

Trends in European tourism: The case of educational tourism inside the Erasmus program

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Abstract: *The aim of this paper is to analyze the main trends shaping tourism in the European Union, with a focus on educational tourism. First, a brief literature review reveals the most important trends concerning the European tourism industry and the operators involved in tourism. Next, the particular case of educational tourism, with its most developed component – the Erasmus program – is investigated further. The case study reveals interesting shifts in the criteria used by students when choosing their destination for a scholarship abroad. The paper finds that there is a certain resemblance in the way students and tourists behave when choosing their destination. This calls for new, different ways to promote host universities, presented in the concluding section.*

Key-words: *tourism, European Union, Erasmus*

1. Current developments in European tourism

Tourism is the third largest socio-economic activity within the European Union (EU). It directly generates up to around 5% of the EU GDP and employs 5.2% of the EU workforce. When also considering other linked activities, this percentage of income increases to 10% of GDP (Juul, 2015).

European tourism is dominated by small and medium-sized enterprises (SMEs). Accommodation facilities in the European Union (most of them owned and run by members of a family) offer a consistent range of services, especially in the countryside, which would be difficult to replicate by large hotel chains, at comparable prices. Big hotels flourish in urban centres, based on business tourism and lower seasonality, so as to cover their high fixed costs. Meanwhile, SMEs remain unmatched for a balanced distribution of tourist flows in the scattered territory. Thus, the tourism industry keeps its highly fragmented character.

A general overview on the evolution of tourism companies in the EU in the last 50 years indicates four distinct phases, each with its own success factors (Schertler, 1994). These phases are detailed below.

⇒ *Phase 1 (1950-1985): focus on capacity expansion*

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Tourism started to become attractive as a sector, with consistent growth rates. This led to investment in infrastructure and accommodation facilities. Tourist packages tended to standardization and subsequently tourism became a mass phenomenon. Volume was key, measured by length of stay.

⇒ *Phase 2 (1960-1990): focus on internal organization*

The majority of companies tried to plan better, focusing on their activities of serving customers better instead of looking to the market. As demand for tourism continued to grow, an optimization of own operations was needed, as well as more and improved training of human resources. Costs were not the main issue.

⇒ *Phase 3 (1970-2000): focus on specialization*

Growing competition was a signal for many companies to revise their business strategies and adjust to changes in the market. Developing the tourist product has become a priority, as standardized services were no longer a competitive weapon. Tourism grew more sophisticated, claiming on part of the enterprises differentiated strategies for specific customer segments.

⇒ *Phase 4 (1980-present): focus on cost optimization and maintaining a solid position in the market*

The profitable character of an enterprise in the hospitality business is positively correlated with the level of occupancy. To increase this level, many tourism companies launched themselves via the internet to gain access to new sending countries; they tried to control distribution channels and raised the speed of communicating with customers. In the new environment of competition in tourism, the speed of information is key, as well as succeeding to keep customers loyal. Alongside market offensive, managers of tourism enterprises of all kinds face now the daunting challenge of keeping costs low.

The traditional configuration of tourism starts losing its relevance in a time when more and more enterprises cross their core area of expertise and diversify their activities towards other links of the value chain. An illustration of the current relations between different players in the tourism value chain is shown in figure 1.

Typically, tour-operators acted like wholesale companies, grouping services like airline seats, hotel rooms and transport facilities in tourism packages, which they afterwards sold to travel agencies. Travel agencies acted like retail companies, selling these packages, full or unbundled, to customers. This traditional division of labour and the typical roles of companies in tourism have been radically changed, though, by the intensity of competition, alongside the enormous progress of information technology.

A large part of travel agencies have started buying tourist services directly from suppliers (such as airline tickets) and sell them directly to customers. Tour-operators also try to sell directly to individual customers, thus eliminating the in-between link composed of travel agencies. Suppliers (e.g. airlines, hotels) also joined in, selling their services via the internet directly to customers, to circumvent tour-operators and travel agencies altogether (European Commission, 2003).

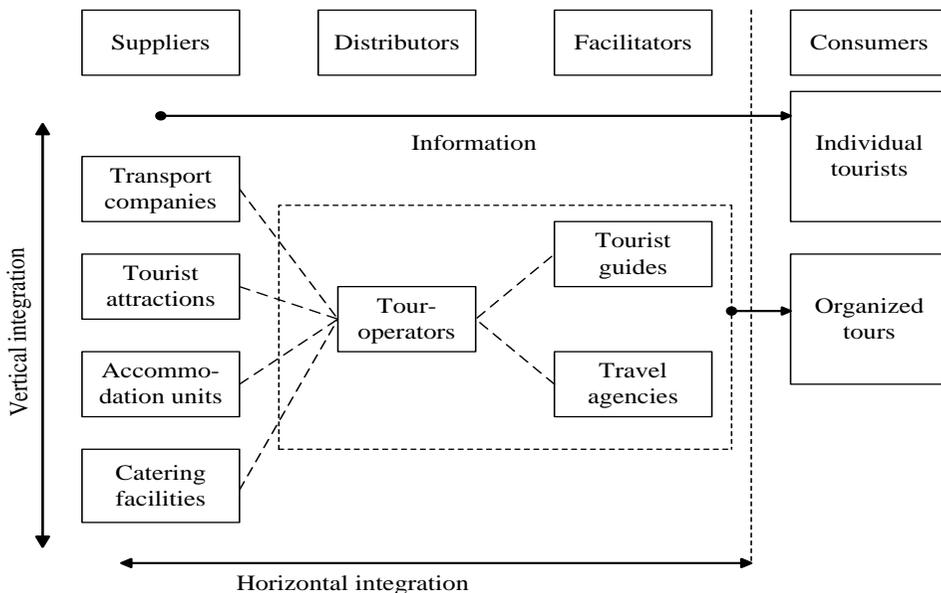


Fig.1. *Integration in the tourism industry*

Source: European Commission, 2003

Whereas in the past the boundaries between the different players in the market were clear, vertical and horizontal integration in the tourism sector has resulted in a blurring of these boundaries. The internet offers opportunities for smaller operators to bypass the customer reservation systems (CRS) and global distribution systems (GDS) and the travel agents and encourages customers to book directly. The internet has actually empowered consumers to perform functions previously fulfilled by intermediaries (European Parliament, 2015).

Travel agents are fighting for survival due to reductions in commissions from suppliers, growth of bookings over the internet and competition from e-agents, as well as direct selling by tour-operators. Using the potential of the internet, small hotels can compete with large players and gain the high visibility of hotel chains yet provide customers with what they need at a cost that small operators can afford.

Besides the continuous rise of online tourism, there are other current trends that shape European tourism and to which enterprises need to adjust efficiently and find appropriate ways so as to turn them to their benefit. These trends include the rising demand for domestic tourism and neighbouring countries (due to fear of terrorist attacks, extreme weather conditions, epidemics and other uncertainties), more on-your-own travel and last minute bookings (due to the rise of the internet and low-cost airlines), shorter and more frequent stays (due to the flexible work program), the growing share of senior tourists, who need safe destinations, reliable transport facilities, good health standards, and a clean environment.

Travel is organized individually, instead of going for the “organized trips”: for transportation, consumers prefer to travel mainly by car, coach or train, instead of using planes; with regard to accommodation, apartments, country houses or similar are used instead of hotels.

A comprehensive report on the impact of information technology on the European tourism industry shows that the advent of the internet has revolutionized the way the tourism sector operates, from both the consumer point of view and from that of the supplier (European Commission, 2017).

2. Educational tourism in Europe: Insights from the Erasmus program

Educational tourism is a particular type of tourism, composed of students who do their studies abroad, usually on a scholarship. Within the European Union, the most important source of educational tourism is represented by the Erasmus program.

Erasmus was established in June 1987, by means of a decision of the Council of the European Union, to promote student mobilities abroad with a focus on skills development for employability and active citizenship, so as to combat youth unemployment (European Commission, 2015).

From January 1st, 2014, the Erasmus program entered a new phase, called Erasmus+, which is broader in scope, including a diversity of student activities. It is the EU Program in the fields of education, training, youth and sport for the period 2014-2020 (European Parliament, 2013). To date, after 30 years of the program, almost 4 million students did study mobilities abroad at another university inside the EU, or benefitted from a practical placement in a partner company outside their country (ANPCDEFP, 2017).

When choosing their host university, students act in a similar fashion to tourists who choose their travel destination. They need to make a choice considering various criteria, such as: attractiveness of studies, location of the university, ease of access, cost of transport, accommodation options available, cost of living, etc.

Insights from the last 15 years of the Erasmus program witness shifting trends considering the most popular destinations chosen by students for their mobilities abroad. During the years, the reasons for choosing a certain destination as well as the manner in which the choice was made have changed (Marinescu, 2017).

Traditional reasons for which students enrolled for an Erasmus scholarship abroad include: gaining new experience in their professional and everyday life, a better quality of the study and of the educational system, to improve their language skills, to add valuable assets to their CV so as to enhance their career perspectives at home, or simply to find new friends from the multicultural environment, as well as to travel and sightsee.

These motivations translated into a huge personal development, which made the Erasmus program extremely popular over the years, especially for countries in Central and Eastern Europe, alongside Italy, Spain and Portugal.

During the last several years, a shift in the reasons for which students chose to go on a scholarship abroad could be noticed. The fundamental reason of getting a more solid study experience partially gave way to a rather hedonistic approach, focused on entertainment and a new social experience. Nevertheless, as the novel character of the mobility faded, students are looking more and more towards the aim and the efficiency of the mobility. Some of them are more interested in the prospects of a long-term benefit for their career instead of just having a short-term experience. Due to its increased flexibility and hands-on utility, the practical placement program gained more popularity among students in the last few years and displays a higher growth rate compared to study placements under Erasmus.

These shifts in the reasons for which students go abroad on a scholarship put their mark on the destinations chosen, as well. Students are more mobile, not that rooted and they are curious to gain a new life experience and then share it with others. Improving a foreign language is still an important asset which can determine the choice of country for the study mobility. As the tendency to socialize is on the rise, students are looking for “trendy” destinations. They are also inclined to explore a less-known or unknown region in Europe, for instance Eastern European countries.

The criteria for the choice of the destination country typically included the general attractiveness of the destination, the language spoken, a curriculum to match the one at the home university, and recommendations from former Erasmus students, including an elder brother/sister who previously studied abroad.

The quality of education and the specific language spoken, together with recommendations are still important reasons for the choice of destination. However, personal desires and financial reasons gained importance over time, as the variety of available destinations increased. Besides the costs and the climate, social activities and customized trips organized by the host institution are also aspects cherished by students. The website of the specific university has gradually transformed itself into a gateway that encourages or deters potential students. Lately, due to security threats and danger of terrorist attacks, proximity to a certain destination became paramount. Bustling, large cities are currently on the way of losing out to small, safe towns.

3. Conclusions

The aim of this paper was to investigate current trends in European tourism. The most striking feature that influenced the tourism industry in the last few years is the widespread use of the internet as an instrument for planning a journey, buying various services and then sharing travel impressions and feedback.

The internet has blurred the classic lines of separation between operators in tourism. Enterprises try to shorten the distribution channel to consumers and opt for selling directly via the internet. The internet has also empowered consumers to follow independent travel and self-organized holidays. Domestic or neighbouring locations are preferred, and short journeys such as city breaks are rapidly increasing.

This paper finds that the choices students make when being confronted to decide on their host university abroad start resembling the choices of tourists for their holiday destinations. As shown above, the internet has become the most important source for collecting information about the targeted destination. Due to the unstable security situation in many countries, safe cities closer to the country of origin are preferred to busy, flamboyant destinations. English-teaching universities are ubiquitous, given the familiar character of the language. Fewer students choose other languages for instruction. Given the budgetary constraints of students, cost-cutting is another important criterion, edging out the attractiveness of a certain place.

This calls for a different way to promote the Erasmus program inside universities and to an increased awareness on how to advertise destinations. Better information is required so as to overcome fears. Directions for easy access joined by safe pick-up from the airport may prove very alluring for potential candidates. Universities in lesser-known destinations get a solid chance of being chosen if their websites are attractive, meaningful, modern, and regularly updated. Ideally, these sites should incorporate pictures and videos, and be customized for mobile phones.

4. Acknowledgements

The author would like to acknowledge that this paper has benefitted from documentation material and feedback from the Erasmus+ staff training mobility at the Faculty of Tourism & Hospitality Management, University of Rijeka, Croatia, 19-23 June 2017.

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