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TOWN-MARITIME PASSENGER PORT INTERFACE IN THE REPUBLIC OF CROATIA - BASIC FACTOR OF THEIR SUCCESSFUL DEVELOPMENT

Alen Jugovic
University of Rijeka, Croatia¹

Abstract: Contrasts between towns and ports are results of imposed coexistence within limited area-as two separate entities with interests and purposes appearing different at first sight. Port as traffic chain link has been oriented towards economy, productivity, market competitiveness and development of business operation whilst community of residents is oriented towards promotion of citizens' welfare and quality of their lives; therefore, it aims for ecological, cultural and visual values. Such difference of vision contributes to appearance of conflict making physical and functional compatibility of these two centers questionable. This work analysis possibilities and steps for cooperation between town and port, advantages and disadvantages of the port and town where the port is situated have been evaluated as well as factors having influence on attractiveness and efficiency of maritime passenger port and town development.

The research indicates the need to take into consideration and to implement additional factors from which the most important are: resources and range of services offered to tourists, structure, public services and town planning, communication and image as well as trends, as their influence on development of town and port is the most important. The research results indicate the fact that city-port interface should lead to creation of system that would taking into consideration and developing all interconnected factors seeks to create a port being strategic leader of transformation of the whole town, region and beyond.

Key words: passenger port, comparative analysis, town planning, development.

¹ Alen Jugovic, M.Sc., Assistant, University of Rijeka, Faculty of Maritime Studies Rijeka, Croatia.

1. INTRODUCTION

Port acting is determined by a number of factors considering the complex port function in traffic and economic system, but also with its position being in most cases in center of town. From ancient times, the towns have been developed along ports, as they have been reflection of development degree of the society and strong focal points of economic power, on one side and on the other side; they had had an effect on development of productive forces and society's relationships of specific age. It can be concluded that port history is partly also history of civilization.

There are many factors affecting more or less the role, development and value assessment of some maritime passenger port in specific development stages; however, all of them result with unique assessment when selecting ports by users (passengers, tourists, immigrants, tour operators or ship operators). As a rule, port users have possibility to select more ports, therefore some port make efforts to attract them in way to turn factors being condition for port selection to their favor. These factors, according to which advantage (value or importance) of some maritime passenger port has been assessed, are very different, but also very important, so their neglecting may have far-reaching consequences. Some of these factors may be influenced by appropriate business policy actions, whilst the other cannot be influenced in any way or can be influenced very little. Some factors became more important and more influenced in specific stages, whereas the other that in one period were positive may lose their importance and influence to reach even a negative effect on port.

2. COMPARATIVE ANALYSIS OF TOWN-PORT INTERFACE

Many factors plaid an important role in development of specific maritime passenger port, but currently modern maritime passenger ports cannot be only centers for accommodation, passengers' embarkation on and disembarkation of vessels and means of overland transport. Conventional passenger ports have been developed into modern passenger terminal with the task to meet needs of both ship operators and passengers. This are terminals which function extends to quality-acceptance of passengers, comfort during passengers' stay at the terminal and efficacious accommodation of means of other traffic branches, maritime passenger ports have become modern maritime "airports".

Competitiveness and quantification between maritime passenger ports is growing up and traditional factors (geographical position, natural characteristics of the port, level of development of traffic connections, ... , port policy measures) of increase in competitiveness and successful management and development of maritime passenger port are not sufficient. The research has revealed the need to analyze completely new factors, as resources and range of services offered to tourists, structure, public services and town planning, communication and image as well as trends. Funds invested in development of maritime passenger port and town in which the port is situated may be justified only by respecting and considering of all theses factors and in such way to meet also specific macro environment requirements providing for port services market respectively to attract flows of passengers to these ports.

This part of the work indicates, by comparative analysis that gives a real picture in scientific and practical terms that a successful management of maritime passenger ports shall be achieved through coordinated cooperation and support of the town and the region. More real and detailed analysis is a good base for making useful business decisions and moves as well as for creation and implementation of port's business policy but also of the town as an integral part of additional services. The analysis in this work is in fact subjective reflection of objective reality denoting position and possibility for acting of the passenger port. Following analyses are subjective opinion of the author based on detailed and long research, however subject to different interpretation by another expert.

2.1. Analysis of Resources and Range of Services Offered to Tourists

In order to realize advantages and disadvantages as well as circumstances the Croatian ports have in respect to their position on the Adriatic Sea and initiated development project in full, it is necessary to make cooperation and coordination between Port authorities², towns and Counties completely. The Table 1 shows analysis of resources and range of services offered to tourists as ones of basic elements for realization of Croatian ports' advantages with respect to their location. Cooperation is specially required in terms of development of passenger shipping specially cruises being economically and socially useful for all participants.

Table 1: Analysis of Resources and Range of Services Offered to Tourists

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> ▪ Favorable position – ports are situated in the town self or close to it ▪ Proximity of tourist centers and national parks (Opatija, Vodice, Paklenica, Plitvicka jezera etc.) ▪ Good traffic connection (with exception of the City of Dubrovnik) 	<ul style="list-style-type: none"> ▪ Lack of evaluation of tourist resources, specially with respect to additional offer (connection with surrounding) ▪ Lack of business-like operation in service activities ▪ Limited, insufficient quality-offer of tourist products (souvenirs and postcards) ▪ Lack of tourist facilities (accommodation, activities, rest and leisure) ▪ Poor offer of tourist information

Source: Made by author

Investment of the local community in future development of cruises shall considerably contribute to efforts of passenger ports to reach the level of services consistently with target development. Before and after staying of the ship at the port programs that are more interesting have to be developed for passengers in cooperation with cruise operators and local hoteliers. Basic, additional and retail offer of the whole destination, both in port and surrounding have to be improved.

² Port authority is in charge for management of port and all area it is extending.

Basic offer includes a number of tourist attractions to be visited within not more than four hours (including transition time as well as time for embarkation and disembarkation of passengers). Additional offer includes visits to tourist destinations being situated in surrounding or visit to town resources representing addition to basic offer as e.g. art galleries, museums and thematic visits including journey of at least eight hours or four hours in addition to basic offer.

2.2. Analysis of Structure, Public Services and Town Planning

Analysis of structure, public services and town planning (cf. Table 2) indicates to need for expansion of tourist facilities. The first important step in this process is to provide for bus terminal and multimodal facilities as well as to improve parking possibilities (areas). In order to facilitate circulation to passenger (tourists) towards the port and to avoid traffic jams during the season, it is necessary to enable to tourist coaches and taxis to drive separate lane and to construct bypass road towards the port in the future. By bringing the separate lanes for buses and taxis into operation and selling permits for their use, the local communities could provide for considerable source of incomes and regulate transit traffic at the same time.

Table 2: Analysis of Structure, Public Services and Town Planning

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> ▪ Existence of port structure ▪ Proximity of international airports ▪ Existence of specialized international trade fairs ▪ Strong purpose of local and governmental authorities to stimulate tourist development in the region 	<ul style="list-style-type: none"> ▪ Moving of people and vehicles, i.e. access to the port with more difficulties, ▪ Lack of parking facilities closed to the port ▪ Lack of tourist signs and marks ▪ Unsolved issue of ownership on parts of port area

Source: Made by author

A successful presentation of Croatian passenger ports as main points of destination on the Adriatic Sea to cruise operators and passengers can be brought about by establishing a “joint body” that would lead and coordinate aspiration of the port, local community and other participants to increase attraction of the destination. Such strategy requires for a marketing plan that would include program for cruises visitors, organization of targeted marketing presentation, presentation to managers of cruise operators and travel agencies, participation in show-tourist fairs and other marketing efforts.

2.3. Analysis of Communication and Image

Communication and image are one of the basic means to attract passengers/tourists to desired destinations (cf. Table 3). Local communities, towns, regions, counties and state must recognize unique sales places and objects being related closely and personally to tourist destinations and the Republic of Croatia.

Analyzing other successful ports for example Venice, it is necessary to draw lessons and to apply them to Croatian passenger ports and their towns.

Table 3: Analysis of Communication and Image

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> ▪ Proximity of European tourist destinations (Italy, Greece, Malta etc.) ▪ Passenger safety 	<ul style="list-style-type: none"> ▪ Area little known in the North America and Asia (with exception of the port of Dubrovnik) ▪ Lack of social interests in tourism importance in the region ▪ City's structures being not included in realization of additional offer and port development plan-making ▪ Lack in cruisers traffic tradition

Source: Made by author

2.4. Analysis of Passenger Traffic and Tourism Market Trends

The Table 4 analyzes trends on passenger traffic and tourism market as one of the most important accelerators of maritime passenger traffic. The performed analysis indicates the need to consolidate all functions relating to passenger traffic into unique administration enabling increasing returns, better maintenance of infrastructure and better coordination between activities relating to traffic of passengers. Port and local communities may count on extra profit only with developed strategy promoting passenger traffic specially cruises including overnight stays and longer ships' stay in the port.

Table 4: Analysis of Passenger Traffic and Tourism Market Trends

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> ▪ Forecasted tourism growth in the Republic of Croatia according to the WTO ▪ Expansion to new markets (American – Croatia the most demanded tourist destination in the year 2006) ▪ Political stability of the region ▪ Possibility to extend tourist season ▪ Development of new tourist activities (health tourism, golf-courses etc.) ▪ Cruise market is considered as the most promising in respect with all other traffic markets, specifically for more than 20 years 	<ul style="list-style-type: none"> ▪ Lack of national cruise operators ▪ Lack of modern maritime passenger ports and terminals ▪ Tourism growing stronger in competitive countries on the Adriatic Sea (Italy and Montenegro), Mediterranean Sea (Cyprus and Turkey) and the Black Sea (Bulgaria and Romania) ▪ Cruise market is characterized by the most dynamic competition ▪ Poor connection with air charters, leisure parks, hotel complexes, entertainment and gambling companies, exerting pressure on tour operators as the most expanded distributors for cruise selling.

Source: Made by author

Profit shall be generated in way that tourists coming within tourist journeys decide to stay longer time in the town. For this purpose, duty free sale has to be initiated (tax-free sale) and cruises have to be brought into line with local events as Dubrovnik Summer Festival, Split Summer Festival and Rijeka Summer Festival, music festivals, fairs and conferences.

Although noticed lacks for each category represent some of main barriers for development of Croatian passenger ports and towns, at the same time some of them indicate high potentials that have to be activated through good cooperation between the town and port as well as organized marketing.

3. REASONS FOR COOPERATION BETWEEN PORT AND TOWN

The mentioned SWOT analyses show poor communication and interaction between the town and maritime passenger port arising in the first line from imposed coexistence within limited area – as two separate entities with interests and objectives being different at first impression:

- Port as traffic chain link has been oriented towards economy, productivity, market competitiveness and development of business operation;
- Town as community of residents is oriented towards promotion of citizens' welfare and quality of their lives; therefore, it aspires to ecological, cultural and visual values and people's expectations.

Such difference of visions contributes to appearance of conflict making physical and functional compatibility of these two centers questionable (cf. Table 5). From town's perspective, pollution, noise and traffic blockage (having in mind car traffic when taking or getting from ferry in first line) represent one of the most frequently weak points without to mention a port's visual effect and safety problems in case of industrial and cargo ports. In return, ports have often a problem of limited mobility of passengers and their cars caused by inadequate infrastructure of urban traffic as well as other forms of interfering in urban activities disturbing their business cycle.

In addition to already existing daily misunderstandings, port and town are often coming into strategic conflict referring to getting control over the space – port's heads want to get new spaces for their activities either at the expense of the town or at the expense of the sea. Urban areas are in the most cases opposing to such expansion due to ecological reasons and insist on use of existing capacities in way that is more rational. They are interested also in obtaining again the access to the shore by taking over the port's area being not in use or abandoned and that can be used for building of apartments, cultural activities, recreation-purposes and alike. Another serious case of misunderstandings to be defined as institutional is no actual influence of the local authorities and communities on decisions relating to port development and town/port interference.

The reason therefore is that ports are managed mostly by external interests and they are responsible only to the government policy and laws or they are managed by local authorities acting based on legislative giving the ports priority over the urban interests. Under such conditions, the town can perceive the port as an exterritorial zone with obvious negative impacts on reciprocal understanding.

Table 5: Potential Conflicts and Cooperation between Ports and Towns

Sources of potential conflicts	Reasons for cooperation
A. ON DAILY BASIS - pollution and noise - visual effect of port operations - urban traffic blockage - limited mobility of cars - other physical and functional interferences	A. PORT CONTRIBUTION TO URBAN DEVELOPMENT - direct businesses - indirect employment and economic development for opportunities (business parks, tourism and alike) - economic and cultural relations with foreign countries
B. SPACE CONTROL AND USAGE - extension of port area - access to seashore - quay redevelopment - use of surplus facilities	B. TOWN'S CONTRIBUTION TO PORT DEVELOPMENT - rendering of urban services in fields as financing, management consulting, technical assistance, research application, information and telecommunications - rendering of maritime and other professional port-relating services - giving space for logistic activities and land transport connections - port competitiveness support
C. INSTITUTIONAL RELATIONS - exclusion of towns from decisions on port development - special legislative giving priority to ports over towns - domination of external interests in port management	

Source: Made by author

In order to overcome these difficulties arose from lack of space and wish to use some space in another way, maritime passenger ports in the Republic of Croatia made plans for relocation of their capacities or construction of new terminals on location farther from the town centers.

This refers in first place to passenger ports in function of ferry traffic (transport of passengers and cars but also cargo traffic for needs of local units on the islands) turned out as the biggest obstacle in port-town relations. In most cases such decisions meet positive reactions and effects of towns respectively local communities, as the town continues to use all positive port operating outputs (employment, increasing sales, identifiability and alike), however in way that adverse effects have been eliminated (noise, traffic blockage, pollution and alike).

In order to prevent further misunderstandings it would be necessary to adjust the cooperation having as result expansion of the port and the town.³ The concept of port town as a system acting as synergy includes logic in an ideal way, so the result of town-port cooperation can be successful only if two parties agree on clear frame for cultural, economic and spatial relations. Arguments for such partnership are strong: port can offer to the town economic development, additional jobs and new relations with far countries, whilst the town can support the port thanks to its management, technical and scientific possibilities. This positive interaction is desirable in each situation and present context of economic globalization and market independence.

In addition, Croatian passenger ports have recognized the need for such mode of cooperation within their business operation and development. Wishing to reach more efficient business operations and successful development, the efforts have been made to establish logistic platforms with the purpose of close cooperation between the town and the port. So for example, in the port of Rijeka full consensus of all relevant city's and county's institutions, government institutions and economic entities was required to achieve the highest efficiency in implementation of Passenger port development project (port/town component of reconstruction) as well as further general development of the port. In order to achieve this consensus and to realize the subject Project efficiency within the set period of time a "joint body" has been established which promoters are City of Rijeka, Port of Rijeka Authority and Luka Rijeka d.d. The task of the "joint body" should be to provide required aid when developing plans and documentation required for implementation of port development plans. For that purpose, promoters of the "joint body" have make available person or persons as representatives of single promoter and their task shall be:⁴

- data exchange;
- joint appearance and promotional activities;
- assignment of single tasks and discussion about their realization;
- work supervision of all persons being involved in development projects for the port of Rijeka;
- establishment of working groups;
- making reports to the public about achieved results and implementation activities.

In similar way during construction and reconstruction project for the port of Dubrovnik the "Cruise Board at Dubrovnik" has been established which goal was to lead and to coordinate efforts of the port and the town in order to provide for representation of Dubrovnik as main Adriatic middle point. Such practice is in Croatian ports of recent date and appears as result of recommendations of foreign consultants engaged on port development projects and that were not able until establishment of such body to realize the job for which they have been hired successfully and meeting high standards.

³ Haralambides, H., Veenstra, A., *Port pricing*, The handbook of maritime economics and business, Costas Th. Grammenos, London Hong Kong, 2002., p. 783.

⁴ Port of Rijeka Authority, *Decision of Establishment of Joint Body*, Port of Rijeka Authority, Rijeka, 2003.

4. CONCLUSION

The most perfect living creature, human being with all his/her special features, strong and weak points, passenger as subject of transporting and moving is in the focus of transportation of passengers (passenger transport).

Passengers are the most sensitive moving subject. They are very demanding, regularly expect and ask for comfort, security, regularity, punctuality, frequency and velocity and in addition to all this efficiency. Such requirements are asking from maritime passenger ports and towns in which they are situated to change physiognomy and mode of behavior.

Conventional passenger ports are becoming modern passenger terminals, which together with its partner, the town, must meet needs of ship operators, passengers, tourists, tour operators and others.

All relevant factors influencing development of town and port as common system are practically not taken into consideration in the Republic of Croatia having as consequence that town's and port's problems are often considered separately leaving behind in this progress that the port system is a part of national economy with extremely high multiplicative effects. To let the Croatian maritime passenger ports to be successful competitive they should have an easy access to a large number of progressive urban functions, i.e. information, plans, telecommunications, financing and research application.

Competitiveness of modern ports does not depend only on their internal functionality than also on efficiency of similar urban economies including coordination capacity of urban and port business policies.

The research results within this work obtained by analyzing port-town interaction from scientific and practical aspect and SWOT analysis of factors relevant for their mutual development indicate that that the successful development of maritime passenger ports can be achieved only by coordinated cooperation and support of the town, region and country of origin.

Therefore as basic port and town development factor such management shall be imposed that shall lead to creation of system which shall by considering and developing all mutual related factors aim for establishing of port being strategic transformation vehicle for the whole town, region and more broadly.

The conclusion is that today the Croatian ports need support of "domestic" town as never before.

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