

# Economic development and environmental protection in Szigetköz according to a questionnaire for entrepreneurs

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## *Getting and analysing the statistical data of our questionnaire*

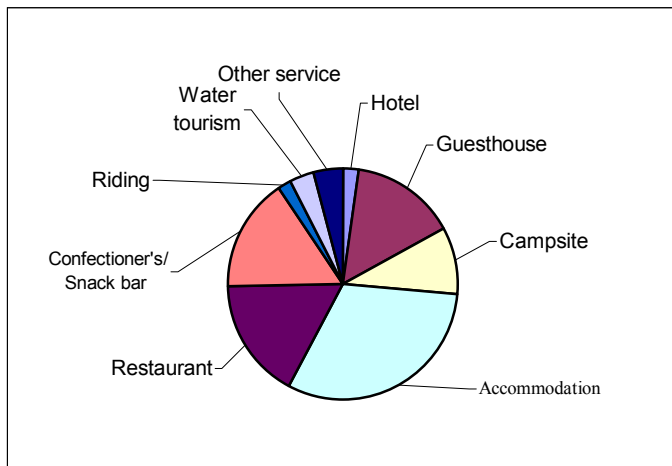
In the summer of 2001 we asked 95 hosts and entrepreneurs in 25 settlements of the Szigetköz to fill out our questionnaire. We looked over many tourist guides and web sites to find the businesses that we wanted to focus on. The mayor's offices also helped us with giving contact lists of registered, tourism-related entrepreneurs. We focused on the businesses whose returns come for the most part from tourism related activities. Fortunately there were numerous settlements where we could find and inquire almost all entrepreneurs and managers working directly in tourism. The findings of our in-depth study are partially or mostly concerning several other businesses supplying services for tourists. Among the concerned businesses are agricultural smallholders, artisans with regional products, health-resorts, beauty care salons, boat rentals, places of entertainment, forestries abounding in beast, etc.

*Table 1.* shows the types of businesses inquired for our survey, but these are only the main functions of the businesses. Most accommodations and guesthouses have an interest in other services, they are strongly connected with aquatic sports, fishing and riding, and offer leisure activities. The campsites are not far off the beaches or the riverbank. Szigetköz offers a complex supply and a big variety of accommodation types. There are two hotels of very high standard suitable as well for conferences. **At the private accommodations tourist get to know how the locals live and take pleasure in a good standard of equipment.** Snack bars, restaurants and confectioners are run by almost one-third of the businesses that we asked. Their income depends upon tourists' and local people's demand, too. Water tourism amounts to only a small proportion of businesses by the main function, but more than one-third of businesses are active in this branch by their additional functions. These small businesses propagating and diversifying their activities cover all fields of tourism sector in Szigetköz.

*Table 1.:* Businesses by main function

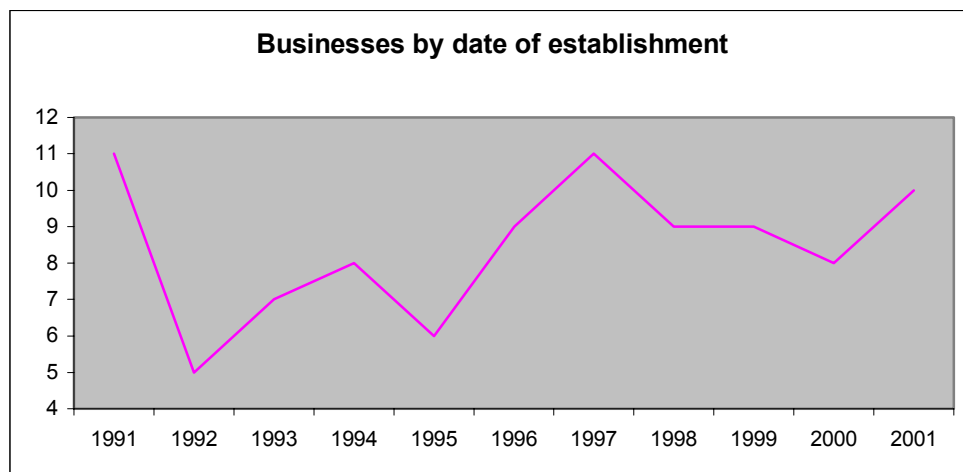
Main function	pc	%
Hotel	2	2.11%
Guesthouse	14	14.74%
Campsite	9	9.47%
Accommodation	30	31.58%
Restaurant	16	16.84%
Confectioner's/Snack bar	15	15.79%
Riding	2	2.11%
Water tourism	3	3.16%
Other service	4	4.21%
Sum total	95	100.00%

Source: Questionnaire survey.



*Schematic Representation of Businesses by main function*

Every year more and more new enterprises are established in the tourism branch (*Figure 1.*) On the basis of entrepreneur's statements we argue that the new enterprises need more initial investment. They plan to reach a higher standard in quality and they count on long-term activity of their businesses. New enterprises take aim at quality meeting both Hungarian and foreign tourists' needs and expectations.



*Figure 1.*

Source: Questionnaire survey.

The motivations of the establishment of businesses asked in our survey were influenced by five factors we created. To make more comprehensive these five factors, we cite a number of entrepreneurs' statements, too.

1. Booming demand: At many accommodations it gave the establishment a push that another accommodation sent over guests to suitable private houses. ("Austrian tourists were searching for accommodation, and I had a sudden inspiration. We reconstructed the house of our late grandparents into an accommodation.") Many owners of restaurants or guesthouses worked at companies in the same sector. After they obtained the proper experience and recognised the wide-ranging business possibilities in the tourism of the Szigetköz, they decided to establish their own enterprises. ("I pictured to myself to establish a pleasant place. I worked thirty years in the catering industry. An old pub was fitted up for these restaurant.")

2. Self-or family employment: In this case the aim of establishment was to provide job for one or more family members. Some senior citizens receiving too little pension put outside the "Zimmer frei" sign and their houses became accommodations. Since their wages were low or

their jobs were uncertain many public employees changed the job to an enterprise in the tourism branch. But also some young local people starting on their career began to work in this sector. Both good connections with the community and mutual help between the family members are of great importance for these types of businesses. (“I have a large house and people demand quality in tourism. I finished several courses, and I know all about organising tourism events, therefore I gave up my job [in the local primary school] and I specialised on tourism.”)

3. Utilisation of real estate: The conditions are favourable for the supply side of tourism, since the costs of the establishment of an accommodation are not sunk costs even if the entrepreneur reconstructs his/her own house or builds a new guesthouse. All these costs enhance the value of the real estates. Nowadays the investment in a real estate suitable for tourism activities is a low-risk, profitable investment also in the Szigetköz. That increases the attractiveness of the region to bind more investments. (“Our [building] company gives employment to one thousand workers. Originally we put up the building to hold our meetings there, for this purpose the holding company bought the old frontier barracks. Meanwhile the plan changed, we put up one more storey, and the building became a three-star hotel.”)

4. Attractive environment: As the rich natural heritage of Szigetköz is an evidence, relatively few entrepreneurs emphasised it in their statement. (“I build [the fish pond] for me and my friends loving the nature to have a good time there.”) The statements suggest (“I love Szigetköz and I profit from the attractive environment”) that the natural heritage and the clean, maintained settlement can only make the region attractive together.

5. Other: To the question about the entrepreneurs’ motivation of establishing the business, some entrepreneurs answered explaining their business philosophy or mission. (“Keep local people and tourists also in our settlement and providing quality services for them.”) (“Establishing a relaxation park for all members of the families... and a restaurant inside serving up traditional Hungarian dishes.”) External factors determined the establishment of many businesses: (“It was a political resolution to get this business afloat. So the camp vigour continued, only the name changed.”).

Businesses having interest in diverse activities emphasise diverse motivations of establishment: thirty-six percent of the accommodation hosts established their businesses for utilising their real estates, but about 38 percent of other enterprises account for the establishment of self-or family employment.

A small part of the entrepreneurs already declared at this question that their expectations of financial success were not granted, or they wanted to give up their businesses. (“In retrospect I wish I had not started this business, but this is my problem. I wish I had rather started a tavern, because in the country there is a need only for it.”) (“We built our business upon the rural tourism, and it failed, but on the other hand many AUDI-workers stayed at us.”) Others experienced increase in demand: (“We started a little fishermen’s inn, then we enlarged it continuously. Nowadays it is pretty large, we grow out of place.”)

Two-thirds (68%) of the businesses we inquired are able to secure any kind of accommodation. Campsites make 46 percent of the total capacity (*Table 2.*) combined with a lower quality. Guesthouses and private accommodations together have a 51-percent share of the total capacity and offer a higher standard required by the tourists from abroad. Both in the western and the eastern area of the Szigetköz, the hotels in Dunakiliti and in Gönyű provide the uppermost quality level for the tourists.

The campsites are cheap, so they are available for the less solvent guests also. Many native tourists, like young people or hikers, stay in campsites with pleasure. At a few

settlements there is a local tax for all kind of accommodations charged for persons per overnight. This is a disadvantage to the cheap campsites, because their costs are almost duplicated by the tax.

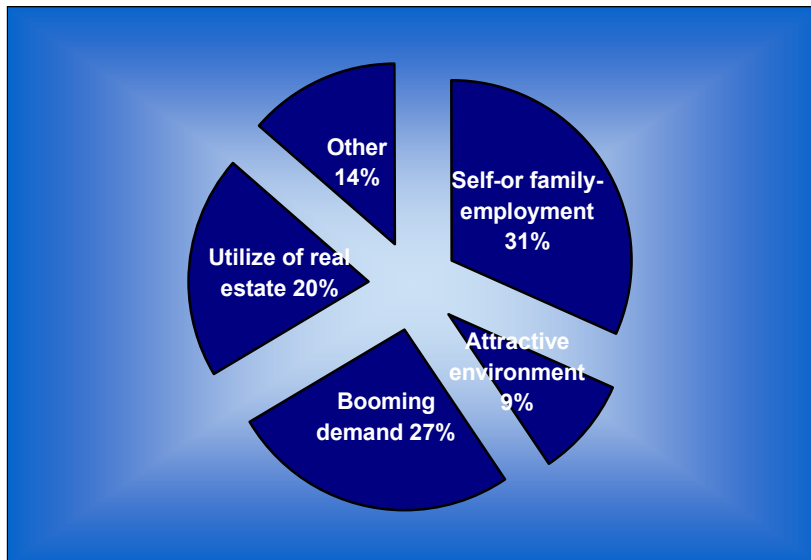


Figure 2.: Businesses by motivation of establishment  
Source: Questionnaire survey.

A number of guesthouse owners created surroundings like in the rural hospitality. Some of them made an unsuccessful attempt to register themselves as rural accommodations hosts. Neither their conditions suited the requirements of the legal regulations nor the associations for rural accommodation hosts admitted them as members.

Here are the essential legal regulations of rural accommodation’s hosts: (Act CXVII of 1995): “Rural hostelry is a service activity securing accommodation, boarding and providing leisure time programme, including the display of housekeeping and farming. The supplier is a private individual, not an entrepreneur, who holds a rural private house with not more than ten beds for the guests and utilises it partly or whole for individual and family recreation. Boarding, off-licence and providing leisure time programme is not qualified as rural hostelry unless it is provided within the framework of accommodation (recreation)”, moreover “In case of rural hostelry the tax-payer does not need to deduct any tax from the returns, if he/she makes a statement that his/hers returns are not expected to exceed 400 thousand Forints in the taxable year.”

So the rural hostelry as a special type of supply is more considerable and more developed then the statistics show, since many larger businesses are excluded from the category because of the legal regulations. Numerous businesses invested much money to form their rural hostelry profile without classifying into this category. At these guesthouses, the conditions of the accommodation, the family atmosphere and the careful service indicate the relationship to the rural hostelry. Pig roasting, riding, wine-tasting, boating, fishing and many similar activities belong to the additional services of the guesthouses in Szigetköz.

A separate bathroom appertains to 96 percent of the apartments and 4.32 beds get to one bathroom. Most accommodations at private houses have separate bathrooms for the guests. In 36 percent of the accommodations a bathroom belongs to more than one room, but in these sites there are more often then not some rooms with separate bathrooms. The campsites have less comfortable bathing facilities: there 28 spaces get to one bathroom by full capacity.

Table 2.: Distribution of rooms and beds by type of accommodation

Type of accommodation	Business (piece)	Space capacity (beds)	Average capacity (beds)	Distribution of capacity (%)
Hotel	2	82	41.00	3.24%
Guesthouse	17	876	51.53	34.62%
Campsite	12	1159	96.58	45.81%
Another accommodation	34	413	12.15	16.32%
Sum total	65	2530	38.92	100.00%

Source: Questionnaire survey.

Half of the accommodations we inquired possesses a classification, mostly medium worth. For accommodations there is a classification of the Hungarian Tourism Society with at most four sunflowers. Some entrepreneurs did not require the classification for the accommodation referring to the guests who did not demand the classification as the guarantee of the quality. However the entrepreneurs who obtained the classification made an effort consciously to get into a higher level and improved the equipment, like buying television sets to the guests' rooms.

Some hosts also offer catering for the guests. The best supply is at the guesthouses where a restaurant is operating in the building too. Other accommodation owners experienced that the guests in general call for breakfast only, and they have the lunch and the dinner in a nearby restaurant. We met many accommodation hosts who completed the board on the spot with services for self-support, like the facilities for cooking in stew-pot or barbecuing bacon and like furnishing the rooms with refrigerator, sandwich-oven or electric cooker.

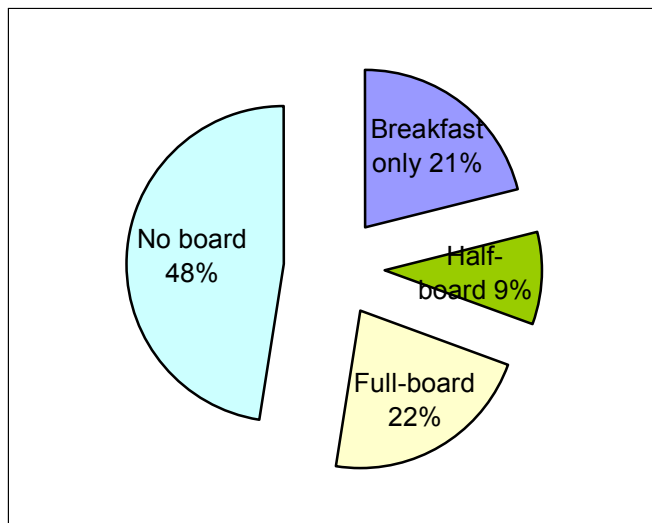


Figure 3.: Distribution by board supply (in percentage of businesses)

Source: Questionnaire survey.

Tourism in Szigetköz relies mainly on the trade in the summer which is the main season for most of the businesses, so the most returns are realised in June, July and August. In other months there is much less trade and it spreads evenly (*Figure 4.*) Apart from the summer the number of tourist are more significant in the following months: May in the pre-season, September in the off-season and December in the winter-season. Consequently the busy summer season characterises the tourism in Szigetköz, determined by the Hungarian and European holiday terms and by the most important holidays. Referring the entrepreneurs statements to step up the trade beside the summer and to utilise the capacities more profitably, the entertainment, sport and relaxation facilities which are independent of weather should be

extended. The cultural and architectural heritage of the Szigetköz are also needed to make more accessible for the tourists.

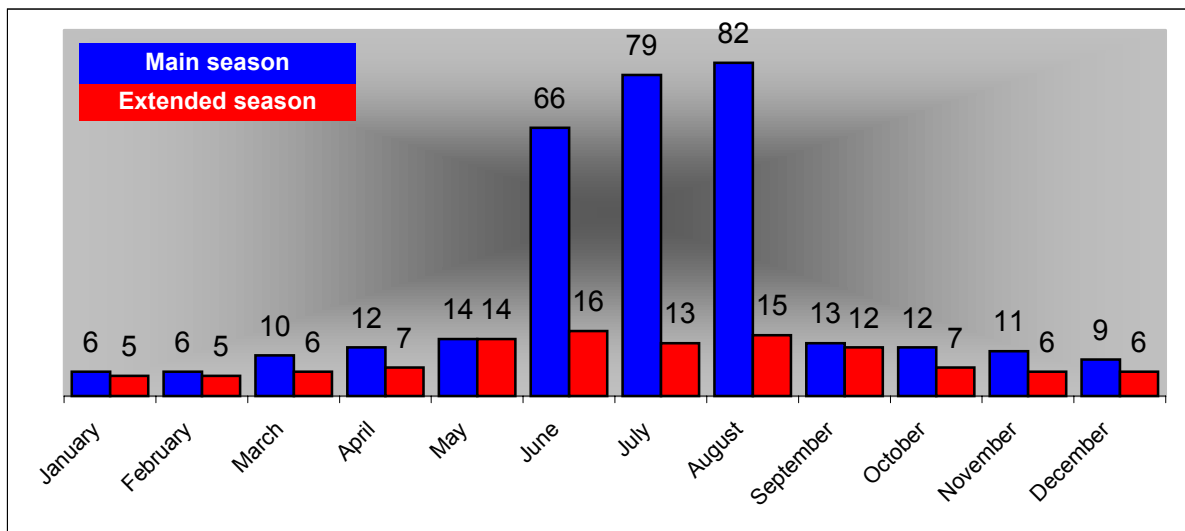


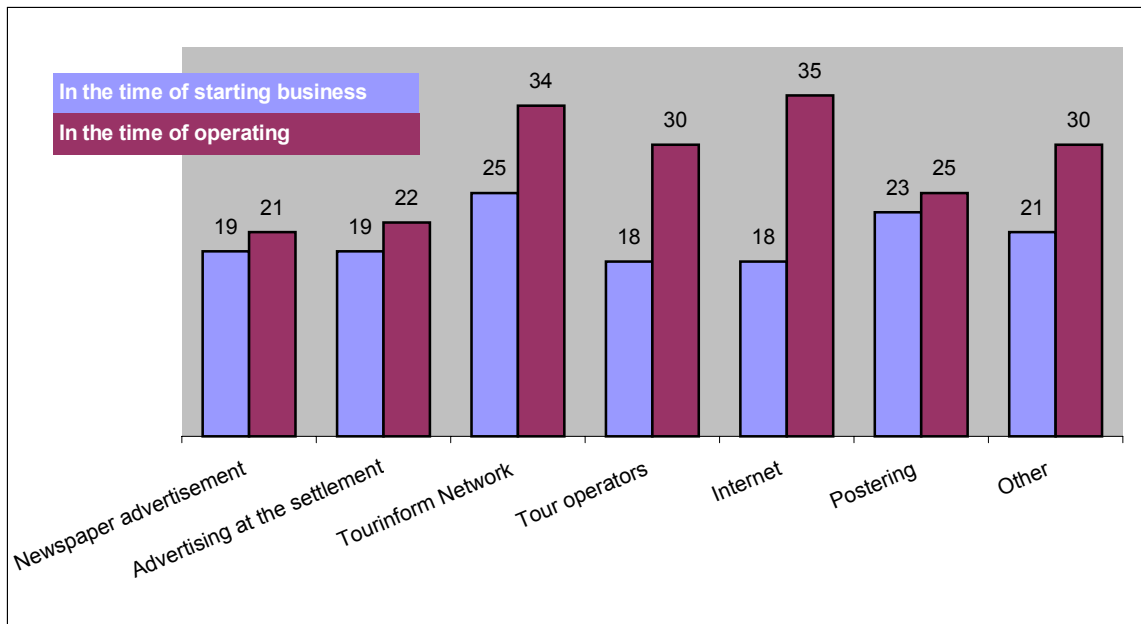
Figure 4.: The main season and the extended season in the tourism of the Szigetköz (Number of businesses where the given month is main season or extended season.)

Source: Questionnaire survey.

The marketing activity of businesses we inquired shows that various advertising and promotion channels are widely used (Figure 5.). The entrepreneurs in the tourism of the Szigetköz have increased their marketing activity since starting their businesses. The Internet as an alternative promotion appliance appeared in the last few years, and nowadays it became the most important information mediator. Many entrepreneurs rely on the “Tourinform” Network which has several information offices and offers free brochures for tourists, but there is a problem that they managing the western and the eastern area of the Szigetköz as two separated territorial units, that is why the settlements in the eastern area are not widely known. The owners of guesthouses contract most willingly with tour operators, although their capacity is insufficient for larger travelling groups. Planting a guide-post is expensive, and they are occasionally damaged. Despite this fact the entrepreneurs spend on it, because the tourists from abroad find their way with difficulty inside the settlements.

The entrepreneurs we inquired obtained only a little additional money from applications. Less than 20 percent of the enterprises won money from national tourism applications, moreover a few entrepreneurs get financial assistance or employee rehabilitation aid from foundations. There is a chance to win much more financial assistance applying for the “Széchenyi Plan” which is the Hungarian national economic development plan. There are plenty of application opportunities for SMEs to improve their work on tourism. A couple of application winners can do a lot to change the profitability of the tourism branch of the Szigetköz and create new jobs.

Forty-three percent of the businesses are members of a tourism society, within that 21 percent of the businesses are members of the Society for the Rural Tourism of the Szigetköz. The National Rural Tourism Society is represented by 9 percent in our sample. The members of the Tourism Society of Győr-Moson-Sopron County amount to 3 percent. Membership in other organisations concerns 10 percent, within the Tourism Society of Guesthouses in Ásványráró as a quite active local organisation.



*Figure 5.: Marketing activity of businesses*  
(Number of businesses where the given marketing tool is used.)

Source: Questionnaire survey.

### ***The Szigetköz National Park and the development of the local economy***

The questionnaires contained questions about the entrepreneurs' opinion of the possible establishment of the Szigetköz National Park. They were also inquired into their view in general about the possibilities and obstacles of their business' development. Our study gives the economic and social contents of the answers in a specific grouping which is close to the entrepreneurs' viewpoint we consider.

1. Entrepreneurs have insufficient quantity of information about the possible establishment and regulation of the Szigetköz National Park. A quarter (24%) of the respondents were not able to answer this question in reality. Another large group of respondents (19%) declared that the establishment of the national park would not influence their business activity, among them many who would like to use the environment more intensively, not having a knowledge of the expected strict environmental regulations. ("We have to tidy up the riverbank, creating the right conditions for canoeing and fishing, as well as developing the bicycle road.")

Most entrepreneurs (42%) form an advantageous opinion on the national park initiative, because they expect of it a booming trade in their business, on the other hand they do not exactly know the probable regulations. The lack of information causes the fact that even those entrepreneurs support the establishment of the national park who blame the insufficient mosquito extermination for the unwell going business, although such environmental interventions are inconsistent with the national park's legal regulations which aim the preservation of the natural environment in original condition. A number of respondents made plans for activities which are likely to have a conflict with the environmental regulations of the national park. ("We do not need built-up beaches in the Szigetköz, but we need well-cleaned, orderly riversides and fishing facilities.")

A group of respondents (15%) support the Szigetköz National Park with the proviso that it would be useful like for the reduction of tourists' rubbish scattering in the region. Others

declared that their support and attitude depend on where the boundary of the national park would be designated. One of the respondents expressed his opinion on the national park as follows: “It would be fortunate if it arranged and not prohibited things”, then again he suggested that the problem is the following: “The conditions of the camping out are not arranged, the water tourism is lacking. There is a need for built-up beaches and for putting it in order!” A few entrepreneurs suggested alternative solutions, like establishing a wildlife park instead of a national park or to qualify the region as a selected holiday region. Drawing the conclusion from the answers it is required to inform the local residents and enterprises about the issue of the Szigetköz National Park. It would be practical, if the people and enterprises concerned with this issue had an access to the planing and decisionmaking process.

2. Half of the entrepreneurs intend to develop their own businesses: twenty-eight percent of the respondents plan to enlarge the accommodation capacity. Fifteen percent of the entrepreneurs plan to provide catering for the guests. Other 22 percent of the respondents intend to offer one or more new services, like building an own wine-cellar, visiting museum with tourist groups, building out riding facilities or exhibiting ancient work professions.

**Among the possibilities and obstacles of the tourism development of the Szigetköz many entrepreneurs emphasised the importance of the environmental planning.** (“The reservoir in Dunakiliti has not been realised till now, and it is a large obstacle to develop the tourism.”) Entrepreneurs have an interest in protecting the environment in the local area as well. (“The better maintenance of the Danube riverside is necessary. Many tourists camp out within the 8 metre stripe on the riverbank which area belongs to the water authority. This is a problem because they use all facilities, benefit from the services free of charge, and they even scatter rubbish on the riverbank.”) Many respondents demand on arranging the riverbank and on building out fishing facilities. They also require more frequent mosquito extermination.

The entrepreneurs suggested many regional public and private investments which are necessary to develop the tourism branch in Szigetköz. The better utilisation of the thermal water resources, the enlargement of the bicycle roads and connecting it to another traffic networks are just some of these suggestions. Many respondents reckon that the roads of inferior quality are the principal obstacles of tourism development because the potential Western European tourists hardly tolerate the discomfort of travelling on bad roads. (“The reconstruction of the settlement’s access road is necessary.” ; “...there are too few roads usable for tourists form abroad”). We refer to the advantages of the new ferry in Gönyű to explain how important is the direct traffic connection without detour between the settlements and the main roads for strengthening the regional relations. On the other hand the owners of the accommodations near Győr complain about the tourist on bicycle who do not even stay overnight, because they can quickly reach Győr.

The entrepreneurs have an interest in supplementing the services in Szigetköz to enlarge the trade of their own businesses. They call for more thermal baths, new sport facilities, more cultural events, in addition to make more accessible the historic spectacles and to open new wellness-services, like beauty salons, medical massage or health clubs. The entrepreneurs miss the brochures about the whole region introducing concrete accommodations and other businesses. They also find the marketing activity of the public organisations unsatisfactory.



### ***Entrepreneur profiles, summary***

The distribution of the entrepreneurs by gender is quite square, 54 percent of them are male and 46 percent of them are female. Most entrepreneurs are married (72%), a smaller group (17%) is single and only a few of them are widows/widowers or divorced. So the tourism branch provides many jobs for women also. On the grounds of the questionnaires, the typical female entrepreneur in the tourism branch in the Szigetköz works as a landlady or as a snack bar executive. Other parameters of the female entrepreneurs parallel with their man colleagues.

Internet appeared in the last decade, and nowadays 37 percent of the entrepreneurs use it as a marketing instrument to inform the wide range of tourists and to raise the trade. The typical business users of the internet work in 5 to 7-year-old enterprises. At present they manage a hotel, a guesthouse or a campsite. They likely teachers, catering hosts or traders in their previous jobs.

Summarising the results of our questionnaire survey it shows momentous tourism potential in Szigetköz. Many enterprises are planning to install new services or enlarge the capacities. The willingness to establish new enterprises has been kept high for several years, and the new businesses offer services of much better grade. Keeping the business competitive requires new, quality service elements and this expansion needs more private investment. The entrepreneurs in Szigetköz are engaged to specialise their businesses on the utilisation of the natural and cultural heritage of the region and improve the relaxation, boarding and sport facilities.

We hope that the statements of these study concerning the structure and the standards of the tourism branch, the trade in holiday seasons and the conflicts of protecting the environment are useful to reasoning intervention programmes. The reason for existence of the entrepreneurs' claim on public investment must be judged by further studies. It is important to offer an open forum for the actors in the tourism branch of the Szigetköz to discuss and influence the planning and decision-making process concerning them.