

Chapter 5

Perspective of the Application of New Technologies in the Business Activities in Rural Tourism: Case of the Republic of Serbia

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ABSTRACT

A characteristic of rural tourism is the physical distance between supply, which is located in rural areas, and demand, which is located in cities. The role of tourist intermediaries is to connect supply and demand. Tourism distribution channels are seen as a “bridge” between supply and demand and the role of intermediaries is precisely to find ways to facilitate the exchange process. The lack of ICT application can lead to a decrease in demand, a decrease in economic activities, and thus can negatively affect the development of certain areas. The authors will specify the necessary steps which will enable the improvement of business activities and the promotion of rural tourist destinations, both at the micro level, and at the macro level. The expectation is that this approach will increase the income and stop the negative trends burdening the life in rural areas (depopulation, population migration to urban centres, the decline in macroeconomic indicators, etc.) that are present not only in Serbia but also in other countries.

INTRODUCTION

Tourism is currently one of the most promising industries worldwide, and there is an urgent need to understand better the innovation in this sector (Carvalho & Costa, 2011; Vučetić, 2017). The authors Carvalho & Costa (2011) refer to the United Nation's confirmation of the importance of the service sector for the economies of developing countries: by improving the service sector, national competitiveness is promoted in a broad sense; the development of a knowledge-based economy underlines the importance of the growing share of services in a large number of activities; and the usage of ICT can facilitate service trade as well.

Rural tourism, as one specific form of tourism, has the potential to accelerate economic recovery. It has various positive effects because it connects economic and non-economic activities and thus enables additional employment and investment in rural areas. In this way, it manages to mitigate negative demographic, economic, sociological and other trends in rural areas. Due to rural tourism development in some countries, those rural households shifted from performing their primary agricultural production to being exclusively engaged in rural tourism. Nowadays, farmers in many EU countries use rural tourism as an additional source of income in their farms. This is the case in Germany, Austria, France, Italy, Slovenia, and so on. Following these positive examples, rural tourism has become a trend in many countries. Today in Europe, a large number of member state governments invest in rural tourism development and expect the effects of the investment. Such strategic commitment is motivated by the slogan "tourism is as efficient as it is invested in". Having in mind that the Republic of Serbia is in the process of joining the EU, the proposed topic is relevant, current, and timely.

Furthermore, by using SWOT analysis the authors (Krasavac-Chroneos et al., 2018) displayed Serbia's perspectives for rural tourism development, underlining the potential of synthesis of agriculture and tourism. Nowadays the application of the information and communication technology (ICT) is present in all branches of the economy, including the sector of (Vidas-Bubanja & Bubanja, 2017). It is predicted that ICT will mark the development of business and economies worldwide in the first half of the 21st century (Pedersen & Wilkinson, 2018). There is no agreement on what the most important success factors in IT applications are. The research conducted at the Technical University of Eindhoven (Nederland) aimed to establish the critical success factors in the application of ICT. It was concluded that technically the emphasis is on the information system, while from the organizational aspect these are: business processes, organizational culture, and structure (Stankić, 2014). Moreover, there is a link between long-term growth and ICT competencies (Antlová, K., Popelínský, L., & Tandler, 2011), especially when it comes to small and medium-sized enterprises and the development of entrepreneurship (Antlova, 2014; Irefin, I. A. et al., 2012). Many authors (Geoffrey, 2007; Goffi & Cucculelli, 2019; Niavis & Tsiotas, 2019; Salinas Fernández et al., 2020) explore the multidimensional nature of tourism and underline the influence of a large number of different factors on destination competitiveness. They highlight the economic, social, cultural, political and technological dimensions of competitiveness.

Increasing number of tourist destinations on the market is present worldwide. Each of the destinations strives to secure its own competitive position. On daily basis, a large amount of information is eagerly presented by tourist organisation to meet ever-increasing demands of tourists.

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