

ALEN JUGOVIĆ, M.Sc.
E-mail: ajugovic@pfri.hr
ANA PERIĆ, B.Oec.
E-mail: ana.peric@pfri.hr
INES KOLANOVIĆ, M.Sc.
E-mail: ines@pfri.hr
University of Rijeka, Faculty of Maritime Studies
Studentska 2, HR-51000 Rijeka, Republic of Croatia

Section: Transportation Economics
Review
Accepted: Dec. 15, 2005
Approved: Feb. 21, 2006

PRINCIPLES FOR MANAGEMENT AND DEVELOPMENT OF SEA PASSENGER PORTS

ABSTRACT

The management of sea passenger ports has been determined by sequences of circumstances closely connected with the complex function of any port; together with its reflection on traffic and economic system. Each of those principles has certain impact on the development, management and evaluation of a port in different stages of growth. However, all the results that are gained present evaluations and ratings of each port individually and those results and ratings are crucial in the traveller's decision of which sea passenger port they should take. All those principles that are used for evaluation of a port are used as well for establishing the travel routes, in fact, its departure and arrival point. The importance of those departure and arrival points is dissimilar for each port and it is also possible that in different stages of development those points can increase or reduce its importance. Very often it is likely that those principles have positive impact and in some other stage they can have negative reflection on the port.

Numerous principles for the development and management of sea passenger ports in the Republic of Croatia are not applied in all the stages of the port existence. The problem of sea passenger ports is frequently considered as the forgotten issue which is one of the vital parts of the whole national economic with very high multiple effects and possible results. The purpose of this work is the SWOT analyses which provides a clear picture that successful managing of the ports comes through balanced efforts and achievements of the town, region and the country as a whole.

The purpose of this paper is to analyze all the possibilities and steps that have to be taken in order to determine the advantages and the disadvantages of not just the port but rather of the town where the port is located as well. It has to be investigated what is having impact on the town, its attractions and the possibility for successful running of the port. Apart from the well-known elements which are location, natural characteristics of a port, organization of work, etc. The measures of the port politics are applied to further analyses and evaluations of completely new principles such as: resources, tourist offers, structure, public sectors and town future planning, communication, image and trends.

The results of the survey are applied so that management of the sea passenger ports should be run in a way to create a system

which would continue to develop all the principles that are tightly connected to the port's functioning and all that in order to form a port which would be major a factor to transform not just the town where the port is located but the whole region and more.

KEY WORDS

sea passenger port, SWOT analyses, relationship between port and town, sea passenger ports management

1. INTRODUCTION

Performance of sea passenger ports has been determined by sequences of circumstances closely connected with the complex function of any port in terms of transportation system and economy. Each of these relevant factors have higher or lower influence on the function, development and value of any sea passenger port in different stages of its growth. Therefore, the sum of all those relevant factors results as the unique grade, crucial in the selection of the passenger port from the side of the travellers (tourists) and members of the shipping trade. Travellers and members of the shipping trade have the right on diverse offer and the possibility of choices. Moreover, this is a normal situation where the port authorities use these elements that could be essential in attracting the "customers" and making them choose the particular port.

Factors for grading any sea passenger port are diverse but very important because of the long-term consequences. It is possible to influence some of these elements with particular regulations of the transportation and port system or even with the port business policy. From time to time, some of the elements cannot be influenced or can be influenced but just a little bit. In some stages of the port development, several factors become more important and its power of influence increases while other elements lose their significance.

cance or have stages in which they "bring" either a positive or negative impact on the port.

2. PRINCIPLES FOR MANAGEMENT AND DEVELOPMENT OF SEA PASSENGER PORTS

Principles which are relevant in setting up the function, management and development of the sea passenger port could be determined in the following ways: [1]

1. geographic location,
2. natural characteristics,
3. technical aptitudes,
4. organization of business,
5. customs regime of a port,
6. tariffs and its policy,
7. economic power of port hinterland,
8. development of the inland, waterway and air transportation system as well as domestic navigable lines,
9. governmental influence on development of a port and port policy methods,
10. political relationships.

All these principles play an important role in the development of a particular port. Besides, today's modern sea passenger ports cannot just be centres for acceptance, loading and discharging of travellers on the ship and land modes of transportation. Classical ports today have become contemporary passenger terminals which have to satisfy the needs both of the travellers and of the shipping trade members. These terminals, whose function is constantly growing, are expanding their offer by increasing the quality in receiving the travellers, as well as the comfort during the travellers' stay on the terminal and the simplicity in the usage of other transportation modes. Summarizing all of these circumstances, undoubtedly allow us to conclude that today's sea passenger ports have become very much like modern airports.

The competition and quantitative determination between sea passenger ports is rising and having impact on the ten main principles listed above, for the functioning of any port. Those principles are not sufficient for increasing the competitiveness, successful business activities and progress of ports. Therefore, the research on that subject has been done and it evaluated completely different factors such as: resources, tourist offer, structure, public services, city planning, communication, image and trends.

Only with respectful approach to all these elements is it possible to "justify" the investments in the development and to optimally use the installed capacities. With these measures some of the needs inside the macro-environment would be satisfied which would

lead to the certain increase of demand and making a specific port the desirable destination for travellers and members of the shipping trade.

3. SWOT ANALYSES OF RELEVANT FACTORS FOR MANAGEMENT AND DEVELOPMENT OF SEA PASSENGER PORTS IN REPUBLIC CROATIA

The situation in Croatia shows that not all the important elements are maintained and the consequences are: maritime services are often neglected and isolated which is a huge problem knowing that sea transportation is part of the national economy with extremely multiplied effects.

For successful management of sea passenger ports it is not enough just to modernize the port but rather to provide support and collaboration with local, regional and state authorities. Further in the text, the possibilities and steps for such collaboration were analyzed in a way such as to evaluate the advantages and the disadvantages of the port as well as the town itself.

Evaluation was done based on the following categories:

- Resource and tourist offer;
- The structure of public services and city planning;
- Communication and image;
- Trends.

Analysis of the listed categories was made by SWOT method which presents the actual picture from the scientific and practical point of view and it opens opportunities for constant tracing and saving of data.

The SWOT analysis is actually considering the following: [2]

- Strength of the port and designated traffic routes;
- Weakness of the port and designated traffic routes;
- Opportunities of the port and designated traffic routes;
- Threats as result of changes on the market and development of competitive ports.

A more detailed and realistically made SWOT analysis is a good base in the process of making business moves and decisions. It is also good in being implemented into the business practice. The SWOT analysis is in fact a subjective reflection of the objective reality by which location and opportunities for port operations are characterized. All the following SWOT analyzes could be considered as the subjective opinions of diverse authors and very often subject of different explanations.

Table 1 - SWOT analysis – recourses and tourist offer

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> - Auspicious geographic location - Future member of European Union - Vicinity of tourist centres - Good transportation connections (except for the port Dubrovnik) - Auspicious weather conditions 	<ul style="list-style-type: none"> - Insufficiencies of evaluations of tourist resources, especially in relation with additional offer (connections with the surroundings) - Insufficiencies of professionalism towards business activities of services - Limited and insufficient offer of tourist products (souvenirs and postcards) - Insufficiencies of tourist capacities (accommodations, activities, leisure and entertainment) - Poor offer of tourist information
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Maintaining ship connections to Venice (smaller ships for tourist round trips) - Opening of new maritime traveller routes towards Greece and Turkey 	<ul style="list-style-type: none"> - Vicinity of passenger ports Trieste and Venice as the primary stops for ferryboats which travel towards Greece - Building of passenger terminals in the port of Kopar

Source: developed by the authors

3.1. Resources and tourist offer

The entire attention should be focused on complete collaboration and coordination between ports, local and regional authorities; all with the purpose of carrying out the advantages and opportunities which the Croatian ports possess in terms of location and already started future projects. Table 1 presents the SWOT analysis of resources and tourist offer as the one of the main elements for realization of all the advantages which the Croatian ports have by their unique locations. Collaboration is especially needed for the development of passenger shipping trade, especially tourist round trips because it endorses economy and society important to all participants.

Investments of local communities in the future development of tourist round trips will be great help in attempt where passenger ports are trying to reach the level of services in line with the wanted progress. What is needed are more interesting programs of tourist round trips and companionships with members of shipping trade responsible for organizing such trips together with local hotel services for the travellers stay before or after their ship voyage. It is also important to

improve the basic, additional and retailer supply to all destinations, ports and surroundings.

The basic offer consists in the variety of tourist offers which can be visited during the tours which do not take longer than four hours (including the time spent on traversing, loading and discharging passengers). Additional offer includes visiting tourist destinations located in the vicinity or visiting city attractions as supplement to the main offer, such as art galleries, museums, theme tours, which include a voyage of at least eight hours with four additional hours together with the main offer.

3.2. Structure of the public services and city planning

Structural analysis of the public services and city planning (Table 2) show the needs for expanding port capacities. The first major step in that process is to ensure bus stations and multimodal capacities together with improvement of parking spaces. In order to avoid traffic jams and make traffic more comfortable during the season it is necessary to ensure the possibilities of using tourist buses and taxis or even to construct by-

Table 2 - SWOT analysis – structure of the public services and city planning

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> - Existence of port structure - Vicinity of international airports - Existence of specialized international trade fairs 	<ul style="list-style-type: none"> - Lingering moving of people and vehicles, in fact their approach to the passenger terminals - Disadvantages of parking spaces - Disadvantages of tourist signs and guidelines
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Strong decisiveness of local and regional authorities on enhancement of tourist expansion in the region 	<ul style="list-style-type: none"> - Concrete ports have determined the question of ownerships toward the passenger terminals and types of concessions

Sources: developed by the authors

Table 3 - SWOT analysis – Communication and image

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> - Vicinity of famous European tourist destinations (Italy, Greece, Malta etc.) - Safeness of travellers/passengers 	<ul style="list-style-type: none"> - The territory is not well known in South America and Asia (except for the port of Dubrovnik) - Absence of the social interest which is necessary for tourism in the region
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Shengen boarder - Croatian integration in the European Union 	<ul style="list-style-type: none"> - Competitive ports (Trieste and Venice) have tradition in traffic of the tourist round trips

Source: developed by the authors

pass roads toward the ports. Implementing special travellers ways for buses and taxis could bring increment of profit and regulation of transit transportation.

For successful presenting of Croatian ports as the main destinations on the Adriatic coast, the organizers of the tourist round trips can implement their offer by establishing "common bodies" which would lead and coordinate the efforts of ports, local communities and the rest of the participants involved in raising the attractiveness of Croatian destinations. Those strategies require marketing plan which should contain programs about tourist round trips, marketing presentations, introduction of round trips to the members of maritime trade and tourist agencies as well as involvement of tourist fairs and other marketing activities.

3.3. Communication and image

Communication and image are one of the main ways of attracting passengers towards the wanted destinations (Table 3). Local communities, regions and states have to see the opportunities of the unique retail outlets and products/services which are closely connected with the tourist destinations of the Republic of Croatia.

By analyzing the rest of the passenger ports, for example, Venice could be used as the example which is in a great deal applicable to the Croatian passenger ports and cities.

3.4. Trends on the market of passenger transportation and tourism

In Table 4 the trends on the market of the passenger ports and tourism have been analyzed as one of the most important accelerators of maritime transport. The analyses that have been done are applied on the needs for consolidations of all the functions connected to the passenger transport in a unique department which will ensure an increase in profit, better maintenance of infrastructure and coordination of all the services closely connected with the transport system. Only with the developed strategy which would improve the passenger transport, especially tourist round trips and night sojourns of ships can be counted as the additional benefits. Profit could be made by making the tourists who come as part of tourist programs, to change their mind and stay longer. Therefore, tax free trade should be developed and coordinated according to the local events such as: Dubrov-

Table 4 - SWOT analysis - Trends on the market of passenger transportation and tourism

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> - Expected growth of Croatian tourism toward WTO - Expanding of new markets (American-Croatian, top wanted destination in 2006) - Political stability of state and region - Possibility of extending the tourist season - Development of new tourist activities (health tourism, golf courses etc.) 	<ul style="list-style-type: none"> - Non-existence of the national members in the shipping trade responsible for tourist round trips - Non-existence of modern sea passenger ports and terminals
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Market for the tourist round trips has been considered as the most prospective in comparison with the rest of the transport markets in the last 20 years - Connecting with other transport systems, amusement parks, hotels, entertainment companies and casinos with the pressure on the tourist-operators as the most widely spread distributors of round trips 	<ul style="list-style-type: none"> - Growth of Croatian tourism among competitive states on the Adriatic Sea (Italy and Montenegro), the Mediterranean Sea (Cyprus and Turkey) and the Black Sea (Bulgaria and Romania) - Market of the tourist round trips is characterized by most dynamic competition

Source: developed by the authors

nik, Split and Rijeka summer games, music festivals, fairs and conferences.

Although, the mentioned disadvantages are applicable to each category and present one of the main barriers in the development of Croatian sea passenger ports; at the same time, many of them are applying high potentials which should be activated with good marketing promotion and rationalization in management.

4. CONCLUSION

Focusing on the carriage of passengers and transportation, one could find the most perfect "entity" with all their characteristics, perfections and shortcomings and that entity is a human being who is in this case the traveller/passenger. Travellers are the most sensitive ones, because they are demanding, always expecting comfort, safeness, punctuality, regularity, accuracy, high speed and affordability. These demands require changes in physiognomy and behaviour. Today, we do not have classic ports but rather modern passenger ports which have to satisfy the needs of travellers as well as members of the shipping trade. As it was mentioned before, those modern ports are terminals whose function is expanded on the quality acceptance of travellers, comfort during travellers stay and effective usage of other transport systems.

In the Republic of Croatia all the relevant factors are not implemented in the management and development of the sea passenger ports, which as the causes have numerous problems with sea ports, because ports have often felt neglected and excluded from the rest of the national economy. SWOT analyses were used to show a clear picture of the passenger ports from a scientific and a practical point of view. The SWOT analyses were used in order to manage, coordinate and support all the ports by the city, region and the state.

The results of SWOT analyses have been applied on the facts that management of sea passenger ports should be formed in a way which would encourage and further develop all the elements important for the functioning of ports and making those the strategic exponent for the entire city as well as the region and beyond.

Mr. sc. ALEN JUGOVIĆ

E-mail: ajugovic@pfri.hr

ANA PERIĆ, dipl. oec.

E-mail: ana.peric@pfri.hr

Mr. sc. INES KOLANOVIĆ

E-mail: ines@pfri.hr

Sveučilište u Rijeci, Pomorski fakultet

Studentska 2, HR-51000 Rijeka, Republi Hrvatska

SAŽETAK

RELEVANTNI ČIMBENICI UPRAVLJANJA I RAZVOJA POMORSKOPUTNIČKIH LUKA

Upravljanje pomorskoputničkom lukom determinirano je nizom čimbenika s obzirom na složenu funkciju luke u prometnom i gospodarskom sustavu. Svaki od relevantnih čimbenika ima određeni utjecaj na upravljanje, razvoj i ocjenu vrijednosti luke u određenim fazama razvoja, međutim svi oni rezultiraju u jedinstvenoj ocjeni pri odabiru prometnog puta. Ti čimbenici prema kojima se ocjenjuje vrijednost luke, odnosno prometnog pravca čija je ishodišta ili završna točka luka, vrlo su različiti i u određenim fazama razvoja neki od njih dobivaju na važnosti i utjecaju, a drugi gube. Ponekad se pojavljuju čimbenici koji su u jednom vremenskom razdoblju djelovali pozitivno, da bi u drugim okolnostima okruženja imali negativan odraz na luku.

U Republici Hrvatskoj praktično se ne uvažavaju svi relevantni čimbenici koji utječu na upravljanje i razvoj pomorskoputničkih luka, što za posljedicu ima da se problemi pomorskoputničkih luka često razmatraju izdvojeno zaboravljajući pritom da je lučki sustav dio nacionalnoga gospodarstva s izrazito visokim multiplicirajućim učincima. Svrha ovog rada je SWOT analizom, koja daje realnu sliku sa znanstvenog i praktičnog gledišta, ukazati da se uspješno upravljanje pomorskoputničkim lukama postiže koordiniranom suradnjom i potporom grada, regije i matične države.

U ovom radu analizirane su mogućnosti i koraci takve suradnje na način da se vrednuju prednosti i nedostaci luke i grada u kojem je luka smještena te čimbenici koji utječu na atraktivnost i uspješnost poslovanja pomorskoputničke luke. Osim već poznatih čimbenika kao što su geografski položaj, prirodne karakteristike luke, organizacija poslovanja, razvijenost prometnih veza, (...), mjere lučke politike istraživanje je ukazalo na potrebu analize i vrednovanja sasvim novih čimbenika kao što su: resursi i turistička ponuda, struktura, javne službe i gradsko planiranje, komunikacija i imidž te trendovi.

Rezultati istraživanja upućuju na činjenicu da upravljanje pomorskoputničkim lukama treba voditi stvaranju sustava koji će uvažavanjem i razvijanjem svih međusobno povezanih čimbenika težiti stvaranju luke koja će biti strateški nositelj transformacije cijelog grada, regije pa i šire.

KLJUČNE RIJEČI

pomorskoputničke luke, SWOT analiza, međuodnos luka-grad, upravljanje pomorskoputničkim lukama

REFERENCES

1. Kesić, B., *Ekonomika luka*, Pomorski fakultet u Rijeci, Rijeka, 2003, pp. 53-71.
2. Buble, M.: *Strategiski menagement*, Ekonomski fakultet Sveučilišta u Splitu, Split, 1997, pp. 154-155.

LITERATURE

- [1] Baričević, H.: *Promet u turizmu*, Visoka škola za turizam, Šibenik, 2003.

- [2] **Holjevac, A.**: *Upravljanje kvalitetom u turizmu i hotelskoj industriji*, Fakultet za turistički i hotelski menadžment, Opatija 2002.
 - [3] **Mrnjavac, E.**: *Promet u turizmu*, Fakultet za turistički i hotelski menadžment, Ika, 2002.
 - [4] **Brešković, J., Novaković, R.**: *Razvoj turističke destinacije pod utjecajem turizma*, Naše more, br. 49 (1-2)/2002, Dubrovnik, 2002.
 - [5] Consortium FVR/HPC/INROS: *Port Urban Redevelopment*, LU Rijeka, Rijeka, 2003.
 - [6] **Jakomin, L.**: *Razvoj pomorskega potniškega terminala v luki Koper*, Prinz Inštitut, Portorož, 2003.
 - [7] **Kesić, B., Jugović, A.**: *Desetogodišnji plan razvoja lučkog sustava RH 2001. – 2011.*, Zagreb, 2003.
 - [8] Peter Wild and John Dearing: *Development of and prospects for cruising in Europe*, Maritime policy and management, vol. 27, 2000.
 - [9] *2004 World Development Indicators*, The World Bank, Washington, 2004.
 - [10] GP Wild, B&A, ALG and IAAG: *Port of Dubrovnik Passenger Port Redevelopment – Final Draft Summary Report*, Dubrovnik, 2003.
 - [11] *Odluka o osnivanju Zajedničkog tijela*, Lučka uprava Rijeka, Rijeka, 2003.

romet – Traffic&Transportation, Vol. 18, 2006, No. 2, 117-122