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THE ATTITUDES TOWARD THE EURO ADOPTION IN CROATIA

The purpose of the research is to investigate the attitudes towards the adoption of the euro. The research is exploratory and correlational and uses a combination of qualitative and quantitative approaches. The qualitative part of the research, carried out through the thematic analysis of the participants' responses, is aimed at investigating the reasons behind the support or lack of support of the participants towards the adoption of the euro, and the quantitative part, through stepwise regression, identified the best predictors of support for adopting the euro. The research was conducted on a convenient sample of 242 participants. The topics that appeared during the analysis of the perceived negative effects of the introduction of the euro are the financial aspect and negative psychological consequences, while the topics that appeared when analysing the perceived positive effects of the introduction of the euro are the advantages of the single currency (e.g. in financial services, business and economy, lending, loans and related costs, etc.), and living standards (e.g. long-term: increase in purchasing power, convergence of living standards). The best predictors of the participants' attitude towards the introduction of the euro were the perception of whether the introduction of the euro would lower their standard of living, whether they would have

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difficulty adjusting to the new value of money, and their trust in the European Parliament. The biggest limitations of the research are convenient sampling and the use of thematic analysis on the answers of the participants that were collected in the open-ended questions of the survey questionnaire. For the possibility of wider generalization of the results, it would be necessary to repeat the research on a larger sample, and for a better understanding of the respondents' answers to the open-ended questions, it would be useful to use in-depth interviews. The use of open-ended questions and systematic thematic analysis is a special feature of this research because the results of the analysis enable new insights to be gained and at the same time the creation of a questionnaire and the application of quantitative methodology in order to check the possibility of population generalization of the obtained findings.

Keywords: *EURO, attitudes, living standard, qualitative analysis*

1. INTRODUCTION

Euro banknotes and coins are legal tender in 19 of the 27 member states of the European Union. (European Central Bank, 2020). Stable prices, healthy public finances, healthy monetary conditions, and a sustainable balance of payments cite as the leading principles for the adoption of a unified monetary policy by the member states (European Union, 1992). In January 2002, twelve countries of the European Union (EU) carried out the largest currency swap in history. Today, more than 340 million Europeans use one of the most important currencies in the world.

The effect of the introduction of the euro on inflation, both objective and perceived, is one of the topics often mentioned when talking about the introduction of the euro. In his research, Pufnik (2017) observes a tendency for inflation to increase when new member states introduce the euro. In addition, according to Pufnik (2017), the research results indicate a mitigating effect of the adoption of the euro on perceived inflation. Barchinger's (2006) hypothesis assumes that individuals focus on inflation with the introduction of the euro, and even the smallest price change of frequently purchased products consideres an increase. Due to the change in currency, consumers emphasize more the change in the prices of the consumer basket. One might say that they put emphasis on realized losses, whether talking about the global trend or at the individual consumer level. Changes in the prices of the consumer basket one must monitor from the direction of total and perceived inflation of the country that introduces the euro in the first year of introduction. Using the harmonized index of consumer prices, the real change in the cost of the consumer basket one distinguishes from the change in the buying habits

of the majority of the population. The purchasing habits of the population explain the difference in the observed types of inflation, the perception of both can be true without the overall inflation measured by the harmonized index rising. Inflation has led to a change in the price of goods and services that consumers buy and that make up their personal shopping basket, which do not make up the majority of goods and services that take into account when calculating overall inflation.

Del Giovane and Sabbatini (2006:155) note in their research that prices have indeed changed, and that for products that consumers buy more often. According to Dziuda and Mastrobuona (2009:122), the transition to the euro has a distortion effect, i.e. the prices of cheaper goods have relatively increased. According to the above, observing only total inflation can lead to an underestimation of the costs of the transition to the euro.

Consumers can directly experience and observe the effects of inflation, so it is not surprising that one can often discuss inflation when talking about the introduction of the euro. As part of the Polish General Social Survey using latent class data analysis, Gendge (2014) found confirmation for three groups in terms of attitudes towards euro adaptation. 24.7% of respondents were in favour of the euro, 43.5% were against the euro, and 31.8% were neutral. The results of the analysis showed that the participants who answered, "Yes", i.e. those who were in favour of the introduction of the euro, were at the same time the least worried about the increase in prices. However, the participants who answered "No", i.e. were against the introduction of the euro, expected an increase at the same time price, 94% of them. Even the euro neutral group, as many as 98%, expected price increases. The Euro-neutral group, on the other hand, also expected benefits for the Polish economy and entrepreneurs. A survey carried out in Croatia on the issue of public support for the introduction of the euro showed that 71% of participants expect a price increase (European Commission, 2020).

1.1. Determinants of the attitudes towards the euro adoption

Economic development is one of the positive aspects of the introduction of the euro in the public's view (Kersan-Škabić, 2019). In the countries that introduced the euro, significant determinants (Kersan-Škabić, 2019) are higher incomes, a lower unemployment rate, less corruption, and according to Ulbrich (2019), political and economic development and a younger population. Also, a higher acquired level of education (Gendge, 2014), gender (male; Gendge, 2014) and trust in European institutions (Čábelková, Mitsche and Strielkowski, 2015). A positive view of the introduction of the euro in 2007 held 52% of respondents (Kersan-Škabić, 2019).

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A positive opinion about the consequences of the introduction of the euro confirmed 53% Croats in 2020 (European Commission, 2020). On the other hand, countries in the Eurozone and outside the Eurozone are afraid that during the transition there will be abuse and cheating on prices (European Commission 2004, 2007, 2010, 2010b, 2013b, 2017a, 2017c according to Kersan-Škabić, 2019; Dziuda and Mastrobuoni, 2009). Most of the factors mentioned one could not answer quickly and directly. Information campaigns in the service of changing public opinion represent a common approach.

There are several potential benefits of the introduction of the euro, such as the elimination of currency risk, reduction of domestic sector borrowing costs, reduction of the risk of a currency and banking crisis, lower transaction costs, stimulation of international trade and investments, and participation in the distribution of the monetary income of the Euro system. Furthermore, access to financial assistance mechanisms Government outlined in Strategy for introducing the euro in the Republic of Croatia (Government of the Republic of Croatia and Croatian National Bank, 2018). Potential negative determinants of the introduction of the euro one describes in terms of loss of independent monetary policy, price increase due to conversion, risk of excessive capital inflow and accumulation of macroeconomic imbalances, one-time transition costs and participation in providing financial assistance to other member states.

According to the above, the positive determinants according to Čorić and Deskar-Škrbić (2017:613) are the reduction of transaction costs, the reduction of exchange rate risk, and the prevention of speculative attacks, the reduction of accounting costs and price transparency, and the improvement of the perception of the country's risk. On the other hand, the loss of monetary sovereignty and the loss of exchange rate policy, the direct costs of the introduction of the euro and the short-term effect of the adoption of the euro on prices one mentions as negative determinants.

Table 1.

LITERATURE REVIEW OF THE DETERMINANTS MODEL
IN THE ATTITUDES TOWARDS THE EURO ADOPTION

Category	Reference
Benefits of the single currency	1,2,3,4,5,6,7,8,9,10,11,12,16
simplicity in financial services	11,12
Uniformity	3,5,12
value of money,	4,7
easier comparisons (e.g. prices and salaries)	6,11,12
business and economy	1,2,3,4,6,7,8,9,10,12,13,14,15,16
larger (joint) market (money, export, investments)	4,8,9,12
monetary stability and stability of prices	4,6,7,8
money exchange and payments	4,6,9
attracting international consumers	4,9
less bureaucracy (in e.g. import/export, payment completion)	9,16
smaller inflation	1,2
crediting, loans and connected expenses	4,9,12
eliminating some of the commissions and fees	4,9,12
lowering interest rates	1,9
lower government risk premiums in the bond market	4
cheaper investments in investment funds	13
currency risk elimination	3,4,9,12
better credit score	10
abolition of currency clauses	1,14,15
exchange rates elimination	3,4
Living standard	
long-term: purchasing power increase, living standard convergence	3,7,8,9,10
1 (Backé & Beckmann, 2020); 2 (Brachinger, 2006); 3 (Čábelková, Mitsche & Strielkowski, 2015); 4 (Čorić & Deskar-Škrbić, 2017); 5 (Del Giovane & Sabbatini, 2006); 6 (Dziuda & Mastrobuoni, 2009); 7 (European Commission, 2020); 8 (Genge, 2014); 9 (Government of The Republic of Croatia. & Croatian National Bank, 2018); 10 (Kersan-Škabić, 2019); 11 (Pufnik, 2017); 12 (Ulbrich, 2019); 13 (EU laws and initiatives relating to collective investment funds, 2021); 14 (Cuyvers, 2017.); 15 (Beck & Prinz, 2012); 16 (Gabrielczak & Serwach, 2017)	

Source: Made by authors

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1.2. Informedness and knowledge

According to data from the OeNB Euro Survey from 2017 to 2020 (Backé and Beckmann, 2020), expectations related to the monetary union became less optimistic over time and the uncertainty of individuals in the formation of expectations increased. Financially literate individuals and those who have greater trust in national and European institutions have clearer and pro-euro attitudes. Trust in institutions can also serve as a substitute for the aforementioned characteristics of individuals, because one cannot form opinions on topics for which one does not feel competent. Acceptance of the single currency and attitudes may be the result of a complex interaction between the benefits and costs of the introduction of the euro. Changes in inflation, the knowledge of individuals and their awareness of economic outcomes can greatly influence their attitude towards accepting the euro. The above factors that influence the individual and his attitude towards the introduction of the euro should be part of communication strategies. In most of the surveyed countries, national central banks are among the most trusted institutions (European Commission, 2020), however, in Croatia, trust in the CNB is low when it comes to providing information related to the transition to the euro.

This research uses qualitative and quantitative methodology. Using a phenomenological approach, the aim is to understand the reasons and the predictors of attitudes toward the introduction of the euro in Croatia. This research is important because, using a qualitative methodology it provides a comprehensive overview of the perceived negative and positive impacts of the adoption of the euro, which is a first step towards constructing quantitative measures whose application will allow the extraction of latent relationships in the basis of the attitudes towards the adoption of the euro formation.

2. METHOD

2.1. Aims

The main aim of the study was to explore the participants attitudes toward the adoption of the euro, namely: the qualitative part of the study focuses on the exploration of the reasoning behind participants support or lack of support towards the adoption of the euro and the quantitative part of the study aims to identify what are the best predictors of the support to the adoption of the euro. Regarding the practical implication of the study, the results might inform relevant institutions on how

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to adopt their communication strategies – making them more effective by directly addressing participants' beliefs regarding the adoption of the euro.

Research questions:

1. What is the reasoning behind the participants support or lack regarding the adoption of euro?

Research hypothesis:

1. The best predictors of participants attitude towards the adoption of euro are the perception of possible inflation and the trust in political and social institutions.

2.2. Instruments and procedures

The authors constructed the questionnaire for the purposes of conducting this study. It consisted of 33 questions divided into 3 groups: attitude towards the adoption of the euro (7 questions), socio-economic and demographic variables (15 questions) and the trust in institutions and political orientation (11 questions). Questions regarding participants attitude towards the adoption of the euro are as follows: "What do you think are the positive outcomes of adoption of the euro?" (Open-ended), and "What do you think are the negative outcomes of adoption of the euro?" (Open-ended). Furthermore, authors continued with questions, „Do you support the euro adoption?" (No, Yes), How much do you agree with the following statements: "I expect unfair practices of unjustified prices raise during the adoption of the euro.", "The adoption of the euro will lower my living standard.", "Due to conversion to euro my salary will decrease." "I will have difficulties with adopting to the new value of money." (1 – not at all, 2 – somewhat, 3 – extremely). Questions regarding participants socio-economic and demographic characteristics include variable such as gender, age, type of housing, questions regarding participant's salaries and savings, highest obtained education level, type of employment, etc. Questions regarding participants trust in social and political institutions cover the trust in 10 institutions on national (Croatia) and EU level, and the level of trust has been indicated using Likert type scale (1 – extremely low, 5 – extremely high). Participant gave an approximation of their political orientation by indicating whether they would position themselves on the political: left, centre or right.

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2.3. Participants

Authors conveniently sampled the participants (N = 242), using social networks. The main sampling channel was Facebook™, and the invitation to participate was sent through authors personal Facebook pages which had the possibility of reaching between 1000 and 2000 people, mostly students and people with college degree. Additional paid Facebook advertisement was placed, reaching 2043 people from general population. The final sample demographic variables are as follows: most participants have finished higher education (f = 81, 33.5%), have approximate age of M = 39.15 (SD = 10.33, Min = 20, Max = 70, n = 220), are female (F = 145, 65.9%), live with M = 3.45 (SD = 1.38, Min = 1, Max = 9, n = 219). The household members, have an average monthly salary of M = 8125.86 HRK (SD = 4901.27, Min = 1000, Max = 50000, n = 211), and perceive themselves belonging to the average socio-economic status, M = 3.09 (SD = 0.67, Min = 1, Max = five, n = 226). Furthermore, participants have approximate savings of M = 26474.62 HRK (SD = 203052.34, Min = 0, Max = 3000000, n = 226) and M = 7147.83 EUR (SD = 67832.05, Min = 0, Max = 1000000, n = 226) with 75% of the participants having no savings in either HRK or EUR. In addition, 75.9% of the participants have a full-time job, 7.7% work part-time, 0.5% are seasonal workers, 8.2% are business owners, 2.3% are unemployed, 1.8% are retired and 3.6% are students. Regarding their political orientation the majority of the participants place themselves in political centre (f = 102, 42.1%) with 23.1% of the participants on the political right and 20.2% on the political left.

Quantitative analysis was conducted using SPSS 23 (IBM, 2015) and the qualitative data was analyzed using thematic analysis (authors assigned and organized codes without the usage of dedicated software).

3. RESULTS AND DISCUSSION

As consumers, 39.6% of the participants do not eat out or order food and 37.9% do it once a week. 39.2 % of the participants do not go on trips more expensive that 5000 HRK while 44.5% do it once a year. 54.2% of the participants do not wear fashion clothing. The average age of the car that participants drive is M = 11 years (SD = 10.33, Min = 1, Max = 27, n = 175).

Given that economic shocks often raise the question of income stability i.e., people being able to cover the costs of living, the authors decided to consider whether the issue of employment and employability is connected to the adoption

of euro. Amongst fully employed, part-time employed and seasonal workers 46% of the participants are at least somewhat worried they might lose their job in the next 2 years, while 74.1% think it would be somewhat to very difficult for them to find a new job in the following 6 months. The best predictors of the perceived difficulty of finding a new job are lower monthly salary, the perception of the higher possibility of job loss in the next 2 years, the perception that the adoption of the euro will lower participant's living standard, higher number of household members, higher education level and not wearing fashion clothing (see. Table 2). Although Croatia has a lower birth rate (Rodin, Cerovečki & Jezdić, 2021) and a high rate of emigration in recent years, it should be noted that it also has one of the lowest unemployment rates since 2004. (Hrvatski zavod za zapošljavanje, 2022.) According to the predictors of the new job finding difficulties in the following 6 months, participants are actually showing discrimination towards public administration jobs. Namely, group jobs which demand a higher education level but do not require or develop any specialty (the employee neither holds nor develops and special set of skills that makes him competitive in business and industry in case of job loss). These jobs are not highly paid, in which employees have little power to negotiate their salaries conversion rates or secure benefits to compensate for any conversion losses, do not come from higher socioeconomic class and therefore given their salaries cannot afford wearing fashion clothing. What is interesting is that the perceived adoption of the euro is better predictor of the difficulties of finding a new job in the next 6 months than participants' number of household members or education level. In other words, difficulty of finding a new job i.e., employment opportunities and stability might be another important factor that should be considered regarding the formation of the attitudes towards the adoption of the euro.

Table 2.

PREDICTION OF FINDING A NEW JOB DIFFICULTY IN THE NEXT 6 MONTHS. LINEAR REGRESSION ANALYSIS RESULTS, STEPWISE

R = 0.620, R² = 0.384, F = 11.017, df = 6, p = 000			
Predictors	**B**	**Std. Error**	**Beta**
Monthly salary	0.000	0.000	-0.380
Possibility of job loss in the next 2 years	0.312	0.106	0.239
The adoption of the EURO will lower participants living standard	0.270	0.107	0.210
Number of household members	0.124	0.044	0.221
Education level	0.148	0.051	0.241
Fashion clothing wearing	-0.258	0.122	-0.162

Source: Made by authors

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When it comes to general support to the adoption of the euro and its predictors, 51% of the participants support the adoption of euro and the best predictors of the negative attitude towards the adoption of euro (amongst the variables used in the questionnaire) according to the linear regression analysis using stepwise method is the belief that the adoption of euro will result in: the lowering of the participants living standard, the difficulties connected with having to adopt to the new value of money and the distrust in the European Parliament (Table 3). These results are interesting because the European Parliament is the only EU institution that is directly elected by citizens. Also, the European Parliament today, as the only directly elected institution of the EU, has the task of representing the interests of citizens. In addition to shaping and deciding on new laws, it also ensures that other EU institutions work in a democratic manner and promotes democracy and human rights. The trust in other institutions was relatively either high or relatively low resulting in much less scores' variability (see Table 6). This is in line with other research results, with participants mostly being concerned with inflation (lowering of living standard), psychological factors in terms of adaptation difficulties and the trust in European institutions, namely European Parliament. Better estimate of these predictors one would probably obtain if the criterion variable (support for the adoption of the euro) were not dichotomous and had more variability. Therefore, further research should make operations to support for the adoption of the euro in a way that can both take into account the direction of the support and its' magnitude.

Table 3.

PREDICTION OF THE POSITIVITY OF THE ATTITUDES
TOWARDS THE ADOPTION OF THE EURO. LINEAR REGRESSION
ANALYSIS RESULTS, STEPWISE

R = 0.662, R^2 = 0.387, F = 32.997, df = 3, p = 000			
Predictors	**B**	**Std. Error**	**Beta**
The adoption of the EURO will lower my living standard'[s]	-0.329	0.052	-0.414
I will have difficulties with adopting to the new value of money[a]	-0.186	0.044	-0.272
The trust in European Parliament.[b]	0.115	0.037	0.201

a Larger values mean lower living standard and more difficulties adapting

b Larger values mean more trust

Source: Made by authors

In order to understand better the reasoning behind the participants support or lack of regarding the adoption of euro, the thematic analysis of answers on open-ended questions enquiring what participants see as negative or positive impacts of the adoption of the euro was conducted. Table 4 represents categories of perceived negative impacts of the adoption of the euro.

Table 4.

THEMATIC ANALYSIS OF PERCEIVED NEGATIVE IMPACTS OF THE ADOPTION OF THE EURO

Category	*f*	*%*	Participant
Financial aspect	105	76.64	
prices raise (due to conversion)	79	57.66	2, 5, 9, 11, 14, 18, 20, 21, 22, 25, 26, 32, 33, 35, 36, 40, 42, 43, 45, 46, 50, 54, 55, 56, 57, 59, 62, 63, 64, 68, 69, 71, 72, 77, 78, 79, 79, 84, 85, 90, 94, 105, 109, 118, 119, 125, 126, 127, 134, 135, 142, 147, 150, 154, 156, 158, 160, 163, 170, 177, 179, 181, 183, 189, 197, 200, 211, 212, 213, 216, 220, 221, 222, 223, 226, 231, 237, 238, 242
loss of monetary sovereignty	14	10.22	9, 16, 16, 21, 22, 44, 53, 62, 70, 129, 147, 150, 163, 184
Inflation	11	8.03	26, 71, 96, 98, 144, 147, 170, 214, 223, 239, 241
raising level of import	1	0.73	2
job losses (finance jobs)	2	1.46	28, 44
Negative psychological consequences	30	21.9	
loss of national identity (element)	21	15.33	11, 16, 20, 27, 29, 39, 40, 55, 56, 64, 77, 85, 93, 117, 142, 151, 152, 160, 171, 188, 226
lower subjective value of money	5	3.65	44, 57, 74, 177, 183
negative impact of change in general	4	2.92	27, 29, 175, 177
Total	137	100	

Source: Made by authors

Table 5 represents categories of perceived positive impacts of the adoption of the euro.

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Table 5

THEMATIC ANALYSIS OF PERCEIVED POSITIVE IMPACTS OF THE ADOPTION OF THE EURO

Category	*f*	*%*	Participant
Benefits of the single currency	28	22.4	5, 9, 11, 18, 64, 65, 74, 79, 84, 93, 98, 105, 109, 116, 129, 134, 139, 148, 151, 154, 160, 170, 171, 175, 195, 222, 233, 242
simplicity in financial services	18	14.4	2, 5, 9, 16, 18, 43, 46, 52, 53, 57, 63, 64, 65, 105, 125, 175, 221, 233
Uniformity	11	8.8	2, 9, 26, 35, 40, 42, 43, 53, 71, 74, 123
value of money,	7	5.6	9, 20, 22, 53, 74, 75, 151
easier comparisons (e.g. prices and salaries)	3	2.4	35, 45, 53
business and economy	38	30.4	5, 16, 18, 22, 23, 24, 28, 35, 36, 39, 44, 45, 46, 53, 54, 56, 57, 58, 68, 69, 74, 109, 129, 152, 164, 176, 180, 181, 197, 200, 211, 213, 216, 220, 221, 223, 241, 321
larger (joint) market (money, export, investments)	14	11.2	5, 23, 24, 28, 35, 44, 45, 58, 69, 109, 129, 180, 200, 213
monetary stability and stability of prices	13	10.4	28, 39, 53, 54, 74, 176, 180, 184, 197, 211, 213, 223, 321
money exchange and payments	9	7.2	16, 18, 22, 53, 57, 68, 164, 197, 221
attracting international consumers	4	3.2	22, 46, 56, 241
less bureaucracy (in e.g. import/export, payment completion)	2	1.6	5, 181
smaller inflation	1	0.8	94
crediting, loans and connected expenses	26	20.8	2, 14, 16, 18, 23, 27, 28, 46, 54, 56, 57, 63, 68, 80, 85, 127, 145, 156, 159, 171, 180, 181, 188, 194, 212, 213
eliminating some of the commissions and fees	3	2.4	16, 27, 221
lowering interest rates	3	2.4	28, 63, 212
lower government risk premiums in the bond market	1	0.8	14

Category	f	%	Participant
cheaper investments in investment funds	1	0.8	14
currency risk elimination	1	0.8	16
better credit score	1	0.8	16
abolition of currency clauses	1	0.8	213
exchange rates elimination	18	14.4	14, 16, 18, 23, 27, 46, 54, 56, 57, 68, 80, 85, 145, 156, 159, 171, 181, 194
living standard	4	3.2	
long-term: purchasing power increase, living standard convergence	4	3.2	165, 188, 200, 213
Total	143	100	

Source: Made by authors

Participant listed 143 positive and 137 negative instances of perceived impacts of the adoption of the euro. 30% of the perceived positive impacts is in the domain of business and economy (e.g. larger market, monetary stability and stability of price), 20% is in the domain of crediting, loans and connected expenses (e.g. eliminating some of the commissions and fees, lowering interest rates, etc.) and around 14% in the domain of the simplicity in financial services.

76% of the perceived negative impacts is about financial aspects (e.g. prices rise due to conversion, the loss of monetary sovereignty, etc.), while around 22% of the perceived negative impacts has to do with negative psychological consequences (e.g. the perceived loss of national identity). Which might indicate that the most of the participants' concerns are of financial nature. However, in order to explore the relative importance of these concerns and perceive negative and positive impacts of the euro adoption in general, one should conduct further quantitative research, by exploration of the relative impact that has on each of these considerations for the formation in the attitude towards the euro adoption.

Regarding the closed-ended questions and the possible reasons behind lack of the support to the adoption of the euro, participants expect the unjustified prices rise ($M = 2.43$, $SD = 0.6$, $Min = 1$, $Max = 3$, $n = 227$), moderate lowering of their living standard ($M = 2.11$, $SD = 0.62$, $Min = 1$, $Max = 3$, $n = 227$) and salary ($M = 2$, $SD = 0.68$, $Min = 1$, $Max = 3$, $n = 227$) as well as moderate difficulties with adaptation to the new value of the money ($M = 1.92$, $SD = 0.72$, $Min = 1$, $Max = 3$, $n = 227$), all of which seems to be in line with previous research.

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Table 6.

DESCRIPTIVE STATISTICS REGARDING TRUST IN INSTITUTIONS
N = 207

Trust in institutions	M	SD	Min	Max	1, 2[a] (%)
Military	3	0.96	1	5	25.6
European Court of Human Rights	2.97	0.98	1	5	28.0
Educational system	2.96	0.86	1	5	26.1
Healthcare system	2.9	0.98	1	5	27.5
Police	2.67	0.97	1	5	39.6
The European parliament	2.59	0.86	1	5	39.7
Social services	2.3	0.86	1	5	56.0
Croatian legal system	1.78	0.85	1	5	80.6
Government	1.74	0.99	1	5	80.2
Croatian parliament	1.7	0.86	1	5	83.6

a scores 1 and 2

Source: Made by authors

Participants have low trust in Croatian political institutions and legal system. They neither trust nor distrust military, European Court of Human Rights, educational and healthcare system. None of the institutions enjoys high level of trust (see Table 6). Therefore, advancing communication strategies, especially when it comes to communicating positive aspects of institutional actions, might be a way of changing attitudes towards and the level of trust in the institutions.

4. LIMITATIONS AND FURTHER RECOMMENDATIONS

The main limitation of the study is convenience sampling – which is becoming a prominent issue in all online-based studies with authors not being able to assess what are the characteristic of people that either do not have social network accounts or have them but did not choose to participate in the study especially if due to their personal characteristics that represent a non-random trait but a trait that corelates significantly with study results. Therefore, although the results are in line with the previous studies findings and obtaining a larger sample would not

guarantee that the new participants would differ significantly in their characteristics. In other words, one would recommend representing possibly underrepresented general population data by replicating this study on a larger and with more diverse sample.

When it comes to the questionnaire itself, there are two main issues. In the quantitative part, there were only negative beliefs about the usage of euro adaptation and in the qualitative part; there was no possibility of obtaining further elaboration.

Given that the adoption of the euro in Croatia is, a political and economic fact the close-ended questions were focused on exploring negative believes about the adoption of the euro. However, because this study gives a comprehensive overview of both perceived negative and positive impacts of the euro adoption, the subsequent studies can use this overview to formulate close-ended questions. These questions can cover a wide scope of issues regarding the attitudes in the euro adoption and quantify the relative subjective importance in overall attitude towards the euro adoption of predicting power.

The open-ended questions lack the possibility of obtaining additional participants elaboration and therefore did not provide deeper understanding of the participants train of thought. However, authors used questions to construct categorical model of maps with main issues that participants find relevant in considering the adoption of the euro and not to test their understanding of the issues they are raising. Further research should dive in deeper into participants understanding, e.g. using focus groups or individual interviews in order to get the better understating of the issues raised.

Given that, monetary institutions and their representatives rarely give public statements or appear in media, and take into account only the trust in the social and political institution Subsequent studies should also consider inquiring participants trust in Croatian and European financial institutions.

5. CONCLUSION

The main goal of the research was to investigate the attitudes of the participants towards the adoption of the euro. The research is exploratory and correlational and uses a combination of qualitative and quantitative approaches. The qualitative part of the research, conducted through the thematic analysis of participants' responses, aimed to investigate the reasons behind the participants' support or lack of support regarding the adoption of the euro, and the quantitative part of

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the research aimed to identify the best predictors of support for the adoption of the euro through stepwise regression.

In general, taken as a whole, participants seem to take into account many different economic and political aspects of the adoption of the euro. The themes that emerged while analyzing perceived negative impacts of the adoption of the euro are the financial aspect and psychological consequences. The main results show that the best predictors of the negative attitude towards the adoption of euro (amongst the variables used in the questionnaire) according to the linear regression analysis using stepwise method is the belief that the adoption of euro will result in: the lowering of the participants living standard, the difficulties connected with having to adopt to the new value of money and the distrust in the European Parliament. While the themes that emerged while analyzing the perceived positive impacts of the adoption of the euro are benefits of the single currency (e.g. simplicity in financial services, business and economy, crediting, loans and connected expenses, etc.), and living standard (e.g. long-term: purchasing power increase, living standard convergence). This might indicate the participant's capacity for the consummation of more complex informational campaigns, most of the participants – belonging to the middle socioeconomic class – might base their attitudes towards the adoption of the euro on the immediate effect of its adoption – its impact on their living standard. The hypothesis that the best predictors of participants' attitude towards the introduction of the euro are the perception of possible inflation and trust in political and social institutions was confirmed.

Given the overall low trust in institutions, it seems that Croatia has to work on encouraging countries' economic and political development before Croatian citizens will feel comfortable enough to base their decision and attitudes not on mere survival (personal gains/losses) but the consideration of the wider implications of certain politics and economic issues.

This research uses qualitative methodology to give a comprehensive overview of the perceived negative and positive impacts of the adoption of the euro, which is a first step towards constructing quantitative measures whose application will allow the extraction of latent relationships in the basis of the attitudes towards the adoption of the euro formation.

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STAVOVI PREMA UVOĐENJU EURA U HRVATSKOJ

Sažetak

Svrha istraživanja je istražiti stavove prema usvajanju eura. Istraživanje je eksploratorno i korelacijsko, a koristi kombinaciju kvalitativnog i kvantitativnog pristupa. Kvalitativni dio istraživanja, proveden preko tematske analize odgovora sudionika je usmjeren na istraživanje razloga koji stoje iza potpore ili nedostatka potpore sudionika prema usvajanju eura, a kvantitativnim su se dijelom, regresijskom analizom u koracima, identificirali najbolji prediktori potpore ulasku na euro. Istraživanje je provedeno na prigodnom uzorku od 242 sudionika. Teme koje su se pojavile pri analizi percipiranih negativnih učinaka uvođenja eura su financijski aspekt i negativne psihološke posljedice, dok su teme koje su se pojavile pri analizi percipiranih pozitivnih učinaka uvođenja eura prednosti jedinstvene valute (npr. u financijskim uslugama, poslovanju i gospodarstvu, kreditiranju, zajmovima i povezanim troškovima itd.), te životnom standardu (npr. dugoročno: povećanje kupovne moći, konvergencija životnog standarda). Najbolji prediktori stava sudionika prema uvođenju eura bila je percepcija hoće li uvođenje eura sniziti njihov životni standard, hoće li imati poteškoća

s prilagodbom novoj vrijednosti novca te njihovo povjerenje u Europski parlament. Najveća ograničenja istraživanja su prigodno uzorkovanje i korištenje tematske analize nad odgovorima sudionika koji su prikupljeni u otvorenim pitanjima anketnog upitnika. Za mogućnost šire generalizacije rezultata bi bilo potrebno istraživanje ponoviti na većem uzorku, a za bolje razumijevanje odgovora ispitanika na otvorena pitanja bi bilo korisno upotrijebiti dubinske intervjue. Korištenje otvorenih pitanja i sustavne tematske analize je posebnost ovog istraživanja jer rezultati analize omogućavaju dobivanje novih uvida i istovremeno izradu upitnika i primjenu kvantitativne metodologije kako bi se provjerila mogućnost populacijske generalizacije dobivenih nalaza.

Ključne riječi: EURO, stavovi, životni standard, kvalitativna analiza