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## Current Issues in Tourism Policy Making in Hungary

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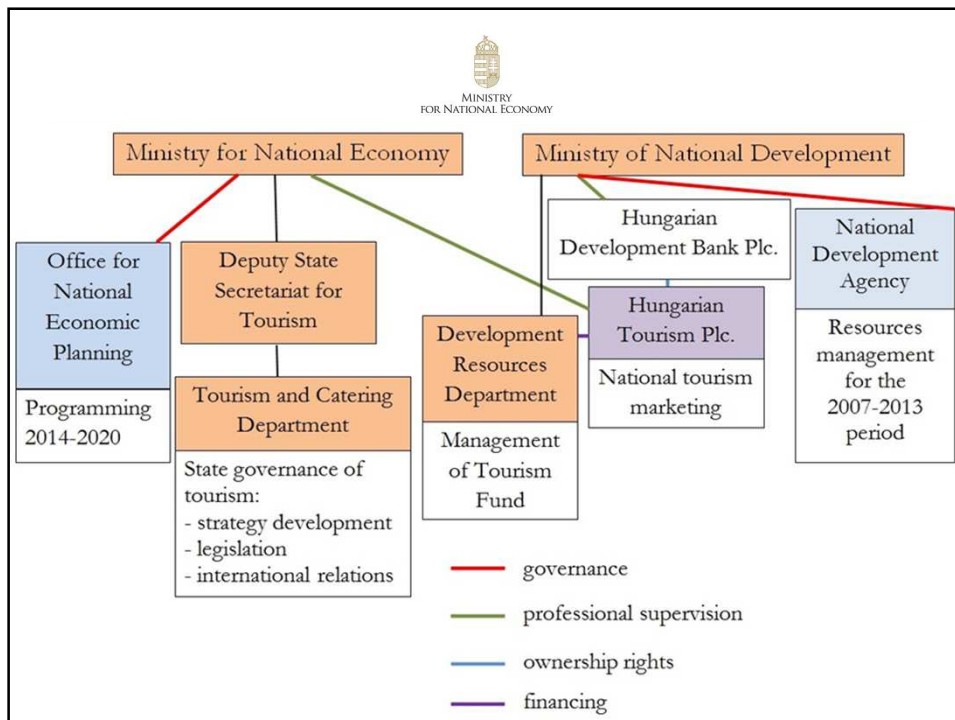
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- V. Szechenyi Recreation Card**



# Tourism Management in Hungary



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## Activities of the Tourism and Catering Department

  
HUNGARY

  
Destination Management  
System

  
HOTELSTARS.EU  
HOTEL



  
STEP

  
UNWTO  
World Tourism Organization



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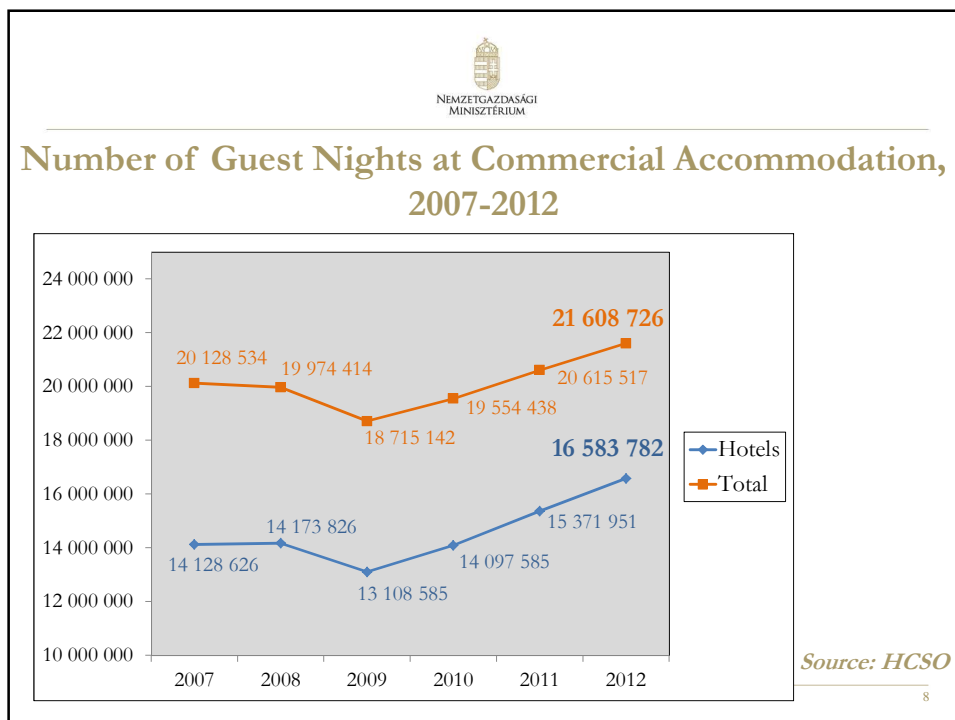
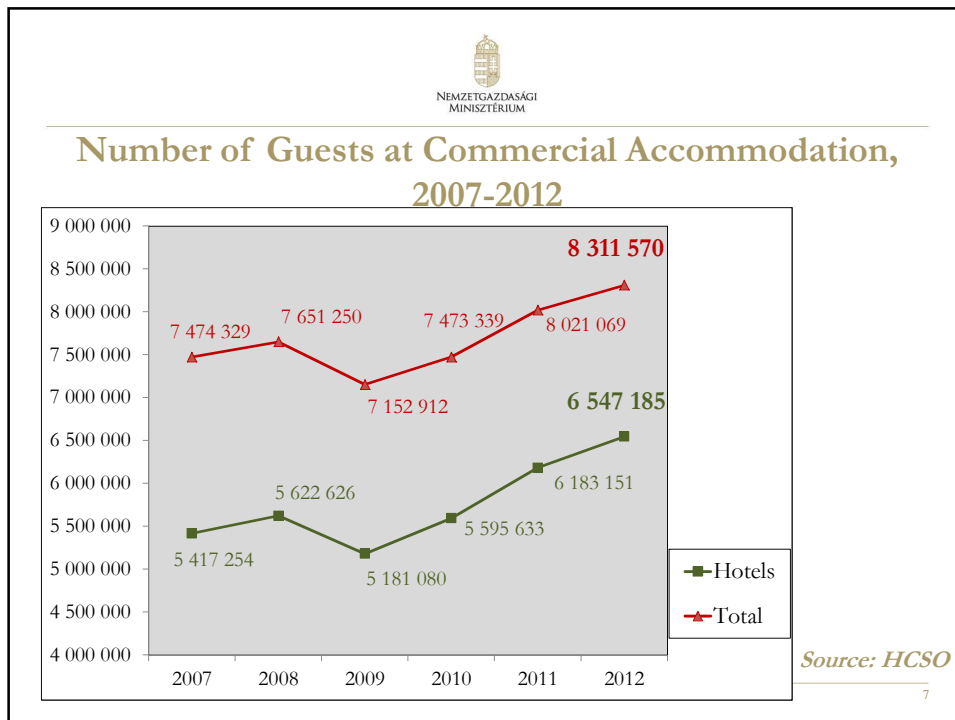
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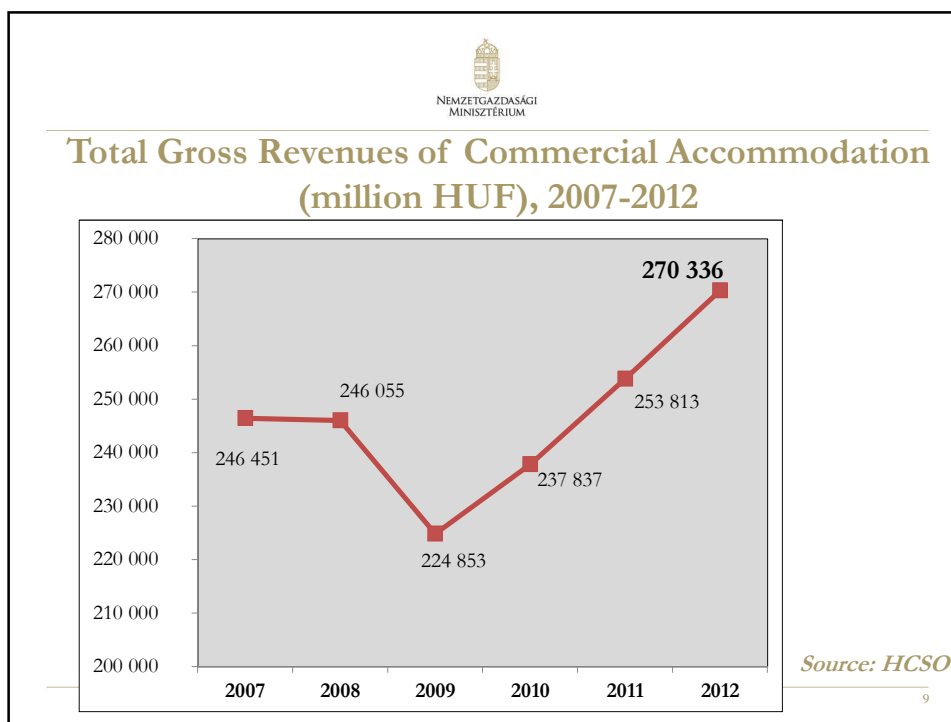
## Tourism Trends in Hungary




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### Data on Commercial Accommodation, 2012

	Arrivals			Guest nights		
	Domestic	Foreign	Total	Domestic	Foreign	Total
<b>Number</b>	4.2 million	4.1 million	<b>8.3 million</b>	10.3 million	11.3 million	<b>21.6 million</b>
<b>2012/2011</b>	-0.5%	+8.1%	<b>+3.6%</b>	+1%	+8.5%	<b>+4.8%</b>

- **Total gross revenues: EUR 901 million (+6.5%)**

*Source: HCSO*

## Hungary's TOP 10 Sending Countries

Country	Guest nights at commercial accommodation, 2012 (000s)	2012/2011 (%)
1. Germany	2,149.4	+3.2
2. Austria	799	-1.3
3. Italy	619.2	<b>+17.1</b>
4. Russia	600.5	<b>+30</b>
5. United Kingdom	595.3	+10.5
6. the Czech Republic	535.5	+4.2
7. Poland	503.7	+12.4
8. USA	451.3	+0.3
9. Romania	418.8	+0.8
10. the Netherlands	417.4	<b>+24</b>

Source: HCSO

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## Competitiveness of the Hungarian Tourism



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## The Travel & Tourism Competitiveness Report of the WEF

**Content:** measure the factors, of which there are 14 in all, that make it attractive to develop the T&T and compare the results of different countries.

- Regulation
- Business environment
- Human, cultural and natural resources

**Leading countries:** Switzerland, Germany, Austria, Spain, United Kingdom, USA, France, Canada

### The position of Hungary in 2013:

- it is ranked 39<sup>th</sup> out of 140 countries (in 2011 38<sup>th</sup>, in 2009 38<sup>th</sup>)
- it ranks 25<sup>th</sup> in the region

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## Main Factors of the Competitiveness of Hungary Based on the WEF Report

- **T&T Regulatory Framework :** rank 26<sup>th</sup> (policy rules and regulations, environmental sustainability, safety and security, health and hygiene, prioritization of T&T)
- **Business environment and infrastructure:** rank 49<sup>th</sup> (air transport infrastructure, ground transport infrastructure, tourism infrastructure, ICT infrastructure, price competitiveness in the T&T sector)
- **Human, cultural and natural resources:** rank 54<sup>th</sup> (human resources: education and training, availability of qualified labor, affinity for T&T, natural resources, cultural resources)

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## Success Factors and Challenges of the International Competitiveness of Hungary

### Results above average ranking:

- Environmental sustainability (28<sup>th</sup>)
- Health and hygiene (9<sup>th</sup>)
- Tourism infrastructure (30<sup>th</sup>)
- Availability of qualified labor (15<sup>th</sup>)
- Cultural resources (30<sup>th</sup>)



### Factors need to be improved:

- Natural resources (111<sup>th</sup>)
- Affinity for T&T (102<sup>nd</sup>)
- Price competitiveness in the T&T sector (93<sup>rd</sup>)
- Air transport infrastructure (74<sup>th</sup>)



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## Sectorial Challenges Affecting the Competitiveness of the Hungarian Tourism

- **Economic environment** (global economic and financial crisis, lack of creditability and sustainable funding system, fiscal and administrative burdens etc.)
- **Supply side** (low average spending per tourist, products with a few special or unique attractions, geographic concentration)
- **Demand side** (seasonality)
- **Institutional system of tourism** (lack of regulatory framework, incomplete networks of DMO's)

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## The Most Important Opportunities to Improve our Competitiveness

- Stimulate **domestic tourism** (Széchenyi Recreation Card)
- **New segment** of tourism supply: **tourism based on medical services**
- Strengthening **co-operation between sectors** (leisure economy, sports economy, silver economy)
- Involvement of **EU funds** for financing developments, determined development priorities for the period **2014-2020**
- Well-functioning **institutional system** (DMO's)
- **Innovative product development**, strengthening research background
- New international partnerships („**Eastern opening**”)

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## National Tourism Development Concept 2014-2024



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## Objectives of the New Tourism Development Concept

- "Corroborative Hungary " – **innovative, creative, high-quality product and supply development**
- Development of an environment which can **improve our competitiveness, job preservation and creation**
- **Strengthening the institutional system** of tourism based on destination management organizational co-operation
- **International and Eastern opening, international marketing and sales promotion**
- **Horizontal principles:** commitment to quality services, highlighting and strengthening national values such as uniqueness, sustainability, environmental consciousness, safety, social and professional responsibility

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## Main Directions of Thematic Product Development

### Highlighted Products

- Health tourism
- Heritage and cultural tourism
- MICE (event, incentive, exhibition)

### Products with definite attractiveness

- Religious tourism
- Festivals, events
- Gastronomy

### Products which can extend the average length of stay

- Ecotourism
- Cycling tourism
- Aquatic tourism
- Equestrian tourism
- Rural and agritourism

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## Regional-focused Tourism Products

International  
destination:  
Budapest

Central  
European  
Family  
Destination:  
Balaton

Health resorts and  
destinations:

- 13 settlements
- Co-operation  
between  
medical and  
tourism service  
providers

Thematic  
destinations:

- Ecotourism
- Aquatic and cycling  
t.
- Pilgrimage and  
religious t.
- Heritage tourism
- Wine and  
gastronomy t.
- Youth and social t.
- Equestrian t.

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## Central European Family Destination - Balaton

- The lake features also enable the implementation of **several purposes**
- Lake Balaton become the family destination of Europe: **co-ordinated family-friendly developments**
- Strong involvement of background settlements in tourism
- **Extension of the season**, expansion of weather-independent service offerings
- Further **improve the quality of services**



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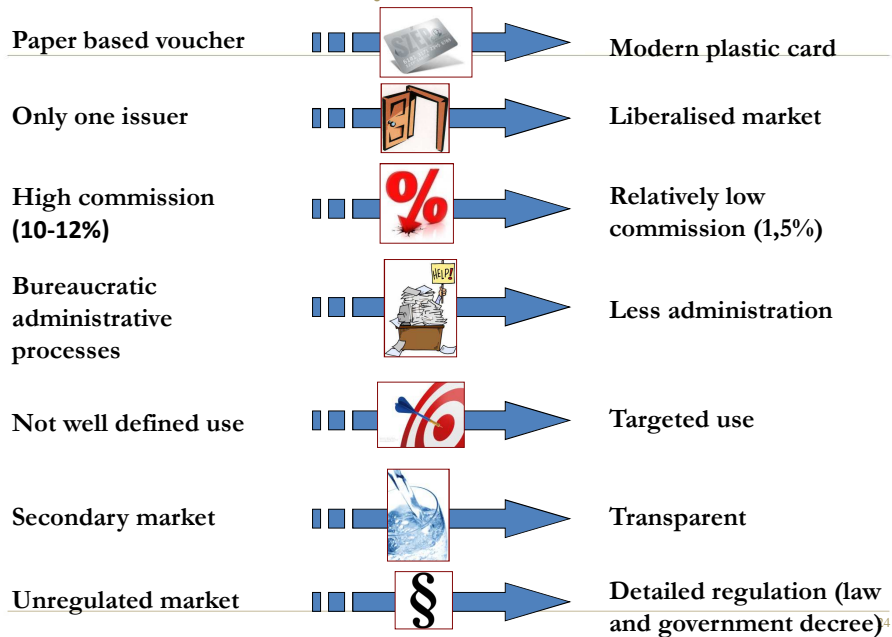


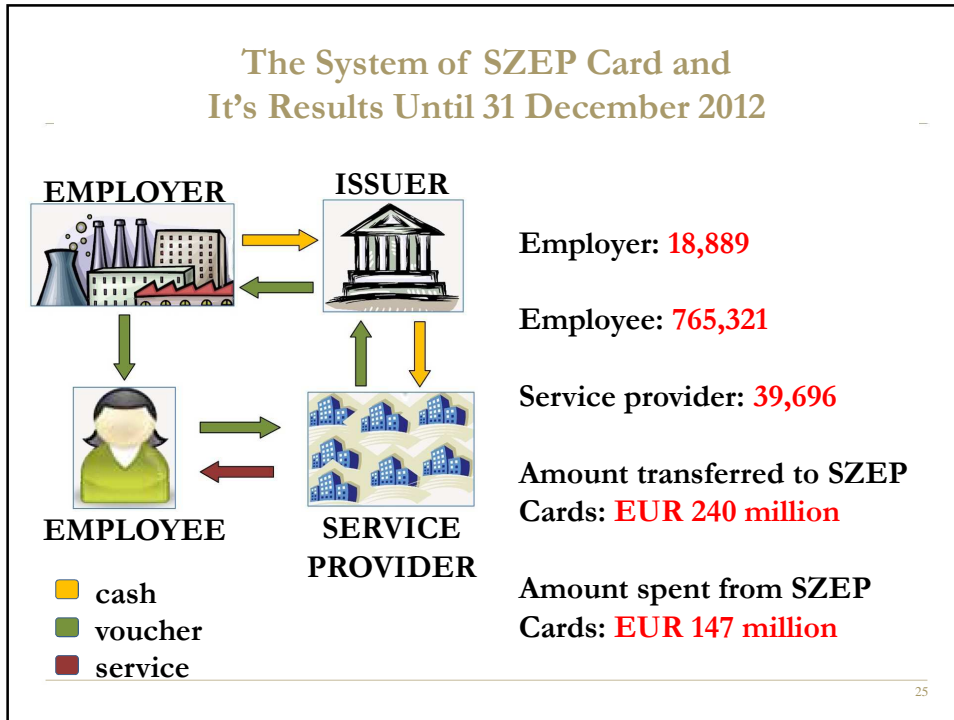
## Szechenyi Recreation Card (SzRC) – A Means for Encouraging Domestic Tourism



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### The Previous System and SZEP Card







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### One Plastic Card with Three Sub-accounts

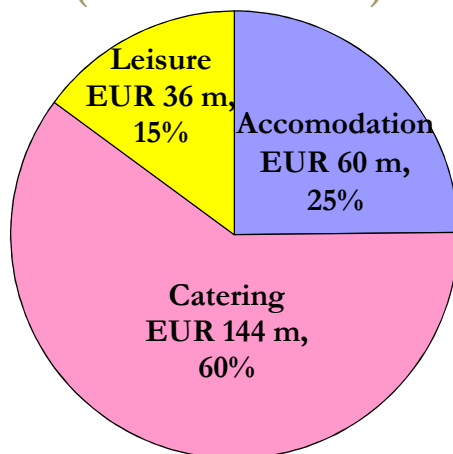


<b>1</b>	<b>2</b>	<b>3</b>
Accommodation EUR 750	Catering EUR 500	Leisure EUR 250

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**Amount Transferred to Each Sub-account  
(31 December 2012)**



**Thank you for your attention!**