



# Selected Financial Factors of Tourism in the Slovak Republic

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Received: December 19, 2023

Accepted: February 8, 2024

Published: May 28, 2024

## Keywords:

Tourism;  
Financial factors;  
Tourism revenues



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**Abstract:** *Tourism is one of the economic sectors extremely affected by the COVID-19 pandemic on a global scale. In addition to the rapid reduction of financial income from tourism, the negative impact caused the lack of employees who evaluated this sector as risky and sought employment in another sector. The main goal of this paper is to evaluate selected financial factors of tourism with a focus on post-pandemic changes in the conditions of the Slovak Republic. During the pandemic, there was a significant drop in the number of visitors to accommodation facilities, specifically between 2019 and 2020 there was a drop of 50%. Revenues from tourism in 2020 decreased by an average of 60% compared to 2019. Comparing results in the period before and after the pandemic brought positive information about the restart of domestic tourism in Slovakia and also about increasing revenues of active and passive tourism.*

## 1. INTRODUCTION

Tourism includes and combines various products and activities from transport services, various types of accommodation and catering through recreational offers to client insurance and rescue services. The following basic conditions are necessary for the implementation and development of tourism:

- Natural locations, cultural and historical objects,
- Good level of services for tourists (restaurants, attractions, information offices, etc.),
- Sufficient accommodation facilities (hotels, guesthouses, campsites, cottages),
- Quality transport network for visitors.

In tourism, globalization is manifested by territorial expansion on a global scale, and tourism demand factors are significant for all tourism actors (Matijová et al., 2023). The existing potential of the region is a summary of prerequisites and conditions for tourism (Švedová, 2013). New technology is another factor for tourism development, especially for tourism in smart cities. As Anthopoulos (2017) declares, smart services refer to the utilization of technology and ICT in various areas like health, safety, education, or tourism. Changes in the tourism market in the new millennium were reflected in the competition between tourist destinations. Šenková (2018) states that Slovak regions need modern destination management and marketing, therefore tourism organizations strive to improve the position of tourism in the region.

Tourism in Slovakia is one of the important economic sectors. Data on tourism in the Slovak Republic confirmed that tourism had a growing trend in the decade before the outbreak of the COVID-19 pandemic. According to Tajtáková (2021), between 2009 and 2019, the number of visitors to Slovakia almost doubled, while in terms of total attendance, 2019 was a record year. The positive impact of tourism can be seen in the development of regions, in the balancing of regional disparities, and the improvement of the standard of living of inhabitants; tourism has a significant impact on the existence and creation of jobs in this industry,

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so it is also a significant source of income (Farkašová et al., 2021). These factors were manifested negatively during the COVID-19 pandemic, when the number of foreign visitors to the Slovak Republic dropped significantly, which had a liquidating effect on accommodation facilities, hotels, and restaurants. Closed borders and restrictions on movement between states, bans on gatherings of large numbers of people, closure of food establishments and other restrictions immediately affected the tourism and hospitality industries (Đokić & Janjić, 2022). The pandemic crisis showed the significance of tourism for economies and societies (Beresecká et al., 2022).

From the point of view of the size and shape of the territory, the cross-border cooperation between the Slovak Republic and Poland offers many opportunities for local development in the socio-economic area (Tej et al., 2021). In Slovakia, cross-border shopping tourism is a new form of tourism used by inhabitants living in border regions. They visit nearby foreign countries to buy different commodities at favorable prices (Klamár & Kozoň, 2022). It is essential to ensure economic effects for regions in the form of consumption by incoming tourists (Vargová, 2018). In the development and support of tourism, family farms with typical products in the given region also have an important place, which can also attract tourists and visitors through food festivals and tourism events (Horská et al., 2020). The networking of tourism entities is another stimulus for effective destination management (Šambronska et al., 2021).

The strategy for the sustainable development of the Slovak Republic includes these main objectives in the field of tourism:

- Ensuring effective and sustainable management of natural resources,
- Ensuring effective and sustainable management of cultural resources,
- Increasing the competitiveness of the Slovak Republic in tourism: making cultural heritage sites more attractive and their connection to the development of additional services in the framework of sustainable cultural tourism (Vision and strategy for the development of Slovakia until 2030, 2021).

## 2. MATERIAL AND METHODS

This contribution aims to evaluate selected tourism factors in the Slovak Republic with a focus on domestic tourism and tourism revenues. Tourism in the Slovak Republic had a growing trend in the decade before the outbreak of the COVID-19 pandemic; therefore, a comparison of data in the period before and after the pandemic will provide important information about the restart of tourism in the Slovak Republic. In the *Act on the Promotion of Tourism (2010)*, there are fundamental conditions for tourism in the Slovak Republic. "This act regulates the support of tourism, the rights and obligations of natural persons and legal entities operating in the tourism industry, the creation of conceptual documents and the financing of tourism development". The program statement of the Government of the Slovak Republic for years 2020-2024 contained the main goals for the restoration of tourism because tourism is connected with jobs and source of income for inhabitants of the Slovak Republic.

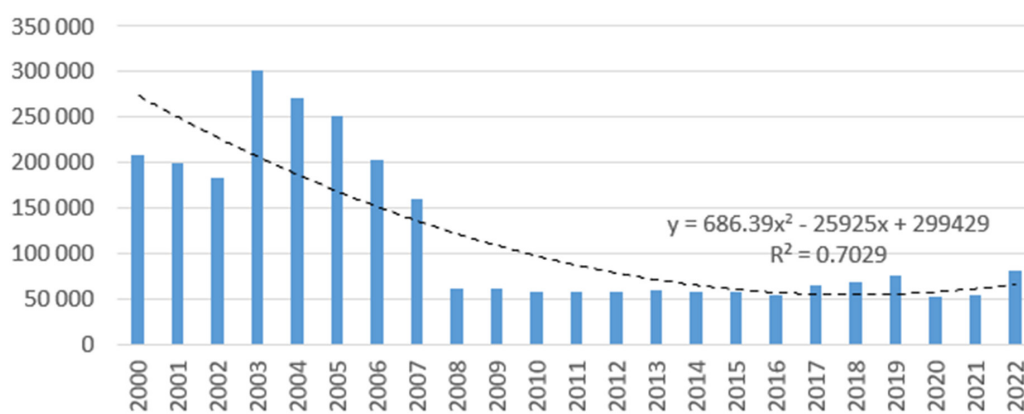
As concerns concepts in this paper, active tourism includes foreign visitors (not residents of the Slovak Republic) while traveling in the Slovak Republic. Passive tourism represents Slovak citizens using services of tourism while traveling abroad. Domestic tourism represents the travelling of residents within their domestic country (Slovak Republic), outside of their usual environment (Tourism, 2023). The research data were obtained from the available databases of the

Statistical Office of the Slovak Republic ([Domestic tourism in the Slovak Republic, 2023](#); [Tourism revenue in the Slovak Republic, 2023](#)). The comparison of selected statistical indicators showed the development and current state of tourism in the period 2000-2022 in the article. The data were evaluated using regression trends and the correlation coefficient.

### 3. RESULTS

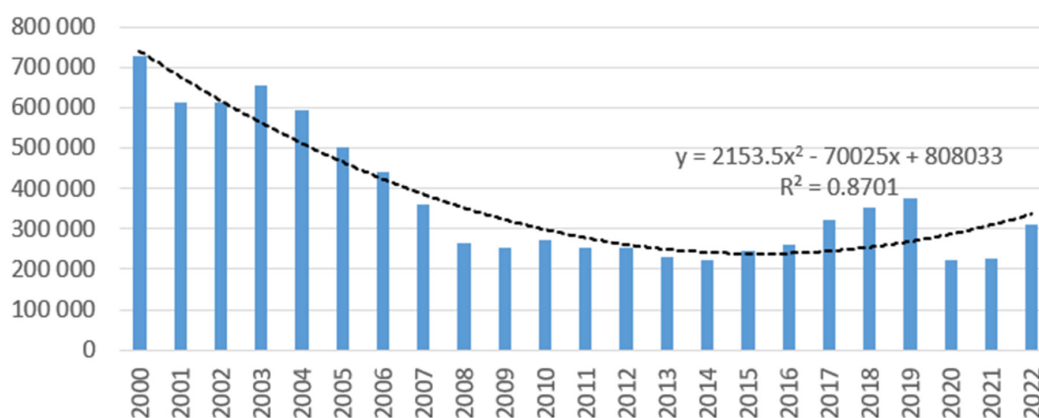
#### 3.1. Domestic Tourism in Slovakia

In Slovakia, traditional domestic tourism has good conditions in the form of tourist and spa destinations, as well as a wide range of historical monuments. Figure 1 shows the number of people - participants in domestic tourism in Slovakia. From 2008 to 2019, the development had an increasing trend. It is a decrease in 2020 and 2021 due to pandemic restrictions and a re-increase in the number of people in domestic tourism in 2022. A comparison of the percentage development concerning 2019 is as follows: 2019/2020 decreased by 32%; 2019/2021 decreased by 30%; 2019/2022 increased by 6.8%.



**Figure 1.** Domestic tourism in Slovakia – number of persons

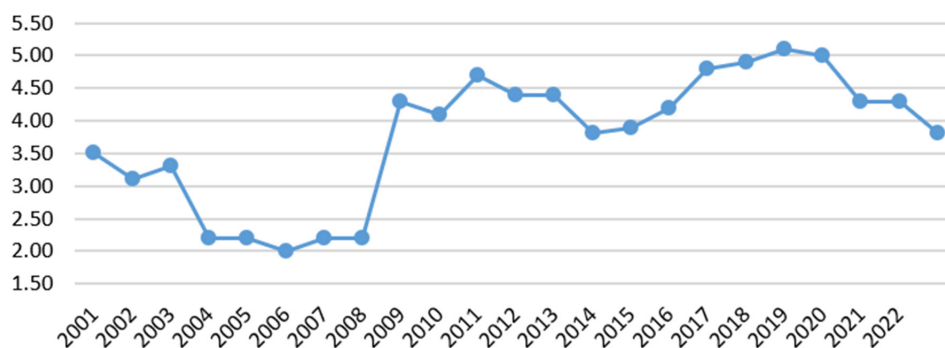
Source: [Domestic tourism in the Slovak Republic \(2023\)](#), own processing



**Figure 2.** Domestic tourism in Slovakia – days of stay

Source: [Domestic tourism in the Slovak Republic \(2023\)](#), own processing

The development in the number of days in domestic tourism showed a similar development (Figure 2). The average length of stay (days) for Slovak domestic tourism is in Figure 3; average values are in the interval (min=2, max=5.1).

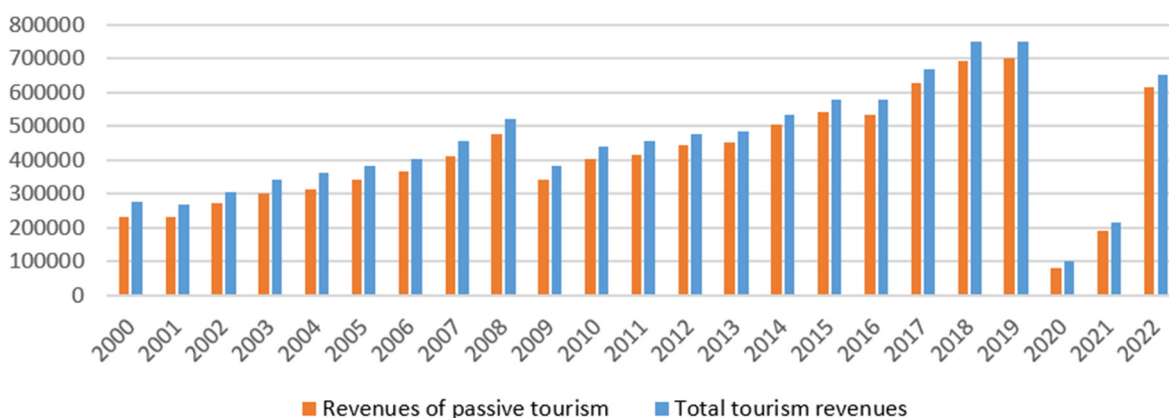


**Figure 3.** Domestic tourism in Slovakia – average length of stay in days  
**Source:** Domestic tourism in the Slovak Republic (2023), own processing

### 3.2. Revenues of Active and Passive Tourism in Slovakia

The financial benefit of tourism can be evaluated through sales, in the studied case obtained for individual years. In 2020, tourism was at least partially maintained only by those countries and regions that managed to maintain the interest of domestic visitors. Support tools for financing tourism in the Slovak Republic also include a recreation allowance (recreation voucher). Since its introduction, the practice has confirmed an increase in the number of domestic overnight stays, and the supporting effect was also confirmed when the tourism industry restarted after the end of the pandemic (Tourism in years 2020-2022, 2023).

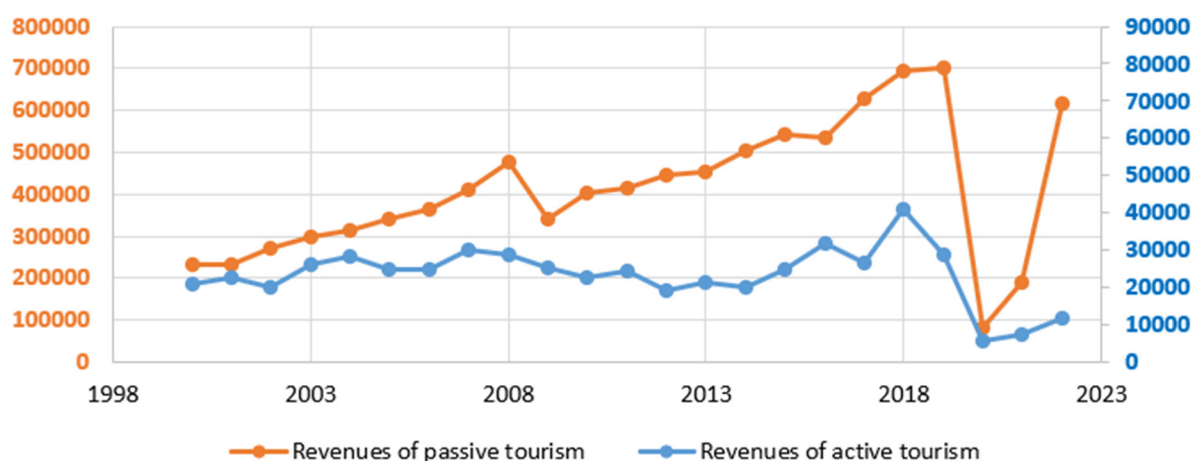
Other forms of Slovak tourism support are new tools, such as forms of aid from the Recovery and Resilience Plan in cooperation with the Ministry of Investments, Regional Development and Informatization of the Slovak Republic or the Ministry of the Environment of the Slovak Republic, but also partnership agreements at the interdepartmental level.



**Figure 4.** Comparison of revenues of tourism in Slovakia  
**Source:** Tourism revenue in the Slovak Republic (2023), own processing

Figure 4 demonstrates that in Slovakia revenues of passive tourism and total tourism revenues followed the same trend. A sharp decline in tourism revenue in 2020 and 2021 is followed by an increase in 2022.

Figure 5 shows that revenues of active tourism (foreign visitors) are lower than revenues of passive tourism (domestic visitors) in the examined period. The trend after the pandemic is growing again, but passive tourism shows a better re-start of revenues.



**Figure 5.** Revenues of active and passive tourism in Slovakia (2000-2022)

Source: [Tourism revenue in the Slovak Republic \(2023\)](#), own processing

Table 1 shows the correlation between revenues from active and passive tourism and revenues in general. Revenues from passive tourism copy revenues from overall tourism, therefore the correlation is 0.99 (very strong positive correlation). The correlation between the revenue of active and passive tourism is 0.56 (moderate positive relationship). Total tourism revenue and active tourism have a correlation of 0.59 (moderate positive relationship).

**Table 1.** Correlation between revenues of tourism in Slovakia

Revenue	Active tourism	Passive tourism	Total tourism revenues
Active tourism	1		
Passive tourism	0.56	1	
Total tourism revenues	0.59	0.99	1

Source: Own calculations

#### 4. FUTURE RESEARCH DIRECTIONS

Relaxation activities of people in the 21<sup>st</sup> century are connected with traveling to the mountains, to the sea, for sports, where participants in the tourism industry are looking for relaxation and new experiences. Some residents spend their free time at water attractions, by the sea, or in nature and mountains, where they seek rest and relaxation from the stress of cities. Part of the population prefers cultural experiences and getting to know historical monuments in their free time. Based on the results, the authors of the study ([Csapó et al., 2022](#)) state that consumer segmentation based on clusters is important for creative tourism in the coming period; it is necessary to know the country's tourism offer and possible consumer attitudes and habits. [Sigala \(2018\)](#) claims that for the regeneration and restart of the tourism industry after the pandemic, it is also necessary to address sources for tourism, organizations, and government measures.

#### 5. CONCLUSION

Tourism is characterized as a crosscutting sector of the economy. In the 21<sup>st</sup> century, international tourism has become one of the most important economic activities. A thriving business sector in tourism, with growing demand, creates new jobs and has the potential to attract skilled workers at various levels of qualification.

The aim of this contribution was the analysis of selected statistical indicators associated with the evaluation of the development and performance of tourism in the Slovak Republic. Statistical data showed the development of tourism in Slovakia in the years 2000-2022 and its state after the pandemic period in 2020. After the retreat of the first wave of the pandemic in the summer season of 2020, the dominance of domestic visitors was confirmed in Slovakia due to ongoing restrictions on travel abroad. The results of the analysis show that within the framework of domestic tourism, the process gradually recovered after the pandemic, and in 2022 it reached a level comparable to 2019.

The Slovak Republic is rich in natural beauty and historical monuments that could be an important alternative for the development of tourism in Slovak regions. More and more visitors are looking for experiences on vacation that would compensate them for endless months of sitting over work.

### Acknowledgment

This paper was supported by the project Implementation of the virtualization of the physical laboratories by means of the control and automation systems in the field of Machinery Engineering (project number: KEGA 020SPU-4/2023), and by the project: Implementation of the New EU Food Strategy in the Food Chain in Slovakia (project number: VEGA 1/0245/21).

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