



REPUBLIC OF SERBIA
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MINISTRY OF LABOUR, EMPLOYMENT,
VETERAN AND SOCIAL AFFAIRS

MINISTRY OF YOUTH AND SPORTS

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#EY
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Youth tourism entrepreneurship opportunities

The effective way to start – we'll show you where and how



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Youth in Serbia are facing the competitive market and lack of information available for the establishment of their business in the desired way.



Introduction

Starting a business is one solution for those inclined towards entrepreneurship – and the percentage of such individuals among youth is 36%, higher than in the general population.

Much like their peers all over the world, youth in Serbia are faced with numerous challenges when entering any kind of market. Figures from the Serbian tourism market show a dire situation for young people since the unemployment rate of this segment of the population is almost twice that of the general unemployment rate. Moreover, half of those who are employed have a job that does not meet the basic criteria of what they expected from it. Either the employment is informal, part-time, or the work requires qualifications lower than held by those performing it.

Starting a business is one

solution for those inclined towards entrepreneurship – and the percentage of such individuals among youth is 36%, higher than in the general population. However, the share of those who actually start a business is significantly lower. In addition to their lack of experience and the risk inherent to entrepreneurship, youth are greatly discouraged by the unsupportive business environment.

The problem arises at the beginning where it is necessary to secure initial financing and have sustainable financial security for the startup of the business. Also for youth entering the tourism industry

and the overall labor market, it is harsh because of the current state in the environment of the industry. Youth in Serbia is facing the competitive market and lack of information available for the establishment of their business in the desired way.

One of the main problems, in the beginning, is the lack of information where it is necessary to register your own business. Since of low level of information presented in the education system, registration and start-up without the proper guidance can be a painful and exhausting path for young entrepreneurs.

Unemployment rate

General



Youth



The latest global financial crisis still creates consequences worldwide. Although recovering, the world is faced with a significant downturn in the global economy. New entrants in the labor market – youth – are particularly bearing the brunt of the sluggish global economy (Schøtt, 2015).



Also for youth entering the tourism industry and overall labor market it is harsh because of the current state in environment of industry.



The tourism industry is viewed as the agent of change in economic and social changes.

Development Opportunities for Entrepreneurship in Tourism

Entrepreneurs and entrepreneurship motivate business innovation and economic growth. Entrepreneurs are exceptionally imperative in dropping unemployment rate of the skilled and unskilled workers. Tourism is one of the key industries for driving the nation economy.

In the contemporary era, both in industrialized countries and in emerging countries one of the prime concerns is creativeness of entrepreneurial business. Entrepreneurial philosophy ultimately reduces unemployment rate, particularly in educated youth. Examining tourism industry and its' processes are the principal phase to empowering the educated youth to undertake tourism entrepreneurship business.

The tourism industry is viewed as the agent of change in economic and social changes. Tourism entrepreneurship eliminates societal problems, surging the fiscal growth and development of a country, rising country GDP.

Employment has continually been a dominant subject in development. Employment is vital to successful and viable growth. The tourism business is one of the largest, fastest growing sectors, and is

considered as an indispensable role in job creation.

The Tourism Development Strategy of Serbia provides a foundation for expressing free-spirited entrepreneurship and creating new entrepreneurial ventures, either in terms of existing companies or by creating new enterprises.

The current trend of growth in arrivals and overnights of foreign tourists is undoubtedly a great business opportunity for the development of both

existing and new micro and small enterprises in the tourism and hospitality industry and related activities.

Existing enterprises in tourism and its related activities can raise their own and the overall competitiveness only if they continue to accept entrepreneurial market trends, acquiring new knowledge, skills and technologies that require constant improvement of the business environment and the entry of new competing companies.



Entrepreneurial philosophy ultimately reduces unemployment rate, particularly in educated youth.

Key opportunities

Modernising the existing and creating new companies that can provide services for introducing new standards, machinery and equipment, constantly acquiring new knowledge and skills.



Improving promotion

Improving the quality of promotions, presentations, booking and payment for accommodation and other services by creating specialised websites and social media pages, which will be administered on a timely basis by existing and new specialised companies with inventive and professional employees;

Improving hospitality

Improving the quality of existing accommodation and hospitality facilities, the introduction of international standards of accommodation and preparing and serving food and drinks, with a high percentage of skilled and professionally trained employees in various occupations (cooks, pastry chefs, bartenders, waiters, chambermaids, cleaners, etc.);



Modernizing companies

Modernising the existing and creating new companies that can provide services for introducing new standards, machinery and equipment, constantly acquiring new knowledge and skills;

Providing accommodation

Providing new accommodation and hospitality facilities in the vicinity of 122 locations in Serbia with internationally recognised natural, historical and cultural attractions and creating round trips and other tourist products which correspond to market needs and the personal motives of tourists;

Key opportunities

A large number of specialised travel agencies is required for organising tours for various areas of interest for children and youths.



Improving storytelling

Offering a more creative interpretation and presentation of attractions which Serbia has to offer: new forms of storytelling and technology, information about and presentations of attractions for users, interactive maps and guides in the languages mostly spoken by the foreign tourists;

Improving attractiveness

Organising inventive, themed round trips that can successfully form value chains - an attractive means of transportation (quad, snowmobile, carts, jeeps, horseback riding, etc.) to an attractive location, original and standardised accommodation (camping, houses on water and in trees ...), harvesting festivals and preparing local food and drink, local customs etc;



Providing new activities

Transit tourism along the major road corridors X, XI and VII has huge business potential, as well as hiking and cycling transversals going through the Republic of Serbia. There is a shortage of quality campsites, motels, rest areas with different content and attractive programmes, especially those using the implementation of best practices from countries that have a tradition of and success in providing services of this kind.

Boosting incoming agencies

A large number of specialised travel agencies is required for organising: thematic school trips in the country and all in accordance with the age and curricula of primary and secondary schools, thematic programmes and nature trips for children and young people, special training programmes in various areas of interest for children and youth (playing instruments, folk dancing, choir singing, painting, sports camps, exchange of students and young people, ICT camps, etc.)

Key opportunities

Business opportunities should be directed towards the actual volume and value of market demand and an assessment of available capacity (knowledge and skills, investment potential and time of return on investment).



Providing sports services

Providing high quality sports and recreational services at the most promising locations and famous resorts, represents a new business challenge, through the acquisition/creation of franchises for rental and equipment utilisation (bike, canoeing, horseback riding, skiing and training for snow and water skiing, archery, survival in nature, adrenalin activities...);



Increasing energy efficiency

Increasing EE and the use of renewable energy sources in all tourism facilities, especially in protected areas, in addition to large cost savings, would raise the effective use of locally available energy sources (agricultural and forest waste, thermal sources, solar energy), reducing CO2 emissions and making buildings and areas more environmentally clean and enjoyable for people;



Improving rural tourism

It is necessary to support commercial training programmes for rural households, in compliance with the Strategy and the Development Programme of Sustainable Rural Tourism. Various models of partnerships with the registered rural households could connect resources, knowledge and skills. We should especially highlight the option to use the incentive funding from the EU IPARD programme which provides 18 million EUR for the development of rural tourism;



Better marketing and promotion of rural touristic sites can improve the current state of the rural tourism.



Rural Tourism

Rural tourism is important for sustainable development of rural areas, preservation of local identity, tradition, customs and environment. Also, rural tourism raises awareness of the local population about the economic and cultural value of natural and cultural sites.

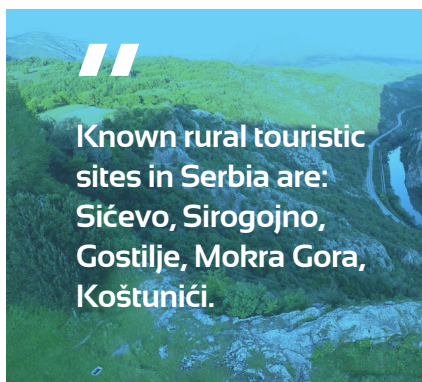
Serbia has a great potential for development of rural tourism. This is a type of tourism where tourists visit rural parts of the country so that they can experience rural life. This tourism also includes

the participation of tourists in rural activities such as caring for animals and crops, cooking and cleaning, crafts and entertainment.

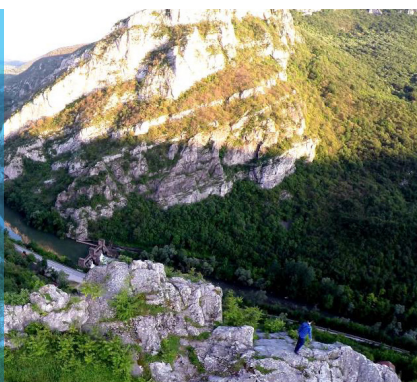
Yet still even from the received

recommendations from WTO about the potentials of rural tourism and given advices to the invest in rural tourism, Serbia still does not have material conditions for investment in such. Better marketing and promotion of rural touristic sites can improve the current state of the rural tourism.

One of the most important potentials for the development of the rural tourism is establishment of ethno Villages. Government of Republic of Serbia offers a different type of programs for youth for improvement of rural tourism in their own region.



Known rural touristic sites in Serbia are: Sicevo, Sirogojno, Gostilje, Mokra Gora, Kostunići.



Festival tourism in Serbia

Best examples of festival tourism in Serbia:



Exit festival

Since 2007, when MTV declared Exit the best festival in Europe, Novi Sad hosts a large number of foreigners, around 190,000.



Beer fest

Gathering half a million people every year in Pivovar, it is the largest beer festival in the Balkans.



Guča

Brass instrument artists have entertained the visitors of Dragacevo, and last year Guča had over 200,000 visitors in just one day.



The Drina regatta of Bajina Bašta

The traditional downhill on the river Drina and an increasing number of tourists every year attracts.



Serbia hosts some of the best, award-winning festivals that attract young people from all over the world, giving them the opportunity to see their favorite musicians at a relatively low cost, while providing the highest level of enjoyment.



Preservation and development of cultural diversity can be best achieved and confirmed in the matrix of multiculturalism and inter - culturalism. Festivals can be a step towards this.



It can be concluded that the features of the majority of the festivals are tradition, ethnic, folklore, interculturality in its original form, or fusion with some other culture, tradition or style. Given the Serbia region as a multiethnic environment, and as a region of respect and understanding of differences between language and culture, this fact is not a bit surprising.

What's more, it can be an indicator of the creation of ethnic fragments throughout the history of the country that now want to "sail to the surface," exit from its frames, and open themselves to an audience that has not been known to them so far. This is the so-called "popular / mass culture", and it is intended to be consumed by the broadest

layers of the population. Not only are the festivals trying to establish the interest of people for various types of art, but also the manifestations are used as a method of animating people for accepting new aesthetic and cultural values. Thus, festivals are often found in the role of the "channel" of transmitting messages to a wider audience.

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Preservation and development of cultural diversity can be best achieved and confirmed in the matrix of multiculturalism and inter - culturalism. Festivals can be a step towards this, if from specialties, they succeed in forming a more comprehensive cultural content. It is about creating a spiritual / cultural environment in which they will focus on the matrix of life with each other.

Conclusion



Serbia has a chance to develop the tourism industry to a level where it becomes one of the key economic sectors if room is made for a more efficient use of all the resources available.

Contrary to most other sectors in the Republic of Serbia, which registered a decrease in the number of enterprises and profitability, the tourism sector has experienced stable growth.

While most countries have an active policy of support and incentives for businesses in the tourism sector, in the Republic of Serbia, these trends are achieved primarily through the entrepreneurial efforts of the owners of enterprises and without significant incentives from the state.

The Ministry responsible for tourism and the implementation of the Strategy will, along with the aforementioned activities and measures, be in charge of:

- Providing useful business information for entrepreneurial projects of micro and small enterprises;
- Making proposals for adjusting the business environment by supporting free enterprise and sustainable development of entrepreneurial micro and small enterprises

The ten key principles which will be applied through the implementation of the measures of the Strategy are

1) Creating a business environment conducive to entrepreneurship, by adopting laws that will be tested at first in the MSME sector - "Think Small

First";

2) Conceptualise the business environment so that entrepreneurs can thrive. In this way, entrepreneurship will be rewarded;

3) Offer another chance to entrepreneurs who went bankrupt, through no fault of their own, to start a new business – the so-called Second Chance;

4) Regulate the state administration to serve the MSME sector, with simpler procedures;

5) Facilitate the participation of the MSME sector in public procurement, under equal criteria;

6) Facilitate the access of small and medium enterprises

and entrepreneurship to financial institution and enable payments in commercial transactions for a period not longer than 30 days;

7) Support entrepreneurs in an effort to maximise the opportunities offered by the European Single Market;

8) Promote innovation and management skills relevant to the development of the MSME sector (with examples of good practice);

9) Enable the MSME sector to turn environmental challenges into business opportunities;

10) Support entrepreneurs to take advantage of the growth of the EU and to expand into other markets



Serbia will support entrepreneurs to take advantage of the growth of the EU and to expand into other markets



Get in touch

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