Original scientific paper

REGIONAL SITUATION AND PERFORMANCE EVALUATION OF TOURISM DEVELOPMENT IN THE PÉCS-VILLÁNY TOURISM AREA

Ádám GYURKÓ[a], Tibor GONDA[b]

[a] Assistant Professor, Eszterházy Károly Catholic University, Faculty of Economics and Social Sciences, 3300 Eger, Eszterházy tér 1., gyurko.adam@uni-eszterhazy.hu
[b] Associate Professor, University of Pécs, Faculty of Business and Economics, 7622 Pécs, Rákóczi út 80., gonda.tibor@ktk.pte.hu

Abstract

The study examines the tourism situation and performance of the Pécs-Villány tourism area between 2018 and 2023. The aim of the research is to analyse the effects of the pandemic, to explore the spatial rearrangements of the region and to examine the quantitative and spatial distribution of tourism development resources. In addition, the study will review the delimitation of the Pécs-Villány tourism area at the municipal level, as defined by Government Decree 429/2020 (IX. 14.). The results show that the region was not as severely affected by the pandemic as the national average, but in 2023 there was a significant decline in the tourism sector. Another key conclusion of the research is that a more efficient and equitable allocation of development resources would also be crucial for the balanced development of the region.

Keywords: spatial reallocation, tourism competitiveness, tourism development, tourism benchmarking

INTRODUCTION

The specificity of the Pécs-Villány area is due to the importance of cultural and wine tourism, active and eco-tourism and the significance of health tourism. The region has the mild Mediterranean atmosphere of Pécs and the charm of Villány with its wineries, while a wide range of attractions and cultural events can ensure that visitors have a rich and varied experience. The aim of the research is to assess the situation and performance of tourism in the Pécs-Villány tourism area between 2018 and 2023, with a special focus on 2020 and 2021 as the pandemic has caused dramatic changes in both domestic and international tourism during this period. However, the recovery was not made easier in 2022, as the sharp increase in inflation, which also affected the tourism sector to a greater extent, did not allow a clear recovery from the crisis.

For holidays, the increase in the consumer price index for 2023 was above the average inflation rate for all goods and services, according to the Hungarian Central Statistical Office (HCSO). The increase in the price of domestic holiday services in 2023 was 121.9% (HCSO, 2024), while for all goods and services it was 117.6% (HCSO, 2024). It can therefore be said that the tourism sector has been affected by an above average inflationary impact. These tendencies have affected the various tourist destinations in different ways, with the result that regional competition is likely to intensify again.

The main focus of the research is therefore to shed light on how domestic tourism indicators have changed during this period and what territorial rearrangements can be observed in the Pécs-Villány tourism area. In addition, the quantitative and territorial distribution of development funds allocated to the region – on the grounds of tourism development – will also be examined.

THEORETICAL BACKGROUND

The COVID-19 epidemic has posed an unprecedented challenge to the global economy, with ripple effects reaching across the globe. The disruption caused by the pandemic hit trade, financial markets and most industries hard. Healthcare systems were the hardest hit. Measures taken to contain the spread of the virus, such as closures and travel restrictions, led to a drastic reduction in economic activity and consumer spending. Many sectors such as hospitality, tourism and retail have been almost completely paralysed (Fekete-Fábián & Jánosi, 2022; Fekete-Frojimovics et al., 2024; Hajdú & Rácz, 2020).

A tourist destination can only be successful and competitive from a tourism point of view if four general conditions are met. These conditions are safety, quality of life, freedom from threats and an adequate level of public health (Michalkó, 2016, 2020). The public health situation was even more dramatically raised during the SARS-CoV-2 pandemic. The tourism sector was one of the first to suffer a tragic collapse as a result of the coronavirus, with international tourism in 2020 down 74% on the previous year (Gössling et al., 2020; Nod et al., 2021; Michalkó, 2023; Palkovics, 2022). Despite a drop in traffic in 2020-21, tourists' willingness to travel has not decreased significantly (Fotiadis et al., 2021; Kovács et al. 2021). This is supported by the fact that the sector was able to show good results in the summer months, which were less constrained, but was limited to shorter stays and primarily to closer domestic destinations. The historical low also provided an opportunity to rebuild and

redesign, so that the principles of sustainability could be more clearly applied in the destinations (Kupi & Szemerédi, 2022).

A tourist region is a well-defined geographical area with a rich tourist offer and attractions. Furthermore, its built environment, natural assets and cultural values combine harmoniously to create a unique atmosphere. It is also important that, at least among domestic tourists, it is a well-known and popular destination, where development takes place within a coherent concept and the creation of a regional tourism brand serves not only local but also national interests (Jóvér et al., 2019). The delineation of tourism areas is a key issue in the design of tourism development strategies and the optimal allocation of resources. However, since tourist attractions are rarely confined to administrative boundaries, it is necessary to define tourism development on the basis of attractions at the territorial level (Hernández-Martín 2016). In Hungary, several scientific studies have been conducted that define tourism areas in different regions of the country according to comprehensive methodologies (Aubert & Szabó, 2007; Bujdosó et al., 2019; Gyurkó & Bujdosó, 2017; Gyurkó, 2020). According to the most general definition, a destination is an area offering tourism services and activities that tourists choose as a destination in their travel decision because it has some aspect of attraction for them. Destinations "become central elements of the tourism system as they are demand-driven homogeneous supply units that provide tourists with different services; and although they are collectively created, they are also independently fulfilled" (Aubert, 2011a, p. 143). In the domestic context, the National Tourism Development Strategy 2030 (2017) also provides a comprehensive definition, stating that: "A destination is a geographically definable, identifiable area that can be presented in the tourism supply market as a single host area and is made up of elements that are coherent in terms of built environment, natural geography or cultural values."

A large number of measures and methodologies can be used to define destinations, but there is no standardised procedure at national or international level (Végi, 2021; Pap, 2007). This is mainly due to the fact that the delimitation of tourist areas is a very complex process for which there is no universally applicable methodology (Rodríguez-Rodríguez & Hernández-Martín 2020). No two areas have exactly the same characteristics and the golden rule of delimitation is that it must be based primarily on the characteristics of the area. On this basis, all proposed indicators can only be a starting point and should be adapted to the specific needs of the region when defining tourist destinations. There is, therefore, no universal good practice but the integration of some generic indicators can be paramount in this process.

One of the most commonly used indicators for defining tourism destinations is tourism revenues which is frequently used by the United Nations World Tourism Organization (UNWTO) (Fintineru et al., 2014). This indicator is also used by the World Travel and Tourism Council (WTTC), but the Council also considers the number of people employed in the sector (Bednarska, 2013). Finally, the third most widely used indicator is the number of nights spent, which is used by, for example, the European Union and the Member States of the Integration (Roman et al., 2020).

The central actor of tourism management in Hungary is the Hungarian Tourism Agency (MTÜ), which operates under the supervision of the Prime Minister's Office and is responsible for the implementation of the objectives of the National Tourism Development Strategy 2030, the elaboration of tourism development strategies and national and international tourism marketing. The MTÜ's activities range from defining the main orientations for tourism development to tourism branding, ensuring that development resources are allocated in a centrally coordinated manner. At regional level, county and municipal governments and local Tourism Destination Management (TDM) organisations are responsible for coordinating and implementing local development. These organisations are responsible for integrating local tourism needs and opportunities with central strategic objectives, but are often criticised for being less supportive of local initiatives. The allocation of tourism resources is centralised, which in many cases does not allow for development based on the specificities of localities. More emphasis should be given to local initiatives and a more decentralised allocation of resources to create more sustainable and competitive tourist destinations (Csapó, 2019).

Hungary's tourist regions

In Hungary, the first comprehensive destination and regional approach to tourism began to emerge in the 1970s and 1980s. During this period, a Regulation of the Council of Ministers was issued on priority tourist areas and resort zones and on the establishment of permanent tourism committees. At the same time, a statistical system for monitoring and registering tourism processes was introduced and it was operated by the Institute of Urban Science and Design (VÁTI), Institute of Internal Trade Research BKI), Hungarian Central Statistical Office (KSH) and the National Tourist Office (Dávid et al., 2003; Aubert, 2011a). These factors have clearly indicated that the key to the dynamic expansion of the country's tourism statistics lies primarily in destination-oriented thinking.

Priority holiday areas can be understood as areas of regional importance and special significance. These areas require integrated development and regulation, often involving several regions, and may be characterised by voluntary partnerships outside statutory requirements (National Concept of Territorial Development, 2005). Examples of areas that may fall into this category include national parks and environmentally sensitive areas.

The priority holiday areas have been defined on the basis of tourism attraction indicators. The municipalities in this category are rich in tourist attractions, services and infrastructure (Aubert, 2011b; Pap, 2005). Based on the legislation in force at the time (Government Decree 2012/1986), the municipalities in our country were classified into four groups according to their touristic importance.

- Priority resort areas (353 settlements) (Budapest, Lake Balaton, Danube Bend, Lake Velence, Mátra-Bükk, Sopron-Kőszeghegyalja, Lake Tisza, Mecsek-Villány).
- Resort areas (1.363 settlements) (Western border edge, Göcsej, South Zala, Inner-Somogy, Kapos Valley, Mecsek and Villány Mountains, Rába-Marcal, Szigetköz, Vértes-Gerecse, Bakony, Budapest area, Ráckevei-Duna, the Lower Danube section in Hungary, the Upper and Central Tisza regions, the Tisza section in Szolnok, the Tisza-Körös region, Cserhát and its surroundings, the Zemplén Hills, Aggtelek and its surroundings).
- Settlements with recreational and leisure facilities outside the holiday area (139 settlements).
- Non-resort settlements.

The political regime change of the 1990s not only transformed economic sectors, but also induced spatial processes that affected the tourism sector (Palkovics, 2022). For Hungary, the biggest initial negative impact in terms of tourism was that East-Central Europe became an open space, losing its unique attractiveness and this openness also resulted in the emergence of significant competitors. In addition, regional management of tourism was only present in Lake Balaton and the South Transdanubian region which made it urgent to improve the quality of domestic destinations (Aubert, 2011b).

The lessons of the Prime Minister's Tourism Day in 1996 highlighted the situation of domestic tourism after the change of regime and the need to boost it. In the socialist period, family reunification between East and West Germany provided a significant demand which disappeared with the change of regime and the opening of borders. The conference therefore initiated a change of direction, with each ministry being given specific tasks to support, in

particular, the development of domestic tourism. This strategic move laid the foundations for a long-term tourism management system that served the sustainable development of Hungarian tourism (Michalkó et el., 2023).

In Hungary, the nine tourism regions established in 1998 served as the basis for the regional development of tourism. These were named in Decree no. 28/1998 (13.V.) of the Ministry of Industry and Trade (IKIM). The main purpose of their creation was to promote regional and local resources for tourism development and to strengthen cooperation and coordination. The professional management of tourism development in the regions was undertaken by the Regional Tourism Committees, complemented by the Regional Marketing Directorate (Aubert, 2011b; Patkós, 2011). The tourism regions were extended beyond the borders of the statistical region with two separate areas, Lake Balaton and Lake Tisza. In addition, the touristic region of Northern Hungary did not include the western parts of Nógrád County (which belong to Budapest and its surroundings) and some settlements in Southern Heves and Southern Borsod-Abaúj-Zemplén County were added to the Lake Tisza region.

The National Tourism Development Strategy 2030 has identified various priority tourism development areas which were also the subject of a government decision in 2017 (Hungarian Tourism Agency, 2014; Aubert et al., 2017). The National Tourism Development Strategy 2030 aims to promote a destination-centred approach. Instead of the former tourism regions, priority tourism development areas have become the main focal points for tourism development. A total of five regions, comprising eight destinations, have been given the flagship designation with the aim of better achieving tourism development policy objectives. The designation of the areas was based on geographical and infrastructural characteristics, the intensity of demand, the elements and characteristics of the tourism offer and the supply of attractions (Kovács & Kiss, 2018). The priority tourism areas have access to the financial resources of the Kisfaludy Tourism Development Programme which was the largest programme of tourism development in Hungary from national funding (Horváth et al., 2018).

The Pécs-Villány destination is one of the classic hospitality areas of the country, with a centuries-old tradition of hospitality in the area. Unfortunately, during the period of the regime change, the relative position of the region deteriorated due to the interaction of several factors. Firstly, the effects of the South Slavic war prevailed, which for years caused travellers to consider the region as an unsafe destination (Rácz ,2017). Traditional large-scale industry in the region ceased to exist, and the population of the cities decreased significantly (HORECZKI et al. 2023). Another major difficulty is the underdeveloped public transport in the destination, although its importance is clear (Samková & Navrátil, 2023) The situation

was worsened by the lack of targeted tourism development, compounded with a partial lack of professional management and marketing knowledge, which is essential in tourism. The general decline in the region's visitor numbers, the existence of the established motorway network and the partial success of the Pécs European Capital of Culture 2010 programme have not been able to bring about a significant turnaround, and tourism in the region is still underperforming. While other rural areas of the country have seen significant attraction developments and emblematic hotel construction, the tourism offer of the Pécs-Villány destination is – with a few welcome exceptions – stuck at post-regime change levels, despite an excellent destination product base in national comparison:

The cultural offer of Pécs spans a heritage of more than two thousand years. Walking around the city, you can discover almost every period of history – the Roman period with its World Heritage-listed early Christian tomb complex, the founding of the state with the Romanesque altar church of the cathedral, the Turkish occupation with the mosque in the main square, the city centre with its buildings of different architectural styles (neo-Baroque, classicist, art nouveau, etc.), or even the most outstanding monuments of industrialisation, the products of the Zsolnay factory, the Zsolnay Cultural Quarter, the Zsolnay ornamental fountains and ceramics in the city centre, created in connection with the European Capital of Culture 2010 title. The city's cultural offer is also internationally competitive (Berki & Csapó, 2006).

Villány is one of the few areas in the country that has "invented and implemented itself" without any particular central intervention. Unlike Tokaj, the wine-growing region has been made nationally famous not by its wines but by the hard work of renowned and popular winemakers and wineries (Bock, Gere, Tiffán, Polgár, Günzer, Sauska, Vylyan, Jammertal, etc.). Local product production is a priority for gastronomic tourism (Ülker & Karamustafa, 2023; Kulát et al., 2023), and a wine road brand has been developed to promote this. They have set an example by offering traditional wine tasting with local dishes (Swabian dishes – stifolder, steamed dumplings, strudel), by hosting guests in villages and later by creating the first "wine wellness" services in the country (Crocus Gere Borhotel, Bock Hotel Ermitage).

Orfű is a natural attraction for tourists, offering opportunities for swimming and active relaxation, while hosting numerous festivals and events throughout the year.

The spa of Harkány, which has been in operation for 200 years, has been a popular destination for people seeking a cure since the end of the 19th century and its medicinal waters, which are also suitable for the treatment of psoriasis, still have a lot of untapped potential.

The quality of the basic tourism infrastructure (accommodation and catering) in the region can be considered as mediocre at best, apart from the smaller capacity premium hotels, and with a few exceptions, the catering facilities show a similar quality; the destination is not currently suitable for attracting a high spending clientele, with the exception of Villány.

Tourist regions based on Government Decree 429/2020 (IX. 14.)

In the autumn of 2020, the Government of Hungary designated 11 tourist areas in Hungary on the basis of Government Decree 429/2020 (IX. 14.). By designating destinations, the aim was to improve the efficiency of tourism operations and to create easily identifiable and communicable destinations in line with the objectives of the NTDS 2030. In addition, the definition of tourist areas aims to strengthen cooperation between operators once they have been properly positioned, to increase the competitiveness of the host areas and to transform existing offer elements into a coordinated package of services. It is important to note that these distinctive destinations are able to propose competitive travel offers in the short term to foreign and domestic visitors in search of new experiences and have continuously increasing unit spending.

Figure 1 Tourist regions of Hungary according to Gov. decree 429/2020 (IX. 14.)

Source: https://mtu.gov.hu/dokumentumok/TERKEP-ARANY-JO-1008.pdf
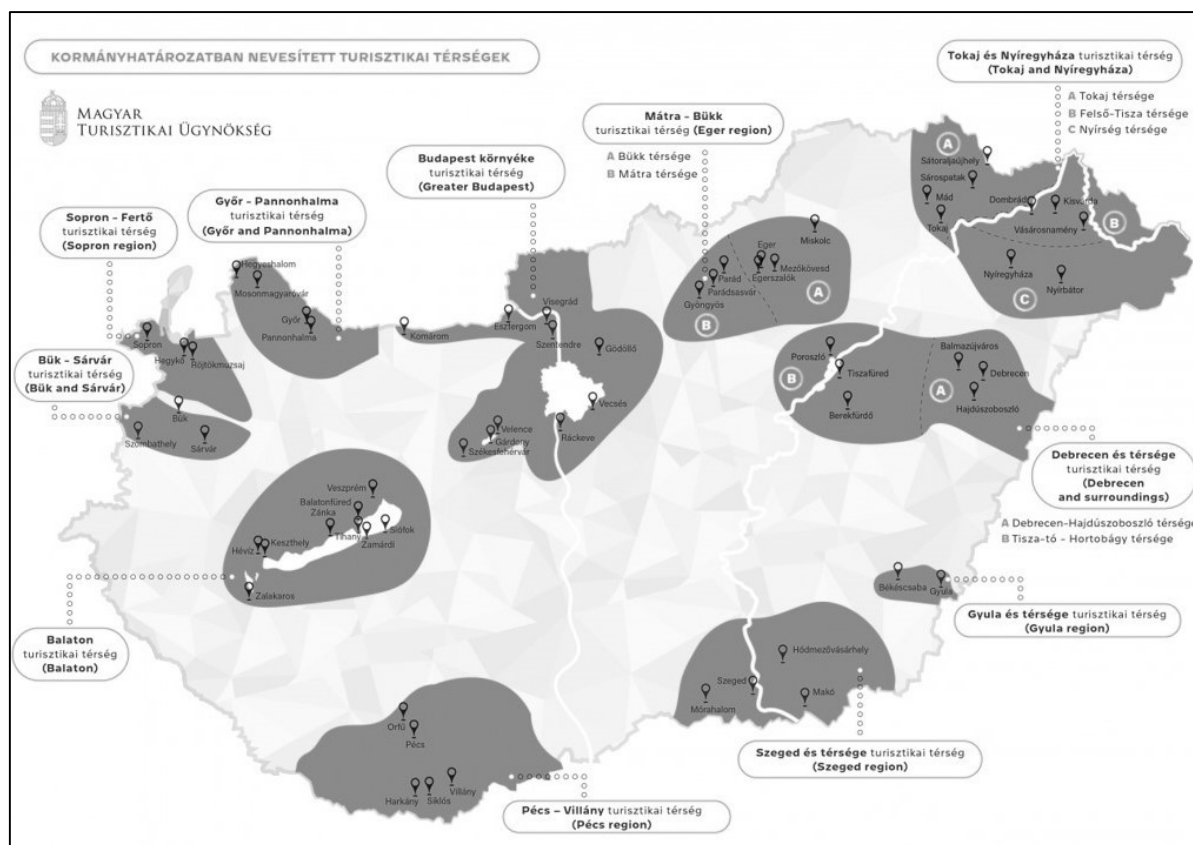
Figure 1 shows the map of the tourist areas in Hungary officially published by the Hungarian Tourism Agency (MTÜ) on the basis of Government Decree 429/2020 (IX. 14.). During the professional conferences in tourism and catering, authors have often faced the professional criticism that the map, published by the MTÜ, gives the impression that a large part of the country is a tourist area, but the list of municipalities included in the delimitation leaves the reader with a feeling of incompleteness. The reason for this is that in the mapping of the spatial delimitation, MTÜ has neglected the geoinformatics approach, as some areas would in reality be so small and/or so shaped that it would be problematic to call them a region. As a result, while Figure 1 provides an aesthetic map whose content can be easily and effectively used as a basis for marketing strategies, the professionalism of the geoinformatics and tourism aspects have been sidelined. In response to these, the authors agreed to produce a more accurate overview map of the municipalities included in the tourism area delimitation which was then compared with the map published by the MTÜ.

Figure 2 Tourist areas in Hungary defined on the basis of Gov. decree No 429/2020 (IX. 14.) based on the map officially published by the MTÜ and the administrative boundaries of the municipalities
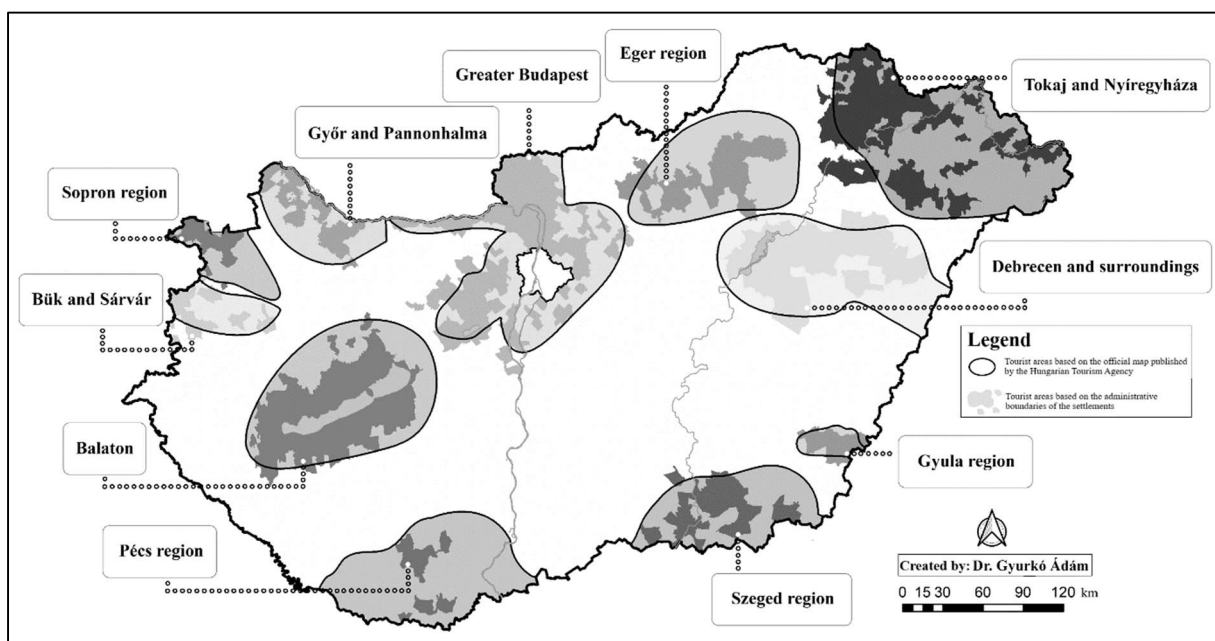
Source: own editing based on own research.

Figure 2 shows the tourist areas in Hungary defined on the basis of the administrative boundaries of the municipalities in line with Government Decree No. 429/2020 (IX. 14.). This map already shows the actual territorial extent of the tourist areas beyond the approximate regional delimitation of the MTÜ. The aforementioned geoinformatics and touristic criticisms

are clearly visible on the map as the administrative delimitation of the areas in reality shows a completely different picture than the map published by the MTÜ. A very significant criticism is that the map published by the MTÜ can be misleading even for the professional observer. In professional circles, therefore, the use of Figure 2 produced by the authors is justified.

DATA AND METHODS

The regional tourism performance assessment was based on the following statistical data, all of which were taken from the Information Database of the Hungarian Central Statistical Office. In most cases, turnover indicators for commercial accommodation, but in some cases also for private and other accommodation, were analysed.

- Number of nights spent in accommodation by foreign visitors
- Number of guests in accommodation
- Number of nights spent in accommodation

Territorial data on EU funds allocated to tourism development is available through the Funded Project Finder application at https://archive.palyazat.gov.hu. After filtering, the amount of tourism funds allocated to municipalities, the scope and content of projects were summarised.

A further aim of the research was the professional correction of the overview map of the tourist areas issued by the Hungarian Tourism Agency on the basis of Government Decree No. 429/2020 (IX. 14.). Since the map of the MTÜ does not fully reflect the actual area of the destinations, a new map was drawn up using geoinformatics methods, based on the administrative boundaries of the settlements included in the delimitation.

RESULTS

In line with the names of the two settlements, the Pécs-Villány tourist region can be defined as a destination based on cultural, wine and gastronomic products, health tourism products through the settlement of Harkány and active recreation due to Orfű (Kovács & Horeczki, 2023; Csapó, et al. 2015). This is supported by a recent research, the results of which show exactly which factors attract the interest of tourists arriving in the county. Based on the evaluation of this research, a study, aimed at identifying the image elements of the South Transdanubian Tourism Region, showed that the three most important elements in the profile of our destination – according to the opinions of the guests surveyed – are natural values, wine and culture/history (Spiegler et al., 2023). Partly linked to the above, but still mentioned as a separate category in the context of its distinctive tourism offer, it is also appropriate to mention spa and health tourism (Szabados & Merza, 2023).

The presence of around 5,000 foreign students studying at the University of Pécs has a significant impact on the Pécs-Villány tourist area. Foreign students are not only part of university life, but also use the various services of the city. This creates a continuous demand for local catering, accommodation and leisure activities, which are closely linked to the tourism sector. The presence of students has a direct economic impact, as they visit restaurants, entertainment venues, cultural and tourist facilities, which contributes to the maintenance of tourism in the city of Pécs. In addition, students are often visited by family members and friends, who usually book accommodation and participate in tourist activities. This increases the number of overnight stays and generates additional revenue for the region. And the cross-cultural contacts mediated by foreign students also enhance the reputation of the region, as students share their experiences with their home communities. In the longer term, this can help to raise the profile of the region, potentially attracting more tourists. These effects should be taken into account when drawing up tourism strategies and development plans, as tourism generated by foreign students can be an important part of the economic and cultural life of the region.

The destination has not always been one of the priority areas in terms of hospitality, but it is nevertheless based on a centuries-old tradition. The touristic infrastructure and superstructure of the area is generally of medium quantity and quality. There are only a few small-capacity premium hotels in the area. Villány is the only destination in the region capable of attracting big spender tourists (Szabó, 2023). Overall, it can be concluded that currently only Budapest and the Lake Balaton region are considered to be destinations with significant international tourism among the 11 Hungarian tourist regions identified by the Hungarian Tourism Agency. According to the 2019 statistics of the Hungarian Central Statistical Office (KSH), Budapest and the Lake Balaton region together account for 72.4% of the total number of nights spent by foreign tourists in Hungary (Budapest 60.1%, Lake Balaton region 10.3%), which highlights the regional disproportions within the structure of Hungarian tourism (KSH 2019). The data also show that Hungary is in relatively strong demand from foreign tourists, while the untapped and under-utilised rural destinations and weak regional cooperation systems (clusters, TDM cooperation) actually mean that most areas of Hungary benefit to a very limited extent from foreign tourists – and partly from domestic tourists. Therefore, in the long-term tourism development of the Pécs-Villány tourism area, it is important to pay special attention to the development of a regional cooperation institutional system and business ecosystem that can undertake the future stimulation of tourism in the destination more effectively with the help of competitive branding, more professional marketing activities and demand-generating networked destination development.

Figure 3 Number of nights spent in commercial, private and other accommodation in Baranya County and in the Pécs-Villány tourist area in 2023
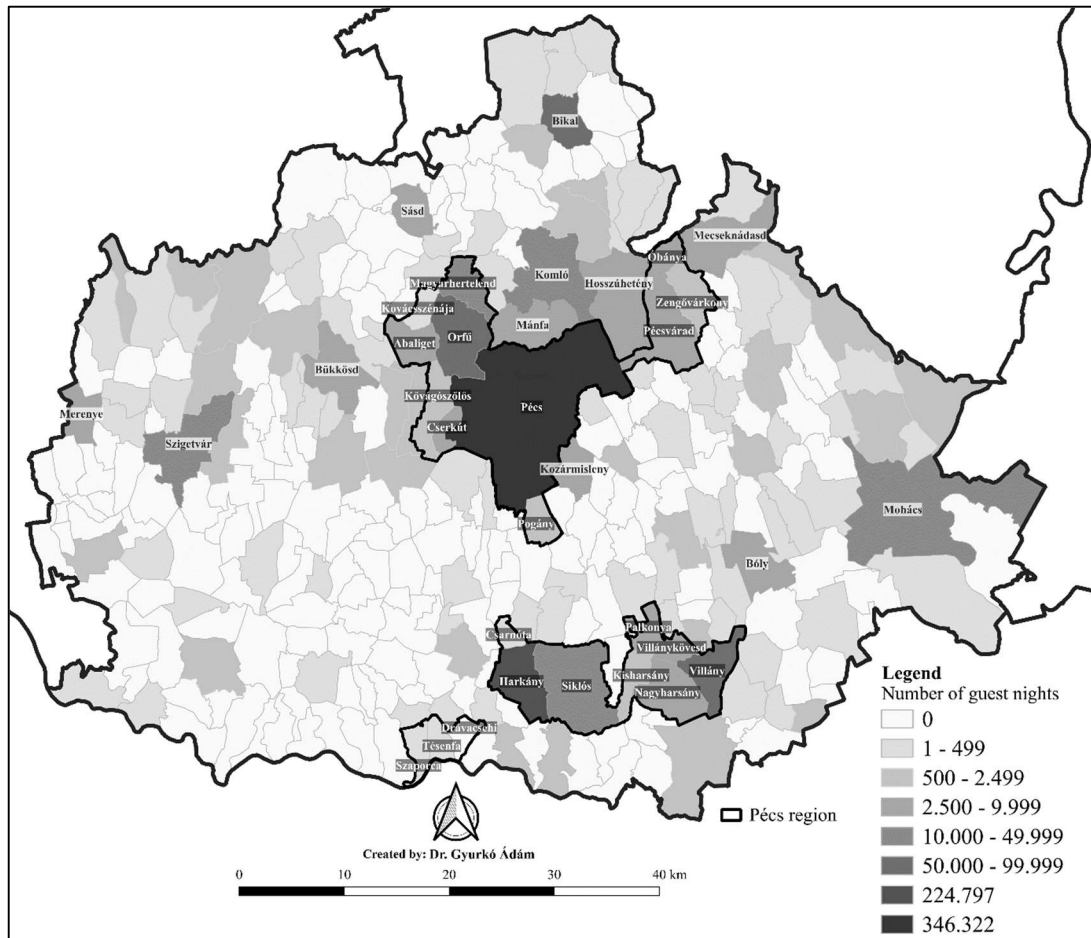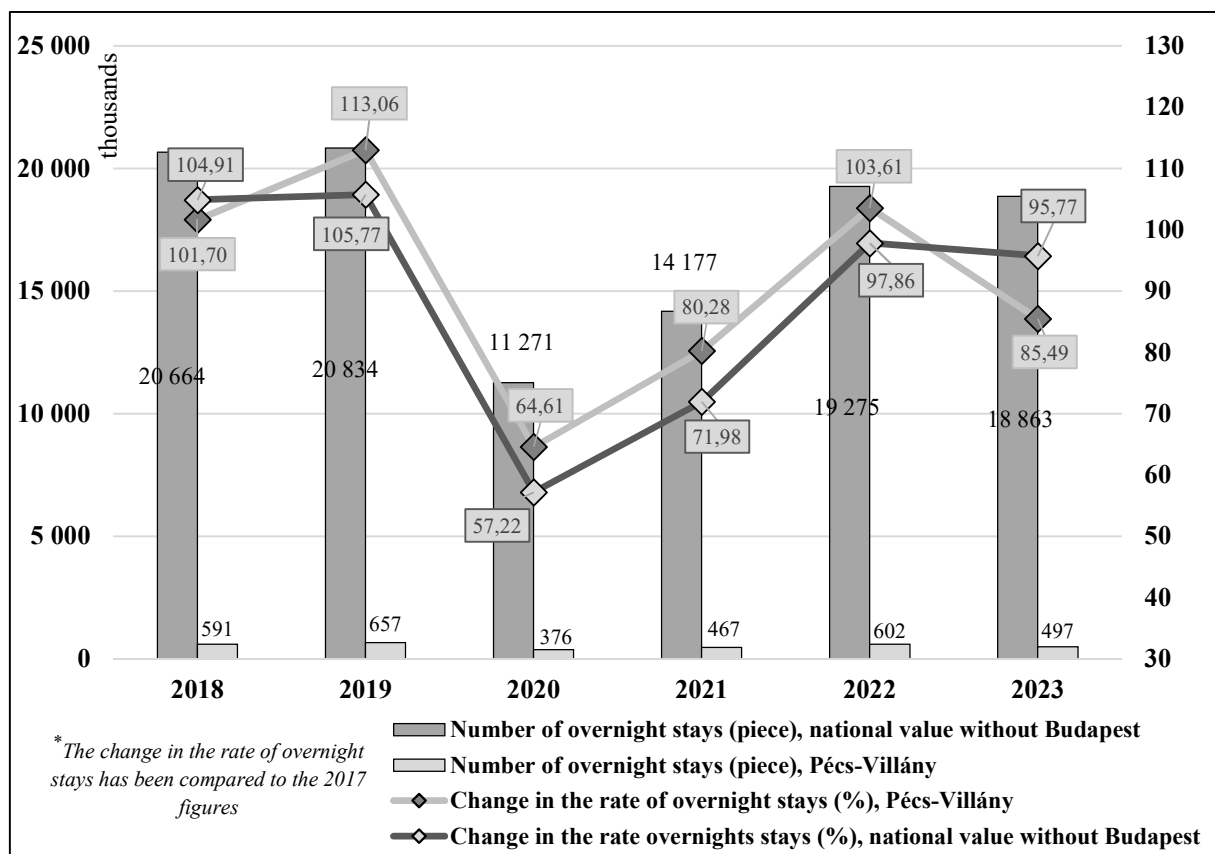

Source: own editing; Data: KSH database, 2023.

In terms of the number of nights spent in commercial, private and other accommodation, Pécs (346,322 nights) and Harkány (224,797 nights) were the most visited settlements in Baranya County in 2023 (Figure 3). At the regional level, Villány (75,451 nights), Bikal (66,104 nights) and Orfű (57,065 nights) were the most significant settlements with more than 50,000 nights. As for the county's tourism performance and potential, data show mediocrity by national standards. The Pécs-Villány tourist area, defined on the basis of Government Decree No 429/2020 (IX. 14.), essentially includes the two most important products of the tourist destinations of Baranya County. However, the delimitation of the municipalities raises several professional questions. In addition to the fact that the 22 municipalities in question do not form a geographical unit, the following problems can be identified in relation to the delimitation:

- There are a few bordering settlements in the area whose omission is not professionally justified (e.g. Hosszúhetény, with its significant gastronomic, natural, cultural

attractions, and two Michelin-recommended restaurants, and Mecseknádasd which also has significant tourism potential).

- The two settlements of the county with a very significant historical heritage, Mohács and Szigetvár, are not included in the delimitation.

- The omission of Mohács, in particular, gives rise to a number of professional objections. The town has good tourist attractions (*busójárás*, hotel cruise tourism, the memorial site of the Battle of Mohács, etc.), although the current tourism figures are far below the potential. At the same time, the fact that the municipality is preparing for the 500th anniversary of the Battle of Mohács with considerable government funding could have a significant impact on tourism in the area.

- According to the tourism figures of Drávacsehi, Tésenfa and Szaporca, it is unclear why they are treated as part of the region.

- Based on their tourism figures, Bikal, Komló, and Szigetvár are very important tourist settlements, making their inclusion in the tourist area justifiable. Moreover, in the case of Komló, the territorial link is also evident.

Figure 4 Change in the number (piece) and rate* (%) of nights spent in commercial accommodation between 2018 and 2023

*The change in the rate of overnight stays has been compared to the 2017 figures*

Source: own editing; Data: KSH database, 2023.

Figure 4 illustrates the change in the number (piece) and rate (%) of nights spent in commercial accommodation at the national level (excluding Budapest) and in the Pécs-Villány tourism area between 2018 and 2023. Almost all socio-economic indicators characterise the capital city as disproportionately large. For this reason, the statistical indicators used in this study of tourism performance are mostly based on the situation without Budapest. The tourism performance of the Pécs-Villány tourist region is not outstanding as it accounts for only 3-4 % of the national total. The most visited settlement in the region is Pécs which was "only" the 20th most visited settlement in the country in 2023 although it accounts for almost half of the region's performance (46.30%). Pécs ranked 9th in terms of the number of nights spent in commercial accommodation between 2001 and 2003 (KSH, 2024), but has seen a significant decline since that time, one of the main reasons being that the city has not been able to exploit the potential of spa development. While other cities in Hungary have undertaken significant spa developments, which have increased their attractiveness to tourists, Pécs has failed to exploit this potential, partly due to the lack of long-term coordinated development strategies by the managing bodies and partly due to its omission from local tourism development priorities.

The coronavirus epidemic, unfolding in 2020-21 and later becoming a worldwide pandemic, did not affect the Pécs-Villány tourism region as severely as the national average. In fact, according to Figure 4, in 2022, tourism in the region even exceeded the 2017 performance. In 2023, however, there was a more significant drop, due to a general decline in the region's tourism indicators, but it should be noted that the most important municipalities with tourism potential in the region had particularly poor performance indicators. Harkány had 46,000 fewer overnight stays compared to the 25,000 recorded in Pécs and the 4,000 in Villány. The decline is also underlined by the national data, but to a lesser extent than in the Pécs-Villány tourism area, thus, the destination is still experiencing a period of crisis conducive to a significant loss of market position. Hungary's tourism indicators are basically characterised by a moderate growth from 2022 to 2023, with a 1% increase (418,000) in the number of overnight stays. However, the increase is mainly due to the dynamic growth of Budapest, since, excluding the capital city, Figure 4 shows a decline in the observed period. Stagnation can be observed in most destinations and the authors believe that the moderate decline is due to inflation and changes in consumer habits which also affect tourism to a large extent. In the latter case, we are talking about a drop in domestic tourist arrivals, owing to the high inflationary impact mentioned above, but also – in parallel and somewhat paradoxically – to the increased focus on foreign destinations. In terms of value for money, domestic

tourism services have deteriorated to a larger extent due to higher than average inflation in the macro-region and foreign destinations have been given a higher priority. This is further compounded by the fact that Hungarian tourists are seeking to compensate for lost travel experiences abroad in 2020-21.

Figure 5 Number (persons) and rate (%) of foreign visitors in the Pécs-Villány tourist area between 2018 and 2023
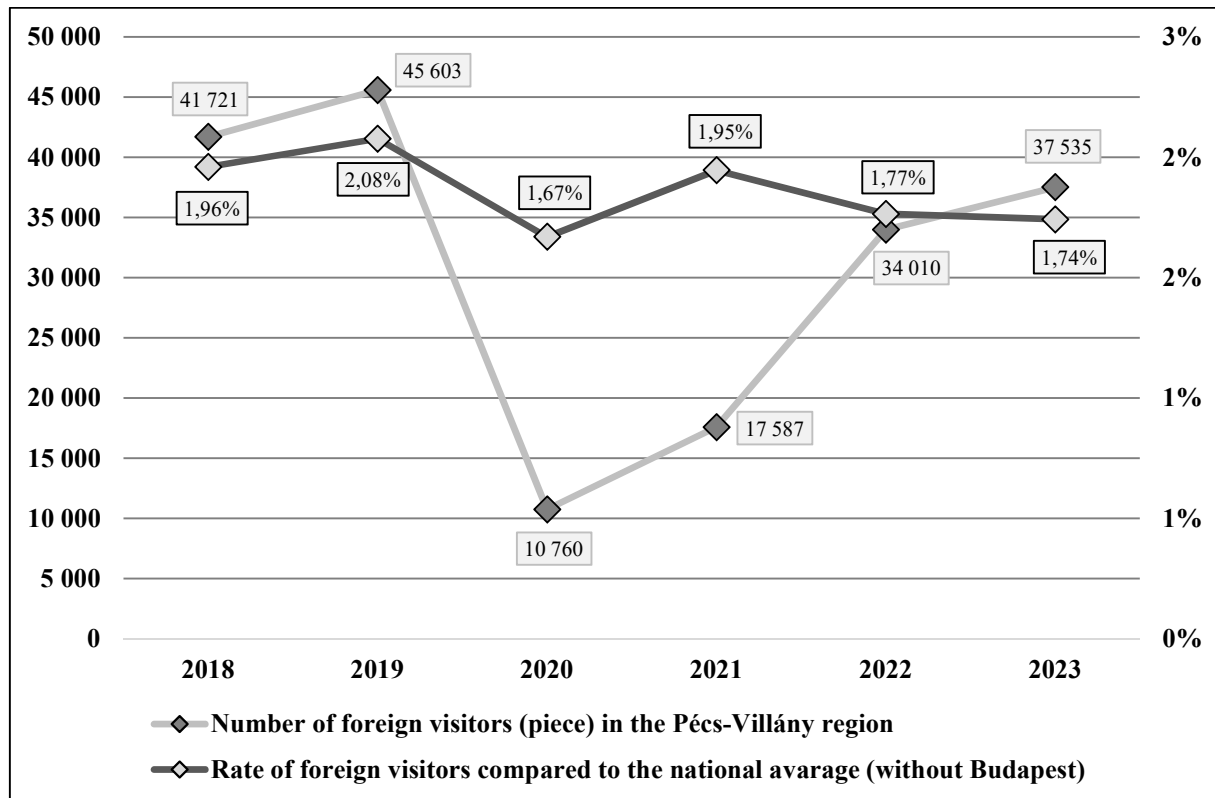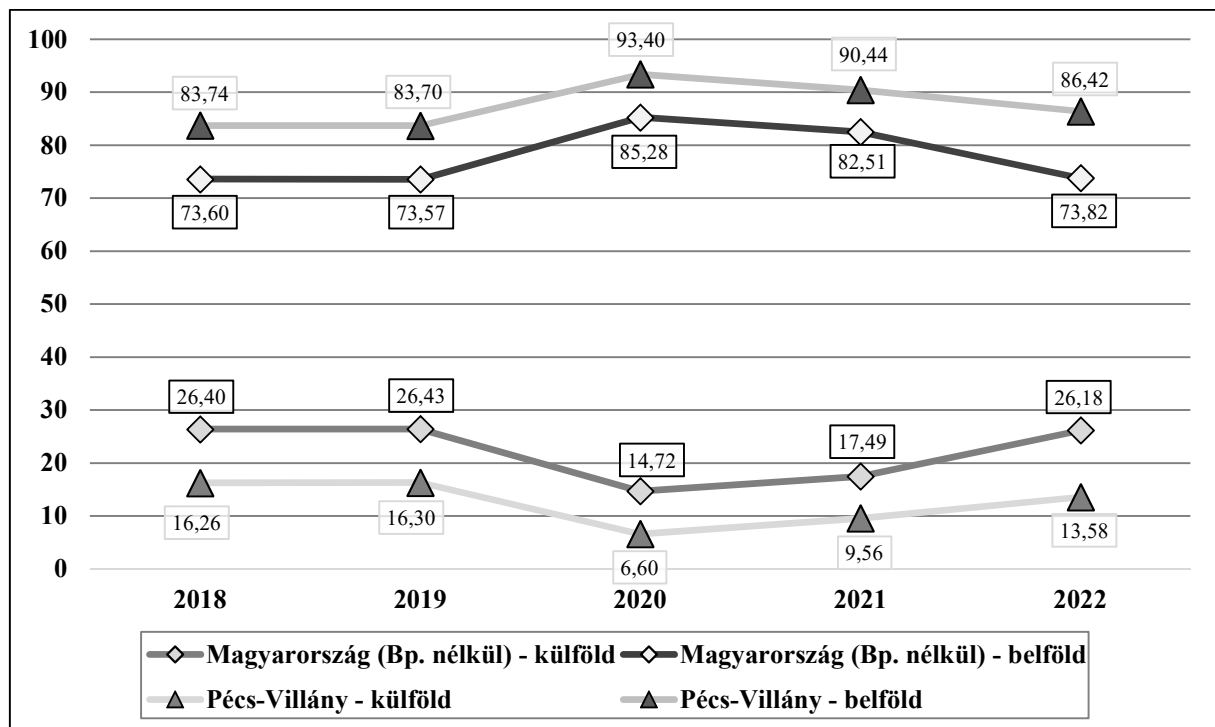

Source: own editing; Data: KSH database, 2023:

In terms of the number of foreign visitors, the Pécs-Villány tourist region cannot be considered an international destination (Figure 5). In the investigated period, 2019 saw the highest number of foreign tourists (45,603) which decreased to a fraction during the pandemic period. In 2023, cca. 8,000 fewer foreign tourist arrivals were observed than in the record year of 2019. The rate of foreign visitors in the region compared to the national average is very low (between 1.7-2.0%) even though the national benchmark in Figure 5 was defined without Budapest.

The region is not able to take sufficient advantage of its border location in international destination development. Croatian visitors can be detected in the area due to its accessibility but only as daily visitors. They are frequent guests in the Harkány spa, for instance. In terms of location, Serbian visitors could be even more dominant in the region, as they are more

inclined to spend several days in health tourism, but they tend to prefer the spa resorts of the Southern Great Plain. Maintaining a balance between domestic and foreign visitors is key to the stability of the tourism sector and the diversity of tourist attractions is also paramount to achieving tourism sustainability. On this basis, the development and diversification of the tourism sector is also crucial for enhancing the competitiveness of the Pécs-Villány tourism area and improving its resilience to crises.

Figure 6 Change in the share of foreign visitors (%) in the Pécs-Villány tourist region between 2018 and 2022 compared to the national average

Source: own editing; Data: KSH database, 2022.

The ratio of foreign and domestic visitors also shows that the Pécs-Villány tourism area is dominated by domestic tourism compared to the national average (Figure 6). In 2020-21, domestic tourism became dominant nationwide due to the impact of the coronavirus. In 2022, the national average was already close to the pre-pandemic figures but the number and rate of foreign tourists in the Pécs-Villány tourism area were still significantly lower than in 2019. In the Pécs-Villány tourism area, the balance of domestic and foreign visitors cannot be identified on the basis of 2019 and current national conditions. This is due to a lack of international tourist arrivals which can create a significant competitive disadvantage and exposure. The harmony between international and domestic tourism is of paramount importance for the resilience of a destination to a tourism crisis. Destinations that attract tourists from different directions in a diversified way are less exposed to external factors. It is

also crucial that the region has a wide range of tourism products which can make a constructive contribution to managing the crisis situation effectively.

Table 1 EU development funds (HUF) allocated for tourism development in the settlements of the Pécs-Villány tourist area, 2004-2020

Settlement	Support 2004-2006	Support 2007-2013	Support 2014-2020	Total amount of support
Pécs	2 483 654 743	7 684 334 264	4 245 000 000	**14 412 989 007**
Harkány	425 983 069	2 548 203 798	0	**2 974 186 867**
Orfű	0	2 543 257 417	96 029 776	**2 639 287 193**
Siklós	0	1 258 994 795	0	**1 258 994 795**
Szaporca	0	1 038 386 480	0	**1 038 386 480**
Villány	0	1 006 762 869	0	**1 006 762 869**
Nagyharsány	162 557 162	782 736 500	0	**945 293 662**
Pogány	0	750 154 463	0	**750 154 463**
Kovácsszénája	0	0	666 528 740	**666 528 740**
Pécsvárad	0	287 458 680	162 908 497	**450 367 177**
Kisharsány	0	277 645 131	0	**277 645 131**
Abaliget	0	199 797 850	65 130 440	**264 928 290**
Magyarhertelend	0	150 000 000	0	**150 000 000**
Tésenfa	0	0	149 996 993	**149 996 993**
Palkonya	0	41 234 558	0	**41 234 558**
Csarnóta	0	0	0	**0**
Cserkút	0	0	0	**0**
Drávacsehi	0	0	0	**0**
Kővágószőlős	0	0	0	**0**
Óbánya	0	0	0	**0**
Villánykövesd	0	0	0	**0**
Zengővárkony	0	0	0	**0**

Source: own editing; Data: https://archive.palyazat.gov.hu/

An analysis of the European development funds received by the tourist area (Table 1) shows that the distribution of funds is mostly in line with the tourist flows of the municipalities concerned, i.e. the most important ones in terms of tourism have been able to attract the most funds. The only exception is Kovácsszenaja, which has no significant tourist traffic, but in this case the application for the development of a cycle route involving several municipalities (including Orfű) accounted for this significant amount. It is worth mentioning, however, that 7 municipalities in the tourist region did not receive any EU funding during the period under review. It would be desirable that in future resource allocation practices, more attention is paid to a more balanced funding of the municipalities in the tourism area.

CONCLUSIONS

The research indicates that the tourism performance of the Pécs-Villány tourism area is not outstanding in a national comparison. The most visited settlements in the region are Pécs, Harkány and Villány. The pandemic did not affect the region as severely as the national average in terms of proportions, but there was a more significant drop in 2023. The destination is dominated by domestic tourism with a low number of foreign visitors and the region is not able to take advantage of its border location and there is still a significant gap compared to 2019. The overall destination conditions in the Pécs-Villány tourist area are favourable and the region has good tourism potential. On the supply side, there are a number of features with national or even international attractions. At the same time, however, the tourist figures show that Baranya County does not generate as much turnover as would be expected given the wealth of attractions and other endowments. The need for the renewal of the destination is also underlined in the MTÜ's destination charter.

In addition to continuously strengthening our brand and image to develop tourism, we can respond to the challenges of the future in three ways:

- Attraction-oriented renewal of areas relevant to tourism in the region,
- Development of tourist receptiveness and skills,
- Strengthening tourism governance and management organisations.

Naturally, as these are not mutually exclusive categories, all three action areas can be used simultaneously and in some host areas they are highly necessary.

It is also essential to strengthen the marketing of the region through better communication and target-group definition. Improving the quality of tourism services and increasing guest satisfaction should also be an important objective. In addition, it is also necessary to strengthen cooperation between the actors of the tourism sector.

On the basis of to the EU tourism development funds allocated between 2004 and 2020, the city of Pécs received the largest funding, amounting to over HUF 14.4 billion. The remaining 21 municipalities in the region received a total of HUF 12.6 billion. It would be desirable that the Hungarian Tourism Agency, the governmental bodies coordinating tourism development funds, as well as local and regional authorities, apply the destination logic in future resource allocation practices. This approach would ensure a decentralised allocation of resources, while taking into account the tourism potential of each municipality. In addition, this approach would help to ensure that aid is tailored to the development needs of the

destinations, thus contributing to the development of competitive and sustainable tourism in the region.

REFERENCES

Aubert, A. (2011a). Turisztikai régiók helyzete a területfejlesztésben. In Dávid, L. (szerk.), *Magyarország turisztikai régiói: „Komplex megközelítésű digitális tananyagfejlesztés a közgazdaságtudományi képzési terület turizmus alap- és mesterszakjaihoz". TÁMOP-4.1.2-08/1/A-2009-0051* (pp. 22-26). Pécs: Pécsi Tudományegyetem.

Aubert, A. (2011b). *A turizmus területi lehatárolásának kérdései.* In Dávid, L. (szerk.), *Magyarország turisztikai régiói: „Komplex megközelítésű digitális tananyagfejlesztés a közgazdaságtudományi képzési terület turizmus alap- és mesterszakjaihoz" TÁMOP-4.1.2-08/1/A-2009-0051* (pp. 1-17). Pécs: Pécsi Tudományegyetem.

Aubert, A., Barcza, A., Gonda, T., Horváth, Z., & Pálfi, A. (2017). Paradigmaváltás(ok) a magyarországi turisztikai desztinációk fejlesztésében és menedzselésében. *Turizmus Bulletin,* 17(1-2), 15-25. https://doi.org/10.14267/TURBULL.2017v17n1-2.2

Aubert, A., & Szabó, G. (2007): *A Dél-dunántúli régió turisztikai magterületeinek lehatárolása.* Budapest: Xellum Kft., 1-23.

Bednarska, M. A. (2013). Quality of Work Life in Tourism-Implications for Competitive Advantage of the Tourism Industry. *Journal of Travel & Tourism Research,* 13.

Berki, M., & Csapó, J. (2006). Comparative Analysis of Competitiveness in the Major Cultural Cities of Hungary. In Aubert, A., & Tóth, J. (szerk.), *Stadt und Region Pécs : Beiträge zur angewandten Stadt- und Wirtschaftsgeographie* (pp. 49-65). Bayreuth: Universität Bayreuth, Lehrstuhl Wirtschaftsgeographie und Regionalplanung, 175.

Bujdosó, Z., Gyurkó, Á., & Benkő, B. (2019). Tourism development in Hungary on the example of Northern Hungary Region. *Folia Geographica,* 61(2), 86-103.

Csapó, J. (2019). *A turizmuspolitika és turizmusirányítás elmélete és gyakorlata az Európai Unióban.* Budapest: Akadémiai Kiadó. https://doi.org/10.1556/9789634544838

Csapó, J., Celan, T. J., & Trócsányi, A. (2015). A határmenti együttműködés hatásai a területi fejlődésre a magyar-horvát szakasz példáján az EU tervezési mechanizmusának tükrében (2007–2013). *Területfejlesztés és Innováció*, 9(2), 22-31.

Dávid, L., Bujdosó, Z,. & Patkós, C. (2003): A turizmus hatásai és jelentősége a területfejlesztésben. In Süli-Zakar, I. (szerk.), *A terület és településfejlesztés alapjai* (pp.431-451). Budapest-Pécs: Dialog Campus Kiadó.

Fekete-Fábián, Z., & Jánosi, D. (2022). A 2008. és a 2020. évi válság hatása a hazai munkaerőpiacra és turizmusra. *Területi Statisztika,* 62(2), 135-165. https://doi.org/10.15196/TS620201

Fekete-Frojimovics, Z., Csillag S., Farkas, J. (2024). A Covid19-pandémia hatása a fogyatékossággal élő emberek foglalkoztatására a vendéglátásban: Tétlenség vagy reziliens építkezés? *Turizmus Bulletin,* 24(1), 24-32. https://doi.org/10.14267/TURBULL.2024v24n1.3

Fintineru, A., Fintineru, G., & Smedescu, D. I. (2014). Analysis of top destinations in tourism, according to volume of receipts during 2001-2011. *Scientific Papers Series. Management, Economic Engineering in Agriculture and Rural Development,* 14(2), 119-122.

Fotiadis, A., Polyzos, S., & Huan, T-C. (2021). The good, the bad and the ugly on COVID-19 tourism recovery. *Annals of Tourism Research,* 87(3), 103-117. https://doi.org/10.1016/j.annals.2020.103117

Gössling, S., Scott, D., & Hall, M. (2020). Pandemics, tourism and global change: a rapidassessment of COVID-19. *Journal of Sustainable Tourism,* 29(1), 1-20. https://doi.org/10.1080/09669582.2020.1758708

Gyurkó, Á., Bujdosó, Z. (2017). Turisztikai magterületek lehatárolása az Észak-Magyarország régióban. *Acta Carolus Robertus,* 7(2), 67-88.

Gyurkó, Á. (2020). Az Észak-Magyarország statisztikai régió idegenforgalmi térszerkezetének általános jellemzői és változásai az európai uniós turizmusfejlesztési források tükrében 2004-2019 között. PhD-disszertáció. Debrecen: Debreceni Egyetem, 33-41.

Hajdú, Z., & Rácz, S. (2020). Államhatár-politikák az Európai Unióban és Magyarországon a globális koronavírus-válság kezdeti időszakában. *Tér és Társadalom,* 34(2), 202-210. http://doi.org/10.17649/TET.34.2.3260

Hernández-Martín, R., Simancas-Cruz, M. R., González-Yanes, J. A., Rodríguez-Rodríguez, Y., García-Cruz, J. I., & González-Mora, Y. M. (2016). Identifying micro-destinations and providing statistical information: a pilot study in the Canary Islands. *Current Issues in Tourism,* 19(8), 771-790. https://doi.org/10.1080/13683500.2014.916657

Horeczki, R., Molnár, E., & Pirisi, G. (2023). Population dynamics of the Hungarian small towns in the light of censuses. *Deturope,* 15(2), 66-84.

Horváth, Z., Pálfi, A., & Aubert, A. (2018). A desztinációfejlesztés hangsúlyainak változása a Balaton turisztikai régióban. *Turisztikai és Vidékfejlesztési Tanulmányok,* 3(3),44-56.

Jóvér, V., Bagdi R., & Kóródi, M. (2019). Desztinációk ismertségének vizsgálata a lehatárolás összefüggéseiben. *Economica,* 10(1), 8-12. https://doi.org/10.47282/ECONOMICA/2019/10/1/4114

Kovács, E., & Kiss, K. (2018). *Turisztikai trendek.*Budapest, Akadémiai Kiadó, 1-33.

Kovács, D., & Horeczki, R. (2023). Új jelenségek a baranyai gasztronómiában. születőben a Mecsek-Völgység-Hegyhát gasztrotérség? *Turisztikai és Vidékfejlesztési Tanulmányok,* 8(3), 54-69. https://doi.org/10.15170/TVT.2023.08.03.04.

Kovács, L., Keller, K., Tóth-Kaszás, N., & Szőke, V. (2021). A Covid19-járvány hatása egyes turisztikai szolgáltatók működésére: azonnali válaszok és megoldások. *Turisztikai és Vidékfejlesztési Tanulmányok,* 6(2), 6-24. https://doi.org/10.15170/TVT.2021.06.02

KSH (2019). Helyzetkép a turizmus, vendéglátás ágazatról, 2019. https://www.ksh.hu/docs/hun/xftp/idoszaki/jeltur/2019/index.html#%20terletisszehasonlts

KSH (2024). Tájékoztatási Adatbázis. https://statinfo.ksh.hu/Statinfo/haViewer.jsp

Kubát, P., Králikova, A., & Ryglová, K. (2023). Shifting the Focus From Mere Wine (and) Tourism to the Wine Destination and Winescape Concept. *Deturope.* 15(3), 78-92.

Kupi, M., & Szemerédi, E. (2022). A magyarok környezettudatos utazással kapcsolatos attitűdjének és egyes magatartásformáinak vizsgálata a Covid-19 járvány tükrében. *Turisztikai és Vidékfejlesztési Tanulmányok,* 7(2), 49-71. https://doi.org/10.15170/TVT.2022.07.02.04.

Magyar Turisztikai Ügynökség (2014). Nemzeti Turizmusfejlesztési Stratégia 2030. Budapest.

Michalkó, G. (2016). Turizmológia – Elméleti alapok. Budapest: Akadémiai Kiadó, 36-95. http://doi.org/10.17649/TET.27.1.2504

Michalkó, G. (2020): A biztonság szerepe a turizmus rendszerében. In Michalkó G., Németh, J., & Ritecz, G. (szerk.), *Turizmusbiztonság* (pp. 15-28). Budapest: Dialóg Campus Kiadó.

Michalkó, G. (2023). *A turizmus esszenciája.* Budapest: Akadémiai Kiadó.

Michalkó, G., Németh, J., & Birkner, Z. (2023). Termékközpontú biztonság – turizmusipari aspektusok. In Michalkó, G., Németh, J., & Birkner, Z. (Eds.): *A biztonság szerepe a turisztikai termékfejlesztésben és -menedzsmentben* (pp. 7-12). Budapest: Bay Zoltán Alkalmazott Kutatási Közhasznú Nonprofit Kft.

Nod, G., Mókusné Pálfi, A., & Aubert, A. (2021). Kispadra ültetett desztinációmenedzsment a pandémia félidejében(?). *Turizmus Bulletin,* 21(2), 43-54. https://doi.org/10.14267/TURBULL.2021v21n2.5

Palkovics, K. (2022). A turizmus és a gazdaság alakulása Magyarországon és az Európai Unióban a Covid-19 árnyékában. *Turisztikai és Vidékfejlesztési Tanulmányok,* 7(3). https://doi.org/10.15170/TVT.2022.07.03.06

Pap, N. (2007). *Kistérségfejlesztés: A kistérségfejlesztés elmélete és gyakorlata a rendszerváltozás után Magyarországon.* Pécs: Alexandra Kiadó.

Pap, N. (2005). A terület- és településfejlesztés cél- és eszközrendszere. In: Pap, N., & Tóth, J. (szerk.), *A terület- és településfejlesztés alapjai* (pp. 7-26). Pécs, Magyarország: Alexandra Kiadó.

Rácz, S. (2017). Main characteristics of Hungarian-Croatian political relations and Cross-Border Co-operations. *Geographica Pannonica,* 21(1), 54-67. http://doi.org/10.18421/GP21.01-05

Rodríguez-Rodríguez,Y., & Hernández-Martín, R. (2020): Expert Consensus Versus Statistical Techniques in the Delimitation of Tourism Destinations. *Sustainability,* 12(6), 2540. https://doi.org/10.3390/su12062540

Roman, M., Roman, M., & Niedziółka, A. (2020). Spatial Diversity of Tourism in the Countries of the European Union. *Sustainability.* 12(7),2713. https://doi.org/10.3390/su12072713

Samková, L., & Navrátil J. (2023). Significance of the public transport for tourism development in destinations. *Deturope.* 15(1), 158-189.

Spiegler, P., Nagy, D., & Egyed, I. (2023): Opportunities for the touristic utilization of heritage values in Baranya county along the Croatian-Hungarian border. *Turisztikai és Vidékfejlesztési Tanulmányok,* 8(3), 99-117. https://doi.org/10.15170/TVT.2023.08.03.07

Szabó, A. (2023). A turisztikai térségek jelene és jövője. A Pécs-Villány turisztikai térség esettanulmánya. *Területfejlesztés és Innováció,* 16(1), 47-58. https://doi.org/10.15170/terinno.2023.16.01.05

Szabados, Y., & Merza, P. (2023). A hozzáférhető turizmus – kitekintő Baranya vármegye turisztikai kínálatának elérhetőségére. *Turisztikai és Vidékfejlesztési Tanulmányok,* 8(4), 49-62. https://doi.org/10.15170/TVT.2023.08.04.03

Ülker M., & Karanustafa K. (2023). Understanding The Use of Local Food Through the Extended Theory of Planned Behaviour. Deturope. 15(1), 66-94.

Végi, S. (2021). Magyarország járási szintű turisztikai centrumtérségeinek lehatárolása és hazánk kiemelt turisztikai térségeivel történő összevetése térökonometriai módszerekkel. *Turisztikai és Vidékfejlesztési Tanulmányok,* 6(3), 44-58. https://doi.org/10.15170/TVT.2021.06.03.03