
International aspects of economic processes management

Cite This Article:

Toneva P. I. Studying the impacts of event tourism on the host communities in Bulgaria [Online] // *Economic Processes Management: International Scientific E-Journal*. 2017. № 1. Available:
http://epm.fem.sumdu.edu.ua/download/2017_1/epm2017_1_5.pdf

Received
January 17, 2017

Accepted
February 25, 2017

Published online
March 9, 2017

JEL Classification: L83

**STUDYING THE IMPACTS OF EVENT TOURISM ON THE HOST
COMMUNITIES IN BULGARIA**

Toneva Petya Ivanova

PhD, Associate Professor,

Associate Professor of Economics of Tourism,

Tsenov Academy of Economics, Svishtov, Bulgaria

The research interest is directed towards assessing the impacts of event tourism in Bulgaria as a popular and dynamic element of the tourism supply and demand, which is has a potential for combinations, development and creation. The article outlines the main theoretical and methodological principles of assessing the impacts of event tourism. Based on the existing achievements in the specialized literature, the study offers a model for assessing these effects. The developed instrument is applied empirically and the collected data is analysed. The impacts of the contemporary event tourism on destination Bulgaria are assessed at the aggregate level.

Keywords: *event tourism, impacts of event tourism, destination Bulgaria.*

Introduction. The increasing interest towards event tourism is a result of the versatile role it could play as an activity for developing destinations, a flexible tourist attraction, a possibility for encouraging investments, an instrument for improving the image and a means for supporting local economies to mention only a few. In the today's world of globalization, the competition between the different destinations is very tough. Searching for resources and methods for their optimal development is a prerequisite for surviving and winning this competition. The complex nature of event tourism can be discussed from different points of view and therefore it can be defined as:

- An independent type of tourism;
- Travel and temporary stay away from one's permanent place of residence with the main purpose of sightseeing or taking part in an organized event;
- Consumption of goods and services when attending and participating in the event;

- A collection of all organizations, institutions and individuals involved in the provision of services to the tourists;
- A specific element of tourism demand.

The event sector as a type of business is a dynamic component of the tourism industry and using it as an instrument for tourism development has its theoretical premises and practical manifestations.

The experts in the field of the sciences related to tourism admit the undoubtedly potential significance and important role of events for the development of destinations by arranging them in a scale starting from mega events to municipal festivals. Multitudes of studies reveal the importance of events and forecast not only a quantitative but also a qualitative increase of the events market.

Methodology. Fulfilling the possible potential of positive impacts of an event depends on the choice of event, the degree of its preparation, planning and realization. All this, together with the increased importance of event tourism for the tourism industry provokes the interest of researcher and encourages them to study this scientific field.

There are several approaches to analyzing the multifold impacts of event tourism from the perspective of the aggregate level. During the 1960s, the concept of carrying capacity (Getz, D. 1983) appeared in the specialized literature. During the 1980s, this concept was further developed into a framework determining the limits of acceptable changes (Fredline, Raybould, Jago, & Deery, 2005; Sherwood, 2007).

Other integrity – based approaches are related to sociology, political and economic sciences. The impacts of event tourism are studied from the perspective of investments and input social, financial, natural or human capital. This approach falls within the scope of the concept of sustainable tourism development.

The Cost – Benefit analysis performed on event tourism at the aggregate level provides information concerning changes in welfare, which are both tangible and intangible. Researchers also use probability methods (readiness to pay) when they assess the impact of event tourism in the monetary context (Armbrecht, J. 2012).

The Triple Bottom Line approach (TBL) is a similar analytical framework. It is based on the multiple perspective, which is determined by the economic, social and environmental impacts (Getz, 2009; Lundberg, 2011). Actually, the Triple Bottom Line approach is used in the business sector as a holistic instrument, which adds social and environmental indicators to the traditional economic assessment indicators. This method can be applied in studying tourism activities in general and the effects of events in particular.

The touristic objectives and impacts of events are basically classified into external and internal (Umnikova, B. 2015). The former are related to increasing the popularity, improving the image and raising the attractiveness of the areas hosting the event as well as increasing the number of tourists. The latter are directly dependent on the achieved external impacts and refer to improvement in the infrastructure, high attractiveness for the local population, economic benefits and internal marketing.

Taking into account the existing theoretical and methodological achievements, the research framework for evaluating the impacts of event tourism in Bulgaria is based on:

- 1) Assessing the positive aspects of developing event tourism and
- 2) Assessing the negative aspects of developing event tourism.

An important element is to assess the necessity of finding a balance between the tangible and intangible impacts when planning and holding publicly acceptable events. From this perspective, the purpose of constructing a model is two – way. First, it is necessary to establish a conceptual framework for assessing the impacts of event tourism at the aggregate level. Second, a well – grounded instrument for assessing these impacts within the scope of the destination Bulgaria should be developed.

Conceptual model of the study. Based on well – known approaches, for the purposes of this study, the positive and negative impacts of event tourism are assessed by using indicators, which correspond to the aspects of sustainable tourism development. With reference to this, the research is focused on studying the economic, cultural, social, and ecological impacts on the touristic area. These impacts are outlined from an aggregate perspective at the level of destination Bulgaria.

The first dimension, i.e. the positive impacts, refers to six main indicators, namely infrastructure and development of the populated area, economic benefits, consolidation of the community, social and cultural exchange, community visibility and image improvement and knowledge and possibilities for entertainment. The second dimension, i.e. the negative impacts, involves five main indicators: economic costs problems with traffic during the events, risks with security, impact on the environment and social conflicts. Each of the selected dimensions from the first level is based on particular components, into which it is decomposed (see Table 1).

The meaning of measuring the impacts of event tourism in Bulgaria can be found in the following more important fields:

- knowledge of market conditions and their use;
- taking measures for improving event tourism in the future;
- implementation of innovations;
- clarifying the strengths and weaknesses and their appropriate interpretation;
- relating the obtained information to external systems, etc.

The methods of analysis, synthesis, induction and deduction are applied for the purposes of the present practical research of the event tourism impacts.

The research instrument consists of a questionnaire. Part of the information is also collected through a structured interview conducted with tour operators and tourist agents.

With reference to the objectives of the research, the target group of respondents includes tour operators, tourist agents, tourist associations as well as people and associations involved in research and education in the field of tourism. The research perimeter is limited according to these groups of respondents because as participants in the system of tourism they have the best perspective and expertise in the field of tourism - the tour operators and tourist agents create and distribute the tourist product, the non- government organizations and higher schools are experts that work to develop destinations and search for new methods and means to improve event tourism.

Table 1. Main indicators for assessing the impacts of event tourism on the host community

POSITIVE IMPACTS	NEGATIVE IMPACTS
<p>Infrastructure and development of the populated area <i>The appearance of the populated area is improved</i> <i>The development of the general infrastructure is enhanced</i> <i>The number of accommodation establishments is increased (hotels, guesthouses, etc.)</i> <i>The places for spending free time are developed New retail outlets are opened</i> <i>The sanitary facilities are improved.</i></p> <p>Economic benefits <i>The sales of the local business increase</i> <i>The employment rate of the local population rises</i> <i>The amount of investments in the region go up</i> <i>The economic welfare increases</i> <i>The economic growth accelerates</i></p> <p>Community consolidation <i>The pride local population take in their town/ village increases</i> <i>The community spirit rises</i> <i>The social unity of the local community increases</i> <i>The quality of life of the local population improves</i></p> <p>Social and cultural exchange <i>Events help host communities and visitors to increase the understanding and acceptance of their cultures and differences</i> <i>The preservation of local culture is encouraged</i> <i>The local population have possibilities to meet new people</i> <i>The interest in other events rises</i></p> <p>Community visibility and image improvement <i>Possibility for popularizing the host community internationally</i> <i>Popularization of the host community in the country</i> <i>Increased media visibility</i> <i>Improved image of the area</i> <i>Better recognition of the area internationally</i> <i>Strengthen identity of the host community</i> <i>Image /prestige enhancement</i></p> <p>Knowledge and entertainment possibilities <i>Events increase the possibilities for entertainment</i> <i>Events enhance volunteering</i> <i>Events provide new knowledge of the event theme</i> <i>Events provide high quality entertainment</i> <i>Events generate excitement and strong feeling in the host community</i></p>	<p>Economic costs <i>Excessive expenditures for new infrastructure arising from the event organization</i> <i>Excessive construction expenditures (for buildings, facilities, etc.)</i> <i>Increased prices of real estates</i> <i>Increased prices of products (goods and services)</i></p> <p>Problems with traffic during events <i>Traffic jams</i> <i>Difficulties finding parking places</i> <i>Problems using public transport</i> <i>Damaging the road infrastructure due to increased traffic</i> <i>Closing / damaging road infrastructure</i></p> <p>Security risks <i>Increased crime</i> <i>Increased risk of terrorist attacks (bomb attacks, etc.)</i> <i>Attracting the attention of terrorists to future events</i> <i>Increased risk of cyber – attacks</i> <i>Visitors disturbing the life of local population (hooliganism, riots, vandalism, etc.)</i></p> <p>Impact on the environment <i>Increased amount of litter</i> <i>Increased air pollution</i> <i>Increased noise levels</i> <i>Negative effects on the long – term development of the populated areas</i> <i>Raised pollution levels due to the construction of new facilities</i> <i>Risk of environmental damages to the host community</i></p> <p>Social conflicts <i>Local population are not of primary importance for the event.</i> <i>The normal life rhythm of the local population is disrupted</i> <i>Social conflicts and antagonism between visitors and local population intensify.</i> <i>The social conflicts between supporters and opponents sharpen</i></p>

Main results. Assessment of the positive impacts of event tourism. When assessing the positive impacts of event tourism, the first indicator to be studied is “*infrastructure and development of the populated area*”. One of the weaknesses of tourism in Bulgaria is infrastructure. Although many efforts have been put into improving its condition, infrastructure is still not satisfactory enough. With reference to this, the importance of event tourism for the development of infrastructure and the populated areas is vital. The components of this indicator, which are assessed and ranked according to their significance, are presented in Table 2.

Table 2. Infrastructure and development of the populated area

	Rank
The appearance of the populated area is improved	1
The development of the general infrastructure is enhanced	2
The places for spending free time are developed	3
New retail outlets are set up	4
Sanitary facilities are improved	5
The number of accommodation establishments is increased (hotels, guesthouses, etc.)	6

One of the main prerequisites for the development of sustainable tourism is that it should facilitate the development of the host communities. According to the assessment of the impacts on the infrastructure and development of the populated area, event tourism mainly improves the appearance of the populated area, accelerates the development of the general infrastructure and facilitates the development of places for spending one’s free time (see Table 2).

The *economic benefits* have a significant importance for the assessment of the event tourism in the country. Among the systematized economic benefits, the most important ones at the present stage of development, are the increased sales of the local businesses. These benefits are followed by increased employment possibilities for the local population and investments in the region. The capacity of event tourism to increase the economic welfare and to accelerate the economic growth are not so highly evaluated (see Table 3).

Table 3. Economic benefits

	Rank
The sales of the local businesses increase	1
The employment rate of the local population rises	2
The amount of investments in the region go up	3
The economic growth accelerates	4
The economic welfare increases	5

Naturally, the economic benefits are undoubtedly significant but the study of the social aspects of event tourism is also of key importance. The contribution to the *community consolidation* is one of these dimensions.

Table 4. Community consolidation

	Rank
The pride local population take in their town/ village increases	1
The community spirit rises	2
The social unity of the local community increases	3
The quality of life of the local population improves	4

The aspects of community consolidation that are most fully developed by event tourism are the pride local people take in their town/village and the raising of the community spirit (see Table 4).

The *social and cultural exchange* is an immanent element of event tourism. The research findings connected to the aspects of the social and cultural exchange, which are affected by event tourism, are shown in Table 5. Event tourism supports the preservation of local cultures, provides opportunities to the local population for meeting new people, helps both the host communities and visitors to improve the understanding and acceptance of their cultural differences and stimulates the interest in other events.

Table 5. Social and cultural exchange

	Rank
The preservation of local culture is encouraged	1
The local population have possibilities to meet new people	2
Events help host communities and visitors to increase the understanding and acceptance of their cultures and differences	3
The interest in other events rises	4

With reference to the *community visibility and image improvement* indicator, according to the assessment of the respondents, event tourism increases most the image of the populated area, popularizes the host community in the country and provides opportunities for its popularization internationally. The other aspects, which are not so highly evaluated, include the fact that the touristic area and host community are presented more often in the media and are better recognized internationally (see Table 6).

Table 6. Community visibility and image improvement

	Rank
Improved image of the area	1
Possibility for popularizing the host community internationally	2
Popularization of the host community in the country	3
Better recognition of the area internationally	4
Strengthen identity of the host community	5
Image /prestige enhancement	6
Increased media visibility	7

According to the traditional understanding, event tourism enhances the image of the host community and area. The assessments confirm this statement. Another highly assessed

aspect of this indicator is the possibility for popularizing the host community internationally.

Table 7. Knowledge and entertainment possibilities

	Rank
Events increase the possibilities for entertainment	1
Events enhance volunteering	2
Events provide new knowledge of the event theme	3
Events provide high quality entertainment	4
Events generate excitement and strong feeling in the host community	5

Using event tourism as an attraction offers possibilities for acquiring new knowledge and providing entertainment. The significant elements in this group include increased possibilities for entertainment and providing new knowledge on the theme of the event (see Table 7).

Negative impacts of event tourism. Is not the price paid for the realization of the positive effects too high? The assessment of the other aspect of the impacts, i.e. the negative one, provides information about the actual cost of organizing a particular event.

Table 8. Negative aspect of the economic costs of event tourism

	Rank
Increased prices of products (goods and services)	1
Excessive expenditures for new infrastructure arising from the event organization	2
Excessive construction expenditures (for buildings, facilities, etc.)	3
Increased prices of real estates	4

The components of the indicator referring to *the negative aspects of the economic costs* of event tourism include an increase in the prices of products (goods and services), excessive expenditures for infrastructure built for the organized event, excessive construction expenditures and increased prices of real estates. Data reveals that the cost of event tourism is very high. The majority of the respondents give neutral answers when asked to assess the negative aspects of the economic costs (see Table 8).

Table 9. Problems with traffic during events

	Rank
Difficulties finding parking places	1
Traffic jams	2
Damaging the road infrastructure due to increased traffic	3
Closing / damaging road infrastructure	4
Problems using public transport	5

At the present stage of the event tourism development, one of the most important negative impacts is connected with the problems arising from traffic during events. One of the most significant issues within the scope of this indicator is the difficulties with finding parking places. The other problems include traffic jams, damages to the road infrastructure due to increased traffic, closed or damaged infrastructure and problems with using public transport (see Table 9).

Table 10. Security risks

	Rank
Increased crime	1
Visitors disturbing the life of local population (hooliganism, riots, vandalism, etc.)	2
Increased risk of terrorist attacks (bomb attacks, etc.)	3
Attracting the attention of terrorists to future events	4
Increased risk of cyber – attacks	5

According to the long – established understanding, the security risks increase during events. These risks include increased crime, increased risk of terrorist and cyber attacks and disturbing the normal life of the host community (see Table 10).

Table 11. Impacts on the environment

	Rank
Increased amount of litter	1
Increased noise levels	2
Increased air pollution	3
Risk of environmental damages to the host community	4
Raised pollution levels due to the construction of new facilities	5
Negative effects on the long – term development of the populated areas	6

The impacts on the environment *are* the most important ones within the scope of the negative issues. With reference to this, the main problems are the increased amount of litter and noise levels. The other components of this indicator include the increased air pollution, the risk of environmental damages to the host community, the raised pollution levels due to the construction of new facilities and the negative effects on the long –term development of the populated area (see Table 11).

Table 12. Social conflicts

	Rank
The normal life rhythm of the local population is disrupted	1
The local population are not of primary importance for the event.	2
Conflicts and antagonism between visitors and the local population intensify	3
The social conflicts between supporters and opponents sharpen	4

The “*social conflicts*” indicator is assessed with the help of the following components: events disrupt the normal life of the local population, the fact that they are not of primary importance for the held event, the antagonism and conflicts between the visitors and the local population and the increased social conflicts between supporters and opponents.

It is known that the more dependent a destination is on the development of the tourism, the more tolerant the local residents are to the tourists. In general, at the current stage of event tourism development in the country, social conflicts are not a clearly defined problem.

Conclusion. The study provides a well – grounded and reliable instrument for assessing the impacts of event tourism on destinations at the aggregate level. The theoretical review and the gathered empirical data after applying the model for assessing the impacts of event tourism in Bulgaria lead to the following conclusions:

First. Event tourism has the potential to contribute to the more effective development of the destination. It integrates a number of attributes in action by combining experiences and leaving tangible and intangible impressions in the tourists. The assessment reveals that the authorities are willing to organize more and different events because they find this necessary for the development of tourism in Bulgaria. It is also imperative to improve the already existing events.

Second. The accurate assessment of event tourism is a challenging task. The choice of approach and appropriate instrument is a function of particular specific reasons, arguments and indicators. A model, which is based on the achievements in this research field, has been developed for the purposes of assessing the impacts of event tourism on host communities. This model reflects the existing theoretical concepts and approaches. It also takes into account the current state of development of event tourism in the country.

Third. The multidisciplinary nature of event tourism sets a number of challenges to the people involved in this sector of the tourism industry. Their success is directly related to the level of managerial skills, knowledge and reliable management information employed.

Fourth. The elements of the positive impact are assessed considerably higher than the elements of the negative impact. The most highly ranked is the positive effect of event tourism on the sales of the local businesses, the employment of the local population, the efforts for preserving the local cultures, the possibilities for popularizing the local communities internationally and enhancing the image of the populated areas. The most clearly defined negative effects refer to the increased amount of litter and noise level, the difficulties with finding parking places and the traffic jams.

References

1. Goldblat, D. (2006). Spetsialni sabitiya, Roi komunikeishan EOOD.
2. Ribov, M. (2003). Upravlenie na konkuretnosposobnostta v turizma. Sofia. Trakiya M.
3. Velikova, E., St. Dimitrova. (2016). Upravlenie na sabitiyata v turizma. Sofia, Avangard Prima.
4. Umnikova, B. (2015). Povishavane rolyata ha sabitiiniya turizam za turisticheskoto razvitie na balgarskoto Chernomorie. Avtoreferat na disertaziya za prisazhdane na nauchna stepen “doctor”. IU – Varna.

5. Armbrecht, J. (2012). The value of cultural institutions, measurement and description.
6. Cooper, C., Fletcher, J., Fyall, A., Gilbert, D. and Wanhill, S. (2005). *Tourism: Principles and Practice*, 3rd edition, Pearson.
7. Frechtling, D. C. (1994). Assessing the Economic Impacts of Travel and Tourism: Introduction to Travel Economic Impact Estimation, in *Travel, Tourism and Hospitality Research: A Handbook for Managers and Researchers*, 2nd edition, edited by J.R. Brent Ritchie and Charles R. Goeldner, John Wiley & Sons.
8. Frechtling, D. C. (2006). An Assessment of Visitor Expenditure Methods and Models, *Journal of Travel Research*, Vol. 45, August.
9. Getz, D. (1983). Capacity to absorb tourism: concepts and implications for strategic planning. *Annals of Tourism Research*, Elsevier.
10. Getz, D. (1991). *Festivals, special event and tourism*. New York: Van Nostrand Reinhold.
11. Getz, D. (2008). Event tourism: definition, evolution, and research. *Tourism management*, 29.
12. Getz, D. (2009). Policy for sustainable and responsible festivals and events: institutionalization of a new paradigm. *Journal of Policy Research in Tourism Leisure and Events*, 1(1).
13. Getz, D. (1994). Event Tourism: Evaluating the Impacts, in *Travel, Tourism and Hospitality Research: A Handbook for Managers and Researchers*, 2nd edition, edited by J.R. Brent Ritchie and Charles R. Goeldner, John Wiley & Sons.
14. Goldblatt, J. (2000). A future for event management: The analysis of major trends impacting the emerging profession. In J. Allen, R. Harris, L. K. Jago, & A. J. Veal (Eds.), *Events beyond 2000: Setting the Agenda*. Sydney: Australian Centre for Event Management. Gothenburg.
15. Müller, W. (2003). *Event marketing: Grundlagen, rahmenbedingungen, konzepte, zielgruppe, zukunft*. (2nd ed.) Düsseldorf: VDM-Verl. Müller.
16. Sherwood, P. (2007). *A triple bottom line evaluation of the impact of special events: the development of indicators*. PhD, Victoria University, Melbourne.
18. Vaughan, D.R., Farr, H. and Slee, R.W. (2000). Estimating and Interpreting the Local Economic Benefits of Visitor Spending: An Explanation, *Leisure Studies*, Vol. 19.
19. Hodur, N.M. and Leistritz, F.L. (2006). Estimating the Economic Impact of Event Tourism: A Review of Issues and Methods, *Journal of Convention and Event Tourism*, Vol. 8, No. 4.