

DESIMIR BOŠKOVIĆ, Ph.D., Senior Scientist
DARKO SAFTIĆ, B.Sc., Assistant
KLARA TROŠT, B.Sc., Assistant
Institute of Agriculture and Tourism, Poreč, Croatia

PLANNING AND ORGANISING TOURIST DESTINATIONS - THE EXAMPLE OF THE RURAL ISTRIA CLUSTER

REVIEW

Every tourist destination represents as an integral tourism product. Yet, at the same time, it is also a complex social system, sometimes called a destination system. Its complexity derives from the multitude of elements that participate to make it work. These elements can be grouped into three basic subsystems: consumers (tourists), producers (tourism supply providers) and state and other organisations and institutions. A destination system is confined by the scope of a specific spatial unit, whose boundaries are determined by tourism demand, regardless of administrative borders. Because of these characteristics, a destination system requires integrated management to achieve the synergistic effect of coordinated horizontal management (territorial management) and vertical management (branch or sector management). Development planning is a fundamental function of tourist destination management, and it is the primary function to which all other destination management functions are connected. The importance of proper destination development planning is evident in the need for minimising potential flaws in a destination's line and concept of development. Organising is the next function in destination management. It must be derived from, and aligned with, a previously established destination plan, and it must focus on efficiently accomplishing the planned goals and strategies. This function identifies the most appropriate organisational structure for destination management, which essentially requires the interaction of the public and private sectors. The Master Plan of tourism development of the Istria County provides for the formation and operation of the rural areas of inland Istria as a special cluster relative to the other six coastal tourism clusters. This paper explores the level of implementation of the function of planning and organising in the rural Istria cluster, which can be seen as a specific tourism mezzo-destination, to avoid repeating the earlier mistakes of mass tourism development in coastal areas.

Keywords: planning, organising, managing, tourist destination, rural Istria

INTRODUCTION

The area of the rural part of Istria, which is located in the hinterland of the coastal part of Istria, consequently historically extracted from mass tourist flows in the second half of the 20th century, is starting to find its place on the tourist map of Istria and Croatia at the beginning of the new millenium. Aware of the potential dangers

which mass tourism can cause in particular areas, but also of the natural and social limitations of own areas (for instance, lack of sea or lake, absence of more significant tourist capacities, lack of capital, etc.), local self-government units within the area of rural Istria decided to develop selective forms of tourist facilities, for which they also received support from the County of Istarska, as a regional local self-governing body. In the process, natural resources which that area contains are taken into consideration (ecologically preserved natural environment, scenery and geo-morphological versatility: valleys, fields, hills, mountains, rivers), as well as socio-demographic population composition (poor or medium densely populated area). The master plan for the development of tourism in the County of Istarska recognised the possibilities and common characteristics of the quoted area, placing it into the specific cluster of Inland Istria, i.e., the only cluster in Istria which is not located in the coastal area. Consequently, the Tourist Association of Central Istria was founded in order to promote tourism in the area of inland Istria. In this paper, the authors will outline the role of planning and organising as a function of the tourist destination of rural Istria, firstly by outlining the theoretical postulates and then by creating proposals for implementation of the functions of planning and organising of a tourist destination on the example of the cluster of rural Istria.

1. THEORETICAL FRAMEWORK

In this chapter of the paper, the theoretical framework for planning of the development of a tourist destination according to the contemporary international tourist literature will be outlined, as well as the role of organising of a tourist destination as a function of destination management, which has to be extracted and coordinated with the destination aims, which are previously mapped out in the planning process of destination development.

1.1. Planning of tourist destinations as a system

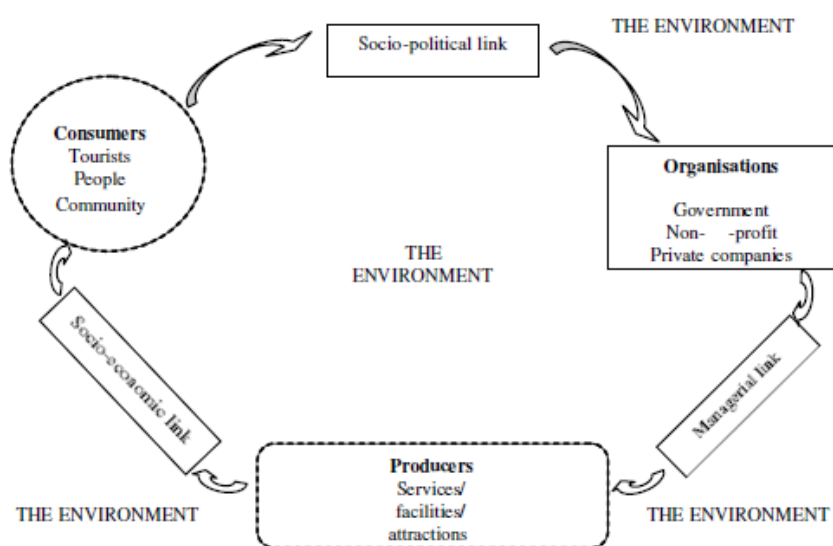
Each tourist destination represents an integral tourist product, the product which emerged as a result of integral planning of tourism in the area of a specific tourist destination. «We can define the integral planning as a conscientious and continuous planning activity of different factors of prediction, shaping and directing the development in a specific area. Integral approach measures the development within the limits of the available natural resources, in line with the social and economic aims of the country, i.e., the development is measured within the limits of internal tolerance¹.» At the same time, however, a tourist destination represents a complex social system, which unites a variety of elements or sub-systems, thus sometimes also called a destination system.

Tourist destination system, as shown in figure 1, represents a system which can be defined as complex due to a variety of elements participating in its functioning and they can be grouped into three basic sub-systems: consumers (tourists), producers (tourist supply providers) and state and other organisations and institutions. The

¹ Dulčić, A., Petrić, L., *Upravljanje razvojem turizma*, Zagreb, MATE, 2001., 345

destination system is limited by encirclement of areas of a specific spatial entity, whose borders are determined by the tourist demand, independently from the administrative borders².

Figure 1 **Tourist destination system**



Source: Adopted from Veal, A.J., Leisure and tourism policy and planning, Oxon, CABI Publishing, 2002.,5

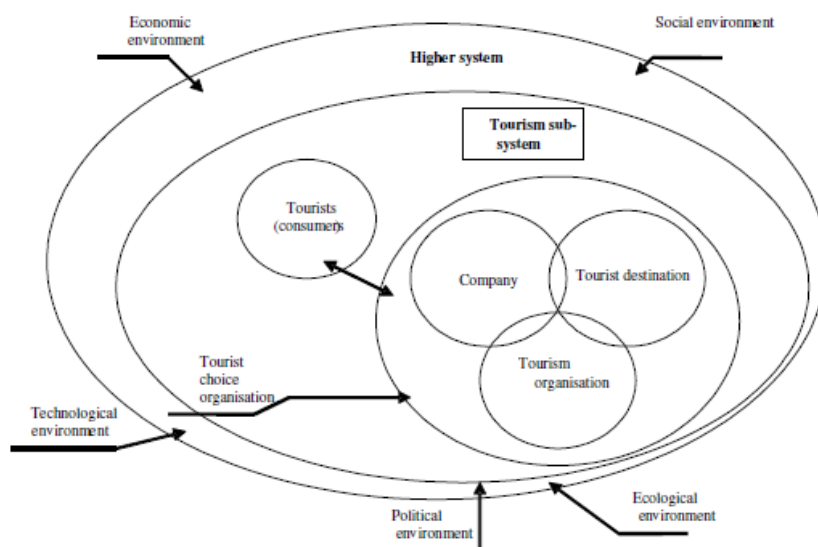
Figure 2 clearly shows the functional correlation of the tourist system and the higher system, which represents a framework for comprehension of the possibility of development of tourism itself and the influence of tourism on the development and equilibrium of the higher system. The key question is that of establishment of optimal correlations between the higher and the lower systems, where there is a limitation; optimally, the system correlations are achieved when the lower systems are developed to the level which is appropriate to the development of the higher system³.

In other words, this means that the development of tourism is, as an element of the economic system, limited by the level of the economic system as a whole and the idea that it is possible to achieve highly developed tourism in countries which are not adequately developed socially and economically, is wrong.

² Hitrec, T., „Turistička destinacija, pojam, razvitak, koncept“, *Turizam*, Vol.3-4, 1995, 43-52, according to Petrić, L., *Destinacijski management*, Split, Ekonomski fakultet Split, 2006., 13

³ Dulčić, A., Petrić, L., *Upravljanje razvojem turizma*, Zagreb, MATE, 2001., 115-116

Figure 2 Tourist system structure



Source: Dulčić, A., Petrić, L., *Upravljanje razvojem turizma*, Zagreb, MATE, 2001., 115

From the quoted characteristics of the tourist destination system, the need for its integral management, in order to achieve a synergy effect of the coordinated horizontal management (territory management) and vertical management (branch or sector management), is derived, with the elaboration of a rational plan by which the effects of possible actions of stakeholders (system elements) on development resources, as the final aim, are assessed⁴. The process of integral planning is carried out in two phases:

- the phase of strategic planning – by which decisions on choice of mission, aims, setting and selection of strategies for realisation of the aims set, are made and,
- the phase of operational planning – by which detailed procedures, processes and technical programmes for implementation and realisation of the strategic plan, are formulated.

The integral destination management, coordinated by the horizontal and vertical managements, can be efficiently planned and realised provided that all the stakeholders, with the aim of reaching a consensus pertaining to the planning of tourism development at a destination, are involved⁵. Such an approach to the planning of the destination development is also often called in literature a collaborative, partner or community participation approach and its characteristic is that, in that way, conflict

⁴ Petrić, L., *Destinacijski management*, Split, Ekonomski fakultet Split, 2006., 22

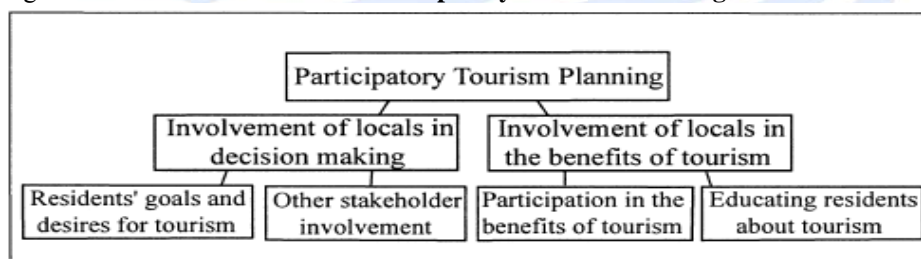
⁵ Bramwell, B., Sharman, A., "Collaboration in local tourism policymaking", *Annals of Tourism Research*, Vol.26, Is.2, April, 1999, 392

situations between different stakeholders can be avoided, as well as the following effects achieved:

- collaborative relations may be more politically legitimate if they give stakeholders a greater influence in the decision-making which affects their lives⁶,
- this collaboration improves the coordination of policies and related actions, and promotes consideration of the economic, environmental, and social impacts of tourism. The resulting outcomes are potentially more efficient and sustainable⁷,
- collaboration adds value by building on the store of knowledge, insights, and capabilities of stakeholders in the destination⁸,
- the sharing of ideas among stakeholders results in a richer understanding of issues and leads to more innovative policies⁹,
- the rise in value of the local scale, where development problems are best diagnosed and where it is easier to make sustainability principles operative¹⁰.

Certain authors emphasise the importance of effective involvement of the local population in the process of tourism development planning in their areas, so that a larger community can feel the beneficial effects of the tourist development at the destination through employment and direct provision of tourist services, and not only limited groups of tourist choices suppliers, who have at their disposal considerable power to allocate financial funds to capital intensive tourist projects, as shown in Figure 3:

Figure 3 A Normative Model of Participatory Tourism Planning



Source: Timothy, J.D., "Participatory planning a View of Tourism in Indonesia", *Annals of Tourism Research*, Vol.26, Is.2, April, 1999, 372

⁶ Timothy, J.D., "Participatory planning a View of Tourism in Indonesia", *Annals of Tourism Research*, Vol.26, Is.2, April, 1999, 372-373

⁷ Dredge, D., "Destination place planning and design", *Annals of Tourism Research*, Vol.26, Is.4, October, 1999, 773

⁸ Yuksel, F., Bramwell, B., Yuksel, A., "Stakeholder interviews and tourism planning at Pamukkale, Turkey", *Tourism Management*, Vol. 20, Is. 3, June. 1999, 351

⁹ Carmin, J., Darnall, N., Mil-Homens, J., "Stakeholder involvement in the design of U.S. voluntary environmental programs: Does sponsorship matter?", *Policy Studies Journal*, Vol. 31, Is.4, 2003, 527-543 according to Byrd, E.T., "Stakeholders in Sustainable Tourism Development and their Roles: Applying Stakeholder Theory to Sustainable Tourism Development", *Tourism Review*, Vol. 62, No. 2, 2007, 9

¹⁰ Baidal, J.A.I., "REGIONAL TOURISM PLANNING IN SPAIN: Evolution and Perspectives", *Annals of Tourism Research*, Vol.31, Is.2, April, 2004, 318-319

A Normative Model of Participatory Tourist Planning shows the ways of local population participation in the entire process of tourist development planning: from setting goals and strategy, decision making, participation in realisation of financial benefits from tourism, to residents' education about tourism.

1.2. Organisation of tourist destinations

Organisation, as a function of destination management, is marked by a basic requirement for realising those things which are mapped out in the planning aims, i.e., the aims of the tourist destination strategic plan. From this emanates the importance of the organisational structure, as a fundamental framework within which various interests of different elements of the destination system are integrated (suppliers of tourist choices, public self-government, local community, civil society), linking their partial interests into an articulated common action in the tourist market which satisfies all stakeholders' interests.¹¹ In the process, the whole organisational structure of the tourist destination should be designed while respecting partnership relationships among all stakeholders (elements) of the destination system, according to the contemporary principles of collaborative planning of tourist destination development. Such a partnership approach is of fundamental importance in order to ensure the long-term sustainable development of a tourist destination, since, only an active involvement and bringing into line of interests of all (even those seemingly opposed) stakeholders, can prevent the predominance of the short-term financial interests of the suppliers of tourist choices (domestic and foreign capital) compared to long-term local community interests (local residents and certain stakeholding groups), preservation of natural resources and even of the interest of the tourists themselves. It is in order to stress that such a collaborative approach is not directed against the interests of the suppliers of tourist choices, who, as businessmen, have inherent characteristics of maximalising their financial business profits in a legitimate way, but it stresses the fact that their power should be curbed in the manner that possible irreparable damage to natural resources and the local community is avoided and which may occur due to an excessive uncontrolled development of tourism in a limited tourist destination area.

Consequent to the above stated principles, a need arises for the establishment of a functional organisation for destination management (DMO, *Destination Management Organisation*), which will represent the very framework for the conduct of the whole process of destination management, from the development planning, through organisation of resources available for realisation of mapped-out goals, to the control and monitoring of implementation of the introduced activities. The structure itself of the organisation responsible for the management of the destination development is not strictly defined, but the models of organisational structures of such coordination bodies can be distinguished depending on the will and habits of the

¹¹ Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 61-64

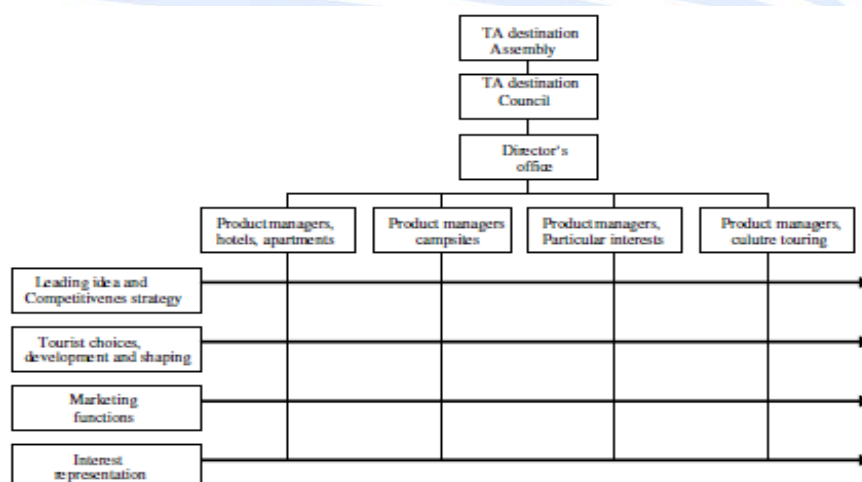
stakeholders themselves at the destination, however, the following elements are common for all the models¹²:

- public functions
- representation of the whole sector
- coordination and management of all public activities and services
- focusing on wishes and interests of public and private tourism supply providers
- successful defense of profession.

Magaš¹³ proposes six basic models of organisational structures of destination management applicable to the Croatian circumstances, out of which three representative models can be distinguished, which conceptually mutually differ the most (figure 4).

The biggest advantage of the model of the Tourist association destination shown in Figure 4 is that it does not require radical changes in the organisational structure, as it does not tie in with the already existing system of local tourist associations. The absence of such a model is evident in the limited possibilities of influence which tourist associations possess, thus the acceptance of such a model requires large and fundamental changes in the areas of financing, employment and gathering of all stakeholders.

Figure 4. **Model of Tourist Association destination**



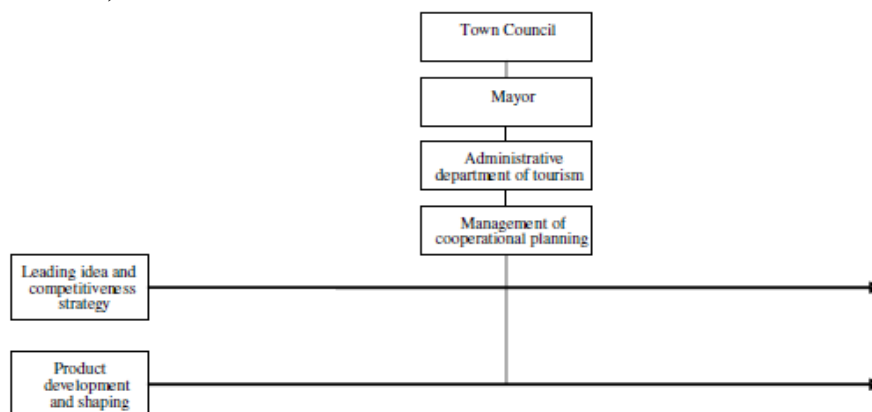
Source: Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 76

¹² Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 75

Source: adapted according to: Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 77

¹³ Magaš, D *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 76-80

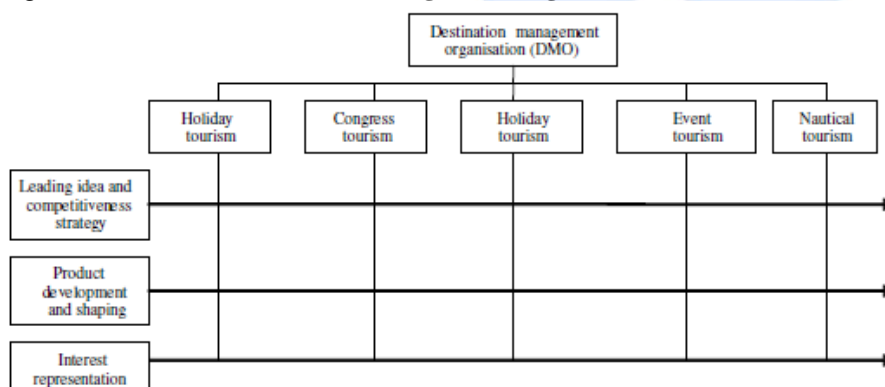
Figure 5. **Model of Local Self-government Unit (Administrative department for tourism...)**



Source: Izvor: prilagođeno prema Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 77

The Model of Local Self-government Unit shown in Figure 5 is based on the idea that within the units of the local self-government (municipality, town, county) two functions of the destination management are performed a) leading idea and strategy of competitiveness and b) development and shaping of the tourist choice. The main advantage of this model is that the above quoted functions of destination management are carried out under the auspices of a public body with realistic possibilities of influence on social processes, subjects and individuals in their area. The drawback of the monitored model is that there is a risk of decisions being made according to the parties', i.e., political criteria, particularly if the persons responsible for managing such organisations are not experts with a developed sense of general/public interest.

Figure 6. **Model of Destination Management Organisation (DMO)**



Source: Magaš, D., *Destinacijski menadžment- modeli i tehnike*, Opatija, Fakultet za turistički i hotelski menadžment u Opatiji, 2008., 79

The Model of Destination Management Organisation presented in Figure 6 shows a more recent model of the organisational structure for performing specific functions of the destination management at the destination and can also be realised in two ways: a) by a voluntary agreement between the provider of the tourist choice and other stakeholders and b) forcibly, according to legal regulations. The tasks of this model of organisation are: implementation, shaping, management and development of the product, i.e., of the documents pertaining to the tourism planning.

Čorak¹⁴ quotes that, for the purposes of the realisation of the basic aims set, the organisation for destination management, they have to deal with:

- planning (policy and strategy of realisation of competitive advantages, marketing plans)
- organisation (facilitate partnerships at the destination level, ensure organisation and processes, ensure financing sources)
- implementation of activities and measuring of outcomes (success indicators and measurement)
- ensure a clear vision of development and strategic directions of actions, i.e., to be a leader of the tourist development at the destination, while, as the most frequent destination management tasks and activities, he lists:
 - research and analyses,
 - information and promotion,
 - image building and destination branding,
 - product development and placement,
 - ensuring conditions for product development,
 - event management,
 - creation of partnerships, coordination and lobbying,
 - development planning,
 - competitiveness measurement.

The authors of this paper are of the opinion that, together with the listed tasks of the destination management, the sustainable development, i.e., environment preservation at the destination should also be added here.

2. IMPLEMENTATION OF FUNCTIONS OF PLANNING AND ORGANISING OF THE TOURIST DESTINATION IN THE CLUSTER OF RURAL ISTRIA

In the second part of this paper the cluster of rural Istria will be presented, the system of planning of the Istrian tourist destination with particular reference to the rural area and shaping of the tourist organisation of the rural Istria cluster.

¹⁴ Čorak, S., *Izazovi destinacijskog menadžmenta*, u Stanić, M., *Destinacijske menadžment kompanije*, Zagreb, Udruga hrvatskih putničkih agencija, 2008., 29

2.1. Cluster of Rural Istria – natural and demographic features and cultural and historical heritage

Rural Istria is a destination of ecologically preserved natural beauties and attractions, rich cultural and historical heritage, choice of domestic gastronomic specialities, Istrian wine and olive oil, sports and recreational activities and activities related to own health care.

Further in the text, natural and demographic features are presented, as presented in the County of Istarska's ROP¹⁵. Relief-wise, the pedological and geomorphologic rural area of Istria is marked by a very developed relief of the central hilly Istria, pre-mountain and mountain massive of Čićarija and Učka at the extreme north-east of the County and areas of fields and valleys. The central part of Istria is known as «Grey Istria» (due to the colour of the soil), specific for larger superficial waterflows in the Karst area, where, due to the permeability of the topsoil, which accounts for 70% of the surface being under some regime of preservation. The area of Karst of rural Istria has a very rich underground; of approx. 115,000 speleological structures registered in the world, more than 8,500 are located in Croatia, of which 2,000 can be found in Istria. From the point of view of the climate, rural Istria is sub-mediterranean.¹⁶

From all the above quoted, it can be concluded that, although rural Istria is rich in natural resources, that advantage has not been fully exploited when it comes to destination management. Forests, farming fields and grazing land are mostly neglected and even without agricultural treatment could, with its capacities, satisfy the entire market demand, but, due to insufficient material funds, unsolved ownership issues and poor motivation, as well as poor governmental stimulus (loans), most raw materials are imported and of questionable quality. Forests, as the foundation for development of hunting tourism or areas for education, are overgrown and without any considerable control. Although Istria is very rich in natural resources, those are still not used as one of the factors of creation of the basis for rural area development. The total number of inhabitants of the County of Istarska, according to the 2001 census, is 206,344 or 4.65% of the population of the Republic of Croatia, spatial population density of 73.4 inhabitants per km². The population is concentrated around larger centres and along the coast, while the population density in inland Istria is approx. 29 inhabitants per km², three times lower than in the coastal area.¹⁷ In Istria, the total demographic trend is positive in the period between 1991 and 2001, but, if it is analysed separately, there is a large urban pressure on the coastal area and depopulation of the inland area, which is evidenced by neglect and degradation of the agrarian and rural and urban landscape. The development measures which have to be undertaken pertaining to demographic trends are even spatial development in order to stimulate development in rural areas through development of rural tourism.

The tradition and cultural and historical heritage of rural Istria form a basis for the development of cultural tourism and attraction to rural areas, for the purposes of increase of overnights, of the segment of tourists whose characteristics are older age, higher degree of education and monetary funds they have at their disposal. Rural istria,

¹⁵ ROP – Regionalni operativni program

¹⁶ <http://www.istra-istria.hr/fileadmin/dokumenti/rop/ROP.pdf> (08.11.2009.) - prema Regionalni operativni program Istarske županije za razdoblje 2006. – 2010., Istarska županija, Pula, 2007., p. 37.

¹⁷ <http://www.istra-istria.hr/fileadmin/dokumenti/rop/ROP.pdf> (08.11.2009.), Opus citatum, p. 38.

as the whole of the County of Istarska, is rich in cultural and historical contents which can be used for tourist purposes due to the specific characteristic of the short distance between the coastal and central regions. This richness emanates from material heritage (castles, frescoes, sacral furniture in almost all churches and chapels, rural construction heritage) and non-material heritage (dialects, typical Istrian dance «balun», legends) which have marked the Istrian history and which, even today, make Istria an attractive cultural destination. Rural Istria is well known outside its borders by its numerous cultural events, as, for instance, the Festival of Dance and Non-verbal Theatre in Savičent. as well as other various cultural events in centres and on the coast (Pula Film Festival), which are, due to the vicinity of the coast, easy to visit and enjoy.

2.2. System of planning of rural Istria destinations

The experiences of many tourist destinations point to the fact that a long-term planning approach to the development of tourism is useful, the tourist area developing in a controlled manner, by which considerable problems can be avoided and, at the same time, the destination can efficiently compete with other, similar, tourist destinations.

In the management of the tourist destination of the cluster of rural Istria are involved: Tourist Association of the County of Istarska, Tourist Association of Middle Istria, Istrian Development Tourist Agency, Administrative Department for Tourism of the County of Istarska, Ruralis – Consortium of Farm Tourism and Rural Tourism of Istria and the Agency for Rural Development of Istria. The planning documentation used by the listed organisations with the aim of management of destination development are ROP – Regional Operational Programme of the County of Istarska, Master Plan of the Tourist Development of Istria (2004-2012), Strategic Programme of Rural Development of the County of Istarska (2008-2013), Marketing Plan of Istria and plans at the level of municipalities or towns.

By initiating the project «Strategic Programme of Rural Development of the County of Istarska (2008-2013)», the County of Istarska recognised the need to adjust their own programme of rural development to the system of development planning, as used in the EU. The role of that strategic plan-programme document is a more efficient and a more successful management of the development of agriculture, fishing and rural areas of the County and it represents one of the development documents of the County of Istarska which should determine what needs to be done in the next seven years so that life in Istria becomes of better quality. A strategic programme of that kind is a usual tool used by the European Union in order to advance regional development. In the strategic programme of the County of Istarska's rural development, measures of achievement of advancement in eleven priority areas of operation have been proposed, among which, one of the areas is that of rural tourism.

The strategic programme invokes the document Master Plan of Development of Tourism in Istria as a new development model for rural tourism in which five basic elements of development of new strategic orientation in the development of tourism in Istria are clearly defined. In the cluster of rural Istria to date, several programmes and projects have been successfully shaped and realised of which the most significant are: Wine trails of Istria, Gastro guide of Istria, Original truffles, Olive oil trails of Istria, Cycling tourism in Istria and the project Golf in Istria.

The Tourist Association of the County of Istarska, in cooperation with the Administrative Department for Tourism of the County of Istarska, is conducting a systematic development of the tourist products of Istria, which are mentioned in the Master Plan of Development of Tourism in Istria. The Tourist Association of the County of Istarska gives a systematic review of all marketing activities which will be carried out in a business year in the «Marketing Plan of Istria» and the product development with the aim to enrich the choices of selective forms of tourism of the clusters of rural Istria. Continuous coordination and contacts with key active participants of Istrian tourism, local tourist associations and hotel companies with the Tourist Association of the County of Istarska, have, as a consequence, the defining of the Master Plan, in the process of which, also the Croatian Tourist Association activities and adjustment of the regional plans to the national, are taken into consideration. The number of developed tourist products in central Istria shows that the leaders of Istrian tourism recognised the advantages of the rural areas for the purposes of tourism, but, what is missing there is coordination of operationalisation and implementation of planned and developed products by the Tourist Association of the County of Istarska, by means of a precise definition of development tasks of all the active participants in Istrian tourism. The Tourist Association of Central Istria does not have a more serious project at the level of the cluster of rural Istria.

2.3. Shaping of the tourist organisation of the destination of rural Istria

The rural area in Istria is considered to be insufficiently exploited for tourist purposes, although there exist all the pre-conditions for development; for many years there have not been any considerable advancements in sorting out or organisation of the business of this very attractive and cost-effective form of tourism. Rural tourism is still an undefined business activity and the rules which regulate the issues of business conduct of family farm estates, which initially represented the driving power of tourist development in rural areas, today are becoming more of an obstacle to further development. Apart from this, in the process of development there emerge a whole series of administrative, organisational and financial difficulties.

In the last ten years or so, the appearance of rural Istria has completely changed; constant growth and development of tourist, economic and agricultural business activities contributed to the positive changes in the lives of that area's population. Once abandoned houses and even whole villages that were going to ruin, are today being renovated and, apart from serving the domestic population, they are very attractive to tourists as a place for their holiday stay. By working hard, the domestic population facilitated development of rural Istria, enabling young people to stay in the countryside, by which the thesis of stimulation of preservation of the local identity, tradition and customs, revival of old trades, strengthening of agricultural and organic production, is justified. Stimulation of development in those areas represents an exceptional opportunity for revitalisation of rural areas, advancement of economic development and promotion of Istria as an integral rural tourist destination.

Although rural Istria, as a tourist destination, is complete, i.e., satisfies some fundamental guidelines that, indeed, could be considered as such, while analysing rural tourism, the problem of a low number of overnights at family farm estates is noticed. Rural Istria attracts both domestic and foreign guests due to its natural beauty and

versatile possibilities of spending a holiday actively, which are considered to be determinants of its attractiveness. Rural Istria also boasts a very rich selection of accommodation facilities at family farm estates, where a tourist can choose whether to spend his holiday accommodated in, say, a rural holiday house or in interaction with the farm tourism household members, where he would be accommodated and would also take part in all the farm field activities. In the end, a conclusion is drawn that Istria, as an integral tourist destination, is very attractive to the tourists, so the issue of the low number of overnights at family farm estates cannot be blamed on the unattractiveness of the area. A low number of overnights is blamed on insufficient accommodation capacities and infrastructure in the area of rural Istria, by which it cannot compete with hotel companies along the coast and other destinations of rural tourism, as, for instance, Austria or Italy.

In the creation and development of a recognisable and attractive tourist destination, for which Istria has all the pre-conditions, it is necessary to, by a systematic, organised and active approach, develop tourist services in rural areas, creating the pre-conditions for the development of rural tourism and tourist farm households for the purposes of attaching merited importance to rural tourism, as an enormous, unexploited potential. Through the application of corresponding activities of defining and repositioning of rural tourism in Istria through necessary legal changes, by education of tourist workers, improvement of the internal and external organisation of participants in the rural tourist market, adjustment and implementation of foreign experiences and by planning of the sustainable rural development, it is necessary to organise and represent rural Istria as a destination of an exciting location of active holiday, relaxation, nature watching, enjoyment in experiencing cultural and historical heritage, i.e., as a modern and attractive tourist destination. Still today, rural tourism can be considered as a main motive for tourist arrival in Istria, in which the majority represent those tourists who stay and spend their holiday in one of the coastal destinations. Regardless of the low number of overnights realised at family farm estates, it can be concluded that that this low number is not the result of unattractiveness of the destination, but it is the result of poor internal organisation, i.e., accommodation facilities in rural areas, as well as of the external organisation which relates to the infrastructure and communal business and poor foundations pertaining to the legal regulation system, education of owners and workers.

CONCLUSION

Large hotel companies, whose accommodation facilities are located on the coast, are aware of the fact that rural area tourist capacities and contents cannot compete with them, so, for that reason, within the mutual cooperation of the Istrian development tourist agency, development tourist projects in the cluster of rural Istria should be planned and stimulated, which will, ultimately, be of use also to them for enrichment of the existing poor tourist choices. It is a fact that the characteristics of modern tourists are increasingly their proactive approach to the consumption of a tourist product and, while choosing their holiday destination, an increased importance is given to the selection of activities offered to the tourists at the destination. This is also related to the motives for arrival of today's tourists at the Istrian tourist destination,

which constantly change. Their mobility enables them to fulfil their need to, apart from the coastal parts, also get acquainted with the rural parts of the tourist destination. Their complete satisfaction does not depend only on the quality of the fundamental segments of tourist choices, but also on the integral tourist choices of the whole destination. For the above quoted reasons, the interest of the managers of the hotel and tourist companies on the coast and of destination management should be in the planning and stimulation of the development of rural Istria and in the exploitation of the ecological potential of this cluster. The availability of tourist choices in rural areas with choices which would bring together the combination of an active holiday, acquaintance with tradition and long-gone lifestyle in the countryside, rich cultural and historical heritage, gastronomical selection of organically grown food and drink, is, by the day, becoming increasingly interesting to urban tourists. The Tourist Association of the County of Istarska has initiated several projects which will be, when they reach the phase of commercialisation, taken over by the IRTA (Istrian Rural Tourist Association) and all other suppliers of tourist choices in the County of Istarska for the purposes of the increase of competitive advantage and satisfaction of guests of the Istrian tourist destination.

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