

ECONOMIC ANALYSIS OF INTERNATIONAL TRADE IN PERSONAL AND BUSINESS TRAVEL SERVICES

Svetlana Ignjatijević¹; Jelena Vapa Tankosić²

Abstract

The world today is facing one of the worst pandemics in modern history. Around the world, financial markets are in serious difficulties, the consequences of which have begun to spill over into the tourism sector. Covid-19 has caused sharp contractions in economic development, reduced mobility and has contacted tourism flows as the international tourist arrivals in most world sub-regions recorded declines from -60% to -70%. The aim of this paper is to analyze the international travel in the field of personal and business travel in the period of 2010-2019 exported to and imported from the Republic of Serbia. The findings show that the international travel for personal purposes has achieved the greatest value over the years, the second place is taken by travel for business purposes, whereas education-related travel achieved the third place. Exported and imported values of the category Travel, Personal and Travel, Business has the highest value of exports and imports from Serbia to European Union (EU 28), with Germany, Greece, Austria and Italy having the highest flows of exported and imported values. In 2020 Asia and the Pacific, was the region to suffer the hardest impact of Covid-19. On the second place there is Europe, followed by the Americas, Africa and the Middle East.

Key Words: *tourist services, international trade, personal travel, business travel, Serbia*

JEL classification: *F1, L8, L83*

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Introduction

In response to the Covid-19 pandemic, in order to mitigate the economic consequences of Covid-19, central banks have turned to newer, more unconventional strategies to control money supply and boost economic growth. The European Central Bank's (ECB) macroeconomic projections for September 2020 predict that world real GDP (excluding the euro area) will decline by 3.7% this year, but there is still the forecast growth of 6.2% and 3.8% in 2021 and 2022 (European Central Bank, 2020). The contraction in global trade will be increasingly serious given its procyclicality. The crisis caused by the Covid-19 pandemic has also led to disruptions in global production chains. Other risks in the Eurozone include the outcomes of Brexit, the risk of increased trade protectionism and the risk of long-term negative effects on global supply chains. Governments, central banks and regulators are working to boost market liquidity by introducing new monetary and financial policy measures, tax breaks and other mitigation measures. Covid-19 has caused sharp contractions in economic development, reduced liquidity and made it difficult to access capital (Radić, et al., 2020).

As an economic phenomenon, tourism is essentially a combination of economic and non-economic entities more or less connected through the social division of labor, which seeks to create an organized offer of all products/services necessary for persons/tourists temporarily residing outside their permanent residence. The connection between economic development and the movement of international tourist flows does not need to be proven. The statements of the World Tourism Organization and the World Bank confirm that the greatest benefits from tourism have industrialized countries that absorb more than 50% of international tourist trips and about 65% of revenues generated on that basis. This is quite understandable because underdeveloped countries do not have the opportunity to invest in tourism infrastructure without which tourism development is not possible. When it comes to tourism at the global level, we can say that the growth of political uncertainties is expected, which will limit the volume of travel to some extent, then the growth of terrorism, which will lead to stricter security measures, visa regimes and various entry controls.

In 2019, international tourist arrivals reached 1.5 billion, a 4 per cent increase over 2018, while the sector generated \$1.5 trillion in exports while tourism had a sharp decline in March 2020 as international tourist arrivals

decreased by 56 per cent in the first months of the year, and in May 2020 has fallen down by 98 per cent. The loss of nearly \$320 billion in exports represents almost over three times what was lost during the whole of the 2009 global economic crisis (UNWTO, 2020a). In some countries the travel has slowly restarted but "limited connectivity and weak consumer confidence, the unknown evolution of the pandemic and the impact of the economic downturn present unprecedented challenges to the tourism sector" (UN, 2020, p.4). Therefore subject of the paper is the analysis of the international tourism services exported to and imported from the Republic of Serbia, and international travel in the field of personal and business travel, as one of its components.

Literature review

Many factors influence the formation, behavior and increase of tourist demand, which by its presence in a certain space and time, using various tourist facilities, provokes numerous interdependent relations, whether of social or economic importance (Koprivica, 2007). Classical trade in goods and services is increasingly losing importance. In addition to goods and classic services related to trade, modern services (engineering, information, science, tourism, etc.), money, capital and technology are increasingly moving across the border. In the last two centuries, services have significantly stimulated economic growth. There is no process of economic change that does not include service activities. In the economies of developed countries, the importance of services is great, and for that reason it has not been heard that more and more expressions such as "service economy" or "service society" are appearing in theory and practice. The increase in welfare in society leads to a greater demand for services compared to the demand for goods. It is a consequence of the relationship between income and the structure of consumption of goods and services. Consumers are increasingly spending their income on travel, recreation, education, health and similar services, rather than on cars and clothing. The rapid industrialization and faster pace of life spur different needs, desires and create new trends. In order to meet the new demands of life, especially as a balance to urban life, tourist centers are developing a new approach to health. Health tourism originally meant balneology, herbal therapy, relaxation, a healthy diet and lifestyle. Today, all this is complemented by the provision and execution of most complex medical interventions. Traveling abroad to perform a particular medical treatment today can be called a "rewarding experience". The term carries with it a seemingly incompatible intervention-treatment-pain-care, and on the other hand, the

experience of new luxury accommodation, recovery in exotic places with an aim of solving a health problem (Cvijanović et al., 2016). The findings of Vapa-Tankosić and Ignjatijević (2017) on the existing international sites on medical tourism show that the majority of them possess the description of treatments (photos or videos), details of the institution establishment, staff qualifications and professional experience, technology (virtual tours of facilities), accreditation, and very often also patient testimonials and recommendation for patients. The majority of respondents, in addition to consuming medical services, came to Serbia to visit a friend or relatives and decided to opt for medical services in Serbia at the recommendation of friends and relatives (Ignjatijević et al., 2017). The previous research on foreign users of medical tourism services in Serbia (Ignjatijević & Vapa-Tankosić, 2018) has pointed out that the respondents highly valued the institution itself and the quality of medical service. Their findings show that for the selection of a country or institution for medical services, the following are the most important factors: High standard of hospital accommodation (4.30); Accreditation of the institution (4.42); Confidentiality and privacy guaranteed (4.38); Treatment speed abroad (4.52); Doctor's Recommendation (4.55); After treatment assistance provided (4.59); High quality care (4.6) and Cost savings (4.6). The answers provided indicate that culture, infrastructure, good rest, or non-medical content were not so important to patients. On the other hand, the results of the research show that the respondents have given the lowest rating to the following factors: Nontraditional treatment, Treatment of persons with special needs (disabled), Stable political situation and healthy legal system, Good infrastructure (proximity to major cities, highways, airports, etc.) and Similarity of culture. Ignjatijević & Vapa-Tankosić (2019) on a sample of 365 foreign users of medical tourism services in the age group of 41-50 years of age, equally represented by men and women, of the average income ranging from EUR 2001-4000, with secondary school and faculty, married, speaking mostly English, Norwegian, Italian and German have concluded that foreign patients, users of medical tourism services, are not sufficiently informed about Serbia as a medical tourism destination, having mostly negative or insufficiently positive perceptions. On the other hand, their perceptions of the quality of human resources in tourism, such as medical staff politeness, and quality education, good living conditions can positively influence the desirability of Serbia as a medical destination. The findings show that the increase in well-being in society has contributed to the increase in demand for health services and consequently the development of medical tourism (Ignjatijević & Vapa-Tankosić, 2020).

The tourism dynamics in the world

The authors shall analyze the tourism dynamics of the volume of international tourism services as per the latest available data on export and import of the international travel, in the field of personal and business travel, of International Trade Centre and UNWTO. Table 1a shows the values of exports of tourism services classified by category.

Table 1a and 1b: *Value of exports of tourist services by categories expressed in millions of dollars (in period 2010-2019)*

Table 1a	Exported Value in 2010				Exported Value in 2011				Exported Value in 2012				Exported Value in 2013				Exported Value in 2014				Exported Value in 2015				Exported Value in 2016				Exported Value in 2017				Exported Value in 2018				Exported Value in 2019			
	Travel, Personal, Other (other than health and education)				Travel, Personal, Education-related				Travel, Personal, Health-related				Travel, Business																											
	351,119	435,707	442,768	520,541	55,714	64,454	67,204	72,312	3,952	5,064	5,252	6,024	7,308	7,048	6,772	8,835	107,615	126,334	135,859	145,096	571,448	552,397	568,781	627,288	642,083	274,719														
	520,541	571,448	552,397	568,781	627,288	642,083	274,719																																	

	Table 1b			
	Imported Value in 2010	Imported Value in 2011	Imported Value in 2012	Imported Value in 2013
Travel, Business	108,523	130,907	131,374	136,436
Travel, Personal, Health-related	5,822	7,022	6,566	6,985
Travel, Personal, Education-related	30,955	33,592	33,132	34,637
Travel, Personal, Other (other than health and education)	365,308	425,530	407,527	442,617
				496,195
				464,326
				473,328
				515,624
				552,258
				163,136
				20,897
				1,517
				140,495
				143,209
				59,938

Source: *ITC*

The period from 2010 to 2019 was observed, the values in the Table 1 are expressed in millions of dollars. From the international turnover of tourist services classified by categories, we can clearly conclude that the value of exports in 2019 amounting to 410,342.00 expressed in millions of dollars (Table 1a and 1b). This phenomenon is associated with the phenomenon of globalization, where the flow of people, capital and services around the world increases over the years. Various foreign trade agreements and

unions are being concluded between countries around the world. Tourism is becoming more and more modern and people have a desire to explore and see something unknown. Along with the movement of tourists, there is an exchange of different cultures and knowledge. Personal travel has the highest value in international traffic compared to other categories of tourists. Over the years, the development of technology itself has led to developments in the field of travel. Tourists no longer need travel agencies, but they themselves, with the help of various internet platforms, organize and reserve the entire trip in accordance with their wishes and possibilities.

In travel services the category of business travel has achieved the lowest value in 2019 amounting to 69,615 million of dollars. In the second place there are trips for education purposes, but with a noticeably lower realized value amounting in 2019 to 45,573 million of dollars. Travel for Health purposes has achieved the third place amounting in 2019 to 4,074 million of dollars. The values had a slight growth over the years. In Table 1b, the values of imports of tourist services classified by categories are presented. The period from 2010 to 2019 has been analyzed and the values are expressed in millions of dollars. A category that has achieved the highest value of travel imports in 2019 is for business travel amounting to 59,938 millions of dollars.

The tourism dynamics in Serbia

The list of importing markets for a service exported by Serbia for category Travel, Personal is presented in Table 2. The exported value of category Travel, Personal in 2019 amounts to 1,583,483 thousands of dollars with the highest value of exports from Serbia to European Union (EU 28) amounting in 2017 to 621,553 thousands of dollars. Of the European Union (EU 28) countries, Germany is the country with the highest import values for service exported by Serbia, from 2010 to 2017, amounting in 2017 to 88,954 thousands of dollars. On the second place there is Slovenia with the exported value in 2017 that amounts to 74,316 thousands of dollars and on the third place is United Kingdom with the exported value in 2017 that amounts to 70,938 thousands of dollars.

Table 2: *List of importing markets for a service exported by Serbia Service: 4.2. Travel, Personal (in period 2010-2017)*³

Importers	Exported value in 2010	Exported value in 2011	Exported value in 2012	Exported value in 2013
World	790,461	979,313	908,384	1,039,525
European Union (EU 28)	388,422	542,189	473,223	540,716
Germany	62,307	95,926	83,586	85,027
Slovenia	54,353	83,414	68,154	75,727
United Kingdom	39,770	52,829	52,723	69,084
Croatia	34,467	31,975	33,434	46,499
Switzerland	35,793	56,999	38,578	49,156
United States of America	55,678	62,560	52,723	46,499
Austria	30,490	38,926	37,292	41,185
Turkey	14,582	8,341	5,144	13,285
Bulgaria	6,628	9,732	10,287	15,942
Italy	15,908	25,024	21,861	19,928
Greece	31,816	22,244	15,431	17,271
Romania	5,303	8,341	7,716	10,628
Importers	Exported value in 2014	Exported value in 2015	Exported value in 2016	Exported value in 2017
World	1,125,867	1,033,541	1,134,339	1,325,377
European Union (EU 28)	587,822	501,521	559,839	621,553
Germany	90,230	63,245	58,639	88,954
Slovenia	83,595	68,793	76,342	74,316
United Kingdom	59,711	61,026	66,384	70,938
Croatia	57,057	47,711	57,533	66,434
Switzerland	51,750	56,588	69,703	64,182
United States of America	45,115	53,259	60,852	52,922
Austria	42,461	39,944	37,618	40,536
Turkey	25,211	38,835	29,873	31,528
Bulgaria	19,904	24,410	30,979	28,150
Italy	23,884	19,972	22,128	28,150
Greece	21,231	15,534	18,809	22,520
Romania	10,615	13,315	18,809	22,520

Source: *ITC*³ ITC does not have data for the period after 2017.

Table 3 presents the values expressed in thousands of dollars for the category Travel, Personal of supplying markets for a service imported by Serbia. The period from 2010 to 2019 has been analyzed. Imported value in 2019 amounts to 1,556,835 thousands of dollars with the highest value of service imported by Serbia to European Union (EU 28) amounting in 2017 to 871,526 thousands of dollars. Of the European Union (EU 28) countries, Greece is the country with the highest import values for service imported by Serbia, from 2010 to 2017, amounting in 2017 to 472,921 thousands of dollars. On the second place is Italy with the imported value in 2017 that amounts to 64,182 thousands of dollars and on the third place is Germany with the service imported by Serbia value in 2017 that amounts to 52,922 thousands of dollars.

Table 3: *List of supplying markets for a service imported by Serbia Service: 4.2. Travel, Personal (in period 2010-2017)*⁴

Exporters	Imported value in 2010	Imported value in 2011	Imported value in 2012	Imported value in 2013
World	759,464	881,888	817,170	879,848
European Union (EU 28)	494,476	576,945	537,520	603,157
Greece	193,548	246,070	235,326	294,936
Italy	45,073	54,219	41,150	41,185
Germany	37,119	44,487	42,436	42,513
Turkey	66,284	115,389	108,018	115,583
Croatia	21,211	26,414	25,719	29,228
Slovenia	22,536	25,024	23,147	30,556
Spain	34,467	38,926	28,291	29,228
Bulgaria	14,582	18,073	16,717	14,614
Africa	78,215	48,658	45,008	29,228
Austria	22,536	25,024	29,576	23,914
Exporters	Imported value in 2014	Imported value in 2015	Imported value in 2016	Imported value in 2017
World	931,723	890,371	989,967	1,148,320
European Union (EU 28)	506,880	630,230	787,757	871,526
Greece	261,402	339,525	439,241	472,921
Italy	33,173	44,382	58,639	64,182
Germany	33,173	35,506	48,682	52,922
Turkey	91,557	108,737	13,277	47,292
Croatia	26,538	37,725	34,298	37,158

⁴ ITC does not have data for the period after 2017

Slovenia	18,577	23,301	27,660	33,780
Spain	21,231	19,972	30,979	32,654
Bulgaria	10,615	15,534	22,128	28,150
Africa	29,192	18,863	11,064	25,898
Austria	21,231	24,410	25,447	24,772

Source: *ITC*

Table 4 shows the values of importing markets for a service exported by Serbia in the category Travel, Business for the period from 2010 to 2019. Exported value of category Travel, Business in 2019 amounts to 20,942 thousands of dollars, which is slightly lower than in 2018 (21,345 thousands of dollars), with the highest value of exports in the category Travel, Business from Serbia to European Union (EU 28) in the category Travel, Business amounting in 2017 to 13,512 thousands of dollars.

Table 4: *List of importing markets for a service exported by Serbia Service: 4.1. Travel, Business (in period 2010-2017)*⁵

Importers	Exported value in 2010	Exported value in 2011	Exported value in 2012	Exported value in 2013
World	8,212	11,034	12,132	13,578
European Union (EU 28)	5,303	8,341	9,002	9,300
Austria	1,326	1,390	2,572	1,329
Germany	1,326	1,390	1,286	1,329
Italy				
United States of America	1,326	1,390	1,286	1,329
Belgium				
France			1,286	
Netherlands				
Sweden				
Switzerland		1,390	1,286	1,329
United Kingdom			1,286	1,329
Importers	Exported value in 2014	Exported value in 2015	Exported value in 2016	Exported value in 2017
World	16,457	14,166	16,382	19,843
European Union (EU 28)	18,577	8,876	11,064	13,512
Austria	2,654	1,110	1,106	2,252

⁵ ITC does not have data for the period after 2017.

Germany	3,981	1,110	1,106	2,252
Italy	1,327	1,110	1,106	2,252
United States of America	1,327	2,219	2,213	2,252
Belgium			1,106	1,126
France	1,327			1,126
Netherlands	1,327		1,106	1,126
Sweden				1,126
Switzerland	1,327	1,110	1,106	1,126
United Kingdom	1,327	1,110	1,106	1,126

Source: ITC

Of the European Union (EU 28) countries, in the category Travel, Business, Austria is among the countries with the highest import values for service exported by Serbia amounting in 2017 to 2,252 thousands of dollars and Germany, Italy and United States of America with the exported value in 2017 that amounts to 2,252 thousands of dollars. Table 5 presents the values expressed in thousands of dollars for the category Travel, Business of supplying markets for a service imported by Serbia.

Table 5: *List of supplying markets for a service imported by Serbia Service: 4.1. Travel, Business (in period 2010-2017)*⁶

Exporters	Imported value in 2010	Imported value in 2011	Imported value in 2012	Imported value in 2013
World	194,310	223,360	213,374	236,846
European Union (EU 28)	132,567	154,315	144,024	159,425
Germany	30,490	36,146	34,720	37,199
Italy	19,885	22,244	19,289	21,257
Russian Federation	15,908	19,463	21,861	25,242
Austria	10,605	11,122	10,287	14,614
Croatia	7,954	8,341	7,716	7,971
Greece	6,628	6,951	6,430	7,971
Hungary	6,628	9,732	9,002	11,957
France	10,605	11,122	10,287	10,628
Slovenia	6,628	8,341	7,716	7,971
Romania	3,977	4,171	3,858	5,314

⁶ ITC does not have data for the period after 2017.

Exporters	Imported value in 2014	Imported value in 2015	Imported value in 2016	Imported value in 2017
World	247,025	211,554	212,143	232,955
European Union (EU 28)	305,190	145,352	147,151	158,766
Germany	67,672	36,615	35,405	38,284
Italy	35,827	17,753	18,809	19,142
Russian Federation	25,211	16,643	15,490	18,016
Austria	37,154	9,986	9,958	11,260
Croatia	11,942	7,767	9,958	10,134
Greece	11,942	7,767	8,851	10,134
Hungary	18,577	9,986	11,064	10,134
France	18,577	8,876	7,745	9,008
Slovenia	11,942	5,548	6,638	7,882
Romania	6,635	5,548	4,426	6,756

Source: *ITC*

Imported value in 2019 amounts to 248,860 thousands of dollars with the highest value of service imported in the category Travel, Business by Serbia to European Union (EU 28) amounting in 2017 to 158,766 thousands of dollars. Of the European Union (EU 28) countries Germany is the country with the highest import values for service imported by Serbia, from 2010 to 2017, amounting in 2017 to 38,284 thousands of dollars. On the second place is Italy with the imported value in 2017 that amounts to 19,142 thousands of dollars and on the third place is Russian Federation with the service imported by Serbia value in 2017 that amounts to 18,016 thousands of dollars.

The tourism dynamics - the influence of Covid-19 and forecasts

The crisis caused by the Covid-19 pandemic has led to disruptions in the global market as well as in the Eurozone. Governments, central banks and regulators are working to boost market liquidity by introducing new monetary and financial policy measures, tax breaks and other mitigation measures for Covid-19, which has caused sharp contractions in economic development, reduced liquidity and difficult access to capital (Vapa Tankosić et al., 2020). The Government of the Republic of Serbia adopted the Decree on determining the Program of scheduling and using subsidies to support the work of the catering and tourism industry due to business difficulties caused by the epidemic of Covid-19 disease caused by SARS-

COV-2 virus. Having in mind that tourism is an extremely important branch of the national economy and has a significant contribution to the total gross domestic product, the Government of Serbia set aside 1,980,000,000 dinars as a measure to support the survival and development of this branch of the economy (The Government of the Republic of Serbia, 2021).

From Table 6 we can see that due to Covid-19 pandemic at the sub-regional level, North-East Asia (-86.3), North Africa (-73.6), South-East Asia (-73.5%), and Northern Europe (-72.4%) have suffered the largest drop of international tourist arrivals in 2020. It can be seen that the international tourist arrivals in most world sub regions recorded declines from -60% to -70%.

Table 6: *International Tourist Arrivals by Sub-region*

	(million US\$)			Share (%)	Change (%)		2020* % change over same period of the previous year		
	2017	2018	2019*		2019*	18/17	19/18	YTD	Q1
World	1,333	1,408	1,460	100	5.7	3.7	-70.1	-28.5	-94.9
Advanced economies	732	761	776	53.2	4.1	2.0	-70.2	-30.1	-94.5
Emerging economies	601	647	684	46.8	7.6	5.8	-70.0	-26.9	-95.5
By UNWTO regions:									
Europe	676.6	715.8	743.7	50.9	5.8	3.9	-67.7	-21.0	-93.3
Northern Europe	81.0	81.0	82.6	5.7	0.0	1.9	-72.4	-18.2	-95.7
Western Europe	192.7	200.2	204.7	14.0	3.9	2.3	-62.6	-19.8	-91.6
Central/Eastern Eur.	135.0	146.0	152.3	10.4	8.2	4.3	-69.0	-16.2	-94.1
Southern/Medit. Eur.	267.9	288.6	304.1	20.8	7.7	5.4	-69.3	-26.2	-93.6
-of which EU-28	540.5	562.5	579.0	39.6	4.1	2.9	-66.6	-21.8	-93.4
Asia and the Pacific	324.1	347.7	360.1	24.7	7.3	3.6	-78.8	-48.9	-98.2
North-East Asia	159.5	169.2	170.6	11.7	6.1	0.8	-86.3	-65.1	-98.9
South-East Asia	120.6	128.6	136.8	9.4	6.7	6.4	-73.5	-35.3	-97.3
Oceania	16.6	17.0	17.5	1.2	2.8	2.4	-68.8	-25.4	-99.0
South Asia	27.5	32.8	35.2	2.4	19.4	7.3	-66.5	-37.7	-97.5
Americas	210.8	215.9	219.5	15.0	2.4	1.6	-64.8	-16.9	-92.9

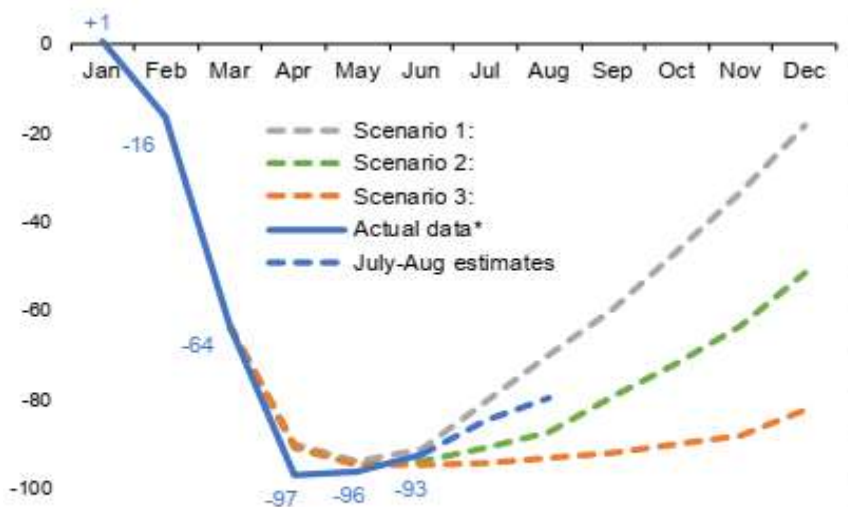
North America	137.4	142.2	146.4	10.0	3.5	3.0	-65.3	-14.3	-90.3
Caribbean	25.8	25.8	26.8	1.8	0.1	3.7	-64.0	-26.1	-97.7
Central America	11.1	10.8	10.9	0.7	-2.2	0.8	-65.9	-17.5	-98.3
South America	36.6	37.1	35.4	2.4	1.3	-4.7	-63.1	-17.5	-99.4
Africa	63.3	68.7	71.9	4.9	8.4	4.7	-69.1	-13.5	-98.9
North Africa	21.7	24.1	25.6	1.8	11.1	6.4	-73.6	-17.5	-98.2
Subsaharan Africa	41.7	44.6	46.3	3.2	7.0	3.7	-66.3	-11.7	-99.4
Middle East	57.6	60.1	65.1	4.5	4.3	8.3	-68.7	-20.2	-98.9

* Provisional data

Source: *UNWTO, 2020b*

UNWTO World Tourism Barometer (2020c) scenarios have shown declines of 58% to 78% in international tourist arrivals in 2020, with current trends that suggest a decline in international arrivals closer to 70% for 2020, with declines in 97% in April and 96% in May to -93% in June (Graph 1).

Graph 1: *International tourist arrivals in 2020: Year to date results and scenarios (y-o-y monthly change,%)*



Source: UNWTO

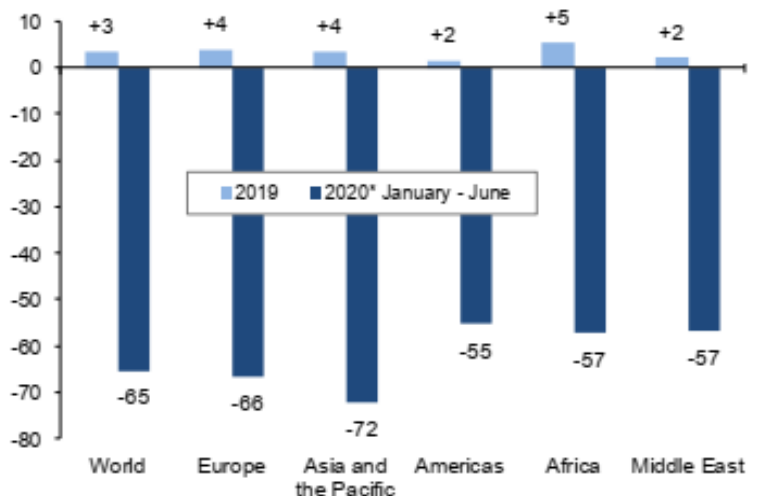
*Actual data includes estimates for countries which have not yet reported results.

Dotted blue line corresponds to UNWTO estimates for July and August 2020.

Source: *UNWTO, 2020c*

According to UNWTO World Tourism Barometer (2020c) in 2020 Asia and the Pacific, was the region to suffer the hardest impact of Covid-19, with a 72% decrease in arrivals in the first half of 2020 (Graph 2). On the second place is Europe with a 66% decline, followed by the Americas (-55%), Africa and the Middle East (both -57%).

Graph 2: *International Tourist Arrivals (% change)*



Source: *UNWTO, 2020c*

Conclusion

In the last two centuries, services have significantly stimulated economic growth. In the economies of developed countries, the importance of services is of great importance, and for this reason the terms such as "service economy" or "service society" are emerging. The rise in well-being in society leads to a higher demand for services than the demand for goods. It is a consequence of the relationship between income and the structure of consumption of goods and services. By exporting tourist services and all its categories, the state generates income from foreign tourists who visit it and thus makes a profit, while by importing travel services, a country suffers expenses from domestic tourists, as its citizens visit other countries. The aim of this paper is to analyze the international travel in the field of personal and business travel in the period of 2010-2019 also exported to and imported from the Republic of Serbia. The findings show that the international travel for personal purposes has achieved the greatest value over the years, in second place is travel for business

purposes, and education related travel has achieved the third place. Exported and imported values of the category Travel, Personal and Travel, Business has the highest value of exports and imports from Serbia to European Union (EU 28), with Germany, Greece, Austria and Italy having the highest flows of exported and imported values.

The crisis caused by the Covid-19 pandemic has led to disruptions in the global market as well as in the Eurozone. Governments, central banks and regulators are working to boost market liquidity by introducing new monetary and financial policy measures, tax breaks and other mitigation measures for Covid-19, which has caused sharp contractions in economic development, reduced liquidity and travel flows. Current trends suggest a decline in international arrivals up to 70% in 2020. Given that the end of the pandemic is still not expected, we cannot assess the efficiency and effectiveness of the measures taken for successfully support of the tourism sector. In times of reduced mobility and international travel because of Covid-19, the Republic of Serbia is also motivating its citizens to visit parts of the country that have not been visited so far by offering various promotions and vouchers, provided for both young and old, which is a very positive thing because our country has a lot to offer in terms of tourism.

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