

TOURISM DEVELOPMENT PERSPECTIVES: COMPARATIVE ANALYSIS OF TWO REGIONS OF LITHUANIA AND LATVIA

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Abstract

The paper discusses the tourism development conditions in the municipalities of the Eastern Aukštaitija region, in Lithuania and Latgale region, in Latvia. The aim of the research is to explore tourism development conditions in the municipalities of the Eastern Aukštaitija region, in Lithuania and Latgale region, in Latvia. The scientific problem – the tourism development trends – more have not been studied in local, municipality level in Lithuania and Latvia and tourism in districts developed without a clear and long-term development strategy and consistent implementation of the program. The paper applies the analysis of scientific literature, quantitative research – a survey and questionnaire data generalization. The conclusions of article are: factors which influence tourism in the Lithuanian and Latvian regions most are the image of tourism destination/awareness, quality of tourism services, management of tourism destination, variety of tourism services and tourism infrastructure. Tourism specialists identified management of tourism destination, image of tourism destination/awareness, quality of tourism services in Lithuania region. Tourism development in the both regions is threatened by such factors as unplanned change of state economic development priorities, population migration to other countries and others, tourism development in the region can benefit from EU funds, the growing demand for active recreation and health tourism products in the hospitality industry, etc. Tourism development at the municipalities of both regions in Lithuania and Latvia is influenced by such factors, as the development of the tourism planning and management system, adequate competence of human resources, cooperation between public and private sectors, planning and organization, legal tourism base, tourism projects development and implementation, tourism development strategy and research in the tourism development area.

Key words: tourism, tourism development, factors, conditions, region, municipality, Lithuania, Latvia.

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1. Introduction

Due to the influence of economic, social and political globalization processes tourism has become one of the leading industries in many countries. According to the data of World Tourism organization (WTO), tourism, which has a direct and indirect impact on economics, on a global scale creates 9% GDP, 1 in 11 jobs, 6% of the world's exports, and forecasts an increase of international tourists up to 1.8 billion for 2030. Over the last decade, tourism has become an important economic sector in Lithuania and Latvia – since 2009 each year inbound tourism revenue steadily increases.

Many scientists have analyzed tendencies of tourism development: Dwyer & Kim (2001), Gunn (2002), Dmitrijeva & Šeniavskij (2009) analyzed tourism destination competitiveness factors, Dredge & Jenkins (2007), Sharpley & Telfer (2002), Hall (2007) – tourism planning and development, Go & Govers (2000) – integrated quality management for tourism destination and others. In Lithuania this issues were analyzed by Korneičiuk & Pipirienė (trends and development of modern tourism, 2015), Stasiukynas (assessment of sustainable development of recreational complexes, 2014), Žičkutė (development of eco-tourism in Lithuania, 2014), Romikaitytė & Kisieliauskas (the factors, affecting Lithuanian tourism sector development, 2012), Andriulienė, Armaitienė, Povilanskas, Janulienė & Dulskis (assessment of Lithuanian tourism potential, 2011), Hopenienė (dynamic structure model of tourism business system, 2009), Žilinskas & Petravičienė (conceptualization and trends of tourism development in the Lithuania, 2007), Ligeikienė (tourism development and management, 2003), Žilinskas

& Skrodenienė (management of tourism development in the regions 2003), Žalienė & Sabaliauskaitė (evolution of world and Lithuanian tourism, 2002) and others. Tendencies of tourism development at municipality level are researched by Paulauskienė (perspectives of tourism management development in the Lithuania, 2013), Dapkus & Gaižauskienė (tourism development at municipality level, 2009). However, tourism development conditions at municipality level have not been researched, only sporadic researches have been performed. For these reasons, tourism in many municipalities has developed without a clear and long-term development strategy and consistent implementation of the program.

The aim of the research is to explore tourism development conditions in the municipalities of the Eastern Aukštaitija region, Lithuania and Latgale region, Latvia. The object of the research is tourism development conditions in the municipalities of Eastern Aukštaitija region, Lithuania and Latgale region, Latvia. Tourism development issues are discussed and the research results are presented.

2. Literature review

The World Travel Organization defines tourism as a type of travel, tour, when a person leaves his job and place of residence for more than one day and less than 12 months, and the aim of the trip is not recruitment or paid activities (*WTO, online*). For all countries welcoming tourists one of the most important conditions is to preserve and develop their national identity. Tourism development is understood as physical changes caused by the increasing tourist interest in the area and expression of this interest through the increasing incoming flows. According to Ligeikienė (2003), tourism development can be seen as an assumption for the improvement of life quality of tourists and the local community. Tourism development goals in the overall economic structure have impact on and relate to strategies of other branches of the economy, their actions and measures, and the public sector, such as environmental protection, transport, agriculture, regions, development of small and medium businesses. Tourism and regional development are linked to each other in the national and even global context (*WTO, 1980*).

Sharpley & Telfer (2002) stated that tourism has a direct impact on national, regional and local economics, whereas tourism development has potentially beneficial economic effects, which in turn positively affects the destination's economic development. Hall (2007) has supplemented the tourism development for a new tradition of sustainable development, formed at the last decades.

In many countries the most popular tourist attractions are related with natural resources (the sea, beaches, climate, mountains, and so on). This shows that the development of tourism (as well as economic benefits) is based on the natural resources that are free, because they do not need to be built or created (*Jenkins, 2007*). In order to determine the development of tourism destination, tourism resources of the destination have to be estimated.

Tourism attraction affects service development, which is composed of tourism resources (natural, cultural, social/human) and infrastructure; tourism industry components (accommodation, meals, transportation, entertainment, information, management, travel organization, training services); status of tourism destination (for example, the resort, a UNESCO world heritage site, etc.); image of tourism destination; activities of tourism interested agents; and location of tourism destination in tourism network (*Andruliene, 2011*).

In recent decades, the general trend of public development has determined the rapid development of tourism – tourism has become one of the most popular leisure activities. According to the Organization of Economic Cooperation and Development (2010), rapid tourism growth was mostly influenced by the globalization process, reinforced by socio-economic factors: rising personal income and inheritance, prolonged life expectancy, faster and cheaper air transport services, improvements in accessibility of various tourism destinations,

intensive use of information technologies, the increasing living standard in new developing markets of inbound tourism (*Strategy of Lithuania tourism marketing for 2014 – 2020, online*).

Table 1 summarizes various factors which influence Lithuanian and foreign tourism destination development.

Table 1. Factors influencing the development of a tourism destination (source: compilation by the authors of the paper based on works of authors quoted in the Table)

Author	Factors
Foreign authors	
Dmitrijeva & Šeniavskij (2009)	Political stability, the natural environment, safety, health and hygiene, transport infrastructure, information-communication technologies, price policy, personnel management, tourism infrastructure management of tourism destination, natural and cultural resources
Dwyer & Kim (2003)	Natural resources, artificial resources, special events, supporting factors, tourism destinations management, demand factors, factors of market performance
Wöber (2002)	Cultural and natural resources, tourism, infrastructure, personnel competence, variety of tourist market, geographic environment, virtual environment
Sharpley & Telfer (2002)	Creation of job places, economic diversification, support for the development of public services, recreational services to tourists and so on.
Go & Govers (2000)	Access of tourism destination, availability of tourism destination, quality of service, government support for tourism, price policy, the image of the tourism destination, the climate and the environment and attractiveness
Lithuanian authors	
Indriūnas (2015)	Leisure (recreation) objects, infrastructure of services, infrastructure of passenger transport, engineering infrastructure of the tourism destination, organization of travel, tourism information and advertising
Andrulienė et al. (2011)	Tourism resources and infrastructure, components of tourism industry, the flow of tourists, the image of the tourism destination, activities of tourism interested agents, the position of tourism destination in the tourism network.
Ligeikienė (2003)	Conditions of globalization, integration, information technology and economic progress and changes in consumer behavior

As we can see, experts recommend to assign tourism resources, tourism infrastructure, variety of tourism services, tourism management, virtual environment, the quality of tourism services, the image of tourism destination, and the events to the development factors of a tourism destination.

The analysis of conditions of tourism development requires to evaluate the factors which limit this development. According to Žilinskas & Skrodenienė (2008), such factors in Lithuania are seasonality, a small variety of recreational activities, insufficiently developed accommodation services, and poor qualification of tourism sector personnel. According to Pliustienė (2012), tourism development depends on the functions and decisions of public sector institutions. In this respect the municipality aims at the local level should be a priority and should create favorable conditions for the development of tourism in the territory. While forming the priorities, it is necessary to constantly improve the system for tourism financing, local spatial planning, to ensure the quality of drafting rural development projects, reliable operation of the tourism information system and pro-activeness of tourism marketing. At the same time, in order to achieve the objectives of the municipal center, attention should be paid

to the improvement of tourism management, which mainly depends on the private sector initiatives.

Sharpley & Telfer (2002) noted that the contractual basis of operation of the private and public sectors of the economy, makes it possible to form a common approach to national, regional and local development goals and allows the necessary conditions to evaluate tourism by using a wide range of indicators, such as job creation, economic diversification, support for public services in the development of recreational services for tourists and etc. Žilinskas et al. (2007) noted that the Lithuanian tourism strategy should be developed at three levels: national, regional and institutional (or companies), which should be consistent with each other, that is institutional (corporate) level should be consistent with regional-level strategy, and that it would be correlated with the national tourism strategy.

In practice, the development of tourism is realized through plans and selected indicators. According to Gunn (2002), who was one of the first scholars to describe tourism planning as a tourism destination development tool, the aim of planning is related with increase of income and employment, conservation of resources and conditions for traveler satisfaction. It is noted that in insufficiently or under-developed tourism destinations, plans can become a serious support for further development of tourism, while in the developed countries (regions) they are often used as a tool to “revive the tourism sector and to maintain its viability in the future” (WTO, 1994).

3. Tourism situation in Lithuania

Planning and management of Lithuanian tourism sector since 1998 has been based on the regulatory statutory acts and other documents (Lithuania Republic tourism law and related secondary legislation), Lithuania Republic territory planning law, rules for drafting tourism and recreation schemes and plans (projects). Tourism planning is one of the functions and tools of tourism sector management and policy (*Methodological recommendations...*). Tourism planning as such is a process, which comprises the ability to see the future vision, goals that meet the specific challenges of the region, the involvement and the general society into this process. The tourism planning system consist of strategic planning, spatial planning and short-term (short period) planning. However, it is the stage of strategic planning in particular that helps to foresee strategic directions of tourism development for the corresponding period and to set out the tourism policy provisions. While determining the strategic direction of the development, one must take into account the external environment elements (scientific and technical development, socio-economic development of the country, the media and other means of communication, laws, state and municipal institutions, the country's domestic political situation, the country's international position), which allows to increase competitive opportunities. According to Išoraitė (2009), “Lithuanian tourism strategic planning is necessary for Lithuania tourism development and tourism sector development.”

The strategic goal of tourism development in Lithuania is to increase the competitiveness of the Lithuanian tourism sector, because tourism is an economic activity, whose main function is to generate the economic growth (*Methodological recommendations...*). At the same time, the socio-cultural impact of tourism is no less important, which affects the infrastructure, increases services and entertainment offers, revives cultural life in the regions, increases opportunities for self-expression of the local population and strengthens cultural identity and individuality.

The European Commission noted that in order to increase the competitiveness of the Lithuanian tourism sector, it is recommended to increase the range of tourist services, the use innovation and IT in tourism, improve professional skills, to extend the tourist season, to promote cross-border initiatives in tourism (routes, bike trails, etc.), and to promote development of sustainable and quality tourism (*European Commission, online*). The

increasing competitiveness of the tourism sector not only promotes more Lithuanian residents to travel in their own country, get to know its unique landscape, protected cultural heritage, contributes to a better understanding of history and contributes to the regional economic development, but also becomes a serious motive for foreign tourists to come to Lithuania.

In order to increase the competitiveness of tourism, Lithuanian tourism development programs (2007–2013 and 2014–2020) provide for planning of the development goals and objectives (Table 2).

Table 2. Comparison of national Tourism Development Programs (source: compiled by the authors)

Comparison parameter	Program of National Tourism Development for 2007–2013	Program of National Tourism Development for 2014–2020
Priority types of tourism	Cultural, active leisure, business (conference) and health tourism.	Cultural, business, health tourism and green (eco-) tourism
Goals	<ol style="list-style-type: none"> 1. To create a competitive environment, friendly to tourism product development. 2. To ensure a continuous increases of tourists flow. 	<ol style="list-style-type: none"> 1. To develop tourism infrastructure and improve the quality of services. 2. To increase visibility of Lithuania as a tourist state and improve its image. 3. To reduce tourism seasonality.
Objectives	<ol style="list-style-type: none"> 1. To develop establishment of marketable tourism products, promoting public tourism infrastructure. 2. To increase tourism and health tourism possibilities of resorts and resort areas. 3. To support the development of the private tourism sector. 4. To develop the legal regulation and planning for tourism sector. 5. To develop the skills of tourism sector specialists. 6. To promote local tourism 7. To promote inbound tourism. 8. To carry out the monitoring of tourism sector. 	<p>Objectives of the first goal:</p> <ol style="list-style-type: none"> 1. To develop cultural tourism, business tourism, health tourism and green (eco) tourism public and private infrastructure for tourism development in priority regions. 2. To develop attractive tourist routes. 3. To improve the accessibility of Lithuania 4. To improve the competencies and entrepreneurial skills of employed specialists of tourism sector. 5. To promote accreditation and (or) certification of tourism service companies, institutions and tourist destinations. <p>Objectives of the second goal:</p> <ol style="list-style-type: none"> 1. To promote the development and implementation of e-marketing projects. 2. To execute integrated marketing in priority markets of inbound tourism. 3. To install tourism object information labeling system tools in Lithuania. 4. To cooperate with neighboring countries in the implementation of the overall international tourism marketing projects. 5. To encourage creation of clusters in order to initiate joint public and private sector tourism marketing projects. <p>Objectives of the third goal:</p> <ol style="list-style-type: none"> 1. To increase supply of cultural events and entertainment service during the low tourist season. 2. To increase and expand rural tourism supply not only during the time of tourist season. 3. To increase supply of tourism services of active winter recreation.

New goals and objectives of tourism development programs are raised in order to implement the national tourism development goals and objectives, which include competitive tourism products and services, development of tourism infrastructure and services, creation and promotion a favorable tourism business environment, implementation of effective marketing and communication devices, increasing competitiveness and visibility of Lithuanian tourism in Lithuania and international markets, to promote tourism services exports to foreign countries under the principles of sustainable tourism that the goal is to make tourism, as one of the branches of the economy, by properly using the country's tourism resources and offering a marketable, high quality and competitive tourism products in foreign and domestic tourism markets, help increase the income of the population and the development of new business niches to attract private investment, improve the country's gross domestic product as well as to address regional economic and social development issues, and together – to protect the landscape (natural and cultural) values, the rational use of natural and cultural resources.

'Program of National Tourism Development for 2014–2020' was developed, taking into account studies, research and provisions of the strategic Lithuanian and European Union documents such as Lithuania Progress Strategy 'Lithuania 2030', the European Commission in 30/06/2010 communication KOM (2010) 352 'Tourist destination No. 1 – Europe. New tourism policy', National Strategy for Sustainable Development and the Territory Plan of Lithuania Republic.

Implementing the aims and objectives of Program of National Tourism Development for 2007–2013, appeared the question how to further develop tourism, to adapting to changing conditions, so it was developed a new Program of National Tourism Development for 2014–2020 year. The program determines goals, objectives and development priorities of the state tourism development up to 2020, according to the principles of sustainable tourism. The program emphasizes that in order to keep the flow of tourists, it is necessary to develop competitive tourism products, develop tourism infrastructure, promote tourism services exports to foreign countries, take effective marketing and communication measures, and increase awareness of Lithuania. The program identifies four priority types of tourism: cultural tourism, business tourism, health tourism and green (eco) tourism. Compared to the national tourism development programs of 2007–2013 and 2014–2020, the priority types of tourism in the two programs are cultural and health tourism (Table 3).

The 2014–2020 program also gives priority to business and green (eco) tourism types. The 2007–2013 tourism development program specifies two objectives, relating to the creation of favorable environment for the development of competitive tourism products and ensuring of the increasing flow of tourists. There are three goals in the 2014–2020 tourism development program related to the development of tourism infrastructure and service quality improvement, raising awareness of Lithuania as a tourist country, improving its image and reducing tourism seasonality.

As it can be seen in Table 3, the objectives have changed. There are eight objectives in the 2007–2013 tourism development program and there are thirteen objectives in the 2014–2020 tourism development program related to the implementation of the goals. The tourism development program for 2014–2020 emphasizes accreditation and (or) certification of institutions and organizations providing tourism services, and tourism destinations; integrated marketing in priority inbound tourism markets, introducing the system of information marking of tourism objects, founding tourism clusters, reducing seasonality and so on.

As foreseen in the LR Tourism Law, the tourism policy in Lithuania is carried out at the national, regional and local levels as a means to achieve the country's strategic development goals. Because of the object of this paper is the development of tourism conditions at the municipal level, Table 3 presents municipality competences in tourism policy-making and management.

As we can see, the *competence of municipalities*, according to program provisions and the LR Tourism law, includes preparation, approval and implementation of the municipal tourism development programs (strategies) or municipal tourism and recreation development schemes and projects as well as feasibility studies, planning and carrying out the measures, needed for recreational areas protection, recreation and tourism activities development, approval of recreational land usage regulations, planning and organizing camps for children and youth activities, and otherwise influencing the development of tourism in the municipality. Municipalities also promote *international cooperation* and are participants and promoters of international tourism development programs or projects.

Table 3. Forming tourism policy and tourism management at the municipal level in Lithuania (source: compilation of authors based on LR Tourism law, 2015)

Competences of municipality
<p>Promotion of tourism business and establishment of tourism information centers:</p> <ol style="list-style-type: none"> 1. To promote the tourism business as a job creation and employment measure; 2. To establish municipality tourist information centers. <p>Preparation and implementation of the strategic documents and development projects:</p> <ol style="list-style-type: none"> 3. According to the provision of Lithuanian tourism development program, to prepare, approve and implement the municipal tourism development programs (strategies) or municipal tourism and recreation schemes and projects; 4. To develop and implement projects of public tourism and recreation infrastructure. <p>Planning and implementation of recreational activities:</p> <ol style="list-style-type: none"> 5. To plan and implement the measures, necessary for the protection of recreational areas, recreation and tourism activities in these areas, to develop and manage recreational areas accounting, to approve regulations for the usage of recreational territories; 6. To plan and organize camps for children and youth activities, to determine the requirements for these camps and monitor their implementation; 7. In order to ensure tourists calm rest, the Lithuanian Government shall have the right to restrict the construction, repair, reconstruction, installation works in resort territories of the municipal council during the tourism season; 8. To perform market research and marketing of tourism resources and services in the municipality area; 9. According to the law, to make contracts with the tourism service providers - legal and natural persons – for the recreational use of resources (lease) for tourism and recreation, to control the execution of contracts.

At the municipality level tourism development issues are evaluated in the strategic development plans, but initiation of management of tourism activities at this level is not mandatory. According to Bryson (2004), the need for a strategic plan of municipalities is based on several factors which are more suitable for the sustainable than competitive development strategy: to help the organization to organize and execute the changes, to improve decision-making, to increase the efficiency of the entire organization.

According to Gražulis (2008), a properly chosen strategy helps take the desired location in a competitive market, and the managers to foster values, norms, roles and groups as a whole, while achieving strategic objectives. According to Sudnickas (2011), successful competition is not possible without a permanent response to the changes taking place and the efficient use of available resources, and is hard to imagine without the strategic management of the organization. Success of strategic planning is highly dependent on how the strategic planning models, principles, procedures are associated with the actual performance conditions. Unfortunately, municipality strategic plans are usually seen as a precondition for assistance from the EU Structural Funds, and not as clear priorities and setting directions for balanced and productive activities.

4. Tourism situation in Latvia

The National Development Plan 2014–2020 (NDP2020) is hierarchically the highest national-level medium-term planning document. NDP2020 is closely related to the Sustainable Development Strategy of Latvia until 2030 (Latvia2030) and the National Reform Program for the Implementation of the EU2020 Strategy (NRP). The NDP2020 is the only medium-term policy planning document that sets the most important medium-term objectives, priorities and performance indicators (also macro level) as well as directions of actions within each priority, measures and responsible institutions. According to the policy planning hierarchy, sectoral and regional/local policy planning documents derive from and are subordinated under the NDP2020. Latvia 2030 Creative Society Solutions are creative potential of cultural heritage tourism development and Latvian digital cultural area expansion.

The tourism policy in Latvia is carried out at the national level (Ministry of Economics, Department of Tourism → Latvian Tourism Development Agency), regional level (Four Regional Tourism Departments: Vidzeme, Kurzeme, Latgale, Zemgale) and local level (local municipalities, tourism information centers, tourism entrepreneurs), (*Briksne, 2005*). The Ministry of Economics of the Republic of Latvia is the National Tourism Administration of Latvia. The main tasks of the Ministry of Economics in the field of tourism are as follows: to develop tourism state policy, and to organize and co-ordinate the implementation thereof; to develop draft legislation and draft regulatory enactments; to represent the State's interests in the tourism industry; to plan State aid to the tourism industry; to prepare and implement international agreements regarding cooperation in the field of tourism, as well as to coordinate the development of international projects. The Ministry of Economics has developed *Latvian Tourism Development Guidelines for 2014–2020* (approved on 1 July 2014) which is the main tourism policy document. The overall goal of the Latvian tourism policy (2014–2020) is to ensure sustainable growth of the Latvian tourism sector by facilitating competitiveness of Latvian tourism services in export markets.

Latvian tourism policy aims to increase the competitiveness of Latvian tourism supply that meets the criteria of sustainable tourism product development; encourages international competitiveness; reduces seasonal imbalance in tourism flows; extends the average length of stay.

In 2010 Latvia has adopted the Sustainable Development Strategy of Latvia until 2030, which identifies sustainable goals, strategic choices and potential solutions for a sustainable development. Sustainability is acknowledged as a crucial element for the development of tourism in Latvia.

According to the Latvian Tourism marketing Strategy 2010–2015 sustainability is set as one of the core values of Latvia's tourism products. The Latvian slogan 'Best enjoyed slowly' fully discloses Latvia as an attractive and green tourist destination. Therefore Latvia continues to participate in the project 'European Destinations of Excellence' (EDEN), which promotes sustainable tourism development models across the European Union. Thus Latvia ensures wide publicity for its best and most sustainable tourist destinations. Also Latvia is a part of the Iron Curtain Trail project and because of this some EU funds are allocated to creation of cycling infrastructure along the coast as a part of the trail.

5. Methods

Objectives of the research are: to characterize the factors influencing the development of tourism; to perform the analysis of the main factors of tourism development of Eastern Aukštaitija region in Lithuania and Latgale region in Latvia; to define the major factors of tourism management in municipalities of Eastern Aukštaitija region, Lithuania and Latgale region, Latvia.

The authors apply the analysis of scientific literature, quantitative research – a survey and questionnaire data generalization. The research instrument (questionnaire) developed by grouping questions into blocks, related to the research topic for the qualitative and quantitative researches. Total were interviewed six tourism specialists, responsible for the tourism development in the Eastern Aukštaitija region (Anykščiai and Utena municipalities and specialists of Utena, Ignalina and Zarasai tourism information centres, Molėtai tourism and business information centre) in Lithuania and were interviewed 30 tourism specialists in Latgale region: in municipalities of Daugavpils city, Daugavpils district, Rēzekne city, Rēzekne district, Aglona, Baltinava, Balvi, Cibla, Dagda, Ilūkste, Kārsava, Krāslava, Līvāni, Ludza, Preiļi, Riebiņi, Rugāji, Vārkava, Viļaka, Viļāni and Zilupe districts.

As we can see in Table 4, tourism specialists from both regions rated the same factors as similar points, such as image of tourism destination/awareness (5.00 points), quality of tourism services (5.00 points), management of tourism destination (Lithuania tourism specialists are evaluated as 5.00 points, Latvian tourism specialists – 4.90 points), tourism services (4.00 points), tourism infrastructure (Lithuania tourism specialists are evaluated as 4.20 points, Latvian tourism specialists – 4.10 points).

Table 4. Assessment of important factors, affecting Lithuanian and Latvian tourism development (own study)

Factors	Assessment 5-point system in Lithuania region	Assessment 5-points system in Latvia region
Tourism resources (cultural, natural, human, financial)	4.80	4.00
Tourism infrastructure	4.20	4.10
Tourism services	4.00	4.00
Virtual environment	4.80	4.30
Image of tourism destination/ awareness	5.00	5.00
Management of tourism destination	5.00	4.90
Quality of tourism services	5.00	5.00
Events	4.10	3.50

Tourism specialists in Eastern Aukštaitija region, Lithuania, rated image of tourism destination, virtual environment and resources quite high. Improvement of the image of tourism destination and popularization of tourism opportunities contribute to local social and economic issues and welfare. Evaluating the resources, the maximum score was given to the human and financial resources, a slightly lower grade was given to the natural and cultural resources (cultural resources are evaluated as 4.60 points, natural – 4.50 points, human and financial resources are evaluated 5.00 points each).

Human resources in the tourism sector are very important, because employees of this sector create country's tourism and hospitality image and hospitality is an integral part of the competitiveness of tourism sector. In order to strengthen this potential, it is important to continuously develop professional competence of the tourism sector employees, i.e. to constantly improve their skills, knowledge of foreign languages, to improve the image, and develop intercultural competence.

The country's tourism resources are one of the most important competitive advantages to attract tourist flows and increase the economic benefits of tourism. Abundance and diversity of Lithuanian and Latvian natural and cultural tourism resources allows to create and develop products of recreation, cultural and educational tourism, ethnic, rural tourism and eco-tourism, focusing on the segments of respective market. Tourism specialists in Latgale region, Latvia,

rated quality of tourism services and image of tourism destination/ awareness quite high (Table 4). Evaluating the resources, the maximum score was given to human resources, financial and natural resources (human resources are evaluated as 5.00 points, financial resources are evaluated as 4.90 points, natural resources are evaluated as 4.50 points. Cultural resources are evaluated as 4.00 points).

Evaluating the cultural resources, tourism specialists from Lithuania region the highest score (5.00 points) are evaluated to homesteads and museums, folk crafts are evaluated as 4.70 points, urban heritage and folk traditions – 4.30 points each, arts and archaeological assets – 4.00 points each. Tourism specialists from Latvia, evaluating cultural resources, the highest score (4.70 points) are evaluated to urban heritage, folk traditions (4.70 points) and folk handicrafts (4.60 points). Evaluating the tourism infrastructure, tourism specialists from Lithuania region the highest score (4.80 points) are evaluated to asphalted roads, camping (4.60 points) car parking (4.60 points) and bicycle tracks (4.40 points). Evaluating the tourism infrastructure, tourism specialists from Latvia region the highest score (5.00 points) are evaluated to asphalted roads, car parking (4.90 points) and camping (4.20 points).

Tourism specialists, while evaluating management peculiarities in the tourism area in their municipalities, noted the development of the tourism planning and management system, adequate competence of human resources, cooperation between public and private sectors, planning and organization, legal tourism base, tourism projects development and implementation, tourism development strategy and researches in the tourism development area.

According to the results of research, the following tourism types are developed in Eastern Aukštaitija region, Lithuania: cultural sightseeing, leisure, recreation, rural, health tourism and ecotourism; leisure, recreation, rural, niche and adventure tourism are developed the Latgale region, Latvia. The Eastern Aukštaitija region's rich natural resources create preconditions for the development of all above mentioned kinds of tourism, and development of health tourism related to the activities of resort areas of the region. There is a variety of tourism services in the Eastern Aukštaitija region, Lithuania and Latgale region, Latvia.

Tourism services are developed according to the current need (conference organization, catering, water, entertainment, transportation and so on) or in accordance with the strategic documents (tourism information, travel organization, health, wellness and other services) in Lithuania region; tourism services are developed according to the current need (catering, entertainments, accommodation, water services, transportation and so on) or in accordance with the strategic documents (tourism information services, tourism services, catering and others services) in Latgale region, Latvia (see Figure 1). Tourism specialists identified management of tourism destination, quality of tourism services, image of tourism destination/awareness, the impact of virtual environment on the development of tourism, human and financial resources as tourism development strengths in the Eastern Aukštaitija region, Lithuania; cultural, natural and human resources and tourism services (travel organization, tourism information services, catering in Latgale region, Latvia, as tourism development strengths. Tourism specialists identified tourism diversity and tourist infrastructure (no bicycle path network, the lack of car parking spaces and hiking trails, poor quality of district roads, inadequate infrastructure of water ways) in Lithuania region and tourism infrastructure and entertainments in Latvia region, were identified as weaknesses.

There are such threats for tourism development in the Lithuania and Latvia regions as unplanned change of state economic development priorities, population migration to other countries, the worsening demographic situation in the district and others. Tourism development in the Lithuania and Latvia regions can benefit from the EU funds, the growing demand for active recreation and health tourism products in the hospitality industry, quality improvement and implementation of international standards and other options in domestic and foreign markets.

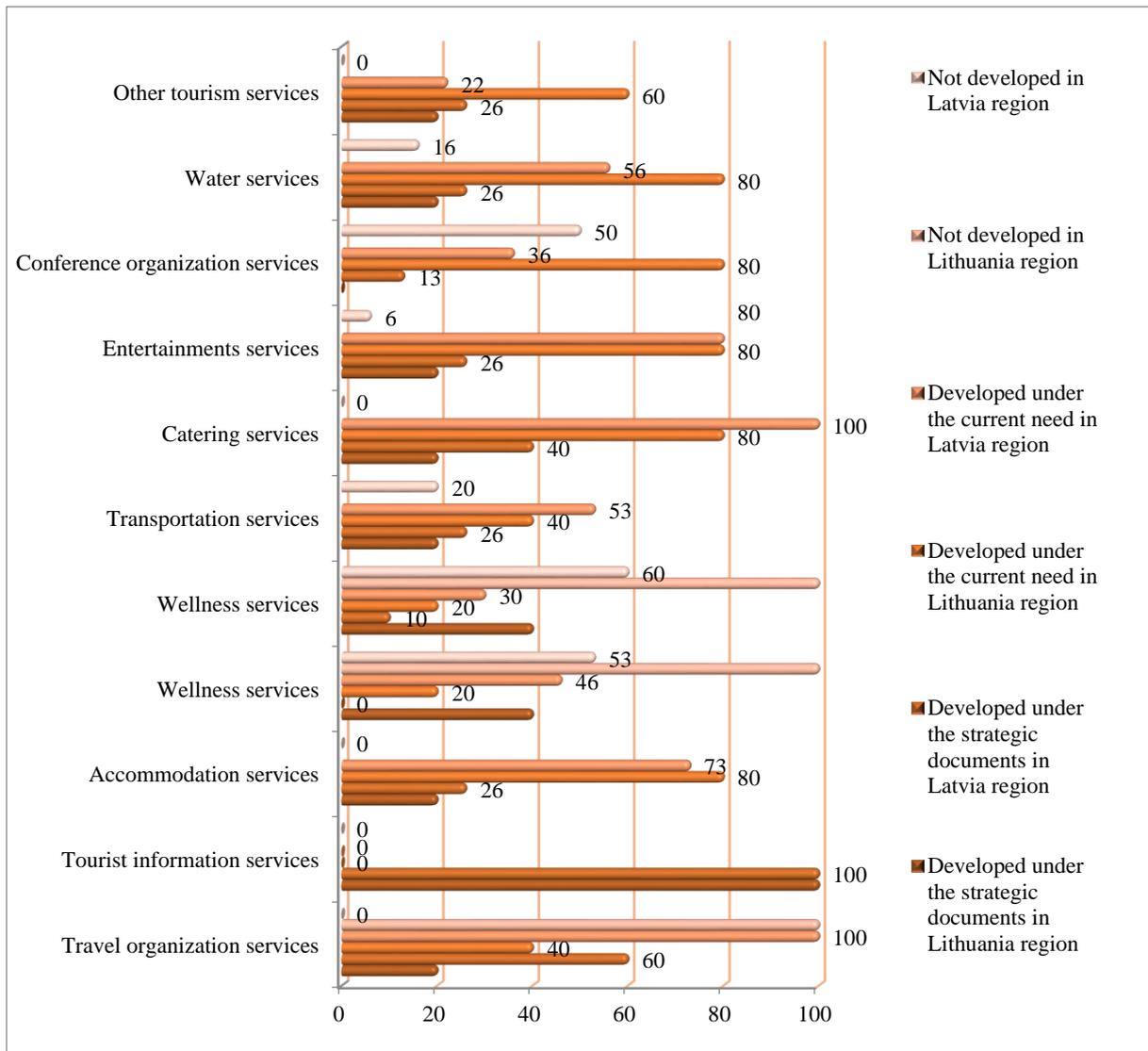


Figure 1. Tourism development format in the districts, units (own study)

6. Conclusion

Factors, which influence tourism in the Lithuanian and Latvian regions most, are the image of tourism destination/awareness, quality of tourism services, management of tourism destination, variety of tourism services and tourism infrastructure.

Tourism specialists identified management of tourism destination, image of tourism destination/awareness, quality of tourism services in Lithuania region; cultural, natural and human resources and tourism services (travel organization, tourism information services), catering services in Latvia region, as tourism development strengths in municipalities of the Lithuania and Latvia region; tourism diversity and tourist infrastructure in Lithuania region and tourism infrastructure and entertainments in Latvia region were identified as weaknesses. Tourism development in the both regions is threatened by such factors as unplanned change of state economic development priorities, population migration to other countries and others, tourism development in the region can benefit from EU funds, the growing demand for active recreation and health tourism products in the hospitality industry, etc.

Tourism development at the municipalities of both regions in Lithuania and Latvia is influenced by such factors, as the development of the tourism planning and management system, adequate competence of human resources, cooperation between public and private sectors, planning and organization, legal tourism base, tourism projects development and implementation, tourism development strategy and research in the tourism development area.

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