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# **GEOGRAPHIC POSITIONING AS A DETERMINATION OF TOURISM DEVELOPMENT OF GEVGELIJA REGION**

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## **Abstract:**

The research of this paper is about casinos in the southernmost city in the Republic of Macedonia – Gevgelija, its geographical position and their role on the development of gambling tourism. Gambling tourism as a special form of tourism, for some world famous tourist destinations is the main form of tourism. In some of them such as in Las Vegas and Monte Carlo, gambling tourism was the basic form of tourism, which further over time initiated rapid economic development of destinations and thanks exactly this kind of tourism they are today one of the most visited tourist destinations. Gevgelija with their casinos in a combination of other factors that influence the development of gambling tourism, especially geographical position, have excellent opportunities for its development, which today is in the initial phase and in the future, with the evolution of the tourist destination, Gevgelija can become known and desirable tourist destination. Today in Gevgelija a new business is born that citizens still do not know about, but day by day thoughts change, primarily because the large and rich countries had the capacity to develop this type of tourism, however we are not rich nor a large country. Today Gevgelija lives in the world of casinos.

*Key words:* tourism, gambling, casinos, entertainment, games.

*Jel Classification:* R12, R19, O18

## **INTRODUCTION**

Gevgelija is located in the vicinity of the Macedonian and Greek border, and at both ends of the border crossings, the Bogorodica and Evzoni (only 3 km.) and the railway station Gevgelija - Idomeni. From the largest port on the Aegean Sea - Thessalonica is only 70 km away and 158 km from Skopje. Through the municipality of Gevgelija

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passes the Corridor 10. A favorable impact should have the newly planned "horizontal" link - from Bitola via Mariovo to Gevgelija, a route linking the eastern and western regions of Macedonia which also integrates the most important tourist areas. The Mediterranean region has always represented an important junction for passengers and goods traveling from Europe to the Middle East or vice versa. The city of Gevgelija has a perfect geographical position, because passing through its territory is the highway E-75 and an international railway line from Skopje - Thessaloniki, connecting the Central and Eastern Europe with the southern part of the European continent, and further on to the Middle East. For such an excellent geographical position certainly contributes and proximity to two international airports in Thessaloniki and Skopje. Gevgelija from the international airport "Aleksandar The Great" Skopje, is only 144km, while the international airport "Macedonia" Thessaloniki is only 103km away, and with both airports Gevgelija is connected by modern highways.

Gevgelija is one of the larger urban cities and is located in the southern region of Macedonia, on the border with the Republic of Greece. The city is located at a latitude of 41 degrees north and a longitude of 22 degrees east, and stretches along the lower valley of the Vardar river, in the central and southern part of Gevgelija - Valandovo basin and the flow of Petrushka and Zuica river, on the eastern slopes of mountain Marijanska which is spread on 485km<sup>2</sup>, on the north and east it borders with the cities of Valandovo and Bogdanci, on the west by Demir Kapija and Kavadarci, and on the south with the state border of the Republic of Greece (Stojmilov 2011).

For the extraordinarily favorable tourist geography location of Gevgelija undoubtedly contributes proximity tourist resort Kozuf. This resort is a year-round mountain rezor located on Mountain Kozuf. Mountain Kozuf is located on the state border Macedonia and Greece, with the highest peak Zelen breg 2176 m. Tourist complex Kozuf is located at an altitude of 1500 to 2176 meters, on locality Momina cesma and mountain peak Zelen breg is located the ski resort Kozuf, which should grow in most elite ski resort in this part of Europe (Plan 2010). Resort development Kozuf is planned on the basis of proximity to Greece, especially proximity Thessaloniki. Gevgelija is distant only 33 km away, which is a very small distance in tourist terms. Numerous forms of tourism which provided tourist resort Kozuf, (winter ski tourism, summer mountain tourism with all the accompanying tourist activities), can be put into operation in tourism in Gevgelija, including the function of the Aleutian tourism. Tourist resort Kozuf can be in function to complement and enrich the tourist offer of the casinos themselves, especially for their guests which realize ranged stay in the casino hotels. On the basis of such geographic location, tourism is developed in Gevgelija, therefore freely can be understood that the geographical position determined the development of tourism in this area.

## **CASINO TOURISM**

Today in Gevgelija a new business is born that citizens still do not know about, but day by day thoughts change, primarily because the large and rich countries had the capacity to develop this type of tourism, however we are not rich nor a large country. Today Gevgelija lives in the world of casinos. Discretion, luxury, fun, high adrenaline, excellent food and a feeling that you're the richest person in the world are

characteristics of the city of casinos (Hrabovski-Tomic 2008). Which is nothing different from the casino atmosphere in Gevgelija. In our casinos is extremely difficult to enter because they are open only to foreign visitors, and people who live at least a distance of 50 km.

The rich world that surrounds you and the attitude management and employees have towards customers, will make you feel relaxed and forget where you are, as optimism that you will win one of the many games of luck is necessary. The Greek media often writes about the executive professionalism of the management teams of the casinos and the employees. While the Macedonian public knows very little about this type of business, the Greek media recommend their managers to visit Macedonian casinos to learn about what is good management and service.

The southernmost city in the country awaited its five minutes of fame for more than 120 years. Gevgelija is the nearest town to the European Union; the distance is only three kilometers from the Greek border. Gevgelija is rich with foreign investment and has the lowest unemployment rate, and above all a peaceful place to live.

Hence the question – Why does the Republic of Greece, along with other developed countries, regardless of the distance from which they come from, gamble here in Gevgelija with a lot of money?

If this type of business is developed around the world, then Gevgelija entered the business world most recently through the construction of hotels and casinos which for Macedonian standards are very luxurious. This city is landlocked and that's why it's become a popular destination in its own means. It is a profitable business, having in mind that in an area of about ten kilometers are already being constructed new casinos besides the already built "Flamingo", "Apolonija", and the newest "Princess Hotel" also built near the border crossing Bogorodica– Evzoni, the border crossing between Macedonia and Greece. The Flamingo casino hotel has proven that gambling tourism in the most southern region of Macedonia is very developed and widespread.

## CASINOS IN GEVGELIJA

In Gevgelija, particularly in its vicinity, by the E-75 highway, just before the border crossing, built and operate several casinos. They represent the basis for the development of gambling tourism in Gevgelija, and their location is chosen solely because of geographical factors previously presented. Also to their geographical position and their functioning is of great importance and distance from major cities, which are major initiative tourist areas and the same is presented in the table below.

**Table 1.** Distance of the casinos in Gevgelija from some major cities

Relation	Time Required	Distance
Athens – Casinos in Gevgelija	5 Hours	555 km.
Thessalonica - Casinos in Gevgelija	1 Hour	77 km.
Belgrade – Casinos in Gevgelija	5 Hours	555 km.
Skopje – Casinos in Gevgelija	2 Hours	156 km.

The "Flamingo" Casino Hotel in Gevgelija is located in the vicinity of the border crossing Virgin Mary with the Republic of Greece, the hotel is situated on 30 000 sq / m and 12,000 sq / m construction area. The "Flamingo" Casino Hotel has become from an idea into a reality. Courage was needed to fulfill the dreams of this hotel. Such courage is a trait of the investor in 2003 in its investment plan announced: "... the investor already has initiated most of the activities of the construction of the hotel casino complex that will be of an A category (five-star hotel). The building is located 300 meters from the border crossing Bogorodica, i.e. border with the Republic of Macedonia and Greece, on the freeway E-75. The frequency of traffic on this freeway is around 10,000 to 15,000 passengers, and this number increases during the summer period to 70,000 passengers daily. A complex which was completed in the year of 2005, work began that same year and successfully operates today. The complex was proudly erected on the mentioned location, boasting with its grandiosity "Flamingo" Casino – a never ordinary hotel.

This project drafted on a piece of paper by a daring group of architects and even bolder investment by investors today means having a wonderful building, investors pride, but also a solution of existence to this city. What are even more important and more essential for the existence of the complex are its soul and its soul of all of its employees, from the number of 17 employees in 2005, growing to 399 in 2006, 486 in 2007, and 550 in 2008 to reach 599 employees today.

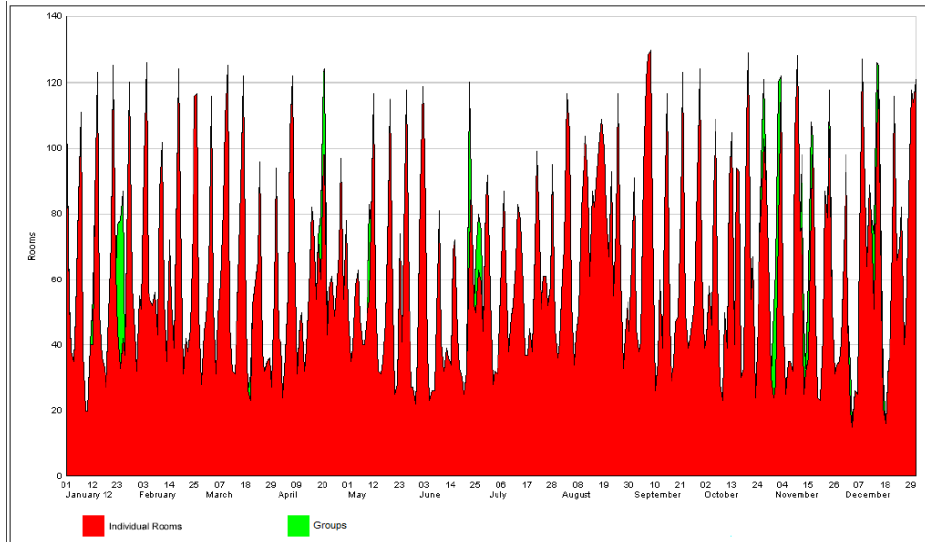
Its continuous development has resulted the "Flamingo", Casino Hotel as a 5 star hotel, offers 41 luxury rooms, 11 business apartments, 6 super-exclusive apartments, and a room for people with disabilities. The casino department of this building besides that it is breathtaking with its pristine appearance offers a wide range of slot and table games, American roulette tables, tables for card games, (Black Jack and Caribbean Stud Poker) Texas Hold'em Poker and Electronic Equipment (slot machines). All the "live" game viewers find maximum satisfaction. For all others who seek other pleasures the "Flamingo" Casino Hotel offers a Cabaret Night Club with diverse entertainment, live arts programs, equipped with stage lighting and sound equipment that will not leave us indifferent to our senses. For guests wishing to relax the SPA center offers various treatments (cosmetic treatments, Turkish bath treatments, various massages, solarium, pedicures, manicures, sauna, Jacuzzi). The Fitness center and Hairdresser salon complement the complete offer of utter relaxation and revitalization for every visitor. On the other hand the Penthouse Flamingo Club is an exclusive place for private meetings with a beautiful view of the surroundings. For gourmands there are unique specialties at several exclusive restaurants in the "Flamingo" Casino Hotel, a combination of Mediterranean and International cuisine. A wide selection of coffee bars with excellent service is just the completion of everything that enables every visitor's maximum satisfaction, is eagerly awaiting all guests the second time around.

These data suggest that hotel casinos, its program and offer extend from classic gambling entertainment, offering fun for the entire family, all generations, ie function as events in hotels. These changes occur in order to meet the tourist demand, because the geographical position of the casino-hotels determines the type of tourists, ie very large number of transit tourists. From 2008 to 2010 the number of visitors has increased more than 200 visitors daily as a result of outstanding service and the innovation which the Flamingo hotel casino introduces to its visitors.

Hotel "Apollonia" is located only 2 km from the border with Greece which has particular importance in the transit corridor, with excellent communication links Skopje north and south of Thessaloniki. Hotel "Apollonia" features: Restaurant gallery, banquet hall, aperitif bar, business center ... Restaurant has a capacity of 300 guests with exceptional service, with a menu of English and Mediterranean specialties. Our chefs are ready to please impersoniraat with specially selected dishes from all corners of the world. Banquet Hall is an ideal choice for organizing seminars and conferences business meetings. Aperitif bar offers a friendly atmosphere. Great place for informal meetings, cocktails and a variety of drinks before or after the scheduled meeting. Green Garden Café is in the traditional style of Gevgelija city house, with lots of greenery, a pleasant stay throughout the summer season in Gevgelija lasts from early April to late October. Business center is a comfortable working place that meets all needs of business communication. In the lobby of the Hotel "Apollonia" is sales area where you can find souvenirs and handicrafts from various regions of Macedonia. It offers 16 double rooms, 15 single rooms, 2 suites, 10 large rooms (suites), which are air-conditioned, equipped with living room, working desk with the possibility of 24-hour Internet access. The hotel has a restaurant, aperitif bar, meeting room, business center, parking space. Within the hotel is located and "Apollonia Casino".

Ramada Plaza Hotel - Gevgelija is located only 7 km from the state border between the Republic of Macedonia and Greece. The hotel is located beside the highway E-75. It is an elite casino-hotel, in which composition is the Princess Casino. Hotel Resort has 125 deluxe and club rooms, 5 suites, conference rooms, meeting rooms, restaurants, bars, spa center, swimming pools for children and adults and many other activities. But despite all these activities the biggest motive for tourist visiting is Kaziono "Pinces", so the whole hotel complex is placed in function of the casino and gambling tourism. Princess Casino has an area of 4000 square meters and offers a 24-hour entertainment. Besides the games of chance in a casino ever held concerts and dance shows, so Casino Pinces offers its guests an excellent and unforgettable entertainment.

Same as in other casino-hotels, and Princess Casino, the number of guests is not constant, ie, there are large fluctuations during different days of the month. Prime time in the hotel is during the weekends and holidays, while during weekdays the number of visitors decreases. The next graph shows such oscillation in the number of visitors, but also notes that the number of guests is constant for months during the year. This is another indication of the conclusion that the highest number of visitors coming in Gevgelija, tourists specially come for fun in Casino and a small number of overnights or most of them are daily visitors.



**Figure 1.** Number of guests and realized overnights 2012.

Currently gambling tourism is facing one problem and that is it is near the Aegean Sea, which means that in the summer season the number of visitors to the casino-hotels is significantly decreasing compared to the months of autumn, spring and winter.

The attendance of visitors in the casino-hotels is not permanent, as mentioned above for the summer season and the proximity of the Aegean Sea, in August the visitors to the casino-hotels fell to a minimum, but in January and December the average rises to 2500 visitors a day. This does not mean that every day there are an equal number of guests, it is clear that weekend and the work days are far more crowded, when there are special occasions the attendance overturn records.

## STATISTICAL OBSERVATIONS

For that what role could be played in casino tourism offer, will be made with an analysis based on the number of transit passengers at the border crossing and number of visitors in the casino-hotels.

First we will start the analysis from the border crossings where it is clear that the number of foreign passengers who transited on our border crossings are located on the Corridor 10, and always at the border crossing at Bogorodica, the number of these is bigger than the border crossing at Tabanovce.

**Table 2.** Difference in the number of the foreign passengers on Bogorodica and Tabanovce border crossing (Statistical review: Transport and other services)

Year	entrance - Bogorodica	exit- Tabanovce	difference
2006	890.034	420.070	469.964
2007	1.054.742	634.155	420.587
2008	977.338	524.133	453.205
2009	1.146.781	903.305	243.476
2010	1.342.297	640.256	702.041
2011	1.554.541	798.595	755.946

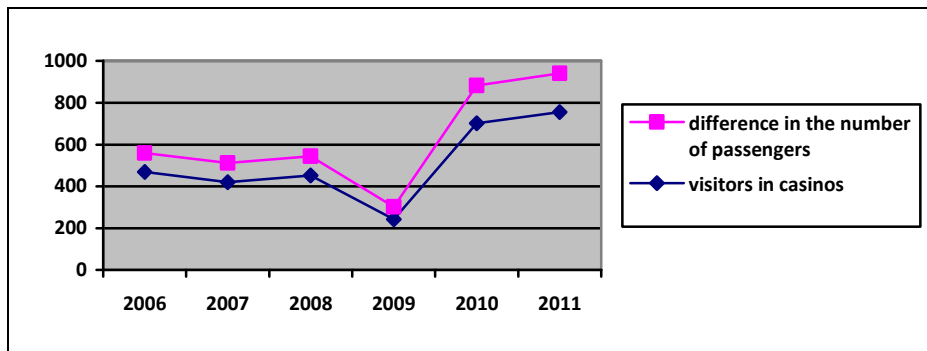
From the data in the table it can be concluded that the difference in the number of passengers between the entrance and exit borders Bogorodica-Tabanovce existed always, but that number increased suddenly in the last two years. Only in the final in 2011, the difference in the number of passengers amounted to 755.946. It is normal that all these travelers do not visit casinos in Gevgelija, but most of them stay in them.

As an indicator of this conclusion we can use the data in the following table.

**Table 3.** Average number of visitors in one day at the hotel-casinos in Gevgelija.

Year	Average number of visitors in one day
2006	900
2007	920
2008	920
2009	600
2010	1800
2011	1850

If in 2011 in Casinos daily stayed an average of 1850 guests, this means that in the course of this year in the casinos stayed around 670,000 guests, then we can conclude that most of the passengers which represent the difference in the number of entry and exit border crossing, actually are casino tourists who visit casinos in Gevgelija.



**Figure 2.** The relationship between the difference in the number of passengers (entrance Bogorodica-exit Tabanovce) and the number of visitors in casinos

From the figure 2. it can be concluded that as the number of foreign tourists at the border crossing Bogorodica is in constant growth, also the number of visitors to the casino-hotels increases. So the reason that we were asking ourselves about the number of the foreign nationals who transited the border crossing Bogorodica, is the casino-hotels, but not only that all other facilities of this kind in this region. As the main reason for the increased number of passengers we can set aside gambling tourism, because after opening these big casinos become a lure not only for our guests but as well for the foreign tourists.

Except in Gevgelija, there have been attempts to develop gambling tourism Doiran, a city which is also located on the border with Greece. But in today Dojran from both built casinos, does not work any. If you made a comparison of the number of passengers crossing the border near Gevgelija with Dojran behavioral studies suggest that there is a big difference in the number of passengers.

**Table 4.** Difference in the number of passengers between border crossing point Bogorodica and Dojran

Year	entrance - Bogorodica	entrance - Dojran	Difference
2006	890.034	143.550	746.484
2007	1.054.742	135.750	918.992
2008	977.338	108.143	869.195
2009	1.146.781	141.088	1.005.693
2010	1.342.297	163.765	1.178.532
2011	1.554.541	201.238	1.353.303

From the table it is clear that border crossing point Dojran has much less flow of passengers in compared of border crossing point Bogorodica, and that is primarily due to unfavorable geographic position and therefore in Doiran was not successful development of gambling tourism.

However the main target market of casinos is the foreign tourists or transiting tourists with a particular purpose in Macedonia. As stated above it shows that Gevgelija is very attractive, but at the same time tourism more needs to be focused on gambling tourism. It is clear that in Gevgelija are already operating casino-hotels flawlessly and try to boost attendance more and more. When we refer to the summer season when we have less visitors in this region we would ask ourselves this question – What can be done to increase the number of tourists at this time of year? It is true that it can be done.

## CONCLUSION

The southernmost city in the country awaited its five minutes of fame for more than 120 years, Gevgelija was named as the second Thessaloniki. Gevgelija is the nearest town to the European Union; the distance is only three kilometers from the Greek border. Gevgelija is rich with foreign investment and has the lowest unemployment rate, and above all a peaceful place to live. This image of our social conditions might



seem unrealistic. But those who live in Gevgelija are satisfied and that's why there is no doubt for their success in their near future. Gevgelija is becoming an attractive as a tourism and recreational destination for domestic and foreign investors who exhibit a growing interest in erecting hotels in the southern region.

It is mainly because of the border crossing communication, and the increased number of foreign travelers, mostly Greeks, via the Macedonian and Greek border. Daily in our country tourists arrive between 1,500 and 2,000 Greek citizens, most of them due to work, shopping or visiting the hotel-casinos that remain in and around Gevgelija. Through the southern gate of Macedonia about 1.5 million passengers a year enter the country.

In Gevgelija, thanks to its geographical position (immediate position to state border, the vicinity of large cities of Thessaloniki and Skopje), gambling tourism is developed. That is it really that confirms the fact that in Republic of Macedonia there are numerous tourist destinations that have much better and more beautiful natural and anthropogenic tourist values, but they are not developed gambling tourism destinations. Such is the case with the city of Dojran, although located near the border with Greece, in compared of Gevgelija has much less favorable geographical position, and therefore failed to develop this kind of tourism. Therefore we can say with certainty that the geographical position of Gevgelija is a fundamental determinant of the development of tourism in this city.

The favorable climate and geographic advantages which enables equal development in the transit, spa and mountain tourism are crucial for the great interest among investors for the construction of tourist complexes. In our nation there is still lack of knowledge in the field of Gambling Tourism, which some consider it harmful. This type of business allows young people to stay and work in the city of Gevgelija.

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