

ASSESSMENT OF THE CONDITIONS FOR THE DEVELOPMENT OF SPA TOURISM IN THE REPUBLIC OF MACEDONIA

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ABSTRACT

The growing worldwide focus on health and wellbeing has led to a fast growth of spa and health tourism. Health retreats and spas are a rapidly growing sector of the tourism industry where there has been new interest in "new age" remedies and traditional remedial therapies. However, even though Macedonia has a unique mineral water resource, with over 60 recognized springs located across the country, this great tourist potential is not yet fully utilized. Hence, the aim of this paper is to explore the potential of spa tourism in the Republic of Macedonia, to analyze the current development of this form of tourism and its role and importance in the development of the overall tourist offer.

Keywords: tourism, spas, spa tourism, health tourism, R. Macedonia

INTRODUCTION AND LITERATURE REVIEW

The history of hot springs and their use as thermal spas has worldwide origins and dates back to the earliest civilizations [2]. Travel to thermal springs for the sake of health and healing can be traced at least as far back as the ancient Greeks and Romans, with the earliest forms of tourism based on apparent curative powers of mineral waters.

Nowadays, health and wellness tourism is a rapidly growing sector of today's thriving tourism industry and it has increased its activity worldwide. This trend can be explained by the fact that people nowadays pay more attention to their appearance and their health than in earlier days [2]. The growing worldwide focus on health and wellbeing has led to a fast growth of health and spa tourism. This growing desire for the combination of escape with the satisfaction of the need to maintain or recapture personal wellbeing has been recognized by the tourism industry through the promotion of this form of tourism [1].

Spa (thermal) tourism industry today is gaining increasing importance in health tourism as its sub-category. The global health tourism practices are connected with the development of spa-facilities [3], focused on the effect of relaxation and curative influence on the human body, achieved by the means of water based procedures, such as mineral waters, thermal pools, vapour baths and saunas [7].

Today, spa tourism can be defined from several standpoints, because it is closely intertwined with other forms of health tourism like medical tourism, wellness tourism, thermal tourism etc. The most commonly used definition is the one provided by Smith and Puczkó where, according to them, spa tourism is "tourism which focuses on the relaxation or healing of the body, using mainly water-based treatments, such as mineral or thermal pools, steam rooms and saunas, with an emphasis focused on curing, rehabilitating, or resting the body" [7].

“It is estimated that there are 26 847 facilities built around thermal/mineral springs around the world, across 103 countries. These businesses collectively earned more than \$50 billion in revenue in 2013.” [4] “Thermal and minerals springs resorts, which offer spa services, earn significant higher revenue” than resorts without spa services. “Their revenue amounts to \$32.0 billion which accounts for 64% of the industry’s revenue of the global market” [4].

As the world becomes more focussed on health and wellbeing, Macedonia needs to be prepared with high quality product to meet the demands of these consumers. Unfortunately the enormous tourist potential of the health baths in the Republic of Macedonia is not fully utilized. Although in the last few years, an initiative was undertaken for the improvement of this situation and a significant progress has been noticed, nevertheless the current level of tourist valorisation of the health baths in Macedonia is not at a satisfactory level. [10].

The aim of the following paper is to try to establish a link between the current growing spa trends in the world and the current development of these forms of tourism and their importance in the overall tourist offer of the Republic of Macedonia and to also provide an overview of current visitation.

METHODOLOGY

This study was conducted by using both quantitative and qualitative research techniques and it is consisted of two interrelated and interdependent phases. The first phase involves an objective overview of the existing situation by using the following methods:

- detailed analysis of relevant documents, other research and statistical data;
- detailed research and/or verification of the relevant resource and attraction basis (primarily the existence of geothermal sources);
- analysis of the strategic and development documents in Republic of Macedonia that are relevant to the tourism development and spa tourism;
- analysis of representative sample of other similar destinations in the world as well as their models of regulation, management and development of spa tourism;
- field research of some existing spa tourism facilities;
- Interviewing the key people in Republic of Macedonia where this kind of tourism can be developed and other field research.

The work in the second phase was based on the results, findings and conclusions and was entirely based on defining strategic determinants for the future course of action. During that phase, the concept of the future development of spa tourism in the Republic of Macedonia was defined and key development strategies were identified and proposed.

Moreover, from the methodological point of view, the process of collecting, systemizing, analyzing and presenting of the available data, was conducted with the use of logically justified and scientifically established methodological approaches.

RESULTS

1. Tourism valorisation of the termo-mineral waters in the Republic of Macedonia

Republic of Macedonia has tremendous potential for tourism development, especially for the development of spa tourism. Apart from the rare landscapes and special natural beauties, nature also endowed Macedonia with springs with important therapeutic properties. There are, in total, 64 thermo-mineral sources, each with its own special characteristics and varying water temperatures [12]. Although not many in number, the thermal springs in Macedonia are distinctive by their healing value, due its diverse

geological composition and continual tectonic processes over the past, they abound with the elements: sulphur, phosphorus, iodine, bromine, etc., a characteristic which makes them among the most famous in Europe. Also temperature of the thermal waters differs, depending on the location and geothermal field in question. Highest is the temperature of the water in Bansko Spa (73°C), then in Banja – Kocani (55°C), Kezovica Spa (54°C), Katlanovo Spa (40.5°C), Debar Spa (38.6°C), Negorci Spa (38°C), Kumanovo Spa (31°C), etc [5].

The use of thermal waters for medical purposes in the Republic of Macedonia has been known since ancient times. The traces of the material culture suggest that these healing springs were especially cherished during the Roman Empire. Romans used to build luxury baths for public and private uses. After the decline during the medieval times, their revival came during the long Turkish occupation, again with the establishment of numerous public and private baths [5].

It was not until the early 1920s when a more systematic approach to the problem has been undertaken (chemical analysis, medical investigations, etc.), however without actually building modern spa centres. The currently existing spas have been built during the period between 1960 and 1980 and after that, a new period of stagnation began, as a consequence of the economical and other influencing factors in the country and the whole region.

Today, in the Republic of Macedonia, there are only 8 spa resorts:

- Katlanovo spa is situated in the Katlanovo village, 15 km from the capital of Macedonia - Skopje, in an isolated location in the mountain, with clean air and calm atmosphere. The favourable influences of the waters of Katlanovo spa-resort were recognized since ancient times and it is believed that it is the oldest spa in the country.

- Bansko spa is located at height of 270 m, just below the mountain Belasica, in the village Bansko, 12 km southeast from Strumica. The spa was known since ancient times but later was abandoned. Then, 300 years ago it was renewed by the Turks and is in use continually until now. The waters emerging from the springs of the Bansko spa are considered the hottest in Macedonia with water temperature that is reaching 72°C.

- Negorci Spa is located at the far south of Macedonia, near the town Gevgelija, only 6 km from the Greek border. Negorci spa is located in extremely pleasant surroundings, at the bottom of the mountain Kožuf, at the height of 22 m. Within the Negorci spa-resort there are two sources of waters: "Vrela banja"/hot with temperature of 40°C, and "Ladna banja"/cold with temperature of 38°C. At the height of 730 m near the village Konsko, 27 km from the Negorci spa, is the healing center Smrdлива voda.

- Debar Spa is located 4 km far from the town Debar, near to the Albanian border. It is at 780 m above sea level, below the Krcin and Desat mountains. Climate is moderate but can be quite cold during the winter months. That is one of the oldest spas in Macedonia (about 700 years).

- Kosovrasti spa is located east of Debar, at 550 meters above the sea level, near the Dolno Kosovrasti village. The spa is about 700 years old, like the Debar Spa. It was very famous during the Turkish times, when was beautifully arranged.

- Banja Spa is located 7 km from the town of Kocani. These springs have been exploited as a health-spa since ancient times, especially under Roman times.

- Kumanovo Spa also known as Proevo spa is located 4 km east from the town Kumanovo, near the railway line to Belgrade. It is located in a beautiful surrounding with many recreational possibilities.

- The Kezovica Spa is located near the shore of the river Bregalnica, in the south east part of Shtip. The temperature of the thermal mineral waters in the Kezovica spa-

resort reaches 62°C. It is believed that it is an ancient spa resort, but there is no evidence that will support that.

- There are also additional 19 thermomineral springs in the country, convenient for balneological uses. However, the plans to establish several new spa capacities have been disturbed with the recent political and economical destroying of the country.

The current level of tourism valorisation of our spas is unsatisfactory. This was especially true for the period after the nineties when wars and other political and economical events negatively affected not just spa tourism but tourism in general.

The existing eight spas are built in the period between 1960 and 1980, after which there was a period of stagnation, brought in by the slow transition and privatization, during which the spas were generally neglected. Today the process of privatization of these facilities and also the countries potential for spa tourism, have increased their appeal and with that the efforts for their development. Because of that, during the last years, different initiatives for improving the situation have been taken, by renovating the buildings, developing new offers and services and etc., but this offer is still at an insufficient level, with some of the spas closing for business even after renovating, due to an improper management.

2. Accommodation and tourist flow in the spas

The accommodation offer in the spa resorts in the Republic of Macedonia is rather modest. The objects are older and periodically need to be closed for renovation and modernization or they cease operation due to unprofitability. These conditions are the main reason why the number of beds in the resorts is decreasing. According to the latest statistical data, spas resorts in Macedonia participate with only 1.8% of the total number of beds.

Table 1. Capacity of the accommodation establishments in the spas

Year	2012	2013	2014	2012	2013	2014
	Number of rooms			Number of beds		
TOTAL	26 877	26 887	27 422	70287	70 297	71 225
Spa resorts	533	533	530	1 217	1 217	1 289

Source: State statistical office, 2014

Table 2. Number of beds, specified by individual spa resorts

Spa resort	Number of beds
Katlanovo Spa	265
Negorci Spa	230
Bansko Spa	350
Kumanovo Spa	-
Banja Spa	-
Kezhovica Spa	-
Debar Spa	300
Kosovrasti Spa	150
Total	1295

Source: authors' research

Despite all of these reasons, spa resorts in Macedonia are visited by domestic and international tourists, and the number of tourists and stays is constantly increasing, which can be seen from the following table

Table 3. Tourist arrivals & Tourist nights spent in the Republic of Macedonia (2011-2014)

Year	2011	2012	2013	2014	2011	2012	2013	2014
	Tourist arrivals				Tourist nights spent			
TOTAL	647568	663 633	701 794	735 650	2173034	2 151 692	2 157 175	2 195 883
Skopje	141386	152 412	168 623	181 835	254 553	269 813	288 682	310 802
Spa resorts	27441	27 430	28 405	29 532	220 640	216 516	222 362	224 374
Mountain resorts	71309	68 809	68 745	64 707	161 382	144 293	144 125	135 518
Other tourist res.	279695	280 375	300 540	318 972	1309184	1 287 377	1 259 590	1 268 676
Other resorts	127737	134 607	135 481	140 604	227 275	233 693	242 416	256 513
DOMESTIC	320097	312 274	302 114	310 336	1417868	1 339 946	1 275 800	1 273 370
Skopje	15979	18 195	19 596	20 280	24 434	29 221	29 074	31 659
Spa resorts	23401	23 826	24 380	25 534	193 274	190 749	195 665	199 159
Mountain resorts	58100	55 076	52 615	47 975	129 937	110 865	105 301	95 877
Other tourist res.	175612	167 047	161 087	169 217	994 400	936 386	877 076	872 259
Other resorts	47005	48 130	44 436	47 330	75 823	72 725	68 684	74 416
FOREIGN	327471	351 359	399 680	425 314	755 166	811 746	881 375	922 513
Skopje	125407	134 217	149 027	161 555	230 119	240 592	259 608	279 143
Spa resorts	4040	3 604	4 025	3 998	27 366	25 767	26 697	25 215
Mountain resorts	13209	13 733	16 130	16 732	31 445	33 428	38 824	39 641
Other tourist res.	104083	113 328	139 453	149 755	314 784	350 991	382 514	396 417
Other resorts	80732	86 477	91 045	93 274	151 452	160 968	173 732	182 097

Source: State statistical office, 2015

Looking at the number of tourists that are visiting a certain place, it is evident that spa centres are on the list of the least visited locations in the country accounting for only a 4% of total number tourists. According to the data by the State Statistical Office, the total number of tourist who visited the spa resorts in Macedonia in 2014 was 29 532. In the analyzed period from 2011 to 2014, the number of domestic tourists has slightly increased, being 8% higher than in 2011, even though the number of domestic tourists decreased at a country level. This is only because of the so called “rest voucher”, a program that was introduced by the governments as a free spa recreation for pensioners. According to this programme, which started in 2011, every year around 5000 pensioners receive a 7 days all paid stay at a spa, including spa therapy and transportation.

The total percentage of international tourists who visited the spa resorts in Macedonia in 2014 is less than 1%, whereas if we follow the period between 2011 and 2014, we can notice that the number of international tourists in the spa resorts doesn't have a steady flow and has decreased over the years.

The total number of overnight stays by Macedonian tourists in the spa resorts is 199 159, which is 9,07 % of the total number of overnight stays in 2014, whereas the total number of overnight stays in the spa resorts by international tourists is 25 215, i.e. 1,15 % of the stays by international tourists in 2014. This means that the number of overnight stays by domestic tourists is around eight times bigger compared to the number of international tourists.

Current situation – obstacles and problems

Characterized by the discrepancy between its potential and exceptional leverage and mismatch for world requirements, the Macedonian spa offer may be, after an appropriate restructuring, an important component of national and even international tourism.

But to reach that stage, spa tourism in the Republic of Macedonia is faced with several problems and obstacles:

- **Insignificant number of spas**, out of total 8 built only 5 currently work. The objects are older and periodically need to be closed for renovation and modernization or they cease operation due to unprofitability;
- **The technical condition** of most spa facilities after ten years of absence of permanent operation and maintenance **is old and technologically worn out**. Medical equipment is not modern and the current infrastructure is not adequate for delivering a high quality product or commercializing it intensively on the market.
- The **scarcity of available accommodation** is another barrier that is impeding more significant growth of spa tourism.
- There is **no proper standardization and categorization** of all facilities. The accommodation and associated facilities in most spas has low categorization and do not meet modern standards, especially standards of the foreign western tourists.
- **Worn out infrastructure around the spa resort** - the access road to the spa resorts is poor making these regions difficult and time consuming to access.
- The **spas are not separated from the healthcare system** and are not treated as tourist resorts. One of the limitations to further development is the institutional status of special hospitals that operate as a part of public health care system.
- **The spas are utilizing only a small fraction of their potential**. The spa establishments need to develop new products through diversifying their offer;
- There are **qualified medical personnel** in the spas but they **lack qualified tourism personnel**. Visitors should be treated as guests, not as patients;
- **Lack of strategy and development plan** for spa tourism created by the appropriate institutions;
- **Not appropriate organizational structure** which will be responsible for development, supporting and promoting spa tourism
- **Lack of financial resources** to maintain existing facilities that are neglected and without new investment opportunities;
- **Most of the spas are not cost-efficient**, one of the reasons being that they are not the thermo mineral water as an energy source;
- There is **no adequate system of incentives** for creating an investment climate for spa tourism development;
- **Political instability** – Today, the geopolitical situation in the Republic of Macedonia can be assessed to have improved, but it still remains fragile, etc.

CONCLUSION

The Republic of Macedonia has the resources on which to base the future positioning of the country as a distinctive tourist destination for spa tourism. The richness and variety of natural factors for therapy available to Macedonia can make it a decisive leader among the countries in the region.

However, there are many barriers and limitations that currently do not encourage development of this type of tourism, even though, in the last years, some initiatives were taken to improve the situation and they are encouraging, still spa tourism is not adequately treated in the government's development strategies. The state with the material base, the offer, the number of visitors, the tourists' nights spent, the economic effects and the financial workings of the spas is improving very slowly and a better plan and strategy is needed with which the Macedonia's spas will transform into health centres which will attract young and healthy people.

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