

## Social and economic effects of rural tourism on the development of rural areas

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### Abstract

*The article focused on determining the effects of rural tourism on the social and economic situation of rural areas. The research was carried out on the basis of data collected from the National Bureau of Statistics of the Republic of Moldova for the period 2015-2020. There were analysed indicators reflecting the evolution of rural tourism such as attendance of establishments, capacity of establishments, number of tourists placed in establishments of collective touristic reception with functions of accommodation, number of overnight stays in establishments of collective touristic reception with functions of accommodation and indicators that reflect the socio-economical situation of rural areas in the Republic of Moldova such as households equipment by dwelling facilities, disposable incomes of population, employed population. The results showed the relatively small positive trend of indicators reflecting the evolution of tourism in rural areas of the Republic of Moldova and a weak, but positive effect on households equipment by dwelling facilities and disposable incomes of population.*

**Keywords:** rural tourism, agricultural tourism, development, rural area, recreation

### Introduction

Rural communities in Moldova face serious problems, including depopulation, disproportionate ageing of the rural population and high unemployment. The role of agriculture, as an economic activity, is falling sharply, with rural areas being abandoned by both people and services. These problems have caused the rural economy to stagnate, a fall in population income and a deterioration in the quality of rural life (Bertolini, Montanari and Peragine 2008, p. 53). Rural tourism offers opportunities to generate and diversify the income of rural residents. In many regions where industry has been lost, or traditional economies have declined, tourism offers opportunities to support local businesses and can attract entrepreneurs from urban areas (Hall *et al.*, 2016). Since 2000, the demand

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for tourist facilities in the Republic of Moldova has increased due to factors such as: higher disposable income, a more mature travel market and increased leisure time as a result of additional state holidays. The number of public holidays has increased from 12 in 2000 to 14 in 2020. The minimum holiday guaranteed by law has increased from 24 days to 28 days a year. The average monthly salary in the economy increased from 35 euro to 404 euro (National Bureau of Statistics of the Republic of Moldova). The practice of tourism, implicitly rural tourism, has become a lifestyle in the contemporary world. Residents of urban agglomerations are applying not only for long-term holiday tourism, which lasts for a few weeks, but also for short-term tourism, during weekends, public holidays or even for a day. This form of tourism is recreational and educational, depending on climatic conditions and the season. Rural tourism uses rich resources of flora and fauna, such as mountains, lakes, rivers and forests, as well as man-made attractions that can be seen not far from the place of residence.

Although the Republic of Moldova has a small area of only 33.700 km<sup>2</sup>, it has a tourist potential, represented by the geomorphology of the territory an unusual diversity of reserves and natural views, unique geological monuments and wine-growing regions. Over 15,000 anthropic tourist attractions and over 300 natural areas. Several thousand prehistoric resorts were attested, about 400 settlements from different historical epochs, about 50 ancient fortified fortresses, about 500 early medieval settlements, numerous medieval earthen fortresses, 6 medieval stone fortresses (in different stages of preservation), over 1000 protected architectural monuments, about 50 Orthodox monasteries (Government of the Republic of Moldova, 2014). Despite these facts, the number of tourists visiting the Republic of Moldova is small. According to the National Bureau of Statistics, the number of *foreign tourists accommodated in collective touristic structures increased in 2019 by 8.6 % compared to 2018.*

**Table. 1 Number of tourists placed in establishments of collective touristic reception with functions of accommodation**

	2019		Deviation 2019/2018, %	
	tourists	including foreign tourists	tourists	including foreign tourists
<b>including:</b>				
Hotels and motels	213808	154357	105,2	108,3
Hostels for visitors	4947	-	82,7	-
Tourist and agrotourist pensions	17168	6130	96,9	99,6
Health-care structures	32156	741	99,1	87,5
Recreation camps and other recreation structures	55853	12676	102,8	118,7
Children summer camps	50833	117	99,7	131,5
<b>TOTAL</b>	<b>374765</b>	<b>174021</b>	<b>102,8</b>	<b>108,6</b>

Source: National Bureau of Statistics of the Republic of Moldova

The growing demand of foreign and domestic tourists towards the tourist destinations of the Republic of Moldova, together with the European funds available to promote business in rural tourism, creates a clear need to study rural tourism and optimise strategies for using these opportunities.

The purpose of this article is to determine the particularities of rural tourism, to highlight the characteristics which are the subject of the distinction of this form of tourism from other forms of tourism activity, and to highlight the socio-economic importance of rural tourism for the areas where it takes place.

Based on the sources studied, the authors' views on the nature and content of rural tourism have been defined. Rural tourism is a form of tourism practiced in a rural area, for active or passive recreation, in a tourist site, with a typical rural setting, which can make direct contact with farmers and includes visiting and exploring the natural, cultural, archaeological and historical objectives of the region (Glăvan, 2003; Nistoreanu, 2003, 2019).

The article has the following structure. The first part of the paper defines the terms rural areas and rural tourism. The second part presents the specific elements of rural tourism. The third part of the paper presents the methodology used in the research. The third part includes the presentation and analysis of the researched data. The final part includes conclusions and thanks.

## **1. Rural area and rural tourism concepts**

To address each phenomenon, a common understanding of the concepts involved is fundamental, however, such a consensus is often difficult to achieve, and this is certainly true for rural tourism. The concept of rural tourism is formulated in different sources by different authors in different ways. This is explained by the fact that rural tourism and rural areas where such practices take place are diverse, heterogeneous and constantly changing (Roberts *et al.*, 2014). Difficulties in defining rural tourism have led to difficulties in measuring its impact at local, regional, national and international level and reflect the diversity of definitions used in different countries and regions (Sharpley and Roberts, 2004). We intend to clarify the terms for a better understanding of the concept. The search for a definition of rural tourism brings with it the foundation of valuable decisions that should underpin the process of planning, development and management of rural tourism (Lane, 2009).

## 1.1. Rural area

The difficulty of defining the phenomenon generally known as “rural tourism” starts from the disputed nature of the “rural”, which in itself defies an easy classification, because the distinctions between “rural” and “urban” become increasingly unclear. Rural areas are not homogeneous, with different economic histories and development paths. They are located along a spectrum of geographical locations and result in different opportunities and challenges affecting development options (Koster and Carson, 2019, p. 9). The definition of rural and rural areas is a long-standing issue that has been the subject of debate in scientific literature. By working to define ‘rurality’, many conceptual approaches have been created, leading to different typologies depending on different quantifiable criteria. In this respect, demography, employment and accessibility of the area are used as main criteria in the statistical categories used to delineate the borders of rural areas (Féret *et al.*, 2020). Woods (2011) provided a summary of the complex history of how rural space has been defined over time, identifying four distinct approaches: descriptive, socio-cultural, rural approach as a locality and rural approach as a social construction. Initially, the definition of rural areas was strictly related to geographical demarcation largely based on population and related statistics. As society became more complex, although spatial definitions evolved to try to tackle complexity, they were no longer sufficient. Social-cultural definitions have been proposed, distinguishing between the unique attributes of rural and urban areas related to the social and cultural characteristics of each place. The result is a series of dichotomies illustrating the differences, only that such dichotomy opinions oversimplify the dynamic reality of society and space. There was an attempt to define the rural environment based on processes that could create a distinct rural locality. This approach was considered even more problematic and, as Woods (2005) suggests, prompted many researchers to question the usefulness of rural areas as a concept. The definition of rural areas has become cantered on the social constructions of space. In this context, attention has shifted from the statistical characteristics of rural areas to the people who live there. Woods (2005) concludes that the most useful approach to defining rural areas is the approach to social construction. Thus, geographical scientists are trying to understand how certain places, objects, traditions, practices and people come to be identified as rural. In the scientific approaches and positions on rural areas, there is consensus on two issues subject to scientific investigation. Firstly, rurality seems to be an obvious notion that persisted, but which is difficult to define. Secondly, the definition of rurality depends on the characteristics of the socio-economic systems of which rurality, discourse and policy objectives are included, the social representations of the different categories of stakeholders (Féret *et al.*, 2020).

Because rural areas are difficult to define and the criteria used by different nations vary considerably, they are perceived differently in the statistics of different countries. In most European countries (Belgium, France, Germany, Netherlands) this term indicates areas different from urban, coastal or mountainous areas. In Ireland and England, the term analysed is essentially synonymous with the notion of 'country'. Spain, Portugal and Greece tend to use the term rural environment with agricultural production areas. The statistical criteria used in European countries to define rural areas are different, for example in the case of Austria, the rural area has fewer than 5000 inhabitants, less than 200 inhabitants in Denmark and Norway, less than 2000 inhabitants and households in the case of France, from 500 to 4000 – 5000 inhabitants in the case of very large Romanian villages (Nistoreanu and Ghereș, 2010).

In terms of defining rural areas for their use as tourist destinations, they must contain elements of rural life, activities specific to rural life, social construction and socio-cultural values, but they differ from rural area to rural area. In addition to the aforementioned difficulties with the definition of rurality, the existence of profound changes of an endogenous nature (demographics, diversification of activities) and exogenous (globalization) leads to a permanent review of what is and will be rurality. Research in the field has highlighted the evolution of the tertiary sector in rural areas, a phenomenon due to demographic changes caused by the influx of new residents and the development of tourism. The tertiary sector and tourism contribute to the diversification of economic activities in many rural areas. This double trend represents a new vision of rural areas as a location offering services, recreational activities and a certain quality of life (Féret *et al.*, 2020).

## **1.2. Essence and content of rural tourism**

Visiting rural areas has an ancient history. Upper-class families escaped from urban environments to enjoy the summer months of rest at sea or in the countryside. The current reasons for the visit have not changed fundamentally, as the need to escape from urban areas, which is often perceived as less secure in rural areas, where visitors can have authentic experience of the place remains present (Sznajder, 2017).

As far as rural tourism is concerned, its content is well described in many studies. The essence of rural tourism is described by many researchers (Gilbert (1989), Bramwell (1994), Sharpley and Sharpley (1997), Page and Getz (1997), Butler (1998), Hall and Jenkins (1998), Busby and Rendle (2000), Roberts and Hall (2001), Glăvan (2003), Lane (2009), Woods (2011), Dashper (2014), Lane and Kastenholz (2015), Hall *et al.* (2016), Koster and Carson (2019), Nistoreanu (2019), Ohe (2020)),

which defined it as the time spent in rural areas. The aforementioned authors focused on several characteristics of this socio-economic phenomenon, especially on the geographical aspect (territorial) – residence in a typical rural environment. According to them, the objectives of the journey can be diversified. During the trip, a relationship can be established between tourists, locals and contextual landscapes. In general, rural tourism includes a whole range of activities and experiences. In defining the concept of rural tourism, Robert and Hall (2001) focus on the content and purpose of the journey. Butler (1998), Hall and Jenkins (1998) and Lane (1994) draw attention to the economic component of this type of business. According to them, rural tourism contributes to creating and maintaining jobs, increasing the incomes of the local population, and promoting and developing other agricultural and industrial sectors, contributing to the accumulation of funds for social infrastructure, contributing to environmental protection. The basic features of the specificity of rural tourism are the following: it is developed in a rural area; it is a functional rural activity based on traditional small-scale activities and natural resources; the activity is carried out in small buildings and housing; it develops under the control of the local population; it's not a homogeneous activity. Lane (2009) goes further, mentioning the importance of the rural element to help stakeholders and local visitors understand both rural and tourism. Lane (2009) highlights that rurality is an essential requirement for many visitors: Tourism is ultimately a form of escape from everyday urban and suburban life, and understanding how the market defines the countryside is vital and it is necessary to underpin the planning, development and management of rural tourism.

Page and Getz (1997) consider that the tourist, in his choice, is driven by the desire to escape the dynamics and stress of modern urban life. According to Gilbert (1989), rural tourism is intended to use rural resources, leading to the well-being of local residents and the general environment. The author highlights the benefits for those who offer a rural tourist product and distinguish rural tourism from agricultural tourism, according to the additional services offered. The service is offered by the farmer and his family, not by a tourist service company with specialized personnel offering and carrying out the travel service. Rural tourism is a typical family tourism, and in many countries it is one of the main forms of small business.

The development of rural tourism in rural areas makes it possible not only to develop local crafts such as ceramics, wood carving, fabric etc., but also popular art by organising exhibitions, popular games and parades, weddings, etc. Rural tourism contributes to the development of viticulture, horticulture, animal husbandry, beekeeping, fishing, forestry, biofuels and others. In addition, foods with specific flavouring qualities are produced in the region; small processing plants are under development, plant and animal products are processed for rural kitchens. In this way the

emergence of forgotten activities, e.g. horse breeding. He once again found his place in the economic life of rural areas. The cultivation of elite horse breeds is also developed. Other activities such as aquaculture, mushroom cultivation, herbs, processing medicinal plants for extracts, creating public services, parks, gardens, etc. are not directly related to agriculture, but are alternatives for income generation by the rural population (Page and Getz, 1997).

According to Glăvan (2003), rural tourism includes a wide range of accommodation, activities, events, festivities, sports and entertainment, all taking place in a typical rural environment, thus highlighting the wide range of accommodation options that rural tourism offers as opposed to other types of tourism.

Nistoreanu approached a specific element of rural tourism: the close connection between the natural and the human environment. He considers rural tourism “a concept that includes the tourist activity organised and run by the local population and is based on a close connection to the natural, human environment” (Nistoreanu, 2003, p. 189). Nistoreanu (2019) also says that rural tourism is usually small tourism, which includes the following activities: visiting natural and cultural landscapes, participation in traditional rural activities. Rural tourism attracts tourists because it offers: Beautiful natural views, simple accommodation, but with maintaining comfort elements in traditional architectural buildings, ecological products, authentic traditional dishes, visits to historical and cultural places. Nistoreanu also approached a specific element of rural tourism, namely the close link between the natural and the human environment. It should be noted that, in all the above definitions, there is another common point – the importance of rural tourism in the development of the local community.

Most researchers point out the mandatory requirement for rural tourism as taking place in a rural environment in a rural area. Therefore, a characteristic of rural tourism is that it is practiced in rural areas and may include offering a variety of products and services related to the specificities of the site visited, organised and provided by the local community. The term ‘rural’ is predetermined by the fact that this type of tourism is provided exclusively in rural areas. The raw material of rural tourism is rural life and the rural landscape, the traditional rural area that visitors admire and enjoy. The lack of a clear definition of the nature and content of rural tourism creates difficulties in determining the content of the tourism product offered and therefore affects the level of meeting the needs of its users. Due to the numerous definitions of nature and the content of the term “rural tourism”, it is interpreted differently and includes a different set of tourist activities. This creates difficulties in the statistical reporting of consumers of tourism products and services.

In the concept of psychologists, rural tourism is a special form of tourism, which emphasises the human side. The tourist is considered a true guest and friend, and human contact (dialogue and exchange of impressions) is paramount. Tourists must respond to this hospitality by respect and consideration for the rural community (Sallard, 1998).

From a sociological perspective, rural tourism can be practiced to go to rural areas and to get to know the everyday life of the countryside. There should therefore be tourist facilities in the exclusively rural community, one capable of keeping rural areas unaltered (Petrea, 1999).

## **2. Specific elements of rural tourism**

Rural tourism involves a number of specific elements, including: recreational element, income generation, social character, innovational character.

### **2.1. Recreational element**

The content of the recreational element of rural tourism is emphasised by Page and Getz (1997). Recreation is a broader concept of tourism, as it includes all active and passive forms of physical and mental restoration of the human body. Rural tourism is seen as an expression of the need for the inhabitants of large cities to return to a simple and peaceful life in rural areas. City life is constantly dynamic and stressful. These conditions develop the recreational motivation for rural tourism. In urbanised society, life is extremely stressful and burdensome for the individual. The rural tourism consumer wants to escape for a period of time from the dynamics of this life. The authentic rural area offers a different experience and is unique to a fusion of man and nature in a harmonious whole, flowing from nature, culture and silence (Butler, 1998). Niță and Butnaru (2018) consider rural tourism to be a much more interesting alternative to business tourism, especially for teambuilding programs, as it offers much more entertainment such as campfire, barbecues, local meals, different sports, excursions and hiking. The recreational element of rural tourism is also confirmed by the recreational function of rural areas according to the concept of multifunctionality, in addition to productive function and residential function (Féret *et al.*, 2020).

From an economic point of view, rural tourism can create an impetus for the development of disadvantaged areas, but which have tourist potential and can offer tourists recreational activities. The results of research by Anderson (2014) and Torabi, Rezvani, and Badri (2020) have shown that



tourism development creates opportunities for formal and informal employment for the poor people and has proven to be a good tool for improving the quality of life of people with few skills.

## **2.2. Income generation**

Rural tourism provides services with the aim of income generation and earning profits, leading to the development of economic relations in the goods and services market, creating jobs and promoting economic growth in the region. As we can see, rural tourism has a very pronounced economic nature, which is more visible in a particular economic environment. Economically underdeveloped areas of Eastern European countries, such as the Republic of Moldova, are less known, but have the necessary leisure potential: natural resources, fresh air, archaeology and culture. In developed and urbanised countries, the market segment of those looking for them is growing. This can be exploited by developing rural tourism in economically disadvantaged countries and regions. Tourism creates the opportunity to reassess the material and non-material potential of the population (George *et al.*, 2009), natural resources, landscape and accessibility to the open space, cultural practices, including food, which can contribute to the economic value of specific local cuisine, unused buildings, unique landscape, space and culture. Thus, tourism can revitalise the local economy and help improve the quality of life. It can provide additional revenues for the existing agricultural, craft and service sectors (Kosterand Carson, 2019, p. 4). The diversification of economic activities in rural areas is the result of tourism and the arrival of new inhabitants. The latter are attracted by lower housing prices than in urban centres and the life offered by an environment close to nature and less exposed to pollution in urban centres (Féret *et al.*, 2020). Rural tourism certainly contributes to a balanced rural society based on an open and interchangeable rural-urban relationship by exploring new roles for agriculture. In this context, rural tourism is significant not only in economic terms but also in social aspects (Ohe, 2020).

## **2.3. Social element**

The social element explains that rural tourism determines social relations, social contacts and a movement that generates physical and mental health, emotional, intellectual health, etc. This will result in the reproduction of labour, production processes and economic development. Rural tourism promotes cultural diversity, preserving national cultural heritage. The visit offers the possibility of new social contacts, especially in remote rural areas.

In Eastern European countries such as the Republic of Moldova, the number of farmers who have to look for alternative sources of income, as well as alternative ways of hiring family members is very high. According to the National Bureau of Statistics of the Republic of Moldova, in the last 20 years the employed population in rural areas of the country has decreased by 50%. Rural tourism is an economic alternative for the farmer, a form of diversification of his work. Tourism requires a low-skilled workforce. Management of small businesses is often the responsibility of employees who have worked in the primary sector (farmers, fishermen, miners, foresters) who do not have specific training in the field of tourism. The industry involves many micro-enterprises, and through rural tourism, human resources can find the specific role of the owner, entrepreneur, employee and help improve their education and qualifications. Rural tourism is not strongly based on investments in buildings, unlike resorts, but it is mostly created by re-use of existing buildings in accommodation units and re-evaluation of attractions. It does not require large-scale capital investment, although it requires some infrastructure development (Lane and Kastenholz, 2015). The tourism sector is composed of a very large number of micro-enterprises and is essentially the private sector, mainly driven by economic objectives and job creation (Lane *et al.*, 2013). At the same time, small businesses are creating an opportunity to reveal the potential of retired farmers looking for part-time jobs, especially in regions with an ageing population. Rural tourism activity generates not only a source of income and jobs, but also self-confidence among residents in the ageing rural community, which strengthens community ties (Ohe, 2020). Ohe's (2020) research in regions with an ageing population concludes that rural tourism improves in particular the socio-cultural functions of older people, such as educational and recreational functions and contributes to the preservation of rural heritage. This means that rural tourism by retired farmers will be effective in preserving rural cultural heritage. What is important to mention here is that these actions are not carried out by them until rural tourism is launched. Therefore, in view of the evolution of the ageing society, rural tourism can provide a good opportunity for older people to play an important role in the community, especially in consumer education, leading to an income opportunity for older people and increasing the meaning of life (Ohe, 2020).

Compared to other sectors of the economy, agriculture is developing more slowly and the incomes of the local rural population are declining, demand for alternative employment opportunities is increasing. At the same time, demand for tourism services is increasing, there is growing interest in healthy and organic agricultural products, there is an increasing interest in protecting the environment and biodiversity (Gilbert, 1989). The additional revenues generated through tourism

allow the modernisation of the agricultural infrastructure, as well as the active maintenance of the farm and the ability to absorb shocks in the short term.

Although socio-economic indicators (income level, employment rate, access to services) are generally lower in rural areas than in urban areas, rural areas offer a higher level of well-being in housing and the environment. Economic performance is closely linked to the grouping of activities, and the diversification of economic activities in rural areas is conditioned by the presence of tourists and residents, who are attracted to quality of life. However, this raises the question of the limits and sustainability of this diversification. But at the same time, Lane and Kastenholz's (2015) research emphasises that rural tourism is linked to sustainability through its role of supporting, using and capitalising on the "traditional" rural landscape, a rural area, and a culture that has been seen as threatened by change.

#### **2.4. Element of village innovation**

Tourists themselves are important actors in the development of rural areas, and the tourist demand for more niche experiences has influenced the way they have developed in recent years. The increase in the number of tourists visiting rural areas with the variety of recreational activities offered to tourists, move from the passive pleasure of the rural environment to more active, technological and resource intensive activities such as adventure sports (Roberts and Hall, 2004). These changes in the characteristics of rural tourism require rural communities to provide a high level of services and often specialised skills and support. Innovation in information and communication technology reduces both costs and facilitates decision-making and resource use (Ohe, 2020). Such expertise is not always available in rural communities without significant investment in training and education, especially in poor rural communities (Dashper, 2014). Additional support comes from a number of public sector rural development programmes, in particular in the area of essential infrastructure, which few individual enterprises can afford or manage (Lane *et al.*, 2013). Tourism is seen as a key mechanism for innovation and revitalisation of rural communities and has been supported by governments around the world, including Western countries, as well as in the former Eastern European countries.

Rural tourism is considered a product of global economic, social and cultural transformation, industrialisation, modernisation, urbanisation and globalisation. Curry (1994) considers that the impact of these factors on tourism is multiplying, destroying certain values and permanently creating a new life for the people involved. Curry (1994) assumes that tourism, including rural tourism, developed from the beginning as a consequence of the industrial revolution, which created high

economic growth; developing a socially oriented state policy that increases people's disposable income, raises living standards, increasing leisure time and granting paid annual leave.

### 3. Socio-economic effects of rural tourism for rural areas of the Republic of Moldova

The main data sources on which this analysis is based are the reports of the National Bureau of Statistics of the Republic of Moldova. From the National Bureau of Statistics of the Republic of Moldova were collected data about attendance of establishments, capacity of establishments, number of tourists placed in establishments of collective touristic reception with functions of accommodation, number of overnight stays in establishments of collective touristic reception with functions of accommodation, households equipment by dwelling facilities, disposable incomes of population, employed population. Based on the collected data, the analysis of the dynamic evolution of the indicators related to the activity of the accommodation units in the rural area of the Republic of Moldova and of the indicators reflecting the social and economic effects was performed.

**Table 2. Capacity of establishments of touristic reception in rural zone**

	2015	2016	2017	2018	2019	Deviation 2019/2015,%
<b>Number of accommodation units</b>						
Tourist and agrotourist pensions	26	26	28	33	36	138,4
Recreation camps and other recreation structures	57	61	62	59	58	101,7
<b>Total</b>	<b>83</b>	<b>87</b>	<b>90</b>	<b>92</b>	<b>94</b>	<b>113,3</b>
<b>Number of rooms</b>						
Tourist and agrotourist pensions	428	452	409	454	468	109,3
Recreation camps and other recreation structures	1 401	1 496	1 491	1 402	1 382	98,6
<b>Total</b>	<b>1829</b>	<b>1948</b>	<b>1900</b>	<b>1856</b>	<b>1850</b>	<b>101,1</b>
<b>Number of places</b>						
Tourist and agrotourist pensions	909	955	867	964	999	109,9
Recreation camps and other recreation structures	3 539	3 968	3 902	3 576	3 605	101,8
<b>Total</b>	<b>4448</b>	<b>4923</b>	<b>4769</b>	<b>4540</b>	<b>4604</b>	<b>103,5</b>

Source: prepared by the authors based on data from the National Bureau of Statistics

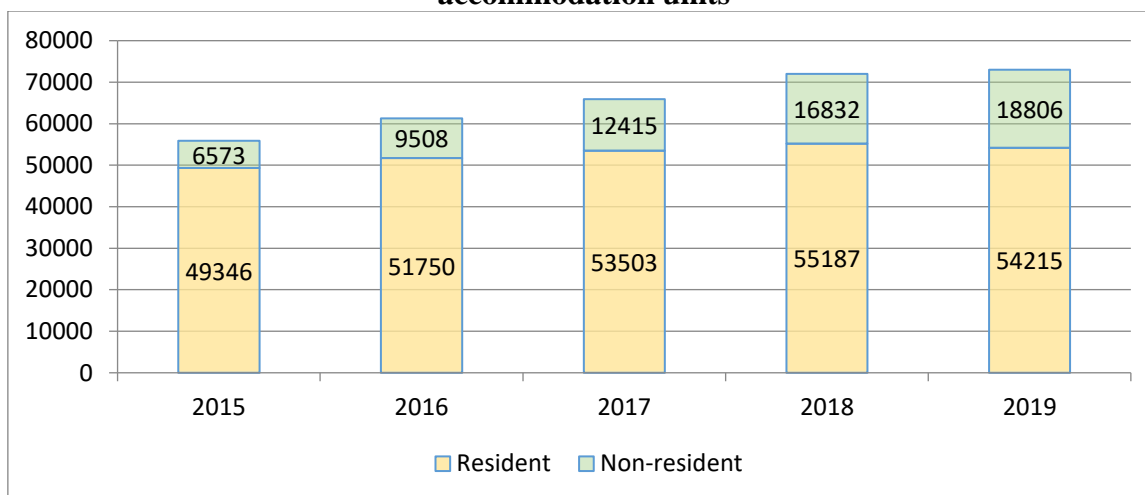
The Republic of Moldova is a country where the majority of the population (59%) lives in rural areas. At the same time, in this area, the economic activity is less diversified and infrastructure less developed. In this way, the population is more acutely confronted with the lack of jobs and incomes. According to data of the National Bureau of Statistics, in the Republic of Moldova, average monthly

disposable incomes per person in rural areas are with 43% lower than in urban areas. In the news, rural tourism is seen as a stable driver of rural social and economic development (Randelli and Martellozzo, 2019).

Over the last 5 years there is a positive trend of indicators reflecting the existing capacity of collective touristic reception structures with functions of accommodation in rural areas. The data in Table 2 reflects a continuous increase in the number of accommodation units in rural areas, from 83 units in 2015, to 94 in 2019. The number of rooms available within the accommodation units in the rural area increased by 21 units, which is an increase of 1,1% compared to the level of 2015. At the same time, there is an increasing dynamic of the number of places available within the accommodation units in the rural area. The number of places increased by 156 units, which is a 3,5 % increase in 2019, compared to 2015 (National Bureau of Statistics).

Each year, the number of resident tourists is higher than the number of non-resident tourists. Thus, in 2019, only 25,6 % of the total number of people who visited holiday villages and 35,7 % of all persons who stayed overnight in tourist pensions were non-residents. The small share of the nights of foreign tourists in the rural area also shows that they prefer accommodation in hotels or the duration of stay is very small.

**Figure. 1. The evolution of the number of resident and non-resident tourists in rural accommodation units**



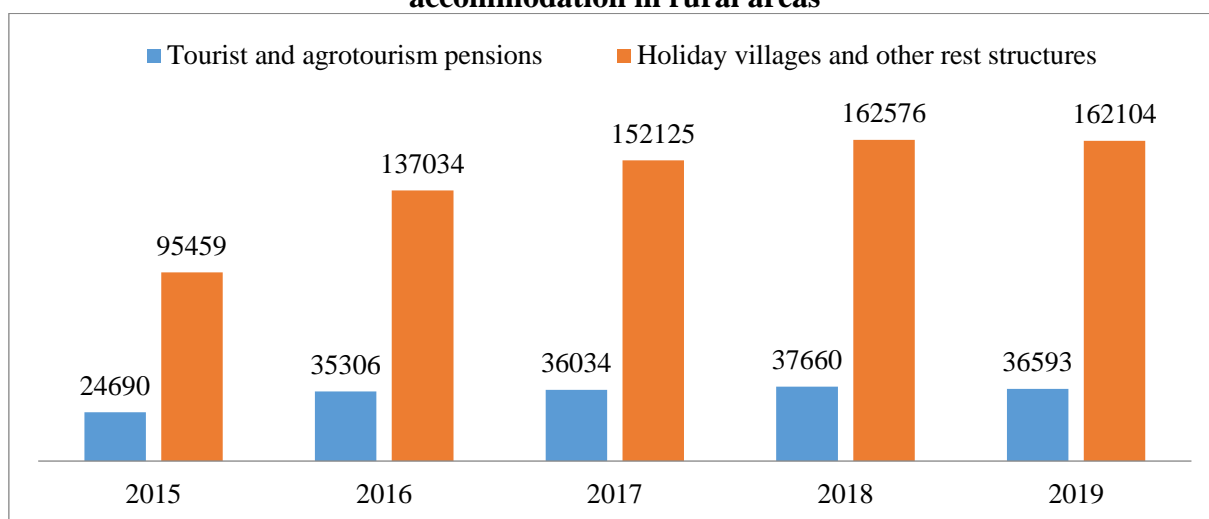
Source: prepared by the authors based on data from the National Bureau of Statistics

The Figure 1 shows that the interest of foreign tourists for the rural accommodation offer is increasing. During the period 2015-2019, there is a positive dynamic of the number of foreign tourists in the accommodation units in rural areas: from 6573 people in 2015, to 18 806 persons in 2019.

In 2019 there is a decrease in the number of resident tourists by about 972 persons compared to 2018, while the number of non-resident tourists is increasing by 1974. The total number of tourists staying in rural accommodation is continuously increasing, registering an increase of 30,6 % between 2015 and 2019.

Figure 2 reflects the evolution of the number of nights in the collective touristic reception structures with a function of accommodation in rural areas. Thus, in 2019, the number of nights in tourist pensions increased by about 48,2 %, and the number of nights in holiday villages and other rest structures increased by about 69,8 %.

**Figure 2. Overnights in the collective touristic reception structures with a function of accommodation in rural areas**



Source: prepared by the authors based on data from the National Bureau of Statistics

In the Republic of Moldova, in 2019 were attested about 267 accommodation units with a capacity of 24 530 places. About 35% are pensions, agro-pensions and holiday villages, which have an accommodation capacity of about 19% of the total.

**Table 3. The evolution of indicators of collective touristic reception structures with accommodation functions in rural zone during the period 2015-2019**

	2015	2016	2017	2018	2019
Share of rural accommodation units in total accommodation units, %	33,3	34,5	33,4	34,2	34,8
Share of the accommodation capacity of the rural accommodation units in total accommodation fund, %	17,6	19,5	18,3	17,7	18,8
Indices of use of total accommodation capacity, %	21,4	22,5	25,1	25,1	24,1
<i>Indices of use of accommodation capacity in rural areas, %</i>	7,4	9,6	10,8	12,1	11,8

Source: prepared by the authors based on data from the National Bureau of Statistics

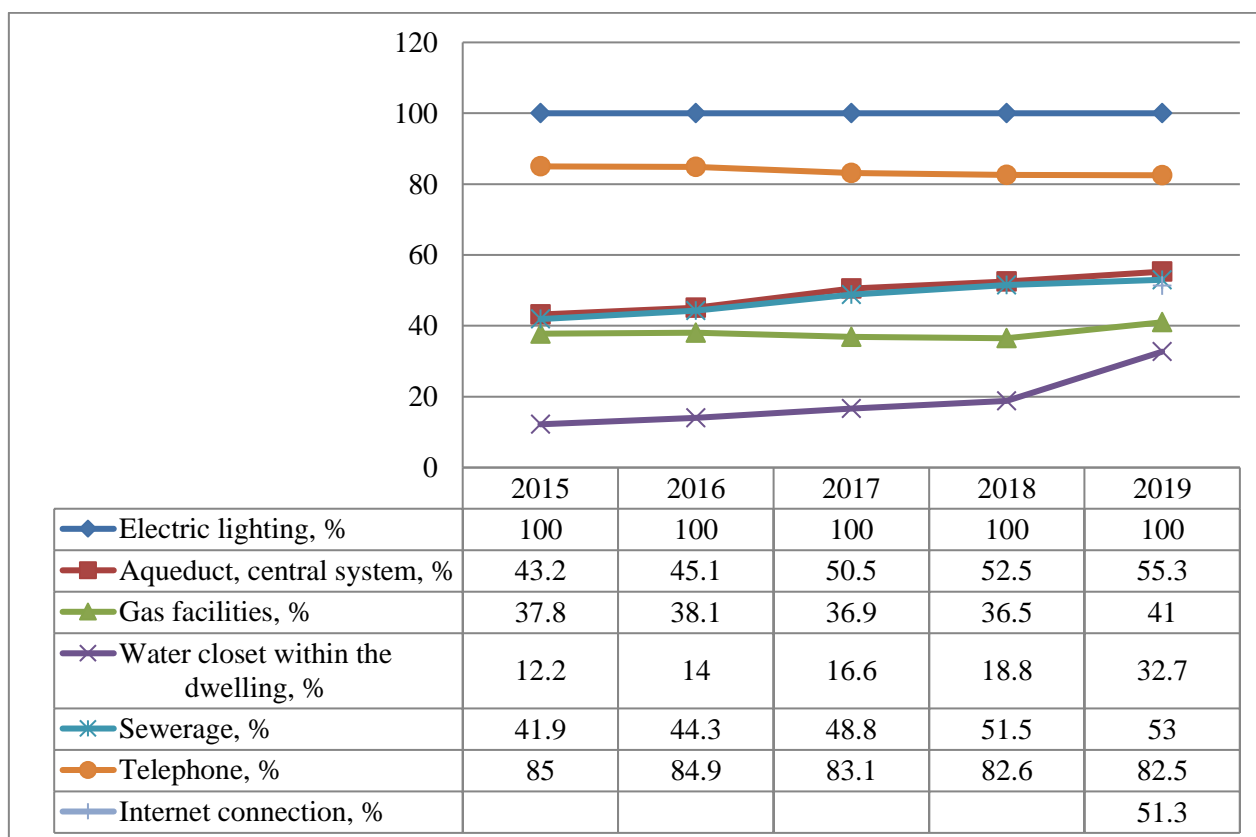
Indices of use of accommodation capacity in rural areas in 2019 was 11,8 %, decreasing by 0,3 percentage points compared to 2018 (12,1 %) and increasing by 4,4 percentage points compared to 2015 (7,4 %). The low degree of use of accommodation capacity in rural areas is explained by the seasonality of the activity and the practice of weekend tourism.

The analysis of the evolution of the main tourist indicators in recent years demonstrates the following trends:

- The field of rural tourism attests a general positive trend (increase), increases being attested to the following compartments: the evolution of the number of non-resident tourists, number of nights in tourist pensions and holiday villages;
- The attractiveness of the Republic of Moldova as a rural tourist destination for foreign tourists is increasing: from 6 573 foreign tourists staying in rural areas in 2015, to 18806 foreign tourists, staying in pensions in 2019.

Next, we set out to look at the evolution of indicators that would reflect innovation and economic and social development of rural areas in the period 2015-2019.

**Figure 3. Households equipment by dwelling facilities**



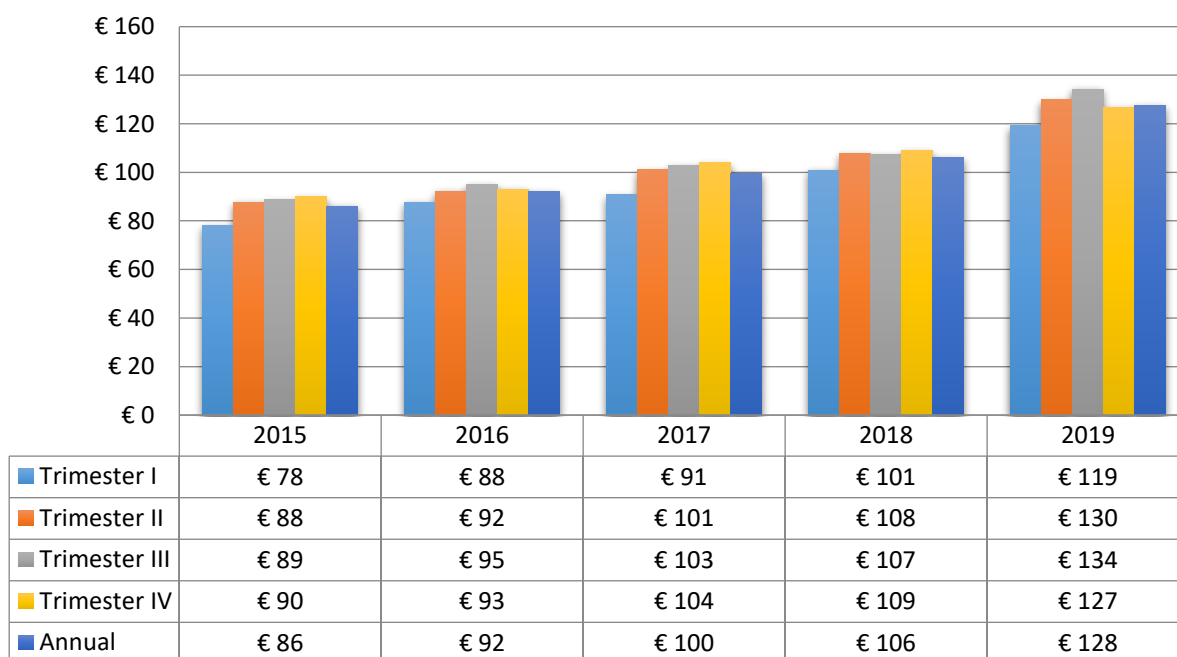
Source: prepared by the authors based on data from the National Bureau of Statistics

From the analysis of figure 3, we note that during the analysed period, in rural areas there is a positive dynamic of the evolution of households equipment by dwelling facilities. Aqueduct, central system increased by 12,1 percentage points in 2019 compared to 2015, gas facilities increased by 3,2 percentage points, water closet within the dwelling increased by 20,5 percentage points, sewerage increased by 11,1 percentage points. With the development of mobile telephony, fixed telephony loses ground, with this coefficient decreasing by 2,5 percentage points. Internet connection is 51,3 % of households in 2019.

Households equipment by dwelling facilities demonstrates continuous growth, but at a rate not so high as to ensure economic growth in rural areas, as are indicators in rural tourism. It should be noted that these indicators are closely linked to the evolution of the entrepreneurial environment in rural areas, implicitly referring to the practice of tourism activity (pensions, agropensions, holiday villages).

Another economic effect of entrepreneurial tourism activity in rural areas is the generation of personal incomes. Thus, in Figure 4 we presented the monthly average available income per person in rural areas. Given the seasonal nature of the tourist activity, we've divided the dates by quarters. We should mention that rural tourism generates income not only for those persons who work within the accommodation units, but also for other fields of activity in rural areas: trade, agriculture, production, crafts, food services, etc.

**Figure 4. Disposable incomes of population in rural areas**



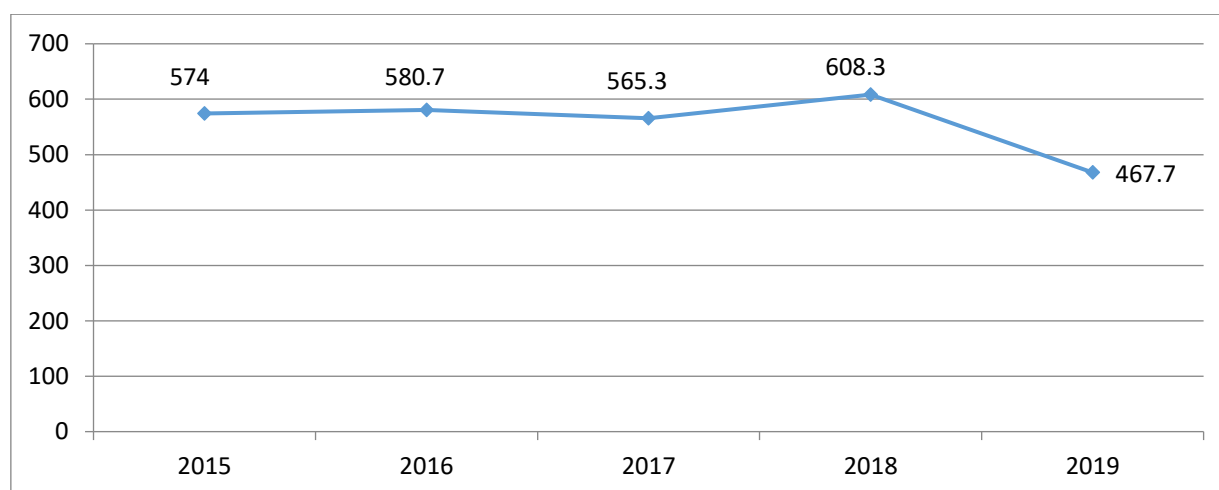
Source: prepared by the authors based on data from the National Bureau of Statistics



The data summarised in the figure illustrates a trend of increasing monthly disposable income per person in rural areas during the period 2015-2019. In 2019, the highest level of income was recorded in the third quarter (EUR 134) compared to 2018, when the highest level of income was registered in the fourth quarter (EUR 109). The lowest level of monthly average disposable income per person in rural areas was recorded in the first quarter of 2015 (EUR 78).

The situation of the occupied population in rural areas reveals an oscillating situation every year, the lowest value being recorded in 2015 (574 thousand), in 2018 an increase of up to 608,3 thousand, and in 2019, the figure decreased to 467,7 thousand. During the 5 years analysed (2015-2019) the number of employed population in rural areas decreased by 18,5 %.

**Figure 5. Employed population in rural areas (thousands)**



Source: prepared by the authors based on data from the National Bureau of Statistics

Our analysis finds the very limited expansion of tourism activity in rural areas of the Republic of Moldova, but the trend is positive towards increasing the indicators related to the accommodation capacity (number of accommodation units, number of rooms and number of places) and the number of tourists. The analysed indicators that could reflect village innovation have shown that as far as Households equipment by dwelling facilities is concerned, all indicators are increasing and there is an improvement in rural housing facilities. The indicators reflecting the social and economic effects have shown us that disposable incomes have an increasing trend in the period considered, but the number of jobs is lower than at the beginning of the period. An explanation could also be that the statistical data analysed reflect only the official registered jobs, while the development of tourism also creates informal jobs. According to Williams and Horodnic (2020) research in European Union countries the average of unregistered accommodation and food service activities is 14 %. 50 % of all

employees in accommodation and food service activities are in unregistered employment in Cyprus, 37 % in Malta and Ireland, and 33 % in Greece. And in industries adjacent to rural tourism such as agriculture, forestry and fishing, the unofficial employment rate in the European Union is 32 % (Williams and Horodnic, 2020). In Romania, the National Association of Travel Agencies estimates that over 20 % of all accommodation services offered on the Romanian seaside are in the undeclared economy, which are unregistered accommodation in private homes or the provision of undeclared services without invoices (Jaliu and Răvar, 2019).

## Conclusions

In order to use rural areas as tourist destinations, they must contain elements of rural life, rural activities, social construction and socio-cultural values. The elements of rural life differ from rural to rural areas, and the existence of profound changes such as demographics, diversification of activities and globalisation leads to a permanent review of what rurality is. The evolution of the tertiary sector in rural areas, due to demographic changes caused by the influx of new residents and the development of tourism, contributes to the diversification of economic activities in many rural areas. This double trend represents a new vision of rural areas as a location offering tourist services and recreational activities.

Rural tourism is a complex concept that necessarily has the following characteristics: it includes a whole range of activities and experiences, takes place in a typical rural environment, offers a wide range of accommodation options, creates relationships between tourists, locals and the natural environment (Glăvan, 2003).

The development of rural tourism creates jobs, diversifies farmers' activities and gives them a more stable income, leads to the development of other sectors, contributes to the accumulation of infrastructure funds and contributes to the sustainable development of regions.

Rural tourism is not a panacea for rural development, as is often said, but it is certainly a product of modern economic and social transformations, the decline in the incomes of the rural population as a result of slower agricultural development compared to the development of urban areas, which amplifies the dynamics and stress of urban life. Rural tourism is mostly welcomed by the inhabitants of the city, as it is a way of mental and physical relaxation of high-voltage urban tension (Butler, 1998).

Tourism is one of the most profitable areas in countries with richly exploited tourism potential. At present, the contribution of tourism to the national economy of the Republic of Moldova is

relatively insignificant, caused by the existence of untapped tourism potential, as well as due to the low global visibility of the country. In order to achieve economic efficiency, it is necessary to develop the existing tourism product, raise awareness of the importance of tourism development for local development, diversify services and develop economic incentives (including fiscal) mechanisms within industry.

The indicators that reflect the development of rural tourism in the Republic of Moldova are constantly growing, but the growth is insignificant. In 2019, the number of tourists staying in accommodation units in rural areas was only 73 021 tourists. Respectively, the effects of rural tourism cannot have a major impact on the socio-economic situation of the village. But even with these low values of rural tourism indicators, the positive trend of indicators reflecting household equipment by dwelling facilities and monthly disposable income was noticed. On the other hand, the number of officially employed people has a decreasing trend. The social and economic effects of tourism activities in rural areas of the Republic of Moldova refer to the income generation and introduction of innovation elements in rural life.

**Acknowledgment:** This article is a revised and expanded version of a paper entitled Defining Elements of Rural Tourism presented at the Conference "Romania and the challenges of economic development. The response of young researchers", 23 rd of November 2017. Authors thank reviewers and participants of international conference held at the University of Oradea, for their valuable suggestions and comments to an earlier version of this study.

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