourism, sun-and-sand tourism, agro-tourism, health tourism, winter tourism, etc. (Williams, 2004)

Still, looking from the perspective of a marketeer examples of tourism products, which is a combination of tangible and intangible products, can be a thing, an event, or a place which motivates the tourists towards it. There are different ways in which the tourist products can be classified: (Williams, 2004)

1. Natural Tourism products (natural environment, climate, landscapes, wildlife etc.)
2. Manmade Tourism products (culture, heritage, historical buildings, religious institutions, traditions, entertainment, business)
3. Symbiotic Tourism Products
4. Event Based Tourism Products
5. Site Based Tourism Products
6. Other Tourism products (Health tourism, Eco tourism, Rural tourism, Ethnic Tourism, Senior citizen, Golf Tourism etc.)

2.5. New travelers

The emergence of new internet-based technologies, communication channels and media, changed lifestyle, more leisure time and purchase power of the new customers thanks to low tariff flights and more affordable lodging have led too new breed of a tourism customer. The new consumers of touristic product and services are more informed, independent, more individualistic, and more involved. (Poon, 1993) The "new travelers" have almost no boundaries. Speed, money or borders do not limit them. New travelers expect best products and services for their money, and they examine every decision based on the reviews of other customers. (Kozak & Decrop, 2009)

H1c: Perception of good airlines connections positively relates to the perception of attractiveness of Croatia as a destination

Also, after the use they leave their insights for others to come. They are active and involved in every step of the decision-making process. They are impowered by Internet which provides them with easy and cheap access to various information sources and extended communities. (Williams, 2004) In contrast to many consumer goods and services, the consumption of travel experiences involves often extensive pre- and post-consumption stages in addition to the actual trip, which itself can spread over several weeks or months. These stages of the tourism consumption process are typically information intensive. (Gretzel, Fesenmaier, & O'Leary, 2006)

Internet technologies are used in the pre-consumption phase to obtain the information necessary for planning trips, to formulate correct expectations, to evaluate, compare, and select alternatives, and to communicate with the providers of tourism products and services in order to prepare or execute transactions. (Buhalis & Costa, 2006)

In contrast, the functions served by these technologies during the actual consumption of tourism experiences are more related to being connected and obtaining detailed information relevant to a specific place and moment in time. During the post-consumption phase, Internet technologies are used in ways that allow for sharing, documenting and reliving tourism experiences through storytelling, as well as establishing close relationships with the places, attractions, or product/service. (Gretzel, Fesenmaier, & O'Leary, 2006)

Word of mouth communication refers to the exchange of information between traditional offline interpersonal information sources such as friends, family and acquaintances about products, services and companies. (Buttle, 1998) It is also known as an oral form of interpersonal non-commercial communication among acquaintances. (Arndt, 1967)

Nowadays, platform for sharing has shifted from one where individuals meet primarily face-to-face to one where people meet online using technology. Hennig-Thurau defines online Word of Mouth (e-WOM) as being any positive or negative statement made by potential, actual, or former customers about the product or company which is made available to a multitude of people and institutions via the internet. (Henning-Thurau, Gwinner, Walsh, & Gremler, 2004)

While as consumers are increasingly using the Internet and social media tools such as Facebook, Twitter, Blog, Flickr, and so on, more and more consumers use Web 2.0 tools such as online discussion forums, consumer review sites, weblogs, and social network sites to exchange product information. (Henning-Thurau, Gwinner, Walsh, & Gremler, 2004) Online Word of Mouth can provide the opportunity to consumers to read other consumers' consumption opinions and experiences as well as write contributions by themselves. (Tseng , Kuo, & Chen, 2013) In fact, e-WOM was found to play a very important role on purchase intentions. Furthermore, positive e-WOM is positively related to purchase intentions and has a greater effect on purchase intentions than ads. (Tseng , Kuo, & Chen, 2013)

H1d: Positive e-WOM is related with perception of attractiveness of Croatia as a destination

Although there is little or none research regarding social media involvement and its' relation with destination attractiveness and online travel purchasing, several studies did find that consumers' involvement with online travel shopping was positively related to online travel purchasing (Kamarulzaman, 2007)

H1e: Greater social media activity of a destination positively relates with perception of attractiveness of Croatia

H2: Social media engagement of consumers is dependent on social media activity of Croatia as a destination

3. Research context - Tourism in Croatia

This part of the thesis will provide all the information about Croatia and situation analysis of Croatian tourism based on secondary data. The basic sources for this part were web pages of Croatian economic chamber, Croatian Bureau of Statistics, Croatian Ministry of Tourism, and Croatian institute of statistics with numerous reports and articles provided. This part will give a reader broader perspective on Croatian tourism as well as serve as a starting point to notice several issues regarding strategies of Croatian Tourist Board for the future goals and efforts.

3.1. Croatia in numbers

Croatia (official name: Republic of Croatia) is geographically positioned at the crossroad of Central and Southeast Europe, on the Adriatic Sea. Its capital city is Zagreb, which forms one of the country's primary subdivisions and is also political, administrative, economic and cultural center, along with its twenty counties. Croatia is bordering Hungary to the northeast, Serbia to the east, Montenegro and Bosnia and Herzegovina to the southeast, Italy with the Adriatic Sea to the southwest and Slovenia to the northwest.

Part of the territory in the extreme south surrounding Dubrovnik is a practical exclave connected to the rest of the mainland by territorial waters, but separated on land by a short coastline strip belonging to Bosnia and Herzegovina around city of Neum.

The territory covers 88 073 square kilometers, consisting of 56 594 square kilometers of land and 31 479 square kilometers of water. It is the 127th largest country in the world. (Gulić, 2017)

Table 3 shows the basic statistical data to better understand the territory and economic statistics about Republic of Croatia.

CROATIA IN NUMBERS	
Land area km2	56 594
Population, 2016 mid-year estimate	4 174 349
Population density per km^2	73,8
City of Zagreb, population, 2016 mid-year estimate	802 338
Official language	Croatian
National currency	kuna
Territorial constitution, as on 31 December 2016	
Counties	21
Towns	128
Municipalities	428
Settlements	6 771
Streets	52 858
House numbers	1 613 750

Table 3 Croatia in numbers, Source: Croatian Bureau of Statistics

The coastline of 6278 km consists of 1185 islands, islets, rocks, and numerous coves, coves, bays and two peninsulas, Pelješac and Istria. 48 of islands are permanently inhabited. (croatia.eu, 2017) The largest islands are Cres and Krk, each of them having an area of around 405 square kilometers. Croatia is situated in the moderate climate of the North Pole of the Earth. (croatia.eu, 2017)

Most of Croatia has a moderately warm and rainy continental climate as defined by the Köppen climate classification. Due to this position, climate conditions are favorable and moderate without any temperature extremes. (Meteo.hr, 2016)

The economy of Croatia is a service-based economy with the tertiary sector accounting for 70% of total gross domestic product (GDP). (Dalić, 2017) After the collapse of socialism, Croatia went through a process of transition to a market-based economy in the 1990s, but its economy suffered badly during the Croatian War of Independence. After the war the economy began to improve, before the financial crisis of 2007–08 the Croatian economy grew at 4-5% annually, incomes doubled, and economic and social opportunities dramatically improved. (Dalić, 2017)

The industrial sector with exports of over €10 billion annually is dominated by shipbuilding which accounts for over 10% of exported goods. (croatia.eu, 2018) Food processing and chemical industry also account for significant portions of industrial output and exports. Industrial sector represents 27% of Croatia's total economic output while agriculture represents 6%. Industrial sector is responsible for 25% of Croatia's GDP, with agriculture, forestry and fishing accounting for the remaining 5% of Croatian GDP. (croatia.eu, 2018)

The next table (Table 4) provides main economic indicators of Croatia for the year 2016 such as GDP indicator, import and export per capita, CPI, employment rates, etc.

Croatia in numbers 2	
Gross domestic product per capita, 2016, Euros	11 076
Coverage of import by export, 2016, %	62.5
Import per capita, 2016, Euros	4 722
Export per capita, 2016, Euros	2 951
Consumer Price Index, 2016/2015	98.9
Active population, 2016 annual average	1 632 279
Total persons in employment, 2016 annual average	1 390 419
Average number of unemployed persons, 2016	241 860
Average monthly gross earning, 2016, Euros	1 043

Table 4 Economic indicators of Croatia. Source: Croatian Ministry of Economy, Entrepreneurship and crafts

Croatia joined the World Trade Organization in 2000, NATO in 2009 and became a member of the European Union on 1 July 2013. Croatian economy was badly affected by the financial crisis which, together with slow progress of economic reforms, resulted in six years of recession and a cumulative decline in GDP of 12,5%. (croatia.eu, 2018)

Tourism is traditionally a notable source of income, particularly during the summer months, but also more recently during the winter months as well, due to an increase in popularity of snow sports such as skiing. With over 14 million tourists annually, tourism generates revenue in excess of €8 billion. (Gulić, 2017) Croatia is ranked among the top 20 most popular tourist destinations in the world, and was voted world's top tourism destination in 2005 by Lonely Planet. (lonelyplanet.com, 2005)

A protected area is a clearly defined geographical space, recognized, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. (iucn.org, 2017) Croatia in such a small geographical space has a lot of natural protected areas.

Due to the geographical position Croatia represents a blend of four different cultural spheres: Western Roman Empire and the Byzantine Empire, as well as of the Central Europe and the Mediterranean culture. Most notably, Croatia has a place in the history of clothing as the origin of the cravat, a precursor of the modern necktie.

3.2. Tourism statistics

Tourism is the only industry sector in Croatia that realizes growth during the economic crisis. 7 % of country's employees work in tourism and foreign exchange income from tourism is 18% in total country's GDP (Croatian Economic Chamber, 2017).

Croatia is becoming a hit touristic destination due to many of her natural beauty, historic significance, good weather and because of one very important point nowadays; security and safeness. In 2016, as compared to 2015, arrivals increased by 8.7% and nights by 9.0% in tourist accommodation establishments in the Republic of Croatia (Brozović & Perko, 2017). Through the last years Croatian tourism has grown rapidly that country's economy has become so dependent on it. As indicated in the Table 5, we can see that Croatia is coming back to its beginnings in the 80's, even doubling the number of tourists in 2015. (Gulić, 2017)

Basic indicators of tourism development								
***numbers in 000**	**1980**	**1985**	**1990**	**1995**	**2000**	**2005**	**2010**	**2015**
Number of beds	692	820	863	609	710	909	910	1.029
Number of tourists	7.929	10.125	8.498	2.438	7.136	9.995	10.604	14.343
Number of overnights	53.600	67.665	52.523	12.885	39.183	51.421	56.416	71.605

Table 5 Basic indicators of tourism development. Source: Tourism in Figures 2017, Croatian Ministry of Tourism

Table 6 shows number of domestic and foreign tourist in 2016 and 2017 year (January to November) as well as number of nights in the same years. As indicated in the table the total number of tourists in 2017 increased for 12,8%. There has been growth in domestic tourists (5,1%) and even more in foreign tourists (13,7%). (Brozović & Perko, 2017) This data shows continuous growth in number of tourists that Croatia is attracting.

	TOURISTS		**NIGHTS**	
	2016	2017	2016	2017
Domestic	1.638.149	1.721.466	5.606.449	5.760.017
Foreign	13.543.308	15.395.565	71.722.473	79.795.132

Table 6 Number of domestic and foreign tourist in 2016 and 2017. Source: Tourist arrivals and nights in 2016, Croatian Bureau of Statistics

Also, when it comes to the numbers of nights spend in Croatia, there has been increase of 10,6%. In the period of January 2017 to November 2017 there has been total 85,5 million nights: 5,7 million domestic and 79,7 million foreign as the table indicates. (Brozović & Perko, 2017)

It seems that, nowadays, both domestic and foreign tourists prefer organizing their own trip than to use specialized agencies to book their holidays, which wasn't the case in the past when Croatia was part of Yugoslavia. Next Table 7 shows the number of individual and organized visits in 2016 and 2017.

	INDIVIDUAL VISITS		**ORGANIZED VISITS**	
	2016 tourists	2017 tourists	2016 tourists	2017 tourists
Domestic	1.064.807	1.159.293	573.342	562.173
Foreign	8.193.656	9.718.134	5.349.652	5.677.431

Table 7 Number of individual and organized visits in 2016 and 2017. Source: Tourist arrivals and nights in 2016, Croatian Bureau of Statistics

However, Croatian tourism is facing huge problems that, hopefully, will be solved soon and they are: strong concentration of tourism in just a few counties and intense seasonality. Two-thirds of tourist nights are realized only in three Adriatic counties: Istarska, Primorsko-goranska and Splitsko-dalmatinska county. The season in Croatia lasts from May to October, but 60% of touristic gains are realized in July and August. Besides from these obvious problems Croatia as a destination is facing other major issues. In the last years the competition is growing rapidly improving the quality of the touristic product, services and trying to differentiate their products. Nowadays it is not possible to influence and improve the attraction of a touristic destination just with the price strategies and promotion. Tourists are more demanding and in need of comfort and effectiveness as well as fun, adventure and unique experiences. The main question of a tourist is not "where to spend their holidays" but now it is "how to spend it", and this means high quality and wide variety of options for the tourists in a given destination. Croatian Tourist Board should work on those problems and put together strategies to solve these issues that are affecting our tourism, but also protect our heritage, culture and environment.

3.3. Tourist

This part will provide information and statistics of the Croatian tourists.

10% of the total number of tourists in Croatia are domestic tourists and 90% Croatian tourists are foreign tourists. Also, 34% of total nights reported are part of organized visit and 66% of total nights are individually planned visits as seen in Chart 1 and Chart 2. (Brozović & Perko, 2017)

According to the Croatian Ministry of Tourism there has been total of 10,8 million of individual visits. (Gulić, 2017) Comparing to the year of 2016 there is noticeable increase of 17,5%. On the other hand, when it comes to organized visits it has been recorded 6,2 million visits which is 5,4% growth comparing to the last year, as shown on Chart 1 and Chart 2. (Brozović & Perko, 2017)

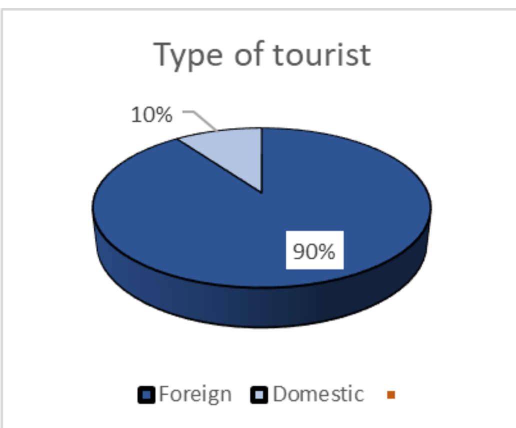


Chart 1 Type of tourist, Source: CBS

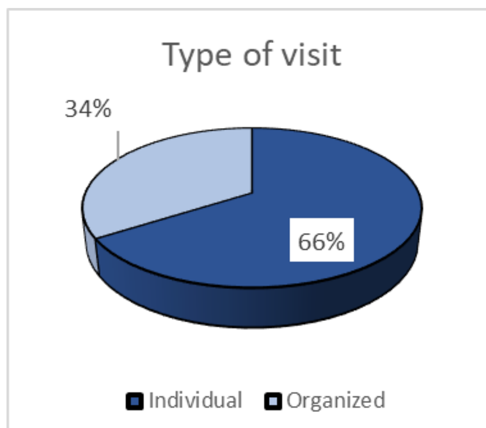


Chart 2 Type of visit. Source: CBS

In the first eleven months of 2017, tourists realized 17.1 million arrivals and 85.6 million nights in commercial accommodation establishments, which is an increase of 13% in arrivals and of 11% in nights, as compared to the same period of 2016. In the period from January to November 2017, domestic tourists realized 1.7 million arrivals and 5.8 million nights, which is an increase of 5% in arrivals and 3% in nights, as compared to the same period of 2016. (Brozović & Perko, 2017)

Foreign tourists realized 15.4 million arrivals and 79.8 million nights, which is an increase of 14% in arrivals and of 11% in nights, as compared to the same period of the previous year. The most foreign tourist nights were realized by tourists from Germany (24%), Slovenia and Austria (9% each), Poland (8%) as well as the Czech Republic and Italy (6% each). The next table (Table 8) shows tourist arrival and nights by age groups. This research is done in November 2017 by Croatian Bureau of Statistics. (Brozović & Perko, 2017)

Age groups	Dolasci *Arrivals*				Noćenja *Nights*			
	muškarci *Men*		žene *Women*		muškarci *Men*		žene *Women*	
	domaći turisti *Domestic tourists*	strani turisti *Foreign tourists*	domaći turisti *Domestic tourists*	strani turisti *Foreign tourists*	domaći turisti *Domestic tourists*	strani turisti *Foreign tourists*	domaći turisti *Domestic tourists*	strani turisti *Foreign tourists*
Total	67 627	105 369	44 893	89 935	131 785	242 044	93 415	195 557
Up to 14 years	4 040	3 820	3 919	3 495	5 667	12 930	5 638	11 522
15 – 24	5 260	6 656	3 733	5 712	12 419	18 725	8 200	15 342
25 – 34	14 072	16 112	9 331	12 511	27 811	38 442	18 203	28 079
35 – 44	17 985	20 824	10 911	13 436	32 655	46 435	19 491	30 196
45 – 54	14 027	22 253	8 767	17 986	25 739	48 072	16 571	35 490
55 – 64	8 909	20 118	5 515	21 555	17 531	41 707	12 769	39 962
65 and over	3 334	15 586	2 717	15 240	9 963	35 733	12 543	34 966

Table 8 Tourist arrivals and nights by age groups. Source: Croatian Bureau of Statistics

As we can see in the Table 9, most significant countries in the structure of foreign tourist overnights are Germany, Austria, Slovenia, Italy, Poland and in the last years these countries have been added to the list: United Kingdom, Czech Republic, Hungary, France and USA. (Gulić, 2017) Tourists from the aforementioned countries make about 78% of foreign tourist nights, with only tourists from Germany, Slovenia and Austria together realize almost 43% of foreign tourist nights.

COUNTRIES	2016 Tourists	2017 Tourists	Share in % 2017
Germany	2.266.368	2.602.994	16,9
Austria	1.216.857	1.306.643	8,5
Slovenia	1.274.338	1.273.546	8,3
Italy	1.094.721	1.083.314	7,0
Poland	756.152	932.778	6,1
United Kingdom	593.629	746.973	4,9
Czech Republic	687.813	740.462	4,8
Hungary	483.428	542.247	3,5
France	492.038	532.434	3,5
USA	332.732	446.376	2,9
Others	6.611.600	7.790.792	50,6
TOTAL	13.543.308	15.395.565	100

Table 9 Most significant countries in the structure of foreign tourist overnights. Source: Croatian Ministry of Tourism

The data from 2017 from the Ministry of Tourism of Croatia shows that 40.4% of tourists stayed in private accommodation with 6.9 million arrivals (20.1% increase) and 40.6 million overnight stays, compared to 14.9% in the same period last year. (Gulić, 2017) Followed by hotels with 5.9 million arrivals (9.4% growth) and 19.2 million overnight stays (6.6% growth). Campsites and campgrounds have chosen 2.8 million tourists, which is 8.5% more than in the same period a year ago and amounted to 19.0 million overnights (growth 9.1%). (Gulić, 2017) This data shows how the Croatian tourists changed, how they most likely choose comfort and space and want to feel like home even on their vacation. That is why there is a constant growth of private accommodation in the last couple of years.

To get a better picture of an average Croatian tourist here are some important information.

Tourist profile		
	Summer 2017	The trend 2014 - 2017
Average age	41 54% between 30 - 49	No changes
Education	38% higher education 35% further education	Noticed growth in tourists with tertiary education
Household income	24% up to 2000€/month 36% between 2000 - 3000€/month 40% above 3000€/month	Significant growth in tourists with higher income

Table 10 Croatian Tourist Profile. Source: Croatian Institute of Tourism

In the past it has been recorded that tourist preferred to travel to Croatia mostly with their families. Over the last couple of years, it is changed and there has been significant decrease of that type of arrangement; from 58% in 2010 to 38% in the year of 2017. (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) Arrangement "Traveling just with a partner" is dominant for the first time in year 2017 which is shown in the Chart 3.

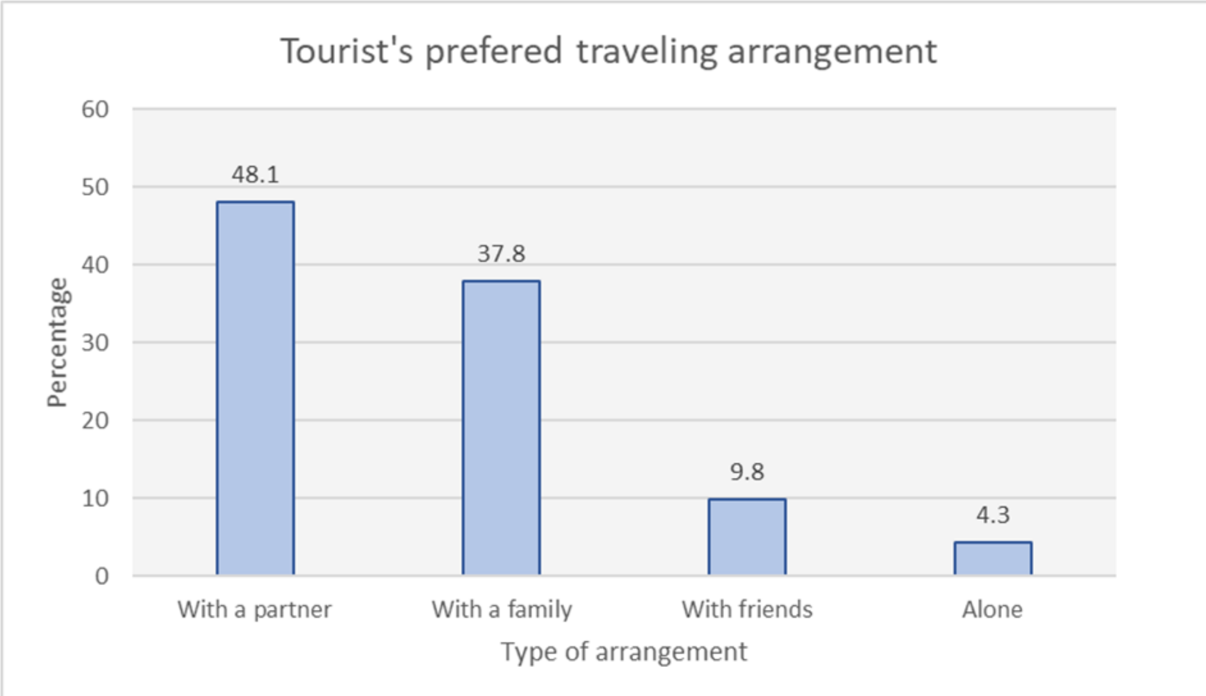


Chart 3 Tourist Preferred traveling arrangement. Source: Croatian Institute of Tourism

One fact that is noticeable in 2017. is that Croatia is getting more attractive to foreign tourists. Many people nowadays have heard of Croatia and its beautiful environment and they want to visit and enjoy it. The data collected by Croatian Institute of Tourism shows that from year 2010 to year 2017 there has been growth of 33% in the "new visitors" share. Also, it has been recorded in the same research that 50% of foreign visitors return to Croatia (3 and more visits). (Marušić, Čorak, & Sever, TOMAS ljeto, 2017)

The results of the survey conducted for 2017 (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) showed visible changes in the attitudes and consumption of tourists in Croatia compared to 2014 when the last survey was conducted. The average daily consumption of tourists is 79 euros per person and per night, which represents a growth of about 19 percent compared to 2014 when it was 66 euros. In the structure of average daily expenditures, 49 percent refers to accommodation, 17 percent for food and beverages outside the accommodation service, and 34 percent for all other services. While housing expenditures increased by around 7 percent, expenditures on all other services increased by 33 percent, hence the importance of external-consumption spending increased. On average, guests from the United States (158 euros), the UK (139 euros), Spain (126 euros), Russia (121 euros) and guests from Scandinavia (119 euros) spent the most on the average.

3.4. New travelers

As mentioned before, today's industry is being shaped by new global imperatives and is adopting new organizational and managerial principles including quality, flexibility, customization, innovation, diagonal integration and environmental soundness. A new tourism is emerging, driven by new consumers, new technologies, new production practices, new management techniques, and changes in the industry's frame conditions. As the terms and conditions have evolved in the world's tourism practices, the changes have been recorded in the Croatian tourism as well.

Most of the tourists still come to Croatia to relax and enjoy themselves in the good weather, 55% of them. (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) But there has been significant decrease of this motivational factor; in 2014, 75% of tourists came for passive vacation and relaxation. Also, Thomas research 2017 (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) has recorded increase of motivational factors related with active vacationing which shows that profile of a Croatian tourist is changing rapidly. The next table shows main motivational factors for vacationing in Croatia.

Motivational factors	**% of tourists**
Passive vacation and relaxation	55%
New experiences	31%
Gastronomy	29%
Landmarks	26%
Fun	24%
Sport and recreation	20%
Cultural heritage and events	12%
VFR	10%
Wellness	8%
Medical tourism	7%
Diving	6%

Table 11 Motivational factor for vacationing in Croatia. Source: Croatian Institute of Tourism

In the next graph it is shown how the internet and media are portraying a huge part of the information sources when it comes to tourism.

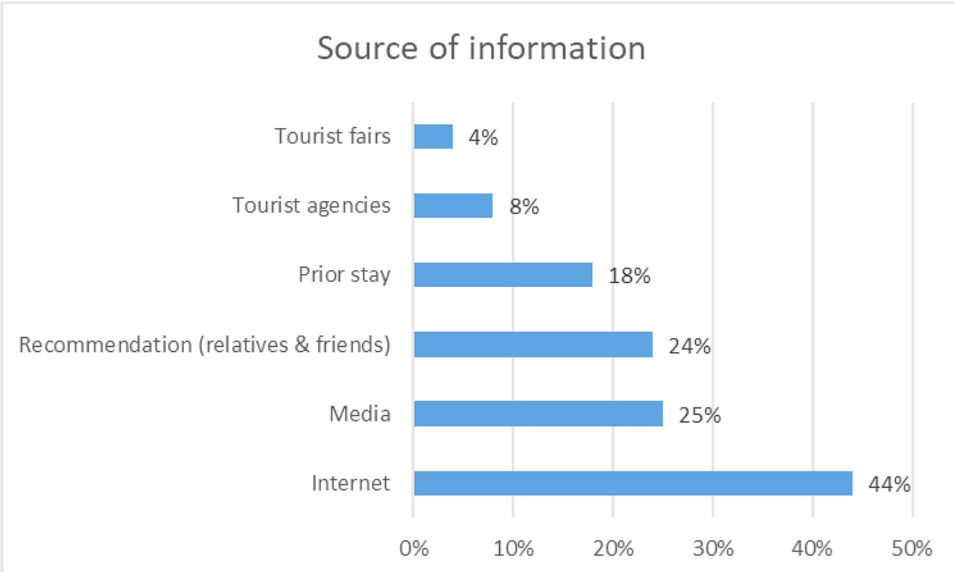


Chart 4 Information sources of Croatian tourist. Source: Croatian Institute of Tourism

From the year of 2014 to 2017 there has been increase of internet and media uses as information sources when researching Croatia as a destination as seen in the next Table 12. (Marušić, Čorak, & Sever, TOMAS ljeto, 2017)

Internet as a source of information		
Social Media (Facebook, Instagram, TripAdvisor...)	67%	(39% in 2014.)
Online tourist agencies (Booking.com, Expedia...)	51%	(34% in 2014.)
Croatian Touristic Board / TB webpages	46%	
Accommodation webpages	44%	

Table 12 Internet as a source of information. Source: Croatian Institute of Tourism

These results show how much the trends in tourism are changing rapidly and how important it is to keep pace with this dynamic in order to maintain a competitive position on the worlds' tourist map. Todays' trends clearly point the importance of continuous monitoring of guest profiles, their spending and satisfaction in order to monitor the effects of their activities, to recognize the potential challenges and to really manage the development of tourism in Croatia.

In the interview with Zrinka Marušić from Croatian Institute of Tourism ‘new’ tourists in Croatia are defined (Marušić, univ.spec.oec., 2018):

- more educated (share of those with a university degree increased from 29% in 2007 to 38% in 2017),
- are coming from households with higher income (share of those with monthly household income of 3 thousand euro or higher increased significantly – from 17% in 2010 to 40% in 2017),
- are expecting active holidays – since 1997 there is a continuous increase in entertainment, new experiences, gastronomy, while passive rest and relaxation are decreasing among tourists’ motives; in 2014-2017 period there was a significant increase in the following motives: sports and recreation (from 6 to 15%), culture (from 7 to 12%), health and wellness (from 6 to 15%), nature (from 20 to 26%),
- are very well informed about the Croatian offer (Internet, including social media, as a source of information increased from 30% to 44% in 2014 – 2017 period),
- are dominantly coming by car, but air arrivals are increasing,
- are staying shorter in destination, but are more frequently travelling along the seaside and changing destinations and accommodation facilities,
- are more satisfied with a majority of elements of tourism offer in destination, and
- are better spenders since the average daily tourist consumption increased for 19% in comparison to 2014.

3.5. Croatian tourist product

Croatia abounds in beautiful natural environment and valuable cultural heritage, which is and should be a strong competitive advantage. However, the advantages mentioned are not enough to meet more demanding “new travelers”. Therefore, with all the natural advantages Croatia's tourist offer must be enriched in terms of the constant innovation of the tourist product as well as the continuous improvement of the quality of all its components and bring it to the level of highly developed tourist countries of the world. (Kombol, 2006) In the future tourist development, the primary objective has to be to create a recognizable and quality tourist product, create its own identity, and destinatory reflection of tourism as the basis of tourism prosperity. (Lu & Nepal, 2009)

Nowadays, type of tourism that dominates in Croatia is SSS (“Sun, Sand and Sea” tourism) but at the end of the last century began the so-called process of diversification of the tourism product. At that time starts a development of new types of tourism in accordance with the increasingly demanding needs of the consumer and with increasingly demanding conditions of the tourism market. (M.Benur & Bramwell, 2015) Croatia is also trying to follow such trends. New types and forms of tourism that appear are (Kušen, 2002):

- Nautical tourism
- Rural tourism
- Gastro tourism
- Sport and recreation tourism
- Health tourism
- Business tourism
- Transit tourism
- Other forms

So far, Croatia has built an image as a destination with clean sea and beautiful coastline, and insufficient attention was given to the tradition and the great historical and cultural heritage that could, and still can, greatly affect the further development of country’s attraction because originality, diversity and the abundance of cultural objects determines the power of spontaneous tourist attractiveness and increases the value of the overall tourist offer of each country and each place.

Little attention is also devoted to the development of the events and experiences as the basic content of a tourist destination. Even thought for many people, tourism, in its essence, is nothing other than the feeling or experience that should be the main reason for tourist arrival.

Today's trends in tourism development are based on a more active, more meaningful and healthier vacation, which means that when deciding on the choice of a particular tourist destination, the overall experience and the conditions of stay in the chosen destination are crucial. Ecology, culture, destination identity, active relationship to vacation and recreation, new forms and offerings, theme parks and health are some of the trends in differentiating tourist interests. (Rudan, 2012)

Namely, tourism enters the period of steady growth of tourist traffic and spending, greater competition among destinations, better knowledge of tourist destinations and travel opportunities, and increased consumer demand in choosing travel and tourism products/services, paying greater attention to the impact of tourism on the economy, cultural development and the environment, as well as technology development, especially computer information and reservation systems.

By defining target market groups, setting goals and selecting strategies, programs and actions that provide the best prerequisites for successful achievement of the set goals, it is possible to tailor the product to the demands of consumers and to ensure better market placement in the market.

3.6. SWOT analysis

In the next table SWOT analysis of Croatia as a tourist destination is provided.

SWOT analysis – Croatian tourism	
Strengths	**Weaknesses**
• Destination attractiveness • Moderate climate and good weather • Ecologically preserved environment • Hospitality of local population • Warm sea • Cultural and historical heritage • Touristic tradition of some cities • Competitive market economy system • Foreign capital attractiveness • Introducing of European standards • Affirmation of family hotels and private accommodation • Entrepreneurial efforts and ambition in creating new touristic products	• Lack of identity • Lack of clear and concise strategy for development • Insufficient general public knowledge about the quality of tourist resources and the richness of cultural • Insufficiently strong marketing • Strong addiction to tour operators • Poor tourist infrastructure • Insufficient diversity of offer • Strong seasonality • Poor traffic connections with Europe and other countries • Poor traffic connections between the coast and the hinterland and the land and islands • Lagging in information technologies • Value for money • Low level of product and service quality • Insufficient variety of prices and expenses
Opportunities	**Threats**
• Further development of tourist demand • Repositioning of Croatian tourism, creating recognizable image • Increasing service quality • Increased interest of individual guests • Processing new markets: Eastern European, US and Far East markets • Turning to responsible forms of tourism (eco-tourism) • Competitiveness of new products	• Strong competition • Geographic market concentration • The consequences of the war • Establishing a single European market for keeping tourist traffic within the boundaries of the Union • Inability to quickly adapt to changing tourist needs • Slow construction of tourism infrastructure due to lack of financial resources • Slow privatization and administration

Table 13 SWOT analysis of Croatia as a tourist destination Source: Authors' work

4. Methodology

This thesis is going to use both qualitative and quantitative method of collecting data, in order to deeply study and analyse the topic and give more suitable recommendations for Croatia as a tourist destination.

The qualitative method took form of an in-debt interview with Zrinka Marušić from the Institute for Tourism of Croatia. The most significant secondary research that was used in this thesis is market research named TOMAS which has been done by Croatian Institute for Tourism since 1987. It includes attitudes and consumption of tourists in Croatian tourist destinations during summer. The head of this market research for the year 2017 was dipl. ing. mat., univ.spec.oec. Zrinka Marušić. Having in mind the data I am trying to collect and test, this fact makes her the perfect match for this interview. In 2009, Zrinka Marušić finished postgraduate program at Faculty of Economics (University of Zagreb) studying Business Economics, majoring in Statistical Methods for Economic Analysis and Forecasting. She has been working for Croatian Institute for Tourism since 1997 and before that she worked for 4 years in Croatian Central Bureau of Statistics (1993. – 1997.). She also spent 2 years (1991. – 1993.) in USA working in Department of Biostatistics, Mayo Clinic and Foundation, Rochester, MN, USA. Her main scientific interests are Tourism research methodology, Methodology of Public Property Valuation, Statistical analysis and forecasting, Organization of data and implementation of data warehouse principles.

The interview was semi-structured to keep some control of the interview, but also allow some flexibility in terms of the interviewee's responses. This will help, both, in situation analysis as well as future plans and goals for Croatian tourism. Interview was divided into 3 different categories: safety, tourist products and social media and storysharing. Each category has 3 to 5 questions regarding that specific topic in Croatia. The questions were based on the Thomas market research and were also inquiring the future of Croatia as a tourist destination based on the knowledge and experience of Zrinka and her colleagues. The interview was done by E-mail and it occurred in August of the year of 2018.

For the quantitative approach, a survey with questionnaire was used to test and prove hypothesis defined and answer the main research question. This questionnaire helped me to determine traveling habits of targeted audience, what influences their choice when coosing travel destination, their perception of Croatia as a tourist destination and what kind of social media contents attract greater audiences.

The survey was made with Google Docs and it had 150 participants. The responses were collected online. Targeted population for this study were younger adults of age from 18 to 35 - Millennials, from different parts of world that have already visited Croatia or are interested in visiting Croatia. As mentioned before, the term Millennials generally refers to the generation of people born between the early 1980s and 1990s. Some people also include children born in the early 2000 dents, who are known as "Millennials," "Generation M" or "Echo Boomers,"were born in or after the year 1992. This group of actually represents 70 or 80 million people, depending on the source which one happens to use, or neeirly 30% of the American population. They are also the most diverse generation to have come along in history—34% of them are minorities. Millennials are the children of the Baby Boomer generation, and some are the offspring of the early wave members of Generation X. Apparently, they learn differently than former students and than their older classmatess. (McGlynn, 2018) The Millennial generation is defined in different ways. For this report, we define Millennials as people now 18 to 34 years old. This age group will be critical to companies across product and service categories, thus this was the targeted population for this rsearch. Another reason is that Millennials represent the consumer market of the future. Furthermore, it is perhaps more important that this generation is transforming consumer marketing itself. Millennials are distinguished from older generations by their spending habits, brand preferences, values, personalities, and general outlook on life. Millennials expect a two-way, mutual relationship with companies and their brands.

Sample for this thesis has attributes of volunteer and convenient sample. Convenient sampling is statistical method of drawing representative data by selecting people because of the ease of their volunteering or selecting units because of their availability or easy access. The advantages of this type of sampling are the availability and the quickness with which data can be gathered. Because of the short deadline for completing the study and restricted accessibility of targeted population, convenience sampling was used and therefore the study may not be sufficiently representative of the entire population.

Sampling Framework

Study setting	All social media users
Unit of analysis	Facebook respondents
Sample size	One hundred fifty (150)
Sample method	Convenient sampling technique

Table 14 Sampling framework. Source: Authors' work

The survey was divided into 2 parts. The first part gathered demographic data of the respondents. In the next part of the survey I questioned the perception of Croatia as a tourist destination, respondents' attitudes and behaviors when it comes to choosing travel destination and the use of social media in tourism. The questions were formed as statements and respondents had to answer how much do they agree with the statement on a Likert scale from 1 to 5, with 1 being "I do not agree at all" and 5 "I totally agree". For the statistical analysis I used SPSS programme and Excel.

Experiences, for millennials, are about identity-creation. With an emphasis on collecting experiences rather than acquiring tangible goods, millennial spending is markedly different than that of older generations at their age, and is a reflection of their aspirations. More than 3 in 4 millennials (78%) would choose to spend money on a desirable experience or event over buying something desirable and 55% of millennials say they're spending more on events and travel than ever before, with no signs of slowing (Poll, 2014)

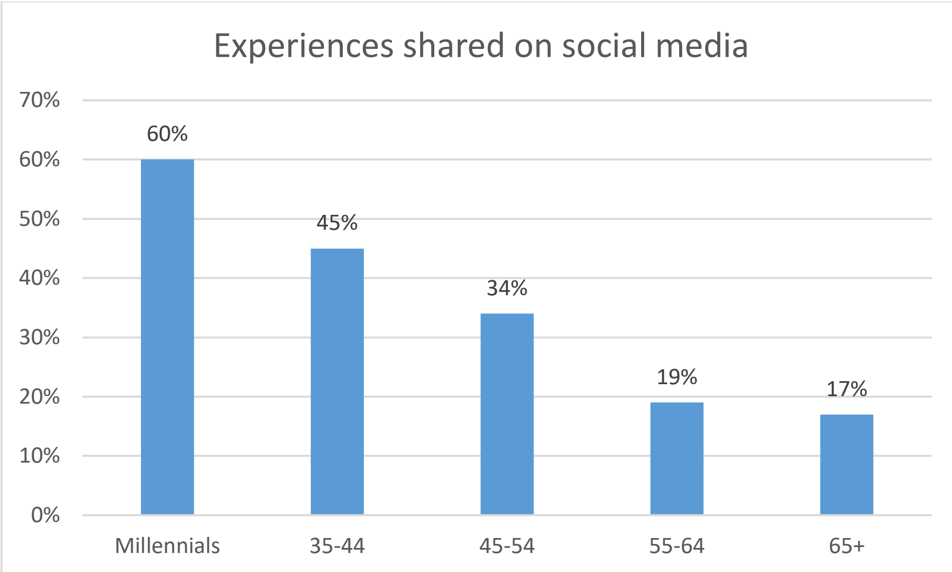


Chart 5 Experiences shared on social media Source: Eventbrite.com

As seen in the Chart 5 the targeted population loves to use the social media to share those experiences. Since the experiences are important when choosing a travel destination among the targeted population based on previous research and studies, I wanted to test their perception of attractiveness of Croatia as a tourist destination when it comes to experiences. This premise will be the basis point of this research.

Croatia has a lot to offer (i.e. events, activities...) as a tourist destination during summer season.

With this rising trend in mind I wanted to research how my targeted population is traveling and who are they traveling with. Also, I wanted to test if Croatia is well conected with other parts of the world, in the eyes of targeted population, as well as their though of an off season period.

I wouldn't travel to Croatia in an off-season period (October - April)

I usually travel with...

It is easy to travel to Croatia by plane.

Climate is an important consideration for tourists’ choice of destination (Lise & Tol, 2001) However, different dominant holiday activities imply different preferences for holiday climates. Younger and richer people do different things during their vacations than do older and poorer tourists. This suggests that preferences for climates at tourist destinations differ among age and income groups. (Lise & Tol, 2001) Since croatian tourism is starting to be massive and at the same time very fragile I wanted to test will the climate changes influence decision of targeted population.

Country's climate conditions influence my choice when choosing traveling destination.

Another driver for attractiveness may be social media, which is becoming more and more important in the tourism business, but their influence on travellers varies significantly depending on what kind of information and opinions they contain.

Other people's content on social media (photos, videos, blog post etc.) influence my decision when choosing next traveling destination.

Overall, we can say that review sites and travel blogs/forums are the most influential social media in terms of influencing travel planning and bookings, especially for destinations and accommodation, while social networks are relatively unimportant In general, about 70% of international travellers say that social media influence their travel decisions. The most-used social media – review sites, blogs and forums – influence in particular the choice of destination (nearly 40%) and accommodation (about 30%) but are less important in terms of the holiday type (about 20%). (Barton, Koslow, & Beauchamp, 2014)

I read and follow travel blogs.

I take into consideration recommendations of my friends and acquaintances when choosing travel destination.

Above mentioned was, also, the reason for questioning opinions of my targeted population on social media and their social media engagement when it comes to Croatian social media efforts.

I follow @CroatiaFullOfLife on Instagram

I am aware of croatian tourist content on social media.

5. Results

One of the most important things for this research was to reach targeted population and get all the information needed from the right people to test our hypothesis. As seen in the Chart 6, more than 93% of our respondents were in the wanted age group from 18 – 35, with 62% of female respondents. Also, more than 84% of respondents have high education level (undergraduate degree, graduate or postgraduate) as seen in the Chart 7 below.

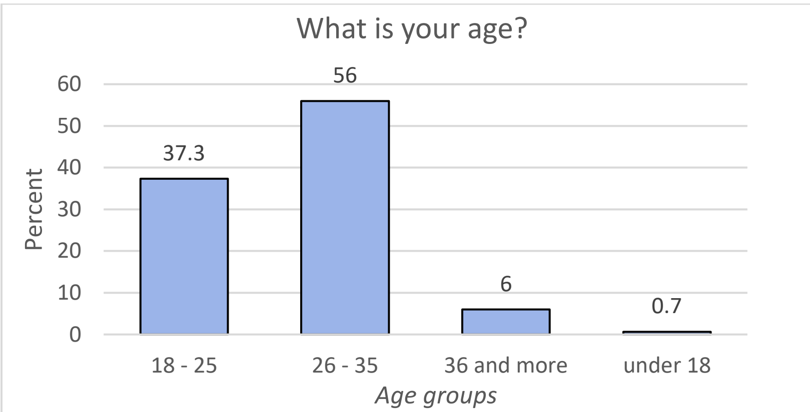


Chart 6 Age groups in percentages. Source: Authors 'work

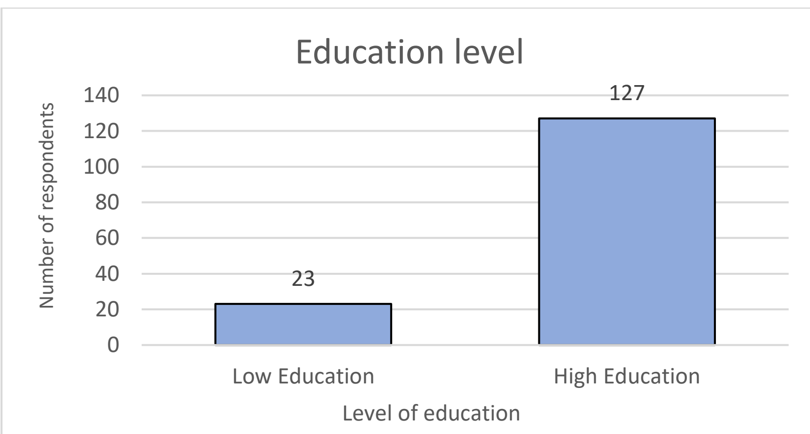


Chart 7 Education level of respondents. Source: Authors 'work

Based on the literature review attractiveness of a destination is evaluated with many dimensions. For this research I chose couple of them, based on literature review, to test if they are important to the targeted populations when deciding on travel destination. Variables for this research are:

- perception of safeness,
- perception of good climate conditions,

- perception of good airlines connections,
- E-word of mouth,
- social media activity of a destination.

To get a better perspective of the research in the Table 15 al the hypothesis and variables used to test the hypothesis are listed.

What are the drivers that relate with the perception of attractiveness of Croatia as a travel destination among the Millennials?		
Independant Variables	Dependant Variable	Hypothesis
Perception of safety	Attractiveness of Croatia as travel a destination	H1a
Climate conditions		H1b
Perception of good airlines connections		H1c
Positive e-WOM		H1d
Social media activity		H1e
Social media activity	Social media engagement	H2

Table 15 List of Hypothesis and variables. Source: Authors' work

5.1. Survey results

In todays world, especially among the *new travelers*, who are very demanding as mentioned before, basic need are implied. If these basic needs or, how I like to call them, deficiency motivators, are not covered or violated in any form the consequences are tragic. Due to terrorist attactks and unsafety of certain destinations I wanted to test how this variable of perception of safety is associated with perceived attractiveness of a destination such as Croatia. Hence the next hypothesis:

H0a: Perception of safety of Croatia as a destination does not relate to perception of attractiveness of Croatia

H1a: Perception of safety of Croatia as a destination positively relates to perception of attractiveness of Croatia

The results of the tested variable perception of safety of Croatia as a tourist destination did not surprise. Almost 90% of respondents strongly agree that Croatia is a safe destination as seen on the Chart 8.

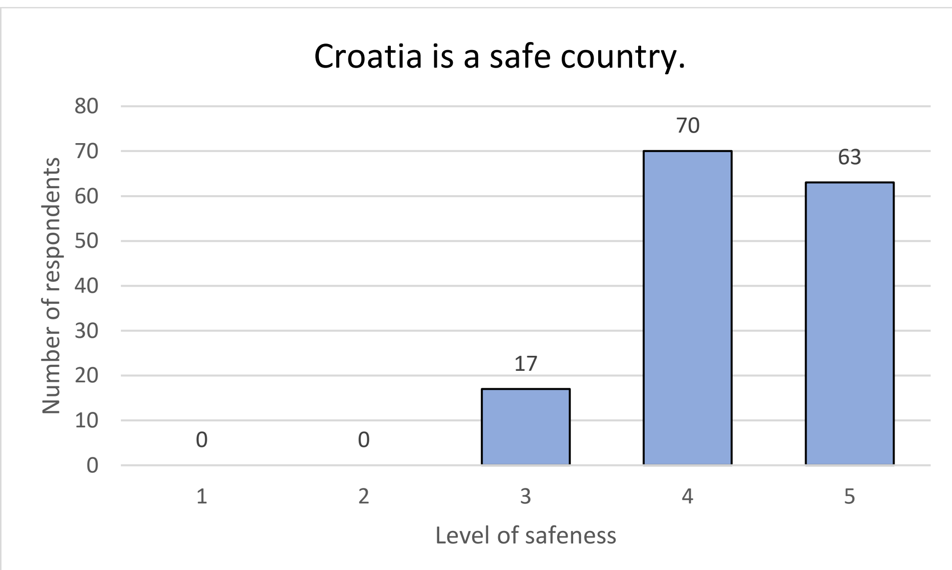


Chart 8 Perception of Safeness of Croatia as a destination. Source: Authors' work

For this analysis I wanted to research weather the perception of safety variable is in association with the perception of attractiveness of Croatia as a tourist destination. In a Chi Square test my assumption was violated because expected cell count less than 5 was more than 20% in the table. Next, in the likelihood ratio significance value was 0.61 > 0.05 which made the conclusion not to reject the null hypothesis. (Table 18, Appendix B)

Also, when we look at the results from the Table 16 we can see from the Cramer's V, measure of association index, that this persumption is not statistically significant and we do not reject the null hypothesis.

		Value	Approximate Significance
Nominal by Nominal	Phi	.148	.915
	Cramer's V	**.105**	**.915**
N of Valid Cases		150	

Table 16 Crosstabulation statistical results. Source: Authors' work

H0a: Perception of safety of Croatia as a destination does not relate to perception of attractiveness of Croatia

H1a: Perception of safety of Croatia as a destination positively relates to perception of attractiveness of Croatia

Next, I wanted to test if among my targeted population climate conditions of a destination associated with perception of attractiveness of a destination. The hypothesis for next testing are:

H0b: Good climate conditions of Croatia is not related to perception of attractiveness of Croatia

H1b: Good climate conditions of Croatia is positively related to perception of attractiveness of Croatia

In the next Chi Square Test my assumption was violated because expected count of cells not less that 5 was more than 20%. The next Cramer's V Test showed that we accept the H1 hypothesis, since the p value is 0.030 which means that for targeted population climate conditions of a destination are related with the perception of attractiveness with the significance level of 97%. The Cramer V interpretation of the measures of asociation is next: 0.10 or less is very low asociation, 0.20 to 0.39 is low, 0.40 to 0.69 is moderate, 0.70 to 0.89 is high asciation and 0.90 to 1 is very high asociation. (David & Sutton, 2004) The association in this assumption is low since the Cramer's V = 0.225 (Table 19, Appendix B)

H0b: Good climate conditions of Croatia are not positively related to perception of attractiveness of Croatia

H1b: Good climate conditions of Croatia are positively related to perception of attractiveness of Croatia

Since more and more tourist come to Croatia by plane and the *new travelers* are more demanding and live fast, I wanted to test whether good airlines connections have any impact on perception of attractiveness of a destination for my targeted population. Thus the hypothesis:

H0c: Perception of good airlines connections does not relate to the perception of attractiveness of Croatia as a destination

H1c: Perception of good airlines connections positively relates to the perception of attractiveness of Croatia as a destination

In the next testing I had to use the Fisher's exact test to deterime if perception of attractiveness is independent and does not relate with good airline connection, because my cell frequencies in this testing were less that 5 and variables were grouped into 2 categories each (Yes and No), so assumptions for Chi square were violated. At significance level of α=5% and Fisher's Exact Sig. = 0.086 we can say that this result is not significant and that we do not reject the null hypothesis F= 0.086 > α = 0.05. (Table 20, Appendix B)

H0c: Perception of good airlines connections does not relate to the perception of attractiveness of Croatia as a destination

H1c: Perception of good airlines connections positively relates to the perception of attractiveness of Croatia as a destination

As mentioned before, among targeted population more people are following and taking into consideration online Word of Mouth. In the Chart 9 we can see that the targeted population is divided when it comes engagement with online recommendations.

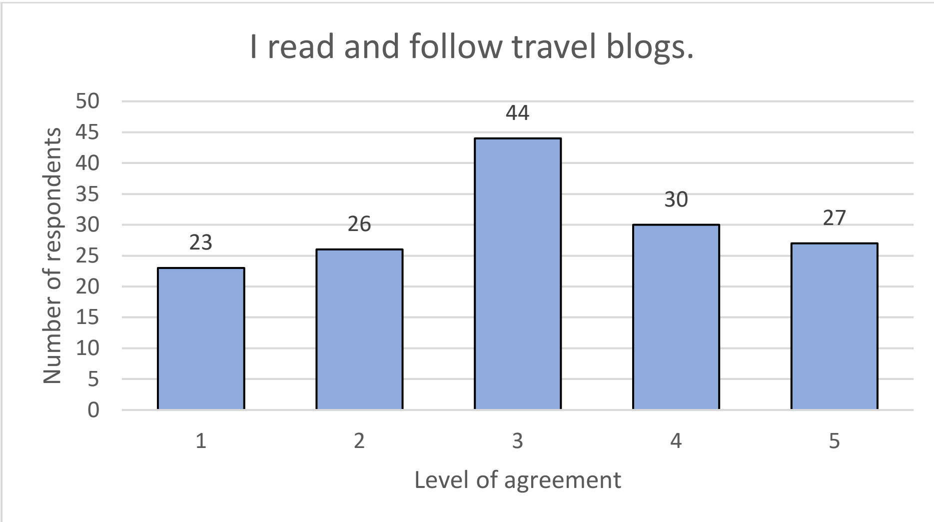


Chart 9 Social media engagement of targeted population. Source: Authors' work

Still, the targeted population - Millennials admitted that they are often influenced with other people social media content when they are choosing next travel destination. As seen in the Chart 10 more than 60% of respondent agree with the statement. Almost 15%% have admitted that other peoples' content totally influences their choice. 15% of respondents do not agree with this statement.

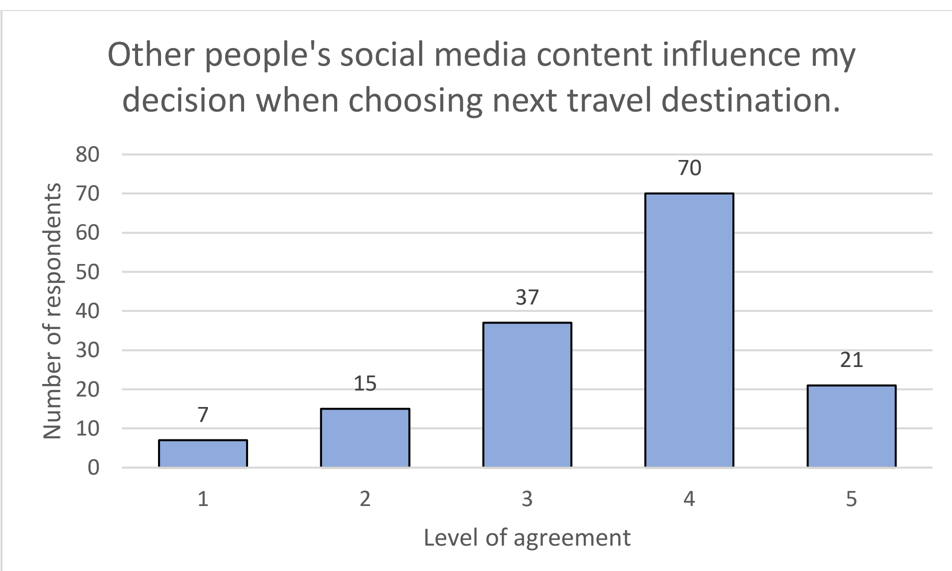


Chart 10 Social media influence Source: Authors' work

In this research I tetsted wether e-WOM is related with perception of attractiveness of a certain destination. In the next test I had to use the Fisher's exact test to deterime the assumption because the count of my cell frequencies in this testing was less that 5, an my variables tested were grouped into 2 categories (Yes and No). At significance level of α=5% and Fisher's Exact Sig. = 1.000 we can say that this association statistically is not significant and that we do not reject the null hypothesis F= 0.086 > α = 0.05.

H0d: Positive e-WOM is not related with perception of attractiveness of Croatia as a destination

H1d: Positive e-WOM is related with perception of attractiveness of Croatia as a destination

This research is also trying to find out how the social media influences tourist choice in travel destination. One of the questions that I was interested in was are the respondents aware of Croatian tourist content on social media. I was surprised with the findings. More than 35% of the respondents who are interested in Croatia as tourist destination are not aware of social media content. Almost 25% are indifferent and around 40% of respondents are aware of social media presence of Croatia as a tourist destination as seen in the Chart 11.

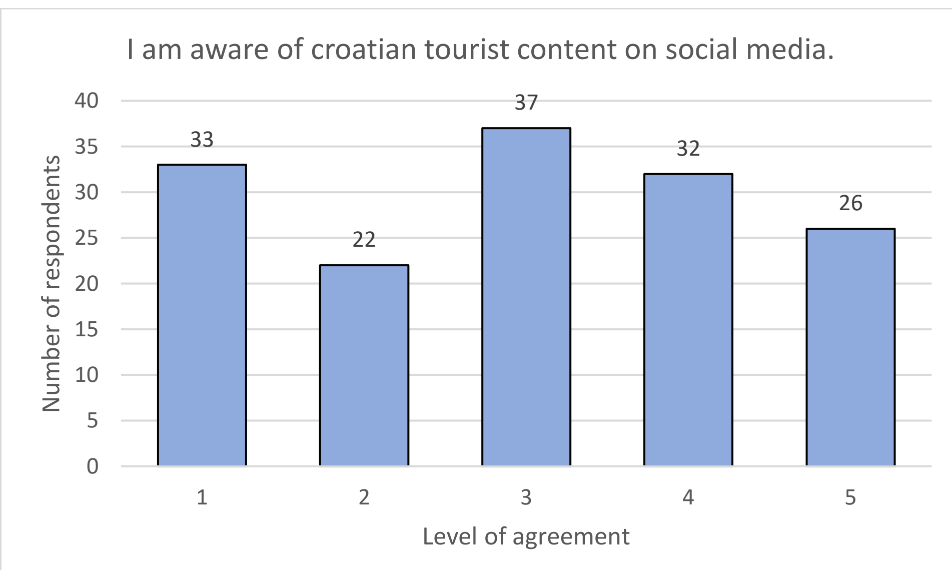


Chart 11 Social media presence of Croatia. Source: authors' work

In the next testing of H1e hypothesis I used Fisher's Exact Test which showed me that at significance level of $\alpha=5\%$ and Fisher's Exact Sig. = 1.000 we can say that this association statistically is not significant and that we do not reject the null hypothesis $F= 0.533 > \alpha = 0.05$. (Tabke 21, Appendix B)

H0e: Social media activity of a destination does not relate with perception of attractiveness of Croatia

H1e: Social media activity of a destination positively relates with perception of attractiveness of Croatia

Among the targeted population, 97 % of the respondents think that Croatia is attractive destination. It is interesting to see that within the group that thinks that Croatia as a destination is attractive 37% of them are not aware of social media efforts of Croatian Tourist Board as seen in the next Table 17.

		Social Media Awareness		
		no	yes	Total
Attractiveness	no	1	3	4
	yes	**54**	**92**	146
Total		55	95	150

*Table 17 Attractiveness * SociaMediaAwareness Crosstabulation. Source: Authors' work*

The last thing I wanted to test among targted population is whether their social media engagement is dependant on social media activity of a destination. The hypothesis for next testing are:

$H^{2}0$: Social media engagement of consumers is not dependent on social media activity of Croatia as a destination

H2: Social media engagement of consumers is dependent on social media activity of Croatia as a destination

The test used for this assumption was Pearsons' Chi Square Test with the significance level of 5%.

The gotten results showed the p value of 0.001 which is less than $\alpha = 0.05$ which implies statistically high significance of the assumption. The tested variable Social media engagement is statistically dependent on Social media activity of destination. For the correlation of these binary tables we look at the Phi value which is 0.617 which shows moderate to strong association of two variables. In this testing we reject the null hypothesis and accept the H2 hypothesis.

H²0: Social media engagement of consumers is not dependent on social media activity of Croatia as a destination

H2: Social media engagement of consumers is dependent on social media activity of Croatia as a destination

5.2. Interview results

The most significant secondary research that was used in this thesis is market research named THOMAS which has been done by Croatian Institute for Tourism since 1987. It includes attitudes and consumption of tourists in Croatian tourist destinations during summer. The head of this market research for the year 2017 was dipl. ing. mat., univ.spec.oec. Zrinka Marušić. Having in mind the data I am trying to collect and test, this fact makes her the perfect match for this interview. In 2009, Zrinka Marušić finished postgraduate program at Faculty of Economics (University of Zagreb) studying Business Economics, majoring in Statistical Methods for Economic Analysis and Forecasting. She has been working for Croatian Institute for Tourism since 1997 and before that she worked for 4 years in Croatian Central Bureau of Statistics (1993. – 1997.). She also spent 2 years (1991. – 1993.) in USA working in Department of Biostatistics, Mayo Clinic and Foundation, Rochester, MN, USA. Her main scientific interests are Tourism research methodology, Methodology of Public Property Valuation, Statistical analysis and forecasting, Organization of data and implementation of data warehouse principles.

Interview was divided into 3 different categories: safety, tourist products and social media and storysharing. Each category has 3 to 5 questions regarding that specific topic in Croatia. The questions were based on the Thomas market research and were also inquiring the future of Croatia as a tourist destination based on the knowledge and experience of Zrinka and her colleagues.

In the first category, safety, I questioned how much tourism and Croatian tourist would change if the safety factor changed. Safety of a certain destination is very important factor especially for one of the targeted segments for Croatia “family with kids” when choosing next holiday destination. When it comes to Croatia, as mentioned before, safety has always been evaluated very good as more than 80% of tourists visiting Croatian seashore and islands were very satisfied with ‘personal safety’.(Marušić, Čorak, & Sever, TOMAS ljeto, 2017)

As Zrinka mentioned in the interview “It is also important to highlight the perception of safety – potential tourists are always making decision on the future destination on the perception of safety. Therefore, it is always important to include pictures that are illustrating or can be connected with a safety”.

Also, she stated, that it is very difficult to predict what would happen if safety factor would change. “Judging by the experiences of other similar countries we can conclude that tourism would be definitely reduced.” The tourist profile would change, as well. The leisure market would definitely be reduced but the interesting fact is that the business segment is the most resistant, so maybe there should be more efforts invested to attract this type of consumers.

All in all, if the safety factor changes for the worse “it would have big negative impact on Croatian tourism flows and development.”

In the next line of questions, I was researching some changes in tourist profile that are connected with changes in Croatian tourist product. Zrinka indicated that “there has been noticeable increase in share of tourists motivated by gastronomy, culture, nature, and sport. Tourists motivated by those motives are more often coming with a partner. Therefore, this is indicating the improvement of the quality of the overall tourism product in Croatia.”

When it comes to Croatian tourist products there can be a lot of improvement in organizing better programs and events in an off-season, as well as continuously improving and providing better traffic and communal infrastructure. According to TOMAS Summer 2017 survey results, tourists are the least satisfied with the bad weather program, traffic in destination, bicycle paths, shopping opportunities, variety of cultural events and wealth of sport activities. (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) “In addition, there is room for improvement of gastronomic offer. “

It is noted that “Croatian tourist” is using Internet, including social media, as a source of information which increased from 30% to 44% in 2014 – 2017 period (Marušić, Čorak, & Sever, TOMAS ljeto, 2017) New travelers are very well informed and want to be attracted with different and interesting experiences. Therefore, in the following line of questions I wanted to know how can we manage social media presence to be more appealing to our targeted consumers; how can we attract new followers and at the end how can we influence their choice in their next travel destination using our social media content.

Zrinka highlighted that “social media content can increase destination attractiveness by emphasizing destination features which are in high demand on tourism market and sometimes create new market trends non-existent before. UGC (User-generated content) is also a very relevant and trustworthy source of information about tourism destination and many destination choice decisions are completely or partially based on social media content.” The best way to attract new followers and to influence their choice is “to create plenty of interesting, relevant and easily consumable social media content. Since on social media “content is king” social media managers should be focused on creation of content and not on technical aspects of social media platforms. In order to attract new and to keep existing visitors, content should be relevant and updated on a regular basis.”

As well as Social media influencers, recommendation of our friends and family are even bigger influencers on our choice as consumers. It is more trustworthy and reliable. According to TOMAS Summer 2017 survey on attitudes and expenditures of visitors in Croatia, 18.4% of tourists visiting Croatian seaside destinations relies on the past experiences when choosing tourism destination. Therefore, storytelling/story sharing is important factor for engaging travelers and getting them interested in what we have to say about destination, and social media platforms are proven to be an excellent tool for storytelling, mediated by technology. (Marušić, Čorak, & Sever, TOMAS ljeto, 2017)

6. Limitations and Conclusion

Considering the limited time and scope of this research, many theories related to the subject were covered but in a rather general perspective to provide a big picture for the readers. Therefore, if further research could be conducted, then an in-depth survey should be carried out in tackling the research objective. This study considers Safety, Climate conditions, Good airline connections, e-WOM and Social media activity as independent variables and Attractiveness of Croatia as a destination as the dependent variable. While these variables individually have moderate to strong level of attributes of the respondents, the Pearson's Correlation analysis explores a week or none association between most of the independent variables with dependent variable.

Even though I couldn't scientifically prove that Safety and Attractiveness variables correlate with the significance of 95% among the targeted population, we can conclude that in the extremes perception of safety can definitely correlate and influence the perception of attractiveness of a destination. As Zrinka Marušić mentioned in the interview "It is important to highlight the perception of safety – potential tourists are always making decision on the future destination on the perception of safety. Therefore, it is always important to include pictures that are illustrating or can be connected with a safety". She stated, that "it is very difficult to predict what would happen if safety factor would change. Judging by the experiences of other similar countries we can conclude that tourism would be definitely reduced. The tourist profile would change, as well. The leisure market would definitely be reduced but the interesting fact is that the business segment is the most resistant, so maybe there should be more efforts invested to attract this type of consumers." All in all, if the safety factor changes for the worse "it would have big negative impact on Croatian tourism flows and development."

Based on this study climate conditions are in association with attractiveness what is a great asset of Croatia as a tourist destination. In compliance with other drivers this can be one of unique selling points of Croatia since the climate is moderate throughout the whole year, but definitely cannot be the basis of the tourism strategy.

Another very relevant factor in tourism is flexibility, since, it can assist the destination in adapting to the new demand requirements. This factor is relevant in several areas: flexibility in the organization and in the production and distribution of tourism products; flexibility in reservation, purchasing and payment systems; and flexibility in ways in which the tourism product is consumed. Even though this study didn't prove statistically meaningful association of good airline connection of a destination and attractiveness of a destination it definitely is of some relevance. The airline connections and good partnerships of a destination with low budget flight carriers will be more important especially among Millennials. When planning a vacation, they use aggregator app to find flights and just pick the cheapest option. As Euromonitor analyst, Nadejda Popova, stated: "with the increasing number of price comparison and review websites, many travelers are more bargain hunters than loyal clients." (Bershidsky, 2017)

In today's world, Social media and online content is of great importance. This study proved high association of social media engagement of consumer and social media activity of destination. This fact is very important because the online presence can be managed to attract more of targeted consumers. As Marušić highlighted in our interview "social media content can increase destination attractiveness by emphasizing destination features which are in high demand on tourism market and sometimes create new market trends non-existent before. UGC (User-generated content) is also a very relevant and trustworthy source of information about tourism destination and many destination choice decisions are completely or partially based on social media content." (Marušić, univ.spec.oec., 2018) The best way to attract new followers and to influence their choice is "to create plenty of interesting, relevant and easily consumable social media content. Since on social media "content is king" social media managers should be focused on creation of content and not on technical aspects of social media platforms. In order to attract new and to keep existing visitors, content should be relevant and updated on a regular basis." (Marušić, univ.spec.oec., 2018)

Besides all the motivators tested in this study, new travelers, however, are increasingly being seen to be environmentally sensitive, displaying respect for the culture of host nations and looking to experience and learn rather than merely stand back and gaze. "New" tourists are participators not spectators. Croatia as a destination has a lot of potential and opportunities to provide what these new tourists are looking for, it just need a clearer vision and strategical decisions.

To sum up new tourism is emerging, sustainable, environmentally and socially responsible, and characterized by flexibility and choice. A new type of tourist is driving it: more educated, experienced, independent, conservation-minded, respectful of cultures, and insistent on value for money. New consumer (tourist) thereby has exercised pressure upon the tourism industry and tourism enterprises to develop new products, services and experiences.

At the end, it is needless to say that information technology is opening up an astonishing array of travel and vacation options for this new tourist. To remain competitive, tourism destinations and industry players alike must adapt. For many, the challenge is to "reinvent" tourism. Market intelligence, innovation, and closeness to customers have become the new imperatives.

Appendix A – Variable analysis

1. Pie chart – gender of repondents: 62.67 % of respondents were female, and 36.67% male respondents as seen in the next chart.

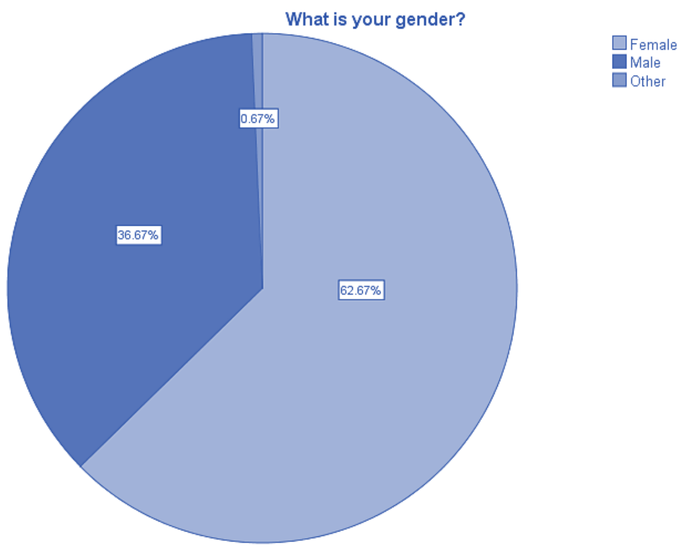


Chart 12 Gender of respondents. Source: Authors' work

2. Graph - Age of respondents: most of the respondents are in the relevant age group for this research – 93.33%. 56% of respondents are in the age group 26-35, and 37.33% are in the age group 18-25. 6% of the respondents are 36 and more years old, and 0.67% of respondents are less than 18 years old.

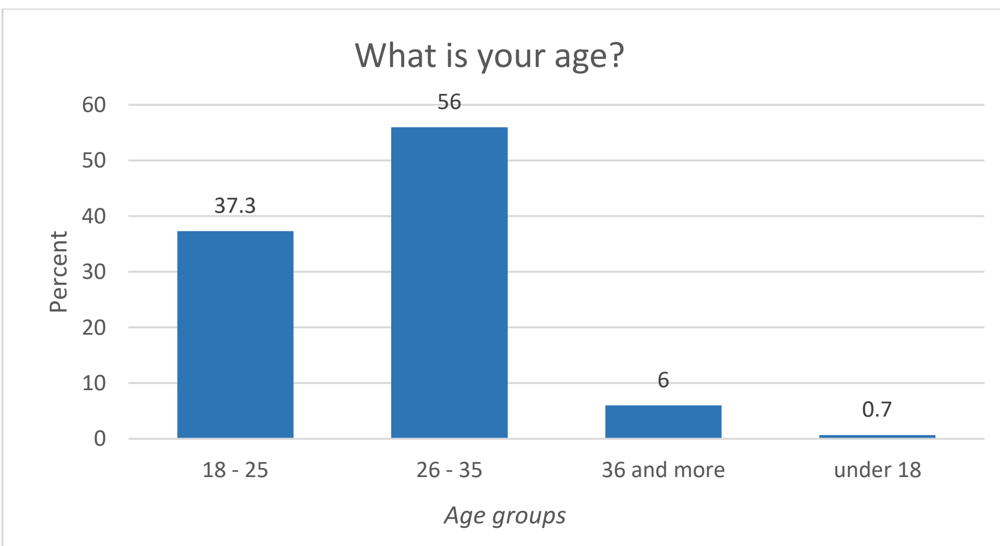


Chart 13 Age of respondents. Source: Authors' work

3. Pie chart – Education level of respondents: the next chart shows the highest level of education completed by these respondents. This point is relevant to this research because the profile of Croatian tourist is changing. As said before the new travelers are more educated, more informed, more mobile and use social media and internet for reviews and content. In this study 73.33% of respondents have high level of education with 51.33% of respondents that have finished graduate program and 22% of respondents who finished post graduate program.

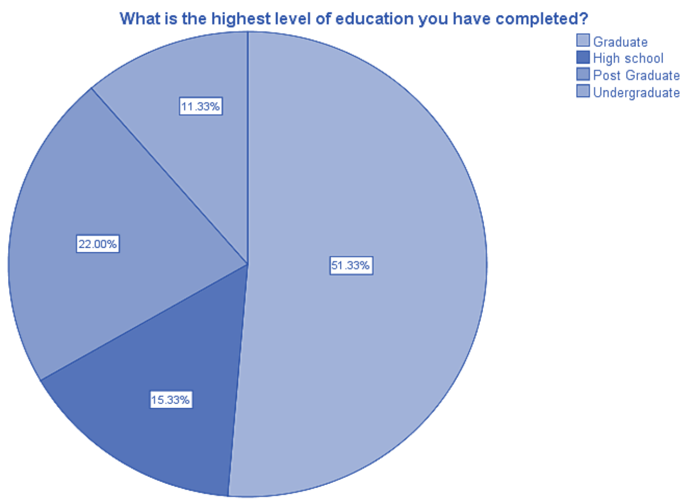


Chart 14 Education level of respondents. Source: Authors' work

4. Graph – Working status of respondents: in the next graph we can see that most of respondents are full – time employed with higher paying power.

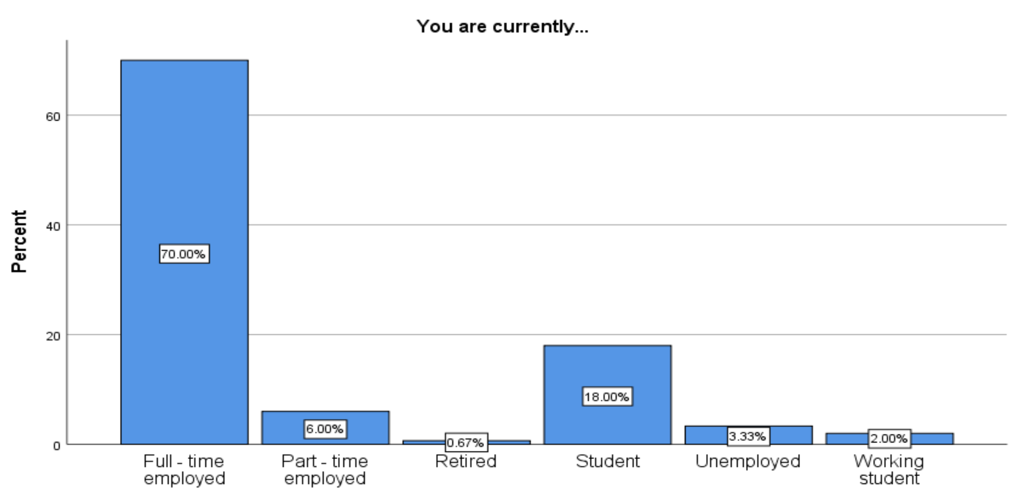


Chart 15 Working status of respondents. Source: Authors' work

5. Respondents' country of origin: survey respondents are from 39 different countries around the world as shown on the next graph. Most of the respondents are from Portugal (18), Germany (15), USA (13), Croatia (10) and Lithuania (10).

Chart 16 Respondents' country of origin. Source: Authors' work

6. Pie chart – Traveling habits: 66.40% of targeted population usually travels with their partner, 63.39% of them loves to travel with friends, 25.15% still travel with their families the most. 9.6% of the respondents usually travel alone.

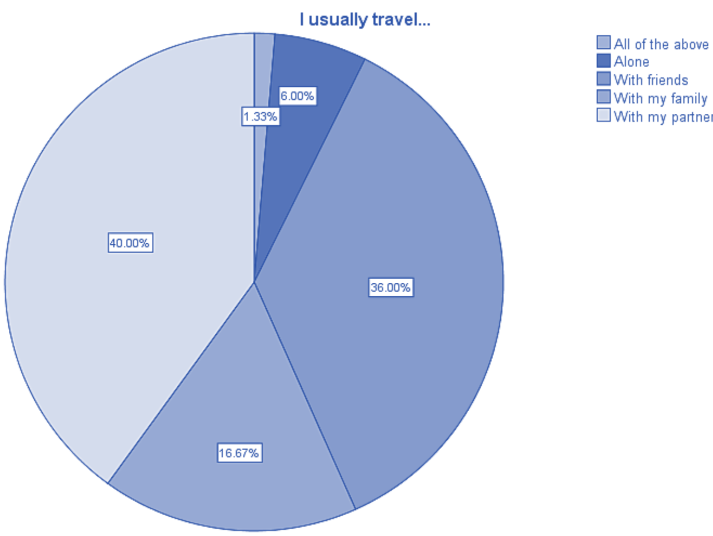


Chart 17 Respondents' traveling habits. Source: Authors' work

7. Graph - Perception of safety: Croatia is perceived as a safe country with almost 90% of respondents agree with the claim that Croatia is a safe country. 11.33% of respondents do not agree or disagree with this statement

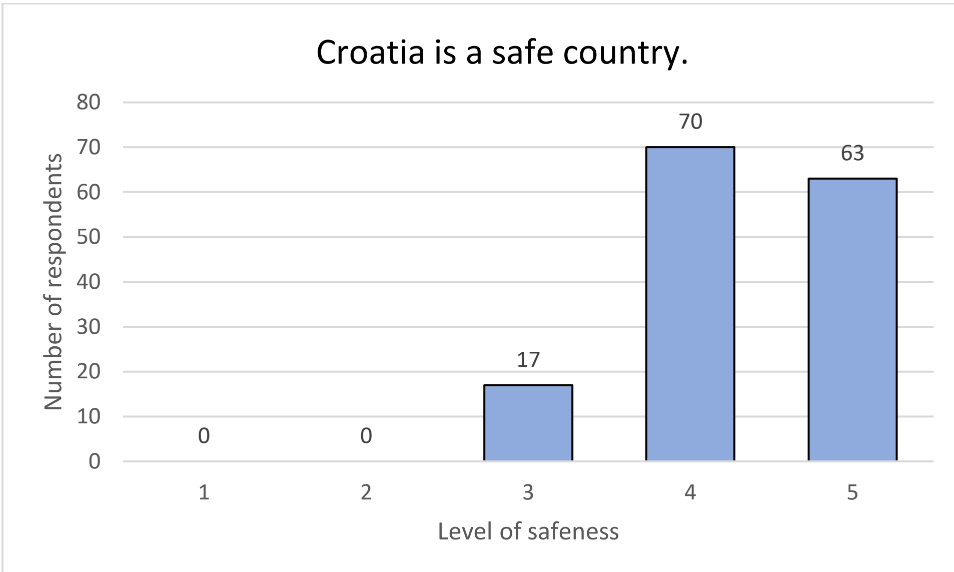


Chart 18 Perception of safety. Source: Authors' work

8. Graph – Climate conditions: more than 72% of respondent's climate condition of a destination is important when choosing next traveling destination. Not a single respondent said that it does not matter to them.

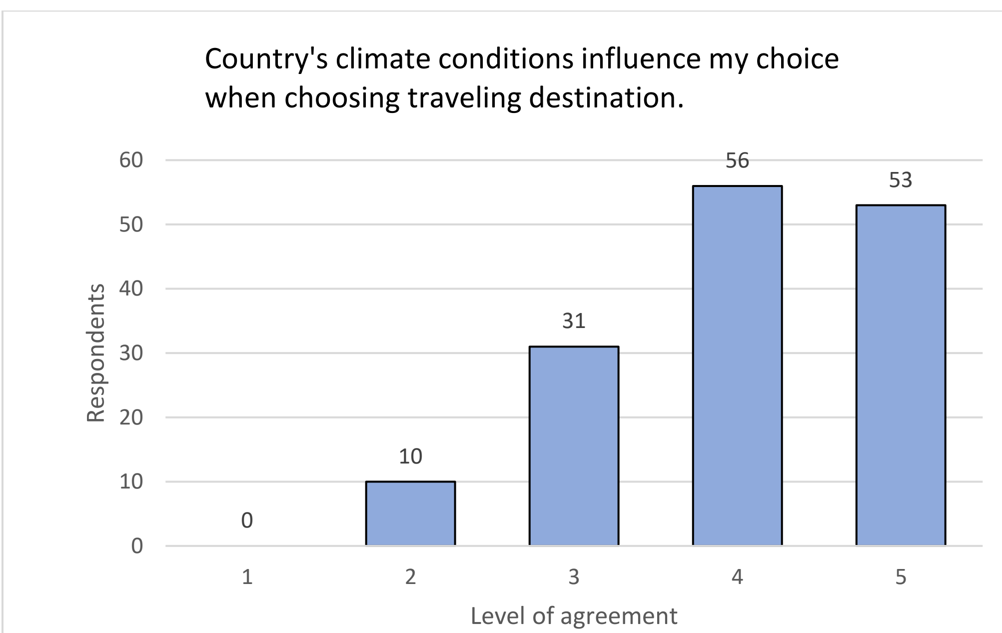


Chart 19 Climate conditions. Source: Authors' work

9. Graph – good airlines connections: more than 57% of respondents think that it is easy to travel to Croatia by plane. 30% of them don't think that it is easy nor difficult to travel by plane to Croatia. More than 13% of respondents think that Croatia is not well connected by air transportation.

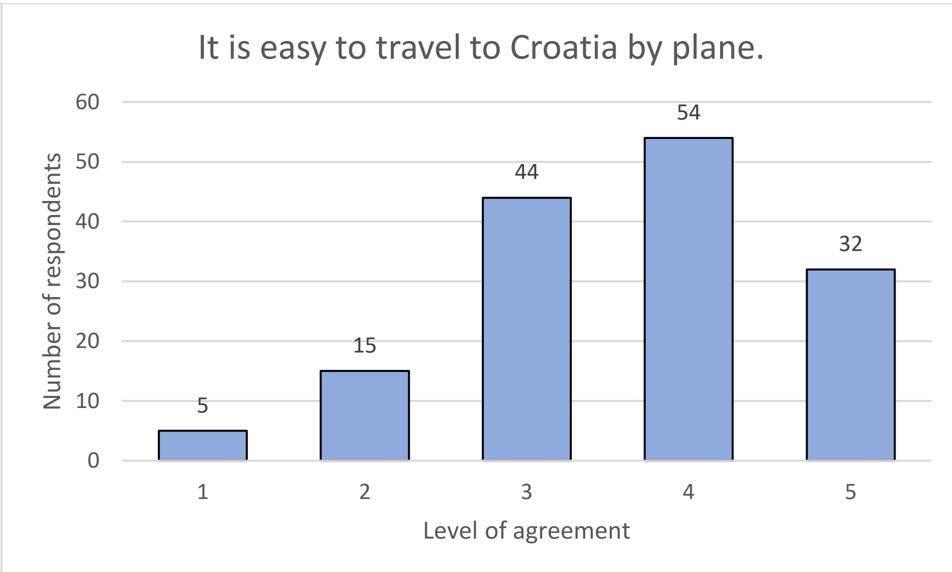


Chart 20 Good airline perception. Source: Authors' work

10. Graph – Perceptiveness of attractiveness: more than 73% of respondents think that Croatia has a lot to offer during the season. 24% of respondents don't agree or disagree with this statement. Only 2.5% of respondents are not satisfied with the offer during summer season.

Chart 21 Perception of attractiveness. Source: Authors' work

11. Graph – Attractiveness of an off-season period: the respondents are almost equally divided on this statement. Having this data in mind we can conclude that if we make it interesting for tourists they are willing to come to Croatia even in an off season.

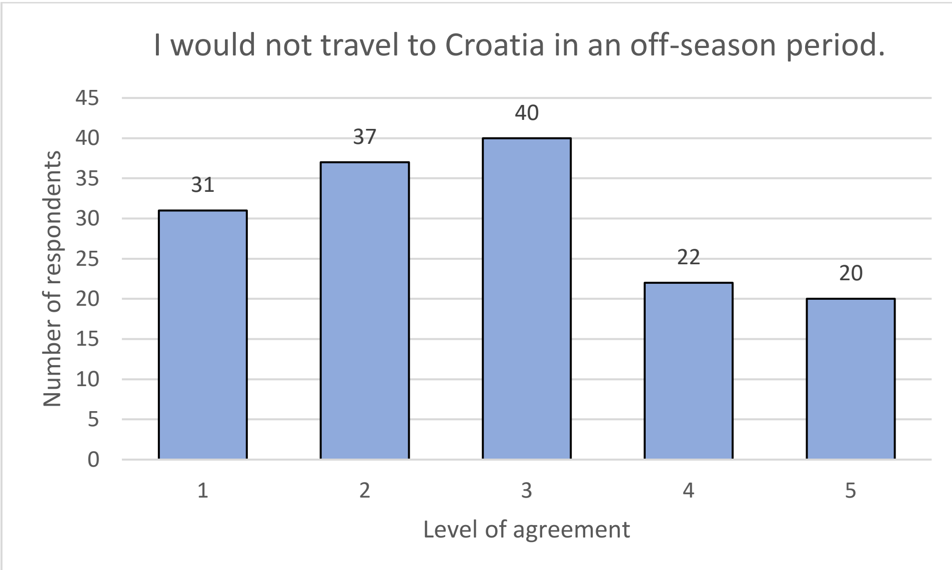


Chart 22 Attractiveness of an off-season period. Source: Authors' work

12. Graph – Social media content: than 35% of the respondents who are interested in Croatia as tourist destination are not aware of social media content online. Almost 25% are indifferent and around 40% of respondents are aware of social media presence of Croatia as a tourist destination.

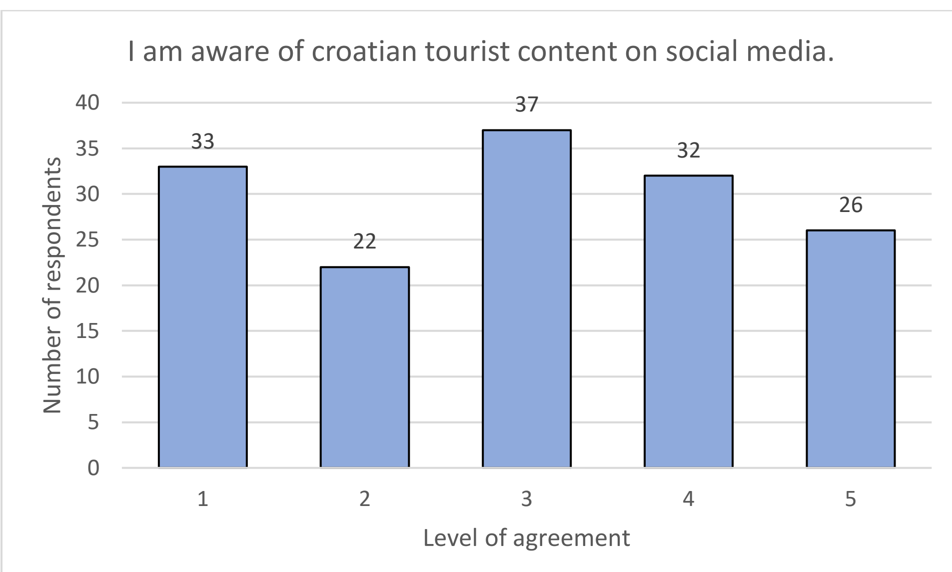


Chart 23 Social media content. Source: Authors' work

13. Graph - #croatiafulloflife: more than 35% of respondents are aware of social media presence of Croatia as a tourist destination, more than 75% of respondents are not actively involved in Croatian social media. Only 18% of respondents are actually following social media profiles of Croatia as a tourist destination.

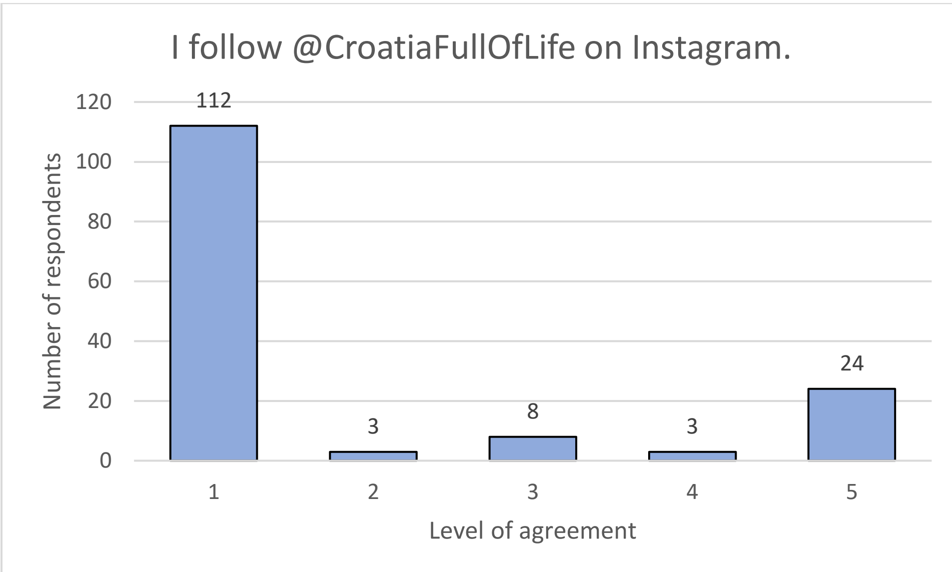


Chart 24 Social media engagement of respondents. Source: Authors' work

14. Graph – Travel blogs: 38% of respondents are active followers of travel blogs and they seek their inspiration for travel destination online. Almost 33% of respondents do not follow and read travel blogs as we can see it from the next graph.

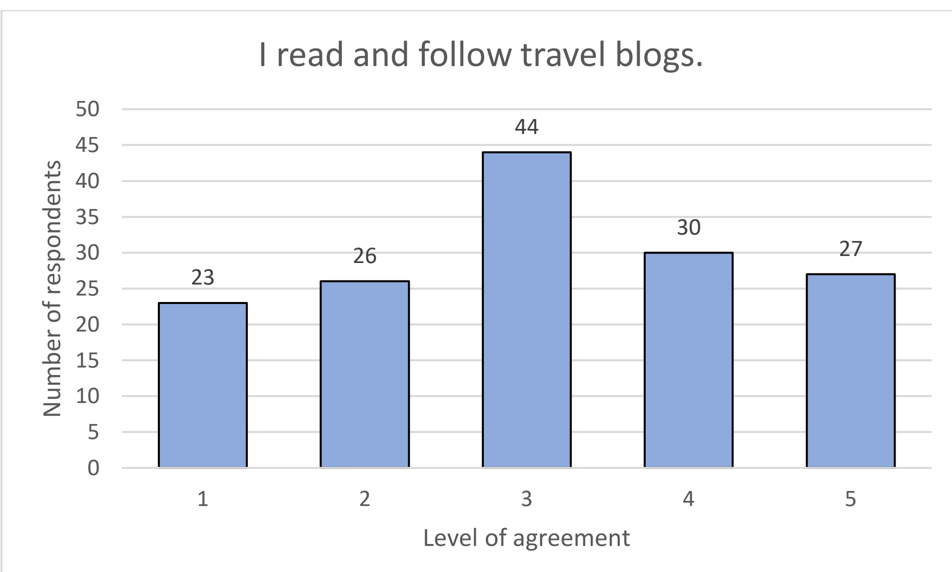


Chart 25 Travel blog. Source: Authors' work

15. Graph – E-WOM: more than 60% of respondent agree with the statement and that for more than 60% of respondents' other peoples' social media content influences their choice of next travel destination. Almost 15% have admitted that other peoples' content totally influences their choice. 15% of respondents do not agree with this statement.

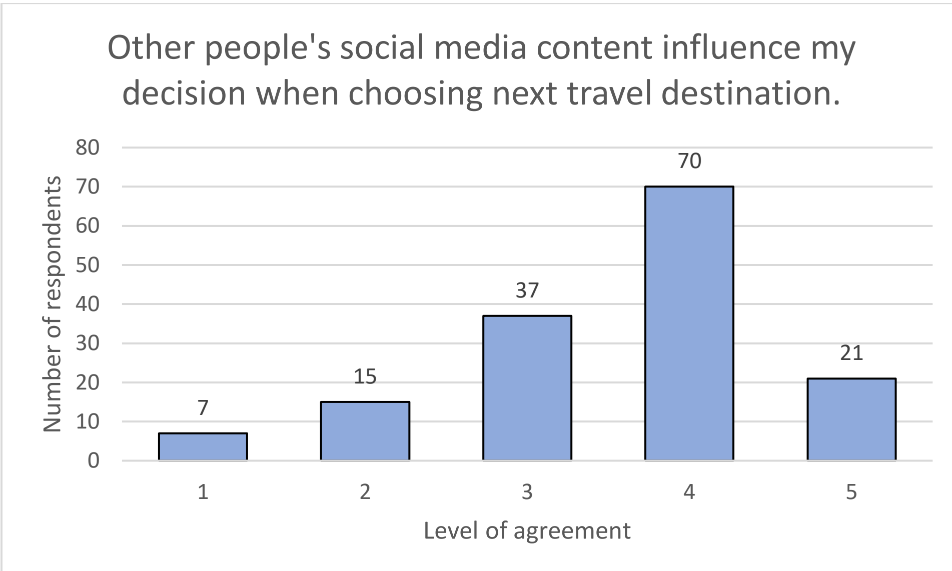


Chart 26 E-WOM. Source: Authors' work

16. Graph – WOM: almost 90% of the respondents do take into consideration all the recommendations, with more than 38% admitting that they totally agree with this statement. Less than 4% did not agree with this statement.

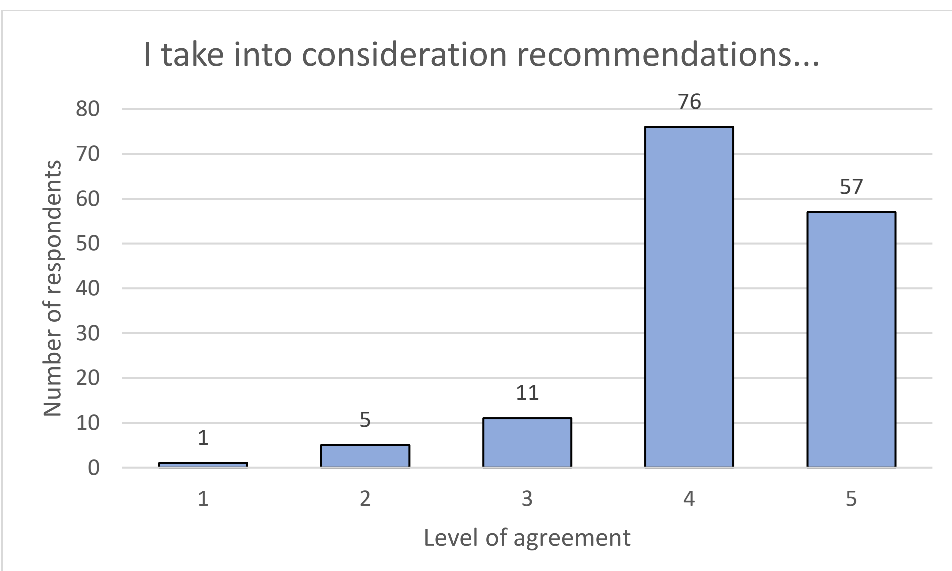


Chart 27 Word of Mouth. Source: Authors' work

Appenix B – Crosstabulation analysis

1. Safety of a destination x Attractiveness crosstabulation

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.538[a]	2	.764
Likelihood Ratio	**.988**	**2**	**.610**
Linear-by-Linear Association	.347	1	.556
N of Valid Cases	150		

a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is .45.

Table 18 Source: Authors' work

2. Good climate conditions x Attractiveness crosstabulation

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.389	.030
	Cramer's V	**.225**	**.030**
N of Valid Cases		150	

Table 19 Source: Authors' work

3. Airline connection x Attractiveness crosstabulation

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	4.781[a]	1	.029		
Continuity Correction[b]	2.077	1	.150		
Likelihood Ratio	3.217	1	.073		
Fisher's Exact Test				**.086**	**.086**
Linear-by-Linear Association	4.749	1	.029		
N of Valid Cases	150				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is .53.

b. Computed only for a 2x2 table

Table 20 Source: Authors' work

4. Social media activity x Attractiveness crosstabulation

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.241[a]	1	.624		
Continuity Correction[b]	.000	1	1.000		
Likelihood Ratio	.255	1	.614		
Fisher's Exact Test				1.000	.533
Linear-by-Linear Association	.239	1	.625		
N of Valid Cases	150				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 1.47.

b. Computed only for a 2x2 table

Table 21 Source: Authors' work

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