

THE ASSESMENT OF OPPORTUNITIES AND ASSUMPTIONS OF THE CROATIAN HEALTH TOURISM DEVELOPMENT

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Abstract

The purpose of this study is to point out that the possibilities of health tourism development in Croatia are not yet sufficiently explored, which raises the opportunities for entrepreneurship to be more involved in the global health tourism business network.

Design / methodology / approach – The paper seeks to capture the main elements of competitiveness of health-tourism destination business, highlighted in the general literature, applicable in good practice and identified during the research survey. The research was conducted in 2011, in the “Kvarner” county, one of the most developed tourist destination in Croatia which has natural resources and long tradition in health tourism. The sample included 4016 participants, of whom 1989 tourists, 1770 inhabitants and 257 managers. Data will be compared with research results of a related study conducted in 2006. Croatian resources and potential for development of health tourism will be assessed on the basis of globally accepted standards.

Findings – Research results show that basic resources for development of health-tourism in Croatian tourist destinations exist, however these opportunities are not used enough and they offer a significant area for the development of entrepreneurship.

Research limitations/implications – Future research should be focused on deeper investigating the relationship between entrepreneurship and principles of sustainability in health tourism, without which it cannot be competitive in the global tourism market.

Practical implications – Outcomes of this research have great implications for the practice of tourism development in Croatia, and its position in the world tourism market. Health tourism provides a higher degree of capacity utilization in tourist destinations by prolonging the season, but also provides development of other destinations that have significant natural resources or other factors. This may have substantial economic impacts.

Social implications – Impact of this research can be significant for improving the life quality of local people, based on the assumption that it contributes in changing the way they take care of their bodies, minds, spirit, the society and the planet. The development of health tourism contributes significantly to preventing illnesses and raising overall employment. Since health tourism can be developed only in tourist destinations that adhere to the principles of sustainable development, it can contribute to introducing a sustainable development policy in other related industries and change the behaviour of stakeholders at the destination level.

Originality/value – The original contribution is in assessing the Kvarner tourism offer as a basis for modelling entrepreneurship goals of increasing the health-tourism offer and enabling Croatia to become a part of global business network of the health-tourism cluster.

Keywords: Health tourism, tourist destination, entrepreneurship, Croatia, Kvarner.

1. INTRODUCTION

There is no single definition of the term *health tourism* since it is sometimes used as a substitute for medical tourism, synonymously with wellness tourism, it is used to mean both, or to refer to a subtype of medical tourism or wellness tourism (Johnston, Puczko, Smith, Ellis, 2011:iv). That is to say, it is occasionally used interchangeably but often describes different concepts. However, generally speaking the term *health tourism* is used as an umbrella term for many notions, which are substantially narrower (well-

being, wellness, health-care tourism, holistic tourism, medical tourism, spa tourism, health-treatment/rehabilitation, clinical offerings, fitness and health clubs....), but which are in the marketing approach more acceptable. As an umbrella term *health tourism* is recognized by UNWTO and defined as “*tourism associated with travel to health spas or resort destinations where the primary purpose is to improve the traveller’s physical well-being through a regiment of physical exercise and therapy, dietary control, and medical services relevant to health maintenance*” (Gee & Fayos-Sola, 1977: 381).

Health tourism has historically been recognized as a distinct segment of the tourism offer, whose development was based on the quality of natural, human and organizational resources of tourist destinations. Travel for health reasons has long been attributed to attracting visitors to thermal springs and coastal locations. Therefore, health tourism will soon become „*a commercial phenomenon of industrial society, which involves a person travelling overnight away from the normal home environment, for the express benefit of maintaining or improving health, and the supply and promotion of facilities and destinations which seek to provide such benefits*“ (Hall, 2003:274). Based on this idea this paper will explore the hypothesis that health tourism is an umbrella term referring to the combination of medical and wellness tourism offer, regardless of whether they included different programs of standardized (generic), or authentic (location based) experiences (Johnston, Puczko, Smith, Ellis, 2011: 33-35).

Health tourism is consistently described as a lucrative and as one of the fastest growing tourism sectors, but since uniform criteria for evaluation do not exist, it is difficult to obtain comparable market data between countries. However, there is no doubt that it is an opportunity to increase job and revenue in the destination, and to raise the well-being of tourist through the prevention or rehabilitation of illnesses. The developing market of increasingly older and unhealthy people, failing medical systems and globalization, are all recognizable drivers that support the growth of the health-tourism market. The entrepreneurial possibilities in the Croatian health tourism business will be analysed based on these facts, in order to raise the competitiveness of health-tourism destinations, by considering the use of natural, human and social resources as a development potential, and by respecting the principles of sustainable development. This paper will employ the following research methods: firstly, the meaning of health tourism will be explored according to the literature review method, and secondly, the research results will be presented using a research survey, descriptive statistics and reflection of good practice.

2. HEALTH TOURISM – THEORETICAL AND GOOD PRACTICE APPROACH

A theoretical approach to health tourism is not easy to present, since there are different types of sources, connected with health tourism sub-sectors (wellness, medical, SPA), and with a broad range of products, services or activities of a business, or of a tourism destination offer. In order to respond to the more sophisticated demands and motivation (physical, spiritual, leisure, life, organisational dimension...), it is even more linked to the principles of sustainable development. The literature review is based on the concept of elements in the health tourism structure, as is shown in the figure 1.

Keywords, which must be considered when defining “health tourism” are “health” and “tourism”, i.e. “*health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity*” (WHO cited in GSS 2010:ii), and “*tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes*” (UNWTO). In contemporary conditions, tourism development should be based on the use of sustainable development principles, which means that sustainable tourism “*takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities*” (UNWTO).

The literature focuses far more on particular segments of health tourism, while less attention is given to perceiving the health tourism concept as a whole. Furthermore, literature dealing with “health tourism” or “healthcare tourism” (Albaner, Grozea-Helmenstein, 2002; Keck, 2010; Smith, Puczko, 2009; Reisman 2010; Rulle, 2008) is more focused on the individual concepts within some parts of health tourism content (medical tourism, wellness tourism, SPAS...), instead of health tourism as a system. The essential difference is that medical tourists travel because they want to treat/cure medical conditions, while wellness tourists travel because they want to maintain or improve their health (Voight et al., 2010: 69). The mission of the SPA industry is to offer services and products that combine segments of wellness and medical tourism, and integrate them in order to take full advantage of medical and wellness tourism (Jonston at al., 2011 :i).

Therefore, the literature review will point out the most important elements and contents, associated to the broader context of the demand and supply side of health tourism in the contemporary conditions.

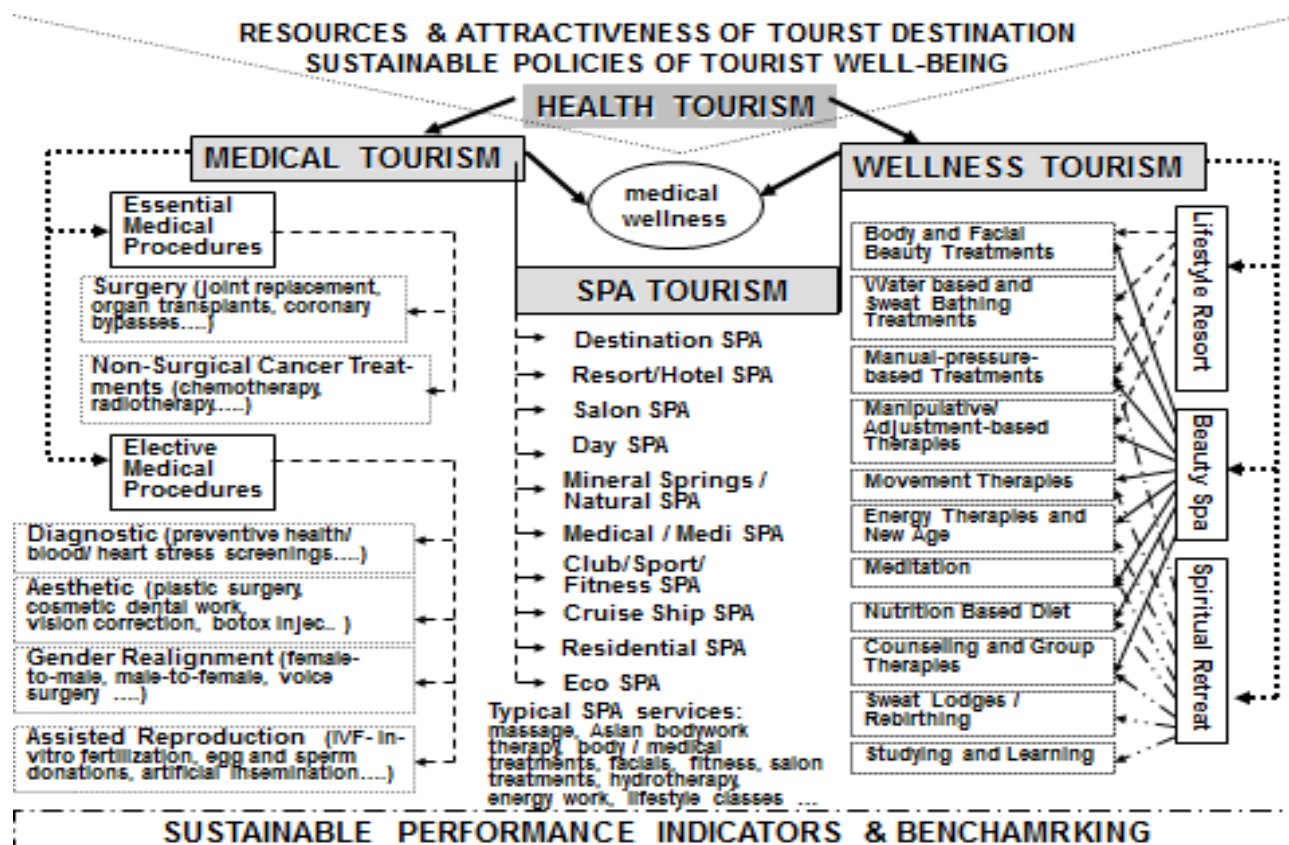


Figure 1: Elements of the health tourism offer

Source: Prepared by the author based on: Gee (2010:5-65; 212-218; 570-572), Johnston et al. (2008: 34), Johnson, Redman (2008), Smith, Puczko (2009: 83-104), Tabacchi (2010), USFRS (2005:117-127) and Voigt et al. (2010: 6-37)

2.1 Medical tourism

Medical tourism is the practice of travelling outside of one's home country / destination to receive quality healthcare at affordable prices, and "can be defined as travel to destination to undergo medical treatments such as surgery or other specialist interventions" (Smith, Puczko, 2009: 101) and is an important option for patient populations who need care but lack adequate out-of-pocket funds to afford a procedure in their own country / destination, or those who seek lower prices in order to save money. Many dispute the use of the term "tourism", as it is generally associated with the practice of touring for pleasure, however, medical patients travel great distances to receive "medical" care, with the exception of the "medical SPA" (Gee, 2010: 572), which includes all the characteristics of the traditional tourism offer.

However, people seeking medical assistance travel mostly in the company of other family members, relatives or friends, and the patient chooses not only institutions that offer superior medical care but also sites that can offer (natural) resources and attractions, which also mainly attract other categories of tourists. Therefore, the following broader definition of medical tourism is far more acceptable: "the sum of all the relationships and phenomena resulting from a journey by people whose primary motive is to treat or cure a medical condition by taking advantage of medical intervention services away from their usual place of residence while typically combining this journey with a vacation or tourism elements in the conventional sense" (Voigt et al., 2010: 36). The umbrella term of "medical tourism" does not include "public health services" that all tourists generally use during their stay in the tourist destination, because medical tourism "refers to the act of traveling to another country to seek specialized or economical medical care, well-being and recuperation of acceptable quality with the help of a support system" (Deloitte 2008, 6), therefore it is a particular / commercial system that lies outside of the general public health service.

Medical tourism may be categorised into three groups depending on where patients as tourists go for some type of medical care: the *outbound* (domestic patients travelling to other countries), the *inbound* (foreign

patients travelling to the domestic country) and *intrabound* (only domestically traveling patients). The most important is outbound medical tourism, which shows sustainable annual growth of 35% and over 35 countries serve over a million medical tourists annually (Deloitte, 2008;6 & 2009: 3). The different dimensions of medical tourism are clearly not mutually exclusive, and are often intertwined with some wellness and / or SPA services. The medical tourism market offers the following services (Discover Medical Tourism, 2011 :1-3):

- a) *cosmetic surgery* (arm lift, breast augmentation, breast lift-mastopexy, breast reduction, buttocks implants, chemical peels, chin surgery, ear pinning, ear reshaping, eye-bag removal, eyelid lift, face-lift, facial implants, forehead/brow lift, hair implants and transplants, liposuction / lipoplasty, lower body lift, nose reshaping, penis enlargement, skin refinishing, spider vein removal, tummy tuck, varicose vein removal....)
- b) *dental procedures* (apicoectomy, dental bondings, dental bridges, dental caps, dental fillings, dental implants, porcelain tooth crowns, root canal, teeth whitening, tooth contouring, tooth veneers...)
- c) *medical procedures* (cancer treatment, cardiology procedures, ENT-ears-nose-throat, eye surgery/ ophthalmology, female specific, fertility treatment, gastrointestinal procedures, gender realignment, general surgery, male specific, obesity surgery, orthopaedic surgery, scans & health checks, spinal procedures, stem cell therapies, transplant surgery, urology procedures....)
- d) *alternative medicine* (acupressure, acupuncture, aromatherapy, ayurveda, balneotherapy, chiropractic, herbal medicine, holistic medicine, homeopathy, hydrotherapy, meditation, orthomolecular medicine, reflexology, reiki, siddha medicine, unani medicine, yoga...)

The Deloitte Survey of U.S. Health Care Consumers revealed strong interest in outbound medical tourism, emphasis is placed on quality and safety, and the majority of tourists (88%) would consider going out of their community or local areas to get care / treatment for a condition if the outcomes were better and the costs were not higher. Market drivers for medical tourism are: cost savings, comparable or better quality care, shorter waiting periods, thus quicker access to care (Deloitte, 2008: 5-6). In conclusion, medical tourism is usually curative in focus, with health services being consumed internationally, for one of the five following reasons (Hill, 2011: 5-6):

- Firstly the *economic-cost dimension and time-cost dimension*, because cross-border medical services are cheaper than those available in the medical tourism generating country, and/or may be available in a more timely manner (for example it is a major factor behind the growth of dental tourism)
- Secondly, a *commercial behavioural dimension*, because medical services can be consumed in a relatively exotic location in conjunction with a holiday
- Thirdly, a *non-commercial behavioural dimension*, which is a result of migration and the demands of a global labour market, as expatriates and migrants may return to their country of origin for medical treatment (for cultural, family and language reasons)
- The fourth reason is associated with the *regulatory structures, regulatory cost-dimension or differentiating between regulation*. Specifically, some countries implement a restrictive policy in some part of medical service, some medical services do not exist or some medical services are completely unavailable, which led to the development of specific forms of medical tourism, e.g. abortion tourism, stem-cell tourism, procreation and reproductive tourism. It should also be noted that some forms of government funded assistance with reproduction is illegal in some countries (for example to gay couples), so that some forms of fertility and reproduction tourism are regulated on the basis of who is requesting the treatment, rather than the nature of the treatment
- A final reason for medical tourism may lie in the non-availability of an organ for transplant in the country of origin of the medical tourist, although this area is particularly controversial, because of concerns over organ trafficking, which means that is this also linked to *issues of medical regulation*.

The most popular medical tourism destinations, which provide quality medical care at very attractive prices are: Argentina, Brazil, Costa Rica, India, Hungary, Malaysia, Mexico, Panama, Philippines, South Africa, Thailand and Singapore (Discover Medical Tourism, 2011: 4), and they are evolving different market niches on the medical tourism market (e.g. Thailand for cosmetic surgery; Singapore and India for heart surgery). The value chain of medical tourism destinations includes patients, doctors, hospitals, government agencies, tourist resorts and comprises various stakeholders engaged in the medical tourism offering. That is to say, medical tourists who choose an *exotic destination*, mostly receive treatment from top private hospitals (which are comparable with those in developed counties), and after their medical procedure, they rest and recuperate at tourist resorts before heading back to their home countries.

It is, therefore, recommended to establish a *medical tourism cluster*, guided by destination/ regional /national management, which includes health providers (private hospitals and clinics), the tourism cluster (hotels, restaurants, travel agencies and consultants, spa clinics / resorts...), BPO - business process out-sourcing, IFC-institutions (educational and governmental institutions, private business- and non-profit associations involved in the promotion of medical tourism), supported by statistics, media and special programmes (Johnston et al., 2011: 5-9; Voigt et al., 2010: 43-46).

2.2 Wellness tourism

In contrast to medical tourism, whose development is more recent, wellness is only a modern word, but the concept is based on the experiences of ancient civilizations (Greece, Rome, China, India...), and its formal roots stem from several intellectual, religious and medical movements in USA and Europe in 19th century. Modern approaches to wellness include holistic approaches to health (prevention of sickness), focused on establishing harmony of physical, mental, spiritual and social dimensions of life, on well-being and on building responsibility for one's own health. Wellness changes over time and along a continuum, it is individual, multidimensional, holistic and influenced by the environment (GSS, 2010: 3-7). Therefore, wellness can be defined "*as an active process through which people become aware of, and make choices toward, a more successful existence*" (NWI, 2012), which indicates that wellness is basically *what we feel and what we do*.

Applying a wellness approach can be useful in nearly every human endeavour. As a pathway to optimal living, wellness is being applied to related fields, such as health promotion and holistic health, and has seen a growth in "helping professions" including counselling and medical arts and practices. The importance of the demand and supply-side aspects of wellness tourism are "*defined as the sum of all the relationships resulting from a journey by people whose primary motive is to maintain or promote their health and well-being and who stay at least one night at a facility that is specifically designed to enable and enhance people's physical, psychological, spiritual and / or social well-being*" (Voigt et al., 2010: 9). Following this definition, the emotional, environmental, financial, intellectual, mental, medical, occupational, physical, social and spiritual sub-dimension of wellness can be singled out (as the most commonly described part of its multidimensional wellness approach), and some of their basic characteristic are presented below (NWI, 2012):

- The best known is the *physical dimension of wellness*, which recognizes the need for regular physical activity and encourages learning about diet and nutrition, as a combination of good exercise and eating habits.
- The *intellectual dimension* of wellness recognizes one's creative side, by stimulating mental activities and discovering the potential for sharing one's own gifts with others. Focused on spending more time pursuing personal interests, while keeping abreast of current issues and ideas, and actively striving to expand and challenge one's mind with creative endeavours. Intellectual and cultural activities have to be included in the classroom and in the university programme and community as an incentive for intellectual growth and stimulation.
- The *emotional dimension* of wellness includes the degree to which one feels positive and enthusiastic about one's self and life. It includes the capacity to manage one's feelings and related behaviours including the realistic assessment of one's limitations, development of autonomy, and ability to cope effectively with stress.
- The *environmental dimension* of wellness is directed to responsible behaviour towards the environment in the program setting, which means saving water and energy, waste reduction and recycling, using environmentally friendly resources.
- The *social dimension* is a continuation of the environmental dimension of wellness which encourages contributing to the community and emphasises the interdependence between business and nature. The emphasis is on becoming more aware of the importance of society as well as the reduction of multiple impacts on the environment, by encouraging healthier living and initiating better communication with others in the community, to fund ways to preserve the beauty and balance of nature and society, as well as to enhance personal relationships and important friendships.
- The *spiritual dimension* addresses the search for meaning and purpose in human existence. It includes the development of a deep appreciation for the depth and expanse of life and natural forces that exist in the universe and to achieve a peaceful harmony between internal personal feelings and emotions, as well as feelings of pleasure, joy, happiness and discovery.

- The *occupational dimension* refers to personal satisfaction, enrichment and attitude in life through work. It can convey values through involvement in activities that are gratifying for the individual in question, with regard to profession, job satisfaction, career ambitions and personal performance.

If the above conceptual standpoints are applied in the wellness tourism practice, three different types of activities grouped in beauty/spa, lifestyle resort or spiritual retreat visitation could be distinguished (Voigt et al., 2010: 9-11). In Western and Eastern Europe the focus has traditionally been on physical and medical wellness, and therefore there are growing number of wellness hotels (especially in Austria and Germany), which offer the whole range of facilities, including thermal waters, fitness, nutritional programmes, massage and beauty treatments (Albaner, Grozea-Helmenstein, 2002: 34-36; Rulle, 2008: 27-31). The pursuit of physical wellness goes back to Roman and Greek times with the construction of baths dedicated to the cleansing and purification of the body combined with arduous fitness regimes. Similar facilities with a distinctive spiritual dimension traditionally existed in parts of Asia, Turkey, Japan... (Yoga, meditation, Tai Chi, Qi Gong...). Only holistic retreat centres consciously attempt to provide visitors with the whole spectrum of wellness activities, implying that all dimensions of wellness could be included in the product. As programmes or products mainly for the health of the mind, psychology and emotions are a relatively new phenomenon, they are not yet sufficiently developed in Western civilisations. (Smith, Putczko, 2009: 234-235).

2.3 SPA services

The ageing population and an increasing concern for health are likely to cause a growth in demand for health tourism products and SPA services (ETC, 2006: 3). The word SPA basically means "health through water", because in many cultures SPAs are closely tied to therapeutic treatments associated with water (GSS, 2008: 8; Gee, 2010: 38-43) and subsequently SPAs were defined as "*a business offering water-based treatments practiced by qualified personnel in a professional, relaxing and healing environment*" (Garow, 2009: 4). Originally, the term SPA means something quite different in the USA than in Europe. In Europe SPA is really connected with water-based treatments, because the majority are based on mineral- and hot-springs-baths, as well as healing mud baths, which comprises about a half of all SPAs in Europe (Rulle, 2008: 25). Within Europe, the most traditional health SPAs are still based on the treatment prescribed by a doctor, and paid for either by the state or by private medical insurance (Keck, 2010: 7-11).

In the USA, SPAs are not intended for patient recovery, but they are primarily targeted at healthy people, who want to improve their health, to work out, seek relaxation and/or beauty treatments, and they have to cover the costs of all SPA services themselves (Gee, 2010: 48-57). In this context ISPA (International SPA Association) defines a SPA by emphasizing the place which provides SPA services, i.e., "*SPAs are places developed to enhance overall well-being through a variety of professional services that encourage the renewal of mind, body and spirit*" (Johnson & Redman, 2008: 12). Although most potential customers have some picture of what the SPA industry offers, its image has to be further clarified.

Some people may see the SPA for little more than performing manicures and pedicures, waxing, and other beauty and grooming procedures, but they neglect the full range of the destination-SPA experience, which promotes fitness, body and mind or excellent local / organic healthy cuisine. For a clearer demarcation in relation to the role of the medical tourism cluster, a distinction should also be made between locations that offer only medical procedures (cosmetic surgery, medical treatments, Botox...) and those offering preventive medical treatments (hydrotherapy and other water-based programs), with special emphasis on the healthy lifestyle behavioural modification of improvements (Tabacchi, 2010: 114). It should be noted, that the concept of SPA services, primarily follows the philosophy of wellness, however it is in an operational sense also seen as a resource base that enables the provision and development of wellness and / or medical tourism at a certain level of the tourism destination offer. These are the main starting points for defining SPA trends and types and typical SPA services. Within this framework, the global SPA economy captures the following general SPA categories (Gee, 2010: 570-572; GSS, 2008: 10/11; Johnson & Redman, 2008: 14-17):

- *Day / Sport & Fitness/ Club / Salon SPAs.* Facilities that offer a variety of SPA services (e.g. massage, facials, body treatments...) by trained professionals on a day-use basis. Sport and Fitness SPAs provide only facilities with the primary purpose of fitness (guests can work out in fitness classes, enjoy invigorating body treatments, participate in outdoor sports activities or sign up for programs to lose weight, get fit or adopt healthier lifestyles). Some other differences are that Day SPAs offer almost all types of SPA services (without overnights), Club SPAs operate out of facilities whose primary purpose is fitness, and Salon SPAs primarily offer individual pampering and beauty

treatments (manicures, pedicures, paraffin dips, hair cutting and styling, hair removal...) and usually are located in the cities. Day SPAs offer can be sometimes organised only for residential community needs.

- *Hotel / Resort SPAs*. Similar to a day SPA, but the SPA facility is located within a resort or hotel property. Services are typically paid for on a la carte basis, and meals are not included. SPA treatments and services generally complement a hotel stay, or a wide range of other activities at a resort. It can offer different programs as *pampering and pleasure* (massages, facials, mud or aromatherapy baths to enjoy a relaxing vacation or time out), *stress management* (learning relaxation techniques, how to manage stress and other strategies for feeling more in balance and in control), *peace of mind* (pursue a spiritual journey of introspection and reflection through meditation, yoga, tai chi, qigong etc. that lead to serenity, understanding and self-acceptance), *energy work* (craniofacial massage, Reiki, polarity, chakra balancing, crystal therapy, healing touch...), or *other health and wellness programs* (exploring their health, learning to deal with issues such as smoking or medical concerns, and discovering how lifestyle choices can lead to optimal wellness).
- *Destination Spas and Health Resorts*. They differ only in organizational terms, but always offer all-inclusive programs, and provide various SPA and body treatments along with a myriad of other offerings such as: fitness activities, healthy cuisine, educational classes, nutrition counselling, weight loss programs, preventive or curative medical services, mind / body / spirit offerings, etc.. The sole purpose of Destination SPA is providing guests with life-style improvements and health enhancement through professional SPA services on a residential basis (guests stay overnight and participate in full-immersion SPA and wellness-based activities), the same as in a Health Resort Spa, which can also offer day visit possibility. Lifestyle classes includes a wide range of subjects including fitness, wellness, nutrition, stress relief, better sleep, spirituality, etc.
- *Medical SPA*. A SPA facility that operates under the full-time, on-site supervision of a licensed healthcare professional. Provides comprehensive medical and / or wellness care by qualified medical staff and administers medically prescribed treatments in an environment that integrates SPA services with traditional or alternative medical therapies and treatments (surgical procedures, myotherapy, laser treatment, Botox, microdermabrasion, acupuncture...). Some dentists have transformed their offices into SPAs, like environments to pamper their patients with SPA services.
- *Mineral / Hot Springs / Natural / EcoSPAs*. It can be organised as a “stay” SPA or “day-use” SPA, depending on whether they use natural, thermal or sea water / springs or peat, mud and other natural elements used for SPA treatments for people, with, or without overnights. SPA guests can choose different type of hydrotherapy, such as balneotherapy, thalassotherapy, sauna, steam room hydrotherapy bath and so on. Although mineral / hot spring SPAs played a very important role in history, this type of SPA offer is nowadays mostly only a segment within other forms of SPA offers. Eco SPA is a new trend based on the belief that the health of the planet is tied up with personal health, therefore they offer organic treatments and try to ensure that their practices are in harmony with the environment. They keep nature in balance as a way of helping to keep their guest in balance.
- *Historically- / Culturally-based SPAs*. Their offer is based on historical healing traditions, techniques or ingredients, and / or evolved into SPAs in order to add value or increase the attractiveness of a particular SPA offer. Therefore, these services can be provided originally (European bath houses and saunas, Japanese onsens and sentos, Turkish-style hammams, Indian Ayurveda centres, Thai massage establishments, TCM, Chinese massage...) or combined with other types of offer (massage, facials, body treatments, wellness, education...).
- *Other specific types of SPA offers*. The *Cruise / Ship SPAs* are becoming increasingly popular in recent years, and this is only a new location of services normally provided by hotel/resort SPAs. Some centres are specialized in providing only one type of SPA service, such as massage, facial, nails or body treatments... (*Single SPA Services*), and they can also be offered by professional practitioners on-site, or at a customer’s home or office (*Mobile SPAs*).

SRI (Stanford Research Institute) has defined the specific businesses and industry segments that comprise the SPA industry cluster, examined through three separate groups of stakeholders (GSS, 2008: 11-13). The first segment are *core SPA industries* (facility operations, capital investments, consulting, education, media, events, associations and SPA branded products), the second segment are *enabled industries* (directly included by the core SPA industry and include SPA related tourism and SPA related real estate), and the third segment are *associated industries* (interconnected with the SPA industry through a common emphasis on health and wellness and to some extent common sales and marketing channels, but it is

not a part of it, and includes beauty treatments and beauty products, fitness and fitness products, beauty and wellness medicine, healthy food and nutrition). Other research conducted in the field of SPAs indicates the position of SPA services in the health tourism system or in the subsystems wellness and medical tourism (Johnston et al., 2011: iv; Keck, 2010; 20-26):

- Visiting SPAs is one of *the earliest forms of tourism*.
- SPAs are an important part of wellness tourism, but *wellness is about much more* than just SPAs.
- SPAs have an increasing role to play in *medical tourism*, but ongoing discussion is needed to identify the most appropriate use of SPAs in *pre- and post-medical procedures, in rehabilitation and recuperation, and for accompanying caregivers*
- Funds from *private health insurers* will in time find their way into the *more serious SPAs and the customers of the health insurers*, who drive that industry as much as the health professionals do, will undoubtedly show a preference for the modern over the traditional
- More recently still, attention has moved from the mineral spring-based SPA or medical SPA to new-style SPAs, such as club SPAs, day SPAs or hotel/resort SPAs.

3. PERFORMANCE MEASUREMENT AND BENCHMARKING

The environment of the health tourism offer is changing. Demand for health-tourism services is increasing, however, supporting revenues from state health insurers have stagnated and decreased. The system is becoming more complex, and consumers are more and more oriented to the commercial part of the health-tourism offer. As the health-tourism industry is not yet clearly defined in all segments, many difficulties in measuring health-tourism performance along with diverse and contradictory objectives, unreliable measurement tools, and a lack of resources call for a system which will improve efficiency, effectiveness, and accountability. Also, since the health tourism market is a very important part of the global tourism offer, it is necessary to adopt uniform criteria according to which results will be measured and financial and non-financial results of all segments of health-tourism offer will be compared.

This is a large global market, which generates annually about 2 trillion US dollar that are mainly oriented to improving the quality of life (beauty & anti-ageing 34,8%, fitness & mind-body 20%, healthy eating / nutrition & weight loss 14,2%, preventive/personalized health 12,5%, complementary & alternative medicine 5,8%, wellness tourism 5,5%, SPA 3,1%, medical tourism 2,5% and workplace wellness 1,6%), which carry a greater financial benefit when compared to programs that follow conventional, medically oriented approaches (GSS, 2010: 24; Peršić, 2012: 42). These are only those revenues that are generated by direct health tourism service provision, but it should be emphasized that it generates additional income in the complementary business and non-profit sector. In fact, as Stanford Research Institute in 2007 estimates, the global SPA economy made a turnover of 254,70 billion US \$ (GSS, 2008: 14), but the revenue of the *core SPA industry* was only 24% (60,3 billion US \$) or 3,1% of global health-tourism revenues (GSS, 2010: 24) and this includes SPA- facility operations, capital investment, education, consulting, media, associations, events and branded products. It should be noted that average SPA revenue per occupied hotel room is about 133\$ for resort hotels and 116\$ for urban hotels, 42\$ - 184\$ per square foot, or SPA profit per available hotel room is from 85\$ - 2.640\$. By comparison, golf revenues per available room earned was about 80% of SPA revenue per available room (Tabbacchi, 2010: 105). This emphasizes the importance of SPA in achieving competitive advantage of hotel and tourist destinations on the global tourism market.

Performance measurement is the regular systematic collection, analysis, and reporting of data that tracks resources used, work produced, and whether specific outcomes were achieved by an organization, and tracking such data is imperative in order to maximize the effectiveness of SPA and other health-tourism service providers. Furthermore, as a means towards solving these problems it should be pointed out that standards known as *Uniform System of Financial Reporting for SPAs* have been issued. It represents the first successful, organized effort at establishing a definitive uniform accounting system for the SPA industry (USFRS, 2005: ix). The significance of these standards is even greater since it is based on a consensus between SPA industry financial executives, public accounting authorities, consulting specialists and leading academic experts, and represents a continuation of the already globally known and in the hospitality industry accepted USALI system (Uniform System of Accounts for the Lodging Industry), which is increasingly being implemented in the Croatian Hospitality Industry (Peršić, Janković & Poldrugovac, 2012). This knowledge is very important, in order to assess whether certain segments in the health tourism offer are profitable, which is today especially important for SPA segments within the hospitality industry as well as

SPA resorts, where SPAs help to sell hotel rooms and lifestyle real estate, and without USFRS it has been difficult to collect and analyse data in a consistent and meaningful way (Singer, 2005: 1).

Performance measurement based on USFRS standards is becoming an increasingly popular tool for health-tourism management, because it provides a standardized format and account classification to guide individuals in the preparation and presentation of financial statements for internal and external users. USFRS offers different generic schedules, designed to fit all SPAs and other health tourism services, in order to develop individual reports modified to meet their own needs and requirements. Financial statements are typically set on the level of different health tourism service departments or group of services (Johnson & Redman, 2008: 252-263; USFRS, 2005: 31-76), which are by the nature defined as the profit or revenue responsibility centres, so that the report covers revenue, adjustment, cost of goods sold, gross margin, direct expenses and income/loss departmental contribution (Redman & Johnson, 2005: 123). This type of information is presented in the financial statements on a daily, weekly, or monthly basis for health-tourism management use, but also to be compared with other participants which have similar types of facilities, as a basis for a benchmarking process within the health tourism industry on the local, national, regional or world-wide level (Tabacchi, 2010: 106-107; Singer, 2005: 1-7).

The hypothesis is that each SPA department or other health-tourism participant could be able to estimate and compare their own financial position and operational performance with the competition, or other participants on the health tourism market. USFRS provides also the framework for preparing information of other types of responsibility centres (support labour, indirect operating expenses, administrative and general, marketing, facilities maintenance and utilities, fixed charge, federal and state inform taxes, payroll taxes and employee benefits...), about the type and structure of costs and other significant non-financial information connected with different parts of the health tourism offer (Johnson & Redman, 2008: 263-281; USFRS, 2005: 77-102). If the goal is to have a profitable SPA, it is important to understand, compare, measure and monitor some of the key metrics (ratios) related to revenue, payroll, operating expenses and net profits.

Creating the specific metrics for some entity is the necessary prerequisite for implementing benchmarking. Information presented in the USFRS statements can be used as measurable outcomes for preparing those metrics and to review performance of specific health-tourism programs (Tabacchi, 2010: 104-106; USFRS, 2005:117-137). Metrics and benchmarks help management to monitor business and to identify potential problems or inefficiencies. When managers in the benchmarking process identify variances between ratios and benchmarks, they can analyse the situation and make the necessary adjustments in a short time. The solution may require strategic decisions such as how to increase revenues, control payroll, or reduce operating expense (Singer, 2005: 1-2). Performance measurement provides for resource allocation comparisons over time and measures efficiency and effectiveness to encourage continuous improvement, but benchmarking process can be successfully implemented only when everyone uses the same metrics.

4. METHODOLOGY AND CHARACTERISTICS OF CONDUCTED RESEARCH

The objective of this paper is to investigate the possibilities of health tourism development in Croatia, taking into account the previously presented theoretical framework and practical experiences, as well as the results of surveys conducted in Croatia. The following chapters will present the results of two separate surveys that complement each other and are relevant to this type of research, i.e. for assessing the degree of development and the opportunities for entrepreneurship in the Croatian health tourism industry. For this purpose research results will be introduced and analysed, in the development and implementation of which the authors were actively involved. The first study investigates the assessment of the Kvarner tourist offer (a tourist destination which generates 20% of the overall Croatian tourist offer), and the second study explores the attained level of environmental care (protection and improvement of hotel environment) in the Croatian hospitality industry. Although these are two separate studies, the research results will provide a basis for assessment and evaluation, the opportunities and assumptions of Croatian health tourism development.

4.1 Assessing the Kvarner tourism offer

The research was conducted in 2011, in the *Kvarner tourist destination*, one of the most developed tourist destinations in Croatia, which has natural resources and a long tradition in health tourism. The sample included 4016 participants (1989 tourist, 1770 inhabitants and 257 managers) in 41 tourist destinations, grouped into 8 sub-destinations, placed at the coastal, island and rural areas, covering an area of 3.588 square

kilometres (Figure 2). The results of this study allow a comparison with previous research conducted in year 2003 and 2005/6, whose results were published in the Journal *Tourism and Hospitality Management* (Blažević & Peršić, 2007, 2004). The task of this empirical research was to determine the views of tourists, inhabitants and tourism professionals, about the quality of the offer in the Kvarner tourist destination. Questionnaires for each target group were designed so that the first part of each questionnaire contained questions specific to the target group of respondents, while the second part of the questionnaire (test elements tourist satisfaction) was identical for all target groups. This part of the questionnaire contains 32 elements, divided into 5 groups, as follows:

1) *Space, Resources, Environment* (climate, beauty of the landscape, preservation of the environment, sea cleanliness)

2) *Residents, Employees* (the hospitality of employees in tourism, hospitality of inhabitants, foreign language skills of tourism employees)

3) *Identity, Security, Information* (feeling of safety and security, quality of tourist information prior to their arrival in the destination, traffic signs, souvenirs)

4) *Organization of the destination* (geotrafical position and accessibility, promenades and green areas, orderliness and cleanliness, urban harmony, local traffic organisation, parking, arrangement and the cleanliness of beaches, crowds on the beaches, offer in the shops, working hours of restaurants, working hours of other services for tourists – banks, shops...,)

5) *Facilities / Contents* (events, historical and cultural heritage, facilities for children, accommodation, restaurants and catering facilities, cultural facilities, entertainment, sports facilities, conferences and congresses, facilities for health tourism, facilities for nautical tourism, excursions, local gastronomy, price – value relationship).

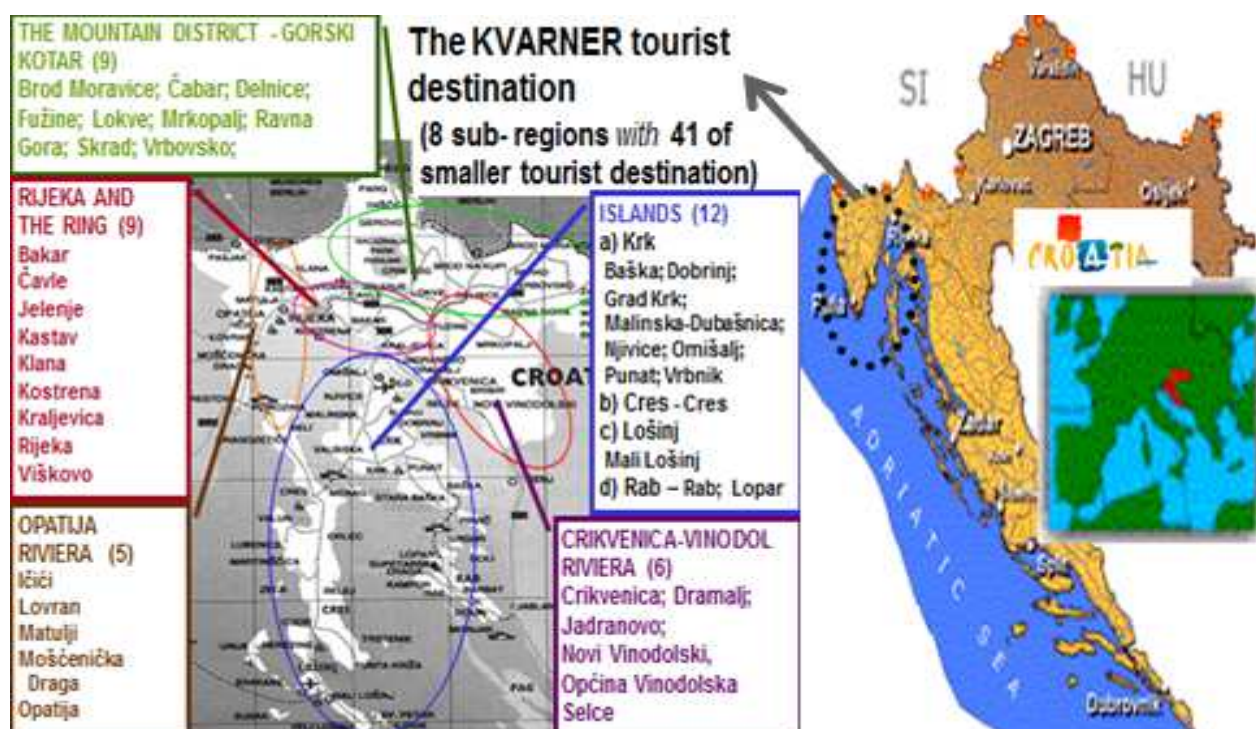


Figure 2: Scope of the empirical research area in the Kvarner tourist destination

For each target group several specific questions in the questionnaire are defined, as follows:

a) *For tourists*

- socio-demographic profile (country of origin, age, gender, occupation, education level)
- motive and mode of arrival (motive, number of visits, possibility of coming back, source of information about the destination offer, mode of arrival, use of travel agent services)
- quality of the destination offer (type and quality of used accommodation, number of overnight stays, total daily expenditure)

b) *For inhabitants*

- socio-demographic characteristics (age, gender, workplace, level of education)

- attitudes towards tourism development (tourism position at the destination level, involvement of the domestic offer, availability of information, involvement of inhabitants in tourism development decision-making, involvement in public work)
- relationship to the sustainable tourism development (the negative influence of the development of other industries on tourism, e.g. uncontrolled building of apartments and flats for rent, which threaten the development of the tourism destination, carrying capacity rating)
- rating tourism professionals responsibilities for tourism development (assessment of the level of responsibility of management in tourism organisations, tourism business and local government, rating the quality of the tourism destination organisation activity)
- c) *For tourism professionals:*
 - type of tourism destination management (choice between the possible models, definition of development goals, rating the quality of customer care – before, during and after their stay in the tourist destination)
 - possibilities for development of selective types / forms of tourism (SWOT analysis, positioning and ranking some elements in the group of selective types / forms of tourism offer – leisure, sports and recreation, MICE, health and business tourism).

This survey was conducted with the purpose of providing current, reliable, quantitative and qualitative information about the attitudes of tourists, inhabitants and tourism professionals in the Kvarner tourist destination. The questionnaires included closed- and open-ended questions, and a grading scale (from 1 to 7). This research involved a large number of destinations, but it used the same methodological basis, which makes the research results comparable. The data collection mostly used the personal interview method and self-completion questionnaires. Each interviewer had to follow specific instructions regarding the quota, type of questionnaire, destination, country of origin and type of accommodation. Subsequently the technical content and the accuracy in completing each questionnaire were verified. The collected and controlled questionnaires were coded and statistically analysed using SPSS software.

4.2 Assessing environmental care in the Croatian hospitality industry

The main purpose of this research was to assess environmental care in the Croatian hospitality industry. The reason for the link between these two researches lies in the knowledge that the environmental dimension is an important part of today's tourism offer. Most visitors do not wish to visit destinations which have undergone visual degradation, through general overdevelopment or poor resource management. Destinations with unique, relatively pristine environments can now build competitiveness by promoting themselves as eco-destinations. Their offer as a part of eco-tourism, i.e. responsible travel to natural areas that conserves the environment, improves the well-being of local people and also opens the possibility of achieving a competitive advantage on the global tourism market.

The sample consists of hotel managers and staff in the Croatian hospitality industry. The reason why hotel management was investigated lies in the fact that in Croatia *destination management* still does not act according to the principle of corporate governance, and hotel managers' responses can be viewed as significant also at the tourist destination level. The participation in this survey was voluntary. The data was collected using standard paper-based as well as web-based surveys, which were self-administered. The research was carried out during late 2009 and early 2010 in the largest hotel companies in Croatia. Questionnaires were distributed to the hotel managers of 199 four and five star hotels with a rate of return of 69%. Therefore, the results of the research as well as the sample can be viewed as acceptable, not only in terms of quantity, but also with regard to territorial distribution, since it covers 35% of the entire hotel capacity in all Croatian destinations (45% from Istria, 35% from Kvarner, 8% from Dalmatia and 11% from continental Croatia and Zagreb). Data collected included descriptive statistics, which was analyzed by using the statistical package SPSS.

Results of this research will be used in finding answers to the question whether management in the Kvarner tourism destination is responsible in terms of using resources for shaping a competitive, yet eco-healthy tourism product. It has to be part of an environmentally responsible health-tourism offer, connected with travelling to relatively undisturbed natural areas, with numerous resources for enjoying, admiring and studying nature, while at the same time including only those activities which have a low impact on the environment and which are socio-economically beneficial to local communities. For this purpose, destination management has to ensure that the development of a destination is based on the principles of environmental protection and sustainable development. Investments in eco-healthy tourism proven to pay off by different

research results, e.g., 90 % of travelers prefer a hotel that shows concern for the environment, 67% of tourists from the EU prefer eco-friendly vacations and there is an annual increase of 10-15% in companies that search for green hotels for their meetings, etc. (Peršić, 2012: 42).

5. FINDINGS AND DISCUSSION

Based on the analysis of the research results, it can be concluded that during the research period, the Kvarner region was mostly visited by foreign tourists (80 %), the majority of which come from Italy (18%), Germany (16%), Austria (10%) and many other countries. The predominant age group is the one from 16-45 (65%), with various occupations, with secondary (46%), or higher / university education (45%). The predominant reason for visiting the destination is *rest and relaxation* (48%), it is somewhat less important to *have fun and new experiences* (18%), or the *beauty of nature and landscape* (11%). Using the facility and resources of the *health tourism* offer, is not recognized as an important motive to visit the Kvarner tourist destination. Most of the respondents visited Kvarner for the first time (44%), most frequently because of the recommendation of friends (36%) or based on internet information, but the majority of them intend to come again (68%). Fewer respondents have been to the Kvarner region two or more (26%), or five or more times (5%). Most of the surveyed tourists came to Kvarner by car, they self-organized their travel (87%), and they predominantly use private accommodation (52%). They stay on average from 4 to 7 nights (31%), which is in line with global trends (ETC, 2006).

The surveyed inhabitants were predominantly aged from 16 to 45, they were male (56%), and most of them are employed in other industries (47%) and only a part are employed directly in tourism (14%) and have completed secondary (56%), or higher / university education (37%). Most of the inhabitants have a positive attitude towards tourism development in the Kvarner destination (65%), they point out to the lack of involvement of local products in the tourism offer (52%), on the inadequate involvement of inhabitants in decision making process of tourism development (73%) or in public work for the benefits of tourism (57%). A group of respondents is afraid that industry is an obstacle for tourism development (65%), the danger is present also from uncontrolled building of apartments or weekend houses (54%) or the possibility of exceeding the destination carrying capacity (47%). Inhabitants believe that destination management (based on the principles of corporate governance) should be organized as a part of the Croatian Tourist Board Organizations (65%), although when asked about its present work as institution only 40% of them are satisfied.

Tourism professionals also preferred Tourist Board Organizations as a basis for the establishment of destination management (score 5,09), while public sector representatives in tourism are the least popular solution (4,04). They find that not enough is being done to inform the guests prior to their arrival in the Kvarner tourist destination (4,76), during their stay in the destination (4,80) and especially not after their return home (4,54). The highest grade (5,26) is attributed to those things the guest remembers about the destination when they return home, and the lowest score was given to the degree of innovativeness of the tourism destination product (4,19). The responses of tourism professionals mirror the presence of the global economic crisis, which is why they mostly place an emphasis on those types of tourism offer which do not require significant investments and are connected to available resources in the Kvarner tourist destination (Table 1).

If the above presented were grouped according to common characteristics, then the priority is placed on different *supporting* types (5,42) of tourism (fans of flora and fauna, eco, ethno, gastronomy, culture, historical stories, religious and alternative tourism), followed by traditionally popular and seasonal *leisure tourism* (5,24), *sports and recreation* (5,07) and *events* tourism (5,05), while *health* (4,91) and *business* (4,32) tourism are ranked at the lowest point. The above has indicated that the management of the Kvarner tourist destination has not sufficiently considered the opportunities of health tourism, particularly regarding the possibility of extending the season and increasing the degree of capacity utilization.

That this part of tourism demand is in a certain way ignored, is also demonstrated by the research results presented in the following table, which presents the summarized attitudes of all target groups of respondents (tourists, inhabitants, tourism professionals), since facilities for *health tourism* were evaluated as very low (3,66), although the opportunities of the resources available in the Kvarner region are much greater. In fact, the ranking of natural and human resources is very high (5,17 to 5,56), same as the feeling of safety and security (5,19) in this tourist destination. The Kvarner region has an excellent geotrafical position (5,06), it offers high-quality parks, promenades, and maintained green areas (5,19 – 5,21), all of that in the

comfortable surroundings of a well-organized destination. The Kvarner region offers a distinct cultural identity (5,10) with a high quality of accommodation and recognizable gastronomy (5,02 – 4,97) and a professional relationship towards guests.

Table 1

Opportunities for the development of selective types of tourism in the Kvarner tourist destination
(*Tourism professionals' opinion*)

Hiking, trekking	5,94	Recreation in nature / countryside	5,77
Cycling, mountain-biking	5,42	Senior tourism	5,35
Active vacation	5,30	(Important) days of ...	5,28
Passive vacation	5,26	Urban tourism	5,24
Fans of flora and fauna	5,24	Events	5,23
Exhibitions	5,20	Mountain climbing	5,20
Gastronomy	5,17	Culture tourism	5,05
Carneval	5,04	Eco-tourism	5,02
Concerts	5,01	Climbing	4,85
Fishing tourism	4,76	Ethno-tourism	4,75
Adventure tourism	4,72	Festivals	4,71
Historical stories	4,67	Hunting tourism	4,56
Children's tourism	4,56	<i>Medical tourism</i>	4,55
<i>Wellness</i>	4,49	Fairs	4,47
<i>Health resorts</i>	4,39	Water sports	4,27
Religious tourism	4,26	Tennis	4,19
Business meetings	4,14	Skydiving	4,10
Alternative tourism	4,07	Robinson tourism	4,01
Motocycling, auto racing	3,96	Paragliding	3,96
Horse riding	3,87	Mass tourism	3,77
Indoor sports	3,69	Incentive turizam	3,69
Nautical tourism	3,64	Naturism	3,59
Sports mega-events	3,53	Mega-spectacles	3,30
Mega-conferences – congresses	2,90	Golf	2,81

Table 2

Assessment of the Kvarner tourism offer (*opinions of tourists, inhabitants and tourism professionals*)

<p>1. SPACE, RESOURCES, ENVIRONMENT (5,56)</p> <ul style="list-style-type: none"> – beauty of the landscape (5,87) – climate (5,76) – preservation of the environment (5,35) – sea cleanliness (5,21) <p>2. RESIDENTS, EMPLOYEES (5,17)</p> <ul style="list-style-type: none"> – hospitality of inhabitants (5,34) – hospitality of employees in tourism (5,32) – foreign language skills of employees in tourism (5,03) <p>3. IDENTITY, SECURITY, INFORMATION (4,86)</p> <ul style="list-style-type: none"> – feeling of safety and security (5,19) – souvenirs (4,81) – quality of information for tourists prior to their arrival in the destination (4,74) – travel signalization (4,68) 	<p>4. ORGANIZATION OF THE DESTINATION (4,86)</p> <ul style="list-style-type: none"> – promenades (5,21) – parks and green areas (5,19) – working hours of restaurants (5,17) – geo-traffical position and accessibility (5,06) – orderliness and cleanliness (5,06) – quality of the product offer in shops (4,96) – other services for tourist (banks, shops...) (4,86) – layout and the cleanliness of beaches (4,71) – urban harmony (4,67) – local traffic organisation (4,47) – parking spaces (4,37) – crowds beaches (4,29) 	<p>5. FACILITIES / CONTENTS (4,46)</p> <ul style="list-style-type: none"> – historical and cultural heritage (5,10) – restaurants (5,02) – local gastronomy (4,97) – accommodation (4,94) – price-value relationship (4,75) – cultural facilities (4,59) – events (4,58) – excursions (4,46) – entertainment (4,43) – facilities for children (4,30) – sports facilities (4,22) – facilities for health tourism (3,66) – conferences and congresses (3,54) – facilities for nautical tourism (3,89)
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The word *hospitality* is present as an important part of the overall destination offer and all together can be validated on the health tourism market. The following table shows that natural and human resources constantly hold the top position. In comparison with the results of previous research, it can be seen that there has been a recorded increase in the quality of all elements of the Kvarner destination tourism offer. This is particularly evident in the improvement of the items regarding the “*organization of the destination*”, which is very important for the development of all aspects of health-tourism, especially for medical tourism.

Table 3

Ranking elements of the Kvarner tourist destination offer – a comparative overview

ELEMENTS RANKING OF THE KVARNER TOURIST DESTINATION OFFER	KVARNER average score according to research for 2006	KVARNER average score according to research for 2011
(1) <i>Space, Resources, Environment</i>	5,32	5,56
(2) <i>Residents, Employees</i>	4,96	5,17
(3 / 3) <i>Organization of the destination</i>	4,40	4,86
(5 / 4) <i>Identity, Security, Information</i>	4,53	4,86
(4 / 5) <i>Facilities / Contents</i>	4,21	4,46
<i>Average of all groups of elements</i>	4,51	4,99

Since hotels are one of the biggest polluters on the tourist destination level, it is very important to know to what degree hotel managers in the Croatian hospitality industry care about improving and protecting the environment. The research results are presented in Figure 3. Water and energy saving programs have the highest level of application (92%), as well as related programs (waste separation, waste and noise reduction), which are associated with the need to educate employees and guests on joint action that will improve and promote goals defined in the environmental policy and which are elaborated in the practical guide. Far less implemented are those action programs that are focused on changing the behavior in the community or that affect the future generation. This indicates that this part of eco-activities can be defined as a task for destination management, whose duty it is to coordinate all stakeholders on destination level, in order to achieve operative and strategic goals defined by *green strategies*.

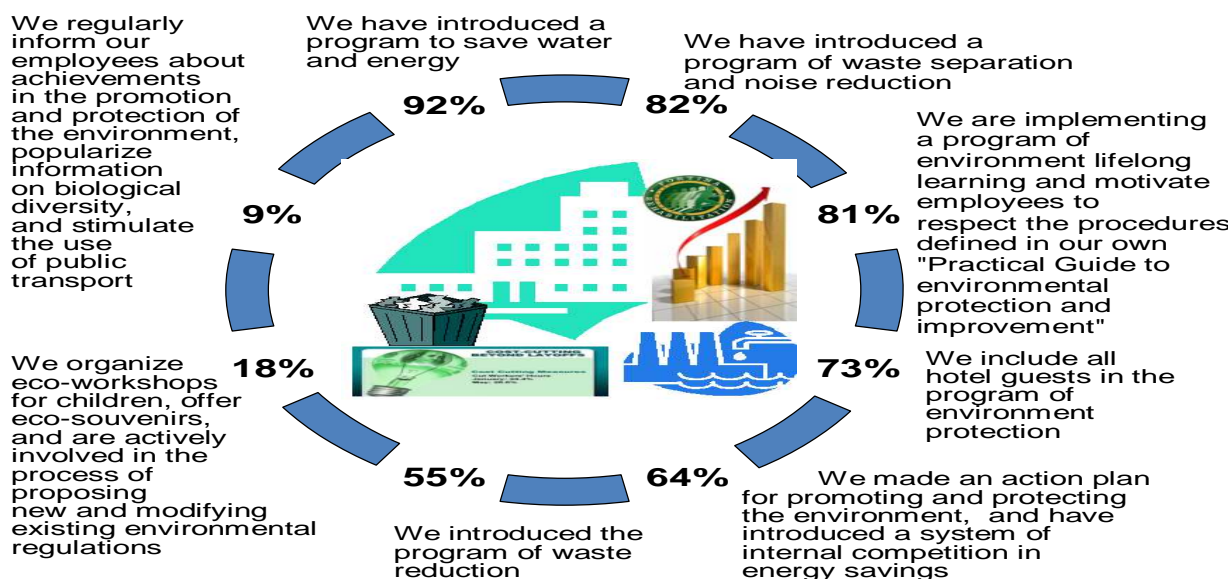


Figure 3. How do managers in the Croatian hospitality industry assess eco-awareness

For this purpose it is necessary to establish environmental accounting (EFA, EMA, NEMA...) in order to provide eco-information for segment reporting by applying *segment reporting standards* (USALI IFRS 8, USFRS ...) for internal and external customers. The abovementioned is a necessary prerequisite for the implementation of eco-benchmarking starting from the segment level, to the national level. This is extremely important for all types of health tourism, especially for *Eco SPAs*, which are nowadays increasingly important for business and leisure travelers, who are looking for ways to relax in a protected and preserved environment.

6. CONCLUSION

The results of this research indicate that there are many preconditions for health tourism development in Croatia which are not yet sufficiently recognized or utilized. There is great potential that remains to be exploited, which opens up a space for entrepreneurship, while taking into account trends on the global market. Which health tourism services could be offered and in which manner depends on who will be the target customers. The generational behavior of customers can be identified as (1) the *Silent Generation* – born between 1925 and 1942, (2) the *Boomers/ Baby Boomers* – born between 1943 and 1960, (3) the *Gen X* – born between 1961 and 1981 and (4) the *Millennials* – born between 1982 and 2000 (Hilton, 2010: 4-5). Of crucial importance for the profitability of the health-tourism offer is to be familiar with their wishes and needs, which are completely different between each target group. Particularly important are *Baby-Boomers* (Smith, Puczko, 2009: 141) who are slowly entering the *senior* category of customers, and research results show that *seniors* ranked *health holidays* (84%) and *wellness* (92%) as the most important type of tourism product (Mungall, Schegg, Courvoisier, 2010: 75).

This shows that on the tourism market there are many opportunities and that in Croatian tourist destinations the resources for profitable health tourism development are available. However, there is no adequate legislation in Croatia, and strategic documents which could seriously encourage entrepreneurial ventures in health tourism development do not exist. It would be necessary to adopt standards and access to the categorization, certification and licensing of different parts of the health tourism offer, and to set up a brand of eco-healthy tourist destinations. Performance measurement, segment reporting and benchmarking within the health tourism cluster should be based on the application of USFRS standards. Through different forms of formal and informal education processes should be provided which will create the possibility of acquiring specific knowledge at all educational levels. Furthermore, this would regulate employment in the health tourism sector with the appropriate degree and specific professional knowledge.

In order to ensure support for entrepreneurship in Croatia, it is necessary to take certain steps at various hierarchical levels. First, it is essential to provide adequate legal support (to pass a law and / or rulebook for health tourism) as well as to adequately position health tourism in strategic development documents.

Moreover, it is necessary to assess? the categorization and standardization of health tourism, by taking into account internationally accepted standards, best practices, and the fact that, at the beginning, tourism in Croatia was primarily health tourism (in the 1900's Opatija was the second most important health resort in Europe). The next step is to brand health tourism destinations and to license the health tourism offer, while taking into account the principles of sustainable development. Furthermore, the previously identified comparative advantage (natural resource, human resource, tourism and medical facilities...) has to be converted into a competitive advantage of a health tourism destination. A prerequisite for this is that the natural, organizational and knowledge resources are economically utilized by extending the season, by achieving a higher degree of capacity utilization, and by developing new health tourism destinations, outside the coastal areas. Health tourism based on these starting points will provide a year-round business, improve the Croatian image in the target health tourism markets and will lead to greater financial and economic benefits.

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