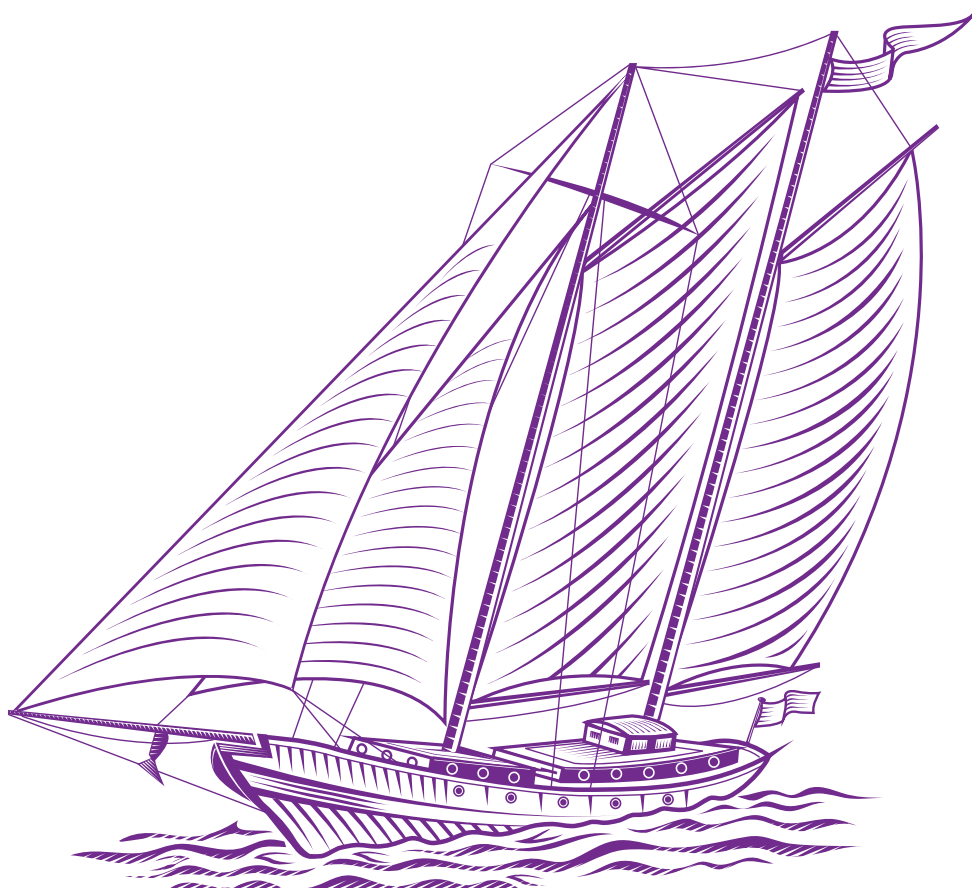




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RESIDENT PERCEPTION OF TOURISM IMPACT IN AN ENVIRONMENTALLY SENSITIVE AREA: THE CASE OF A WETLAND IN SRI LANKA

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**István EGRESI¹, Supun Lahiru PRAKASH²,
Amila WITHANAGE³, Aruna WEERASINGHA⁴**

ABSTRACT. The main objective of this study was to assess the tourism development perception of residents living in one of Sri Lanka's most interesting wetland areas, the Muthurajavela Wetland and Negombo Lagoon. Knowledge of resident perception is essential if tourism is to develop in a sustainable manner. We found that, in general, local people tend to recognize both the benefits and the costs of tourism development in their community, but their overall assessment of tourism impact is clearly positive. Another important finding of this study is that, while the entire population is supportive of tourism, there are differences in the level of support between groups of residents based on community attachment, income and place of residence. The results of this study are encouraging for future wetland tourism development because of the positive attitudes expressed by the local population. Previous studies

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have demonstrated that attitude may be linked to behavior. Thus, residents who perceive tourism impacts positively may be more willing to support future tourism development.

Keywords: wetland, wetland tourism, fragile ecosystems, residents' attitudes

JEL Classification: Z32, F64, M31, O44, Q26

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INTRODUCTION

A great number of studies that examine residents' attitudes towards tourism impacts have been published over the last four decades (Andriotis & Vaughan, 2009; Kibicho, 2008; Lepp, 2008; Gursoy & Dyer, 2009; Monterrubio Cordero, 2008). In spite of this, there is still little understanding of how residents perceive various tourism impacts (Sharpley, 2014), especially in small regions with rapid growth (Peters et al., 2018). This is because tourism impacts are perceived differently throughout different regions, communities and, even, individuals (Carmichael, 2000; Mason, 2008).

Understanding the impact of tourism development on host community is necessary for planning successful and sustainable tourism development (Egresi, 2016c). By identifying the attitudes of local populations, tourism development plans could be designed in such a manner as to maximize the positive impacts and to minimize the negative ones (Abdollahzadeh & Sharifzadeh, 2014; Egresi, 2016b). Keeping locals happy is also good for tourism as tourists tend to favor destinations in which residents are friendly and hospitable (Fallon & Schofield, 2006).

While impact studies are, generally, well represented there are very few studies on the impact of tourism development in environmentally sensitive areas. Butler (2018:1) defines sensitive environments as "*environments/ecosystems that have a high degree of vulnerability to*

change, particularly irreversible change, which may be reflected in permanent loss of elements of biodiversity because of the varying impacts of tourism". Many such environmentally sensitive areas are, or could become in the future, important attractions for the development of local tourism (Reinius & Fredman, 2007).

An example of sensitive environment is represented by wetlands. In fact, wetlands are among the most sensitive and fragile ecological systems (Mitsch & Gosselink, 2000). For this reason, we must be really careful when developing wetland ecotourism, as this can also have negative effects (van der Duim & Henkens, 2007) should the number of visitors grow too much (Diaz-Christiansen et al., 2016). Thus, in order to develop wetland tourism sustainably two things must happen: local policies should be implemented to promote conservation of wetlands (Pueyo-Ros et al., 2018) and the needs of local populations and communities should be taken into account (Marasinghe et al., 2022).

The paper will proceed as follows: first, we will describe our study area underlining the fragility of the ecosystem and the role of tourism in the economic development strategy; next, we will thoroughly review the literature on residents' perception of tourism development and the factors that influence this perception. This will be followed by a description of our methodology. Finally, the study will outline the main results and findings, which will be discussed in the context of the literature review and will lay out a few concluding remarks.

STUDY AREA

Sri Lanka is an island country of some 65,600 km² situated in the Indian Ocean, 55 km off the coast of the Indian Peninsula. After the end of the long civil war in 2009, tourism has become one of the main pillars of economic development. However, mass tourism has been proven to have numerous negative impacts (Egresi, 2016c), so that different forms of alternative tourism (Egresi, 2016a) were preferred instead, based on the country's rich flora and fauna (Egresi & Prakash, 2019), including wetland ecosystems (Egresi et al., 2021).

Wetlands in Sri Lanka play an important role in nature conservation and provide a range of critical benefits to society (Sellamuttu et al., 2011).

Unfortunately, as of lately, the survival of these ecologically sensitive areas has come under threat, mainly due to urban expansion and development.

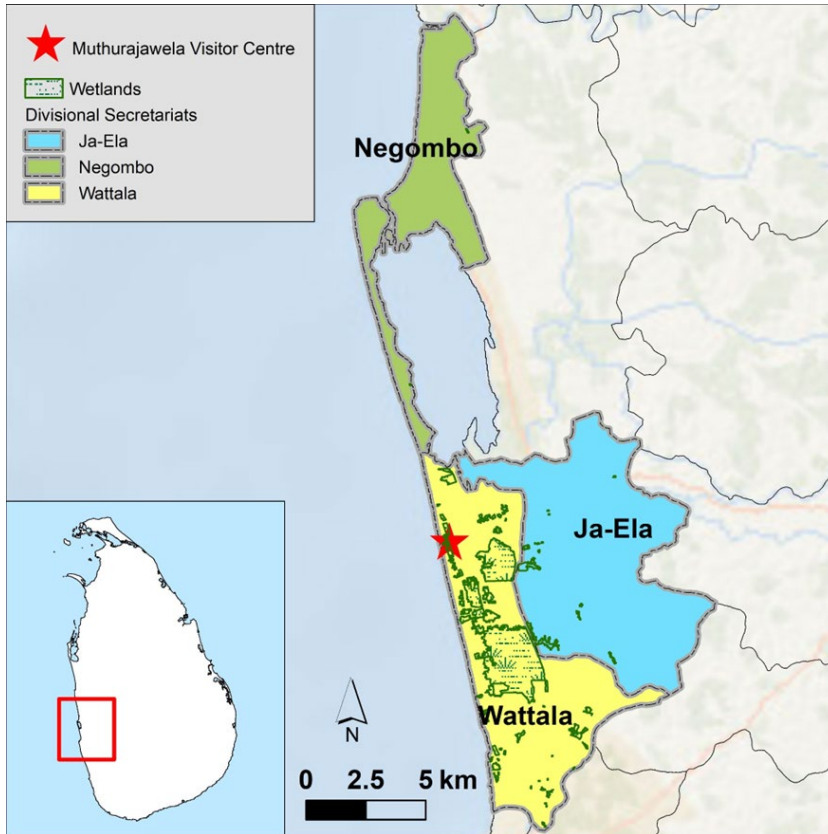


Figure 1. The Muthurajawela Wetland and Negombo Lagoon and the administrative units in which they are situated in southwestern Sri Lanka.

Author: Buddhika Madurapperuma

(Source: Egresi et al., 2021)

The most urbanized part of the country is the Greater Colombo conurbation, covering the entire Western Province. This highly urbanized area, known locally as the Western Region Megalopolis (WRM), includes the nation's capital and accounts for 30% of Sri Lanka's population (Flower et al., 2019). The WRM also includes the most important economic concentration of the country, accounting for 40% of Sri Lanka's gross domestic product (Flower et al., 2019).

At the same time, the WRM area boasts of some of the largest and most renowned wetlands in Sri Lanka, including the Muthurajavela marshes, the largest saline feat bog in Sri Lanka (Flower et al., 2019; Prakash et al., 2016; Prakash et al., 2017) and the Negombo Lagoon (figure 1). Together, the Muthurajawela marshland and the Negombo Lagoon cover over 6000 ha and are characterized by rich and diverse flora and fauna (Greater Colombo Economic Commission, 1991), and by an important mangrove-based ecosystem (Prakash et al., 2017).

However, due to rapid development, urban wetlands in Sri Lanka are degraded and lost at a very rapid pace (Hettiarachchi et al., 2014a; McInnes & Everard, 2017). For example, between 1981 and 2008, in the WRM, 43% of the former urban wetland has been lost (Hettiarachchi et al., 2014a) and, in some protected areas, the rate at which wetlands were lost during this period was even higher, perhaps as high as 65% (Samarasinghe & Dayawansa, 2013). This has resulted in major biodiversity loss (Fernando & Shariff, 2013; Flower et al., 2019) and has affected the city's flood resilience (Flower et al., 2019) and the well-being of the local population (Hettiarachchi et al., 2014b).

LITERATURE REVIEW

Resident perceptions

Resident perceptions and attitudes towards the impacts of tourism development in local communities has been one of the most popular topics in tourism studies (Gu et al., 2021); hence an in-depth review of all this body of research is not possible here. However, a number of comprehensive reviews of studies on this subject have been published over the last two decades and can be consulted by interested scholars (Deery et al., 2012; Harrill, 2004; Monterrubio, 2008; Sharpley, 2014; Nunkoo et al., 2013; Easterling, 2004).

Several studies have highlighted the fact that tourism impacts on the host destinations are of economic, environmental and socio-cultural nature (Vargas-Sánchez et al., 2009; Brida et al., 2011a; Brida et al., 2011b; Peters et al., 2018; Baker & Uni, 2021; Nunkoo & Gursoy, 2012; Lee, 2013) and can be either positive or negative (Easterling, 2004) or both

(Brida et al., 2014; Gursoy et al., 2019; Lee, 2013). Perceived negative impacts of tourism development represent the costs and perceived positive impacts refer to the benefits related to tourism development. These consequences are important because they affect the attitude of residents toward tourism development (Nunkoo, 2016) and will determine the level of tourism development acceptance (Andriotis & Vaughan, 2003).

Among the most important economic impacts of tourism development, the literature mentions increased employment (Andriotis & Vaughan, 2003; Andereck & Nyaupane, 2011; Choi & Murray, 2010; Gursoy et al., 2002; Kayat, 2010; Soldić Frleta & Smolčić Jurdana, 2020; Vargas-Sánchez et al., 2009; Tovar et al., 2020; Gu et al., 2021; Eshliki & Kaboudi, 2012; Sahin & Akova, 2019; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021), more investment and development in the area (Soldić Frleta & Smolčić Jurdana, 2020; Kayat, 2010; Vargas-Sánchez, 2009; Mason, 2008; Peters et al., 2018; Khoshkam et al., 2016; Sahin & Akova, 2019; Abdollahzadeh & Sharifzadeh, 2014), increased business opportunities (Nunkoo & So, 2016) and economic benefits to local businesses (Soldić Frleta & Smolčić Jurdana, 2020; Khoshkam et al., 2016), local and national tax revenue (Dimitriadis, et al., 2013; Gu et al., 2021) and economic benefits to local population (Soldić Frleta & Smolčić Jurdana, 2020; Dimitriadis, et al., 2013; Peters et al., 2018; Andereck & Nyaupane, 2011; Choi & Murray, 2010; Gu et al., 2021; Khoshkam et al., 2016; Eshliki & Kaboudi, 2012; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021).

Negative economic impacts are reflected mainly in inflation (Trumbo & O'Keefe, 2001) generated by the rising cost of goods & services (Brida et al., 2011; Nunkoo & So, 2016; Tovar et al., 2020; Peters et al., 2018; Liu & Li, 2018; Gu et al., 2021; Eshliki & Kaboudi, 2012; Abdollahzadeh & Sharifzadeh, 2014) and by the increased prices of housing (Escudero Gómez, 2019; Liu & Li, 2018; Gu et al., 2021).

From a social and cultural perspective, tourism development could enhance local population's quality of life (Dimitriadis, et al., 2013; Peters et al., 2018; Escudero Gómez, 2019; Andereck & Nyaupane, 2011; Choi & Murray, 2010; Khoshkam et al., 2016; Eshliki & Kaboudi, 2012; Sahin & Akova, 2019; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021), could expand leisure (recreational) opportunities (Brida et al., 2011; Gursoy et al., 2002; Peters et al., 2018; Escudero Gómez, 2019; Andereck & Nyaupane, 2011; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021)

and, through improved infrastructure and public facilities and services (Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021; Andereck et al., 2005; Eshliki & Kaboudi, 2012; Gu et al., 2021; Peters et al., 2018; Tovar et al., 2020), could encourage locals to socialize more (Andereck et al., 2005; Khoshkam et al., 2016), to engage in various cultural activities & events (Soldić Frleta & Smolčić Jurdana, 2020; Tovar et al., 2020; Escudero Gómez, 2019; Choi & Murray, 2010; Sahin & Akova, 2019; Achrekar, 2021) and to meet people of different cultural background (Brida et al., 2011; Soldić Frleta & Smolčić Jurdana, 2020; Peters et al., 2018; Sahin & Akova, 2019).

Unfortunately, tourism development could also lead to crowding (Soldić Frleta & Smolčić Jurdana, 2020; Tovar et al., 2020; Peters et al., 2018; Khoshkam et al., 2016; Eshliki & Kaboudi, 2012; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021), traffic congestion (Brida et al., 2011; Peters et al., 2018; Escudero Gómez, 2019; Liu & Li, 2018; Dyer et al., 2007; Andereck et al., 2005; Gu et al., 2021; Eshliki & Kaboudi, 2012; Abdollahzadeh & Sharifzadeh, 2014; Achrekar, 2021) as well as security and crime problems (Peters et al., 2018; Escudero Gómez, 2019; Andereck et al., 2005; Deery et al., 2012; Gu et al., 2021; Eshliki & Kaboudi, 2012).

Tourism development could also impact the natural environment in the wetland area both in a positive and negative way. On the one hand, tourism development could improve the appearance of the wetland (Khoshkam et al., 2016), increase the quality of the natural environment and protect wildlife (plants, birds and animals) in the area (Khoshkam et al., 2016), as well as stimulate environmental conservation and improvement (Brida et al., 2011; Peters et al., 2018; Liu & Li, 2018; Andereck & Nyaupane, 2011; Andereck et al., 2005; Khoshkam et al., 2016; Abdollahzadeh & Sharifzadeh, 2014). On the other hand, tourism development could generate more air pollution (Tovar et al., 2020; Peters et al., 2018; Achrekar, 2021), noise pollution (Gursoy et al., 2002; Andereck et al., 2005; Soldić Frleta & Smolčić Jurdana, 2020; Tovar et al., 2020; Peters et al., 2018; Achrekar, 2021), water pollution & littering (Andereck et al., 2005; Tovar et al., 2020) as well as destroy the natural environment (Andereck et al., 2005; Soldić Frleta & Smolčić Jurdana, 2020; Peters et al., 2018; Mason, 2008; Brida et al., 2011b).

Most studies have reported mixed results for tourism impacts, although positive impacts were prevalent (Amuquandoh, 2010; Escudero Gómez, 2019; Lepp, 2007; Peters et al., 2018). However, differences can

be found when looking at the type of impact. On the one hand, studies found that economic impacts were positive (Brida et al., 2011a; Gursoy et al., 2002) while social and cultural impacts tended to be positive but at a lesser degree (Baker & Uni, 2021; Brida et al., 2011a). On the other hand, researchers often reported negative results for the environmental effect of tourism development (Soldić Frleta & Smolčić Jurdana, 2020; Tovar et al., 2020), although when tourism development is at an incipient stage this may not be salient (Baker & Uni, 2021; Tavares et al., 2012).

Factors influencing perceptions

Several studies have attempted to identify the main variables that affect residents' perception of tourism impact. In this study, we will test the impact of three factors on the way residents perceive tourism development in their community, namely: attachment to the community, monthly household income and place of residence.

1. Attachment to the community

One variable that previous studies have used to better understand resident perception is community attachment (Brida et al., 2014; Dodd & Butler, 2010). Community attachment is defined as the “*extent and pattern of social participation and integration into community life and sentiment or affect toward the community*” (McCool & Martin, 1994: 30). Community attachment can be measured in many ways (Brida et al., 2014), the most popular being by the length of residency in a geographic location (Allen et al., 1993; Brida et al., 2014; Abdollahzadeh & Sharifzadeh, 2014; Teye et al., 2012).

Most authors suggested that more attached citizens tend to support tourism development because they perceive more benefits (Gursoy et al., 2002) or because they are proud of the place they live in and want others to experience it as well (Vidal Rua, 2020). Gursoy et al. (2002) also argued that someone who lived in the destination as a child tends to perceive fewer negative impacts of tourism. Particularly native-born residents are likely to support any increase in the overall number of tourists (Brida et al., 2014).

However, these results are also contested by a number of researchers (Andereck et al., 2005; McGehee & Andereck, 2004; Gursoy et al., 2002;

Long & Kayat, 2011) who noted that the relationship is more complex and could vary from situation to situation. For example, it was found that length of residency could have a negative effect in perceptions of socio-cultural impacts (Khoshkam et al., 2016) and a positive effect on how the residents perceive the economic impacts (Khoshkam et al., 2016). Some studies have demonstrated that the longer an individual resides in a community, the more negative is the attitude towards tourism development because they tend to perceive less benefits from tourism (Almeida et al., 2015; McCool & Martin, 1994; Snaith & Haley, 1999; Haley et al., 2005).

2. Monthly household income

Another variable that could help us to better understand residents' attitudes toward tourism development is monthly household income (Abdollahzadeh & Sharifzadeh, 2014; Long & Kayat, 2011), although the validity of the relationship between residents' attitudes and their income is questioned by some scholars (Andriotis, 2004; Kayat, 2000 cited in Long & Kayat, 2011). In general, the literature supports the claim that residents with higher incomes perceive a significantly higher positive impact of tourism development than residents with lower incomes (da Cruz Vareiro et al., 2013; Látkova & Vogt, 2012; Lin et al., 2019; Snaith & Haley, 1999) and, therefore, are more likely to support tourism development (Long & Kayat, 2011). Another position is that tourism development is viewed more positively by residents with lower incomes because they are more likely to find jobs in an industry that generally pays low wages (Tichaawa & Moyo, 2019).

3. Place of residence

A number of studies in the past have highlighted the importance of the place of residence (whether urban or rural) in influencing local people's view on the development of the tourism sector in their community (Andriotis, 2004; Chi et al., 2020; Jepson & Shapley, 2015; Rasoolimanesh et al., 2017a). These studies have shown that, in general, urban dwellers are more supportive towards tourism development than rural residents (Andriotis, 2004).

METHODOLOGY

A questionnaire was used to survey residents on their perception of tourism impact. The questionnaire was prepared in English and translated to Sinhala by one of the authors who is bilingual. Before it was applied, it was pre-tested on ten residents in order to identify possible issues with the questions. A few minor problems were detected and solved.

Then, the field survey was conducted by three local authors between 10 February and 15 March 2020 in the Wattala, Ja-Ela and Negombo Divisional Secretary (DS) Divisions of the Gampaha District using a systematic sampling method. Each tenth house on a street or in a group of houses was selected for the survey. If found at home, the household head or an adult (over the age of 18) residing in the house was invited to participate. If no adult was found at home or if they declined to participate, the researchers moved on to the next house. We interviewed people living both within the wetland and outside the wetland but in close proximity of it.

The questionnaire included five sections but only three were used for this study. The first part elicited basic demographic data of the residents such as: gender, age, education level and income. The next section asked questions related to the participants' place of residence (whether in rural or urban area and years living there). The last section consisted of 29 statements regarding residents' perception of tourism impact. Of these 17 were positive statements and eleven were negative statements. The last statement measured perception of the overall impact. The items in this scale were borrowed from previous studies (see the literature review section) and adapted to the local context. This scale measured the environmental (ten statements), economic (nine statements) and socio-cultural (nine statements) impacts of tourism development and was based on a five-point Likert scale. The reliability coefficient (Cronbach's alpha) for the entire set of statements was .885, which, based on George & Mallery's (2003) scale, is considered a good level of internal consistency.

The Statistical Package for Social Sciences (SPSS 26) was employed for the analysis of our data. We used descriptive statistics (frequencies and percentages) to collect socio-demographic data on our sample. In addition, we calculated the median and the inter-quartile range (IQR) to gauge the attitude of residents towards the positive and negative impact of tourism development in the wetland area.

In the last part of our analysis we created two new variables and labeled them:

1. Perception of positive impact, resulted from the aggregation of the 17 positive statements ($\alpha=.827$).
2. Perception of negative impact, based on the aggregation of the eleven negative statements ($\alpha=.857$)

Next, we used the independent samples t-test to check whether there were statistically significant differences between groups in terms of their perception of tourism impact based on their place of residence (urban or rural), attachment to the community (length of residency) and monthly household income.

FINDINGS AND DISCUSSION

Socio-demographic profile of the residents

The socio-demographic profile of the residents surveyed is shown in table 1. The table shows that most of our respondents are male, under 45 years of age, educated up to middle school, live in a rural community and have maintained the same residence for more than 20 years. Also, three-quarters of the residents surveyed have monthly household incomes that are lower than the median income per household in Sri Lanka, which was Rs. 43,511 in 2016 (Department of Census and Statistics, 2017).

Table 1. Socio-demographic characteristics of survey participants

| Attribute | Freq. | % | Attribute | Freq. | % |
|--------------------------|-------|------|------------------------------------|-------|------|
| <i>Gender (n=351)</i> | | | <i>Length of residence (n=349)</i> | | |
| Male | 220 | 62.7 | 20 years or less | 101 | 28.9 |
| Female | 131 | 37.3 | More than 20 years | 248 | 71.1 |
| <i>Age (n=351)</i> | | | <i>Income (n=211)</i> | | |
| 18-29 | 119 | 33.9 | Up to Rs. 43,511 | 159 | 75.4 |
| 30-44 | 148 | 42.2 | Over Rs. 43,511 | 52 | 24.6 |
| 45-64 | 80 | 22.8 | <i>Type of residence (n=349)</i> | | |
| 65+ | 4 | 1.1 | Rural | 287 | 81.8 |
| <i>Education (n=351)</i> | | | Urban | 64 | 18.2 |
| No formal education | 27 | 7.7 | | | |
| Primary school | 40 | 11.4 | | | |
| Middle school | 157 | 44.7 | | | |
| High school | 99 | 28.2 | | | |
| University | 18 | 5.1 | | | |
| Postgraduate | 6 | 1.7 | | | |
| Other | 4 | 1.1 | | | |

Source: Authors' questionnaire

Perception of tourism impact

The table below (table 2) shows that residents agree with all the positive impacts of tourism and most of the negative impacts as listed in the questionnaire. There was only one exception: residents seemed to have a neutral view on the statement that the development of tourism has had a negative impact on the local culture (table 2). Overall, most residents agreed that the benefits of tourism development exceed the costs (table 2).

Table 2. Residents' attitudes toward positive, negative and overall impacts of tourism development

| Attitude | SD ⁵ | | D | | N | | A | | SA | | Med | IQR |
|---|-----------------|-----|------|------|------|------|------|------|------|------|-----|-----|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % | | |
| Positive Impacts or “Benefits” (α=.827) | | | | | | | | | | | | |
| Improved quality of life for residents (n=347) (SCC) | 6 | 1.7 | 16 | 4.6 | 31 | 8.9 | 250 | 72.0 | 44 | 12.7 | 4 | 0 |
| Improved public services and facilities (n=347) (SCC) | 8 | 2.3 | 73 | 21.0 | 53 | 15.3 | 165 | 47.6 | 48 | 13.8 | 4 | 1 |
| Better access to cultural activities, facilities and programs (n=347) (SCC) | 9 | 2.6 | 48 | 13.8 | 57 | 16.4 | 191 | 55.0 | 42 | 12.1 | 4 | 1 |
| Better access to entertainment (n=351) (SCC) | 13 | 3.7 | 53 | 15.1 | 72 | 20.5 | 175 | 49.9 | 38 | 10.8 | 4 | 1 |
| Opportunities to meet with culturally different people (n=349) (SCC) | 13 | 3.7 | 41 | 11.7 | 42 | 12.0 | 209 | 59.9 | 44 | 12.6 | 4 | 1 |

⁵ SD= strongly disagree; D= disagree; N= neutral; A= agree; SA= strongly agree; Med= Median; IQR= Inter Quartile Range; SCC= socio-cultural impact; ECN= economic impact; ENV= environmental impact

RESIDENT PERCEPTION OF TOURISM IMPACT IN AN ENVIRONMENTALLY SENSITIVE AREA:
THE CASE OF A WETLAND IN SRI LANKA

| Attitude | SD ⁵ | | D | | N | | A | | SA | | Med | IQR |
|--|-----------------|-----|------|------|------|------|------|------|------|------|-----|-----|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % | | |
| Improvement of utilities infrastructure (n=349) (SCC) | 8 | 2.3 | 41 | 11.7 | 60 | 17.2 | 172 | 49.3 | 68 | 19.5 | 4 | 1 |
| Greater revenues to the local economy (n=345) (ECN) | 6 | 1.7 | 30 | 8.7 | 52 | 15.1 | 211 | 61.2 | 46 | 13.3 | 4 | 0 |
| Many jobs (n=351) (ECN) | 12 | 3.4 | 26 | 7.4 | 45 | 12.8 | 196 | 55.8 | 72 | 20.5 | 4 | 0 |
| Start of many new businesses (n=351) (ECN) | 6 | 1.7 | 47 | 13.4 | 62 | 17.7 | 192 | 54.7 | 44 | 12.5 | 4 | 1 |
| Higher revenues for local businesses (n=347) (ECN) | 2 | 0.6 | 43 | 12.4 | 56 | 16.1 | 183 | 52.7 | 63 | 18.2 | 4 | 1 |
| Higher incomes for local residents (n=347) (ECN) | 4 | 1.2 | 76 | 21.9 | 57 | 16.4 | 161 | 46.4 | 49 | 14.1 | 4 | 1 |
| More investment and development (n=349) (ECN) | 10 | 2.9 | 42 | 12.0 | 68 | 19.5 | 185 | 53.0 | 44 | 12.6 | 4 | 1 |
| Improvement of the transportation infrastructure (n=351) (ECN) | 2 | 0.6 | 45 | 12.8 | 81 | 23.1 | 183 | 52.1 | 40 | 11.4 | 4 | 1 |
| Diversification of the local economy (n=351) (ECN) | 16 | 4.6 | 91 | 25.9 | 39 | 11.1 | 195 | 55.6 | 10 | 2.8 | 4 | 2 |
| Incentives for conservation of local flora and fauna (n=347) (ENV) | 6 | 1.7 | 58 | 16.7 | 63 | 18.2 | 181 | 52.2 | 39 | 11.2 | 4 | 1 |
| Improved the appearance of the wetland (n=349) (ENV) | 15 | 4.3 | 57 | 16.3 | 39 | 11.2 | 197 | 56.4 | 41 | 11.7 | 4 | 1 |
| Encouraged the local | 11 | 3.2 | 33 | 9.5 | 56 | 16.1 | 197 | 56.8 | 50 | 14.4 | 4 | 1 |

| Attitude | SD ⁵ | | D | | N | | A | | SA | | Med | IQR |
|--|-----------------|-----|------|------|------|------|------|------|------|------|-----|-----|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % | | |
| community to keep their area clean (n=347) (ENV) | | | | | | | | | | | | |
| Negative Impacts or "Costs" ($\alpha=.857$) | | | | | | | | | | | | |
| Negative impact on local culture (n=349) (SCC) | 16 | 4.6 | 93 | 26.6 | 78 | 22.3 | 144 | 41.3 | 18 | 5.2 | 3 | 2 |
| Security and crime problems (n=349) (SCC) | 14 | 4.0 | 61 | 17.5 | 93 | 26.6 | 112 | 32.1 | 69 | 19.8 | 4 | 1 |
| Higher prices for products, services and real estate (n=351) (ECN) | 6 | 1.7 | 34 | 9.7 | 34 | 9.7 | 197 | 56.1 | 80 | 22.8 | 4 | 0 |
| Water pollution (n=349) (ENV) | 5 | 1.4 | 103 | 29.5 | 53 | 15.2 | 109 | 31.2 | 79 | 22.6 | 4 | 2 |
| Negatively impacted the natural environment (n=348) (ENV) | 4 | 1.1 | 62 | 17.8 | 24 | 6.9 | 183 | 52.6 | 75 | 21.6 | 4 | 1 |
| Tourism facilities are not in harmony with nature and traditional architecture (n=347) (ENV) | 4 | 1.2 | 63 | 18.2 | 50 | 14.4 | 183 | 52.7 | 47 | 13.5 | 4 | 1 |
| Negative impact on wildlife (n=351) (ENV) | 10 | 2.8 | 64 | 18.2 | 66 | 18.8 | 156 | 44.4 | 55 | 15.7 | 4 | 1 |
| Crowding of communities (n=351) (ENV) | 14 | 4.0 | 52 | 14.8 | 40 | 11.4 | 158 | 45.0 | 87 | 24.8 | 4 | 1 |
| Traffic congestion, noise and air pollution (n=351) (ENV) | 6 | 1.7 | 89 | 25.4 | 47 | 13.4 | 140 | 39.9 | 69 | 19.7 | 4 | 2 |

RESIDENT PERCEPTION OF TOURISM IMPACT IN AN ENVIRONMENTALLY SENSITIVE AREA:
THE CASE OF A WETLAND IN SRI LANKA

| Attitude | SD ⁵ | | D | | N | | A | | SA | | Med | IQR |
|--|-----------------|-----|------|------|------|------|------|------|------|------|-----|-----|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % | | |
| Increased water usage (n=351) (ENV) | 7 | 2.0 | 53 | 15.1 | 64 | 18.2 | 181 | 51.6 | 46 | 13.1 | 4 | 1 |
| Increased litter (n=349) (ENV) | 6 | 1.7 | 66 | 18.9 | 53 | 15.2 | 162 | 46.4 | 62 | 17.8 | 4 | 1 |
| Overall impact | | | | | | | | | | | | |
| Overall, benefits outweigh costs (n=351) | 3 | 0.9 | 32 | 9.1 | 47 | 13.4 | 183 | 52.1 | 86 | 24.5 | 4 | 0 |

Source: Based on authors' questionnaire

These results differ from the findings of many other wetland tourism studies in developing countries which display high values for residents' positive perceptions and low values for their negative perceptions of tourism development (see for example Rasoolimanesh et al., 2017). This overly enthusiastic support towards tourism development in those case studies is a sign that, in those communities, tourism development is in its early stages, or, according to Doxey's Irritation Index (1975), in the stage of euphoria, in which residents greet visitors with enthusiasm as they tend to see mainly the benefits of tourism and to minimize the costs. However, over time, according to Doxey (1975), as the number of visitors will continue to increase, the local residents may become hostile towards them. Unlike this situation, in Muthurajavela, the local population is still welcoming of visitors despite the fact that they fully understand the cost of tourism development.

Differences in tourism impact perception between groups

We were also interested in learning whether or not there were statistically significant differences in tourism impact perception between groups based on the three factors: community attachment, monthly household income and place of residence.

1. Community attachment

We found no correlation between length of residency and attitudes toward positive and negative impacts of tourism development (in line with findings by Allen et al., 1993). However, our results suggest that residents

who have lived in the community for 20 years or less are more inclined to assess the benefits of tourism development to outweigh the costs than longer term residents (table 3). This may be because „*residents who are more committed to their community may regard tourism impacts with greater concern than those who are not attached*” (Da Cruz Vareiro et al., 2013: 538).

Our results also support the findings of many previous studies which demonstrated that long-term residents are generally more reluctant to tourism (McCool & Martin, 1994; Snaith & Haley, 1999; Haley et al., 2005).

Table 3. Difference in tourism impact perception based on length of residence

| | N | Mean | St. Dev. | Statistic |
|-------------------------------------|-----|-------|----------|---|
| Positive impact – “Benefits” | | | | |
| 20 years or less | 95 | 60.28 | 8.07 | Levene’s test p=.615 \square equal variances assumed t(311)=-1.746; p=.082 |
| More than 20 years | 218 | 62.05 | 8.30 | |
| | | | | |
| Negative impact – “Costs” | | | | |
| 20 years or less | 95 | 40.06 | 6.22 | Levene’s test p=.004 \square equal variances not assumed t(214.509)=1.575; p=.117 |
| More than 20 years | 241 | 38.78 | 7.80 | |
| | | | | |
| Overall assessment impacts | | | | |
| 20 years or less | 101 | 4.04 | .774 | Levene’s test p=.027 \square equal variances not assumed t(224.341)=-2.060; p=.041* |
| More than 20 years | 248 | 3.84 | .943 | |

Source: Based on authors’ questionnaire

2. Monthly household income

Next, we found that residents who earn more tend to perceive greater negative impact of tourism development than residents who are making less than the median income (table 4). This may be because those who are more affluent do not depend economically on the wetland (and generally do not live within the wetland) and see this area more as a place for leisure that needs to be preserved in its natural state rather than exploited for a profit. Therefore, they are more likely to notice the negative impact of tourism, especially on the environment. However, somewhat surprisingly, these residents are also more likely to assess the overall impact of tourism

development to be beneficial to the local community. These findings partly contradict the results of a study by da Cruz Vareiro et al. (2013) which stated that residents with higher incomes perceive significantly higher positive economic impacts of tourism than residents in the lower income bracket. In our case, while the value for the positive impacts was indeed higher in the case of higher income residents, the difference was not statistically significant (table 4).

Table 4. Difference in tourism impact perception based on monthly household income

| | N | Mean | St. Dev. | Statistic |
|-------------------------------------|-----|-------|----------|--|
| Positive impact – “Benefits” | | | | |
| Up to Rs. 43,511 | 144 | 59.65 | 7.71 | Levene’s test p=.536 \nexists equal variances assumed t(190)=--1.607; p=.110 |
| More than Rs. 43,511 | 48 | 61.73 | 7.87 | |
| | | | | |
| Negative impact – “Costs” | | | | |
| Up to Rs. 43,511 | 154 | 36.32 | 6.88 | Levene’s test p=.814 \nexists equal variances assumed t(200)=-3.826; p=.000* |
| More than Rs. 43,511 | 48 | 40.75 | 7.39 | |
| | | | | |
| Overall assessment impacts | | | | |
| Up to Rs. 43,511 | 159 | 3.69 | .934 | Levene’s test p=.023 \nexists equal variances not assumed t(98.319)=-1.995; p=.049* |
| More than Rs. 43,511 | 52 | 3.96 | .816 | |

Source: Based on authors’ questionnaire

3. *Place of residence*

Finally, our results show that rural dwellers tend to perceive greater benefits and lighter costs for tourism development than urbanites but the differences do not appear to be statistically significant. However, those living in the countryside are also more likely to see the overall impact as positive and, in this case, the difference from the perception of urban residents is shown to be statistically significant (table 5). This could be explained by the fact that rural residents generally have lower incomes and fewer economic opportunities compared to urban dwellers (Andriotis, 2004). Thus, for them, economic gains from tourism development are more important than maintaining their traditional culture or preserving their surrounding environment (Rasoolimanesh et al., 2017b).

Table 5. Difference in tourism impact perception based on place of residence

| | N | Mean | St. Dev. | Statistic |
|-------------------------------------|-----|-------|----------|---|
| Positive impact – “Benefits” | | | | |
| Rural | 255 | 61.87 | 8.55 | Levene’s test p=.061 \square equal variances assumed t(313)=-1.241; p=.216 |
| Urban | 60 | 60.40 | 6.99 | |
| | | | | |
| Negative impact – “Costs” | | | | |
| Rural | 278 | 38.93 | 7.41 | Levene’s test p=.400 \square equal variances not assumed t(336)=-1.446; p=.149 |
| Urban | 60 | 40.45 | 7.34 | |
| | | | | |
| Overall assessment impacts | | | | |
| Rural | 287 | 3.96 | .904 | Levene’s test p=.498 \square equal variances assumed t(349)=2.439; p=.015* |
| Urban | 64 | 3.66 | .859 | |

Source: Based on authors’ questionnaire

Conclusion

The main objective of this study was to assess the tourism development perception of residents living in or near one of Sri Lanka’s most interesting wetland areas, Muthurajavela Wetland and Negombo Lagoon. We found that, in general, local people tend to recognize both the benefits and the costs of tourism development in their community, but their overall assessment of tourism impact is clearly positive.

Another important finding of this study is that, while the entire population is supportive of tourism, there are differences between groups of residents. Here we have chosen to investigate the differences in resident perception along three factors that were somewhat less studied in the literature: community attachment, income and place of residence. Our results have shown that all three factors could be used as discriminants in resident perception studies.

The results of this study are encouraging for future wetland tourism development because of the positive attitudes expressed by the local population. Knowledge of resident perception is essential if tourism is to develop in a sustainable manner (Deery et al., 2012; Soldić Frleta & Smolčić Jurdana, 2020; Vargas-Sánchez et al., 2011). Previous studies have

demonstrated that attitude may be linked to behavior (Ajzen & Fishbein, 1980 cited in Lepp, 2007). Thus, residents who perceive tourism impacts positively may be more willing to support future tourism development (Brida et al., 2014; Lawson, 2013; Lepp, 2007; Peters et al., 2018).

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INKEDFLUENCED IDENTITY: REDEFINING WORKPLACE PRESENCE AND SOCIETAL NORMS

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ABSTRACT. The act of free expression has been a longstanding tradition observed by people worldwide, dating back approximately 12,000 years BC. While in the past, activities such as visual arts, fashion, or education were recognized as means of entertainment and self-expression in society, today the art of tattooing has emerged as a valid and embraced form of self-expression. Tattooing is no longer viewed by the general population, especially young adults, as a means to rebel against social norms or as a practice that diminishes human worth. Instead, it has evolved into a dualistic representation of self and a symbol of personal growth and development. However, within the workplace, this form of self-expression is not prioritized. In the past two decades, numerous companies and conglomerates have started implementing policies pertaining to the appearance of their employees. Nevertheless, there are still many companies that have not taken this progressive step. Professional and personal life after the Pandemic will not be what it once was, and the corporate environment and its characteristics are constrained by these changes in the attitude of its human component and is forced to take measures in this regard. The purpose of this work was to analyze and observe the perception of society and different organizational cultures regarding tattoos as a form of self-expression of employees and job applicants, both locally and

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internationally. Following this research, it is wanted to be confirmed or infirmed the existence of the measure in which this practice of expression leads to discrimination in employment and acceptance in society or if this taboo of tattooing in the workplace is still a practice or not. These hypotheses are intended to be tested by implementing exploratory research and collecting secondary data by consulting various specialized articles and studies, but also by collecting primary data represented by individual interviews and by conducted an eye-tracking experiment, with tattoo artists, consumers of this practice.

Keywords: tattoo, culture, workplace, perceptions, stigma, young workforce generation

JEL classification: D63, J71

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INTRODUCTION

It is no secret that tattoos have long been linked to the counterculture movement in the modern workplace, where workers are frequently evaluated. More than that, tattooing has been popular among artists for many years, from hip-hop musicians through punk rockers of the 1970s. Since the advent of social media, they have been used for millennia as a means of self-expression and have grown in popularity. Even if they are not prohibited, many individuals nevertheless have negative opinions about tattoos. Although the causes of this stigma differ from person to person, there are some widespread misconceptions about them. Tattoos have always held a significant place in many cultures, even though they are frequently associated with “the wrong crowd” and disobedience. Tattoos can have deeper, more meaningful significance than only the surface level factors. They can, for instance, serve as a reminder of important life events, such as formative early childhood experiences, and provide emotional support for the emotional processing of such events (Ernst *et al.*, 2022).

Tattoos are a common form of self-expression and personal identity in contemporary culture. However, many people find them uplifting or empowering because they reflect their views and values in a way that matches their own personality. They are often perceived by many as being rebellious and nonconformist. Because they effectively represent their moral ideals and personal tastes, many people believe tattoos to be powerful. People from diverse backgrounds and professions proudly display the tattoos that represent their experiences, hobbies, and objectives in life. The idea of the present paper appeared during the conception and realization of the dissertation thesis.

REVIEW OF LITERATURE

Tattooing is a permanent body modification made by inserting ink into the second layer of skin and it is executed with the help of a tattoo machine or needles. Tattoos can be decorative or symbolic and can express feelings towards various things or people. They are used for artistic, cosmetic, sentimental, memorial, religious and spiritual reasons, as well as to symbolize belonging or identification with certain groups (Václavíková, 2022).

Throughout history, perceptions of tattoos have varied across cultures and time periods (Gilbert, 2000). Tattooing, or the permanent inking of motifs and patterns on the skin, is a universal and indisputably ancient activity. As Deter-Wolf *et al.* (2016) said, tattooing was a common activity in antiquity, according to historical and archeological data, and Indigenous people from all continents except Antarctica incorporated tattooing into their cultural traditions. Indigenous tattoo practices have served as a way to mark the passage into adulthood, represent social rank, record military prowess, show lineage and group membership, and even channel and control paranormal powers, depending on the culture and time period. Looking further into the subject from the point of view of terminology, the word “tattoo” comes from the Polynesian culture and means “inscription” or “ornament”. At the same time, it is mentioned by historians how James Cook, the 18th century explorer, brought this term into Western culture after his travels in the Polynesian islands, where he was impressed by the indigenous tattoos. Polynesians used onomatopoeia such as “ta-ta-ta” to describe the process of applying tattoos using sharp wands. The oldest evidence of a tattooed man comes from “Otzi”, a mummy discovered in 1991

in the Italian Alps. Otzi's tattoos were considered to be therapeutic and not decorative, being associated with medical practices such as acupuncture (Stanculescu, 2023). Otzi had 61 tattoos on his body, which could be seen in *Figure 1*. These tattoos were located on his left wrist, lower thighs, lower back, and torso. These 19 collections of lines have a thickness of from one to three mm and a length of between 7 and 40 mm. His legs, which collectively sport twelve groups of lines, have the most markings (Deter-Wolf *et al.*, 2016).

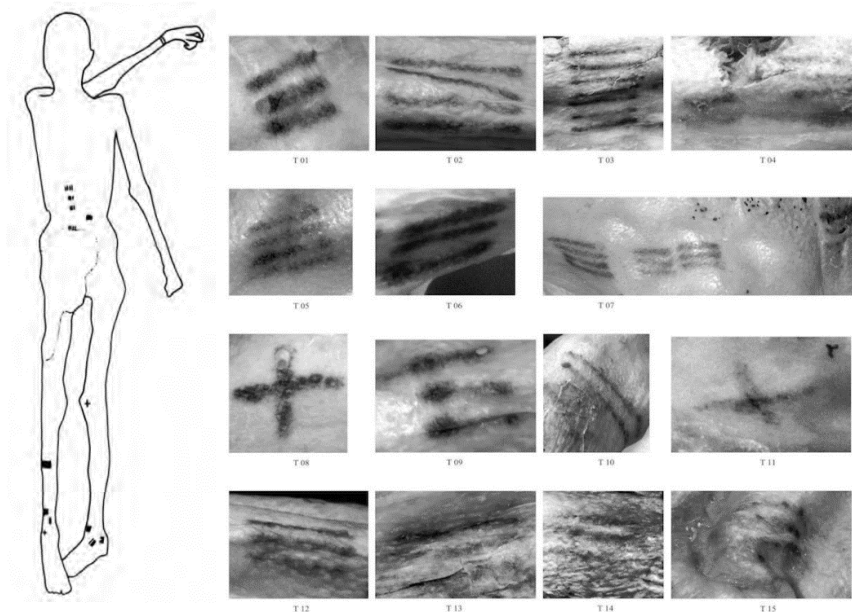


Figure 1. Ötzi, the Iceman's tattoos

Source: Laura Geggel (2015). Published at

<https://www.livescience.com/49611-otzi-iceman-mummy-tattoos.html>



Considering the cultural side of the origins of tattoos, it is mentioned by researchers that in Japanese culture, tattoos have been widespread since the 3rd century, originally being symbols of strength and courage in men. During the Edo period (1603-1868), tattoos became a distinctive art form called irezumi and were worn by samurai and other upper classes (Hawken, 2022). At the same time, in the West, the popularity of tattoos increased in the 18th century, when sailors tattooed their bodies as a reminder of their travels and adventures. In the 19th century, tattoos became



more common among the working class in Europe and North America. Evidence for the existence of tattoos is found in iconographic representations and identifiable tattoo implements, and preserved tattooed human remains are the most conclusive evidence (Hawken, 2022). Further, supplementing the evidence behind the popularization of tattoos, it is mentioned in several specialist writings that the earliest written evidence of the practice of tattooing is found in ancient Chinese texts such as early prose, historical works, dynastic chronicles, and criminal codes.


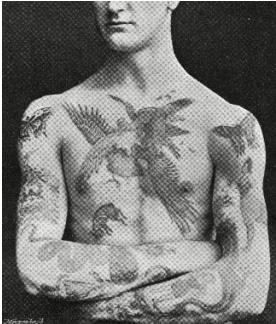
Some of these texts date back to 1000 BC. In a text from the 3rd or 4th century BC, Zhuangzi mentions the people of Yue who cut their hair and tattooed their bodies by cutting and pigmenting their skin. The Yue, a people of southern China and northern Vietnam, marked their bodies to protect themselves from monsters and mythical creatures. According to researchers, the Chinese commonly used tattoos to mark criminals on the face, thereby warning society of their wrongdoings. In Europe, the first Greek sources describing tattoos date from the 5th century BC.

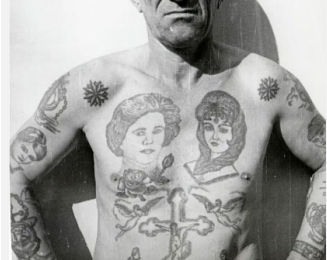
Soldiers of the Roman Empire were tattooed with the mark SPQR (Senatus Populusque Romanus, meaning “Senate and People of Rome”) and dots for identification. Originally, tattoos could be considered a sign of prestige in Greek culture but were later associated with slavery and degradation in both Roman and Greek culture. The Greeks are believed to have adopted the practice of punitive tattoos from the Persians in the 6th century BC, when criminals, slaves and enemies were marked. A well-known example is that of the Athenians tattooing owls on defeated Samians and then receiving warship tattoos from the defeated Greeks. The ancient Greek historian Herodotus indicated that many ancient cultures that the Greeks and Romans encountered considered tattoos as symbols of pride. Ancient Egypt is another culture that probably influenced the practice of tattoos in Greece, where they were used mainly for decorative purposes (Václavíková, 2022). Table 1, which offers a description of these typologies as well as an illustration of their symbolism and the reasons why they have been and are still acknowledged, provides further information on the different tattoo typologies in terms of their cultural origins.

Table 1. Typologies and symbolism in tattoos derived from world cultures

| TYPOLOGY | DESCRIPTIONS | EXAMPLES AND SYMBOLISM |
|---|---|--|
| <p>MARINE TATTOOS</p>  | <ul style="list-style-type: none"> ▪ They are a traditional style of tattoos done mainly by sailors and soldiers; ▪ They became a popular art form and were used to bring luck and protection on sea voyages; ▪ Today, they are considered a form of folk art and personal expression; ▪ It is characterized by simple and strong designs, inspired by marine life and the ocean. | <ul style="list-style-type: none"> - Some common motifs in sailor tattoos include: <ul style="list-style-type: none"> • Anchors • Carabiner wheels • Hearts • The stars • Roosters • Swallows (swallows) • Pin-up girls • Sirens • Skulls - These motifs are associated with symbols of: <ul style="list-style-type: none"> • Protection • Good luck • Love • Devotion to life at sea. |
| <p>POLYNESIAN TATTOOS</p>  | <ul style="list-style-type: none"> ▪ They originate from the islands of the South Pacific and are known for their complex patterns and strong symbolism. ▪ They are made by repeatedly piercing the skin with a tool called tatau and use straight and curved lines to create detailed patterns. ▪ These tattoos can cover the entire surface of the body. | <ul style="list-style-type: none"> - They have a strong symbolism and each pattern has a unique meaning; - Common motifs in Polynesian tattoos include: <ul style="list-style-type: none"> • Patterns of spirals • Triangles • Diamonds • Circles • Lines - These designs may represent aspects of nature such as ocean waves, rain or fire, or they may represent specific animals or plants such as snakes or turtledoves; - Polynesian tattoos are often used to represent local history and culture; - Certain designs may represent different tribes or families, while others may indicate a person's social status or role in the community; |

| TYOLOGY | DESCRIPTIONS | EXAMPLES AND SYMBOLISM |
|---|---|---|
| | | <ul style="list-style-type: none">- Polynesian tattoos can also be used to indicate performance in various activities such as sailing or hunting. |
| <p>MAORI TATTOOS</p>  | <ul style="list-style-type: none">• They come from the Maori culture of New Zealand and are known for their complex patterns and strong meaning;• They are made by repeatedly pricking the skin with a special tool called uhi or mārō, using black ink;• Designs are symmetrical and use straight and curved lines to create complex and detailed patterns;• They are commonly done on the face, arms, legs and back. | <ul style="list-style-type: none">- Maori tattoos have strong symbolism and each design has a unique meaning.- These represent different values and traditions of Maori culture, including history, spirituality and cultural identity.Examples of pattern meanings:<ul style="list-style-type: none">• Snake or reptile head designs can represent protection from evil.• Horn patterns can represent power and authority.• Other designs may represent specific animals, such as birds or snakes, which have special meanings in Maori culture. |
| <p>CHINESE TATTOOS</p>  | <ul style="list-style-type: none">• They are known for using Chinese characters and designs inspired by Chinese culture and history.• These are usually done in black ink and have complex and detailed designs.• They are often made on the arms, back, chest or legs | <ul style="list-style-type: none">- Chinese tattoos are an important art form in Chinese culture.- These are associated with the values and traditions of Chinese culture.- Chinese characters in tattoos can represent moral values such as courage, honesty or loyalty.- Patterns inspired by Chinese art and history can represent themes such as love, victory or luck. |

| TYPOLOGY | DESCRIPTIONS | EXAMPLES AND SYMBOLISM |
|---|--|--|
| <p>JAPANESE TATTOOS</p>  | <ul style="list-style-type: none"> • Also known as irezumi, they are made using traditional tattooing techniques, which involve piercing the skin with a special tool called tebori. • These tattoos are known for their use of vibrant colors and intricate and detailed designs | <ul style="list-style-type: none"> - They are closely related to Japanese culture and history, being associated with traditions such as samurai, geisha and Japanese mythology. For example, dragon designs can represent power and strength, while cherry blossom designs can represent beauty and the passage of time. - They are related to Japanese values and traditions such as discipline, courage and loyalty. - These can be done especially in cultural ceremonies or as a form of respect for Japanese culture and traditions. |
| <p>EUROPEAN TATTOOS</p>  | <ul style="list-style-type: none"> • In the Middle Ages, they went through a period of illegality with the growing influence of the Church, because they were associated with earlier pagan beliefs. • Northern European tribes such as the Celts and Vikings tattooed themselves with symbols inspired by nature. | <ul style="list-style-type: none"> - The specific Irish-Gaelic symbolism is extremely rich: • The salmon is considered a symbol of wisdom, introspection and deep knowledge, and • The bird represents freedom. • The butterfly, in turn, is a metaphor for transformation and rebirth. |
| <p>CRIMINALS TATTOOS</p> | <ul style="list-style-type: none"> • They are a distinct aspect of tattoos, associated with criminal groups and crime. • They have a specific meaning in the criminal world and serve as indicators of affiliation, status or warning between criminals. | <ul style="list-style-type: none"> - The symbolism and meaning of criminal tattoos may vary by region, criminal group or specific culture. - Sometimes these tattoos can indicate the degree of involvement in criminal activities, status or rank within an organization, or even crimes committed by the individual. |

| TYOLOGY | DESCRIPTIONS | EXAMPLES AND SYMBOLISM |
|---|--|---|
|  | | <ul style="list-style-type: none">- They can convey a sense of power, loyalty, devotion or, in some cases, even serve as a warning or intimidation to other criminals or rivals. |
| MODERN TATTOOS | <ul style="list-style-type: none">• Stands out for its use of advanced techniques, vibrant colors and innovative designs.• They offer a wide range of styles and motifs, reflecting people's individual tastes and preferences.• These can include styles such as realism, minimalism, abstract, tribal, geometric, watercolor, neo-traditional, and more. | <ul style="list-style-type: none">- The symbolism and meaning of modern tattoos can vary depending on the design and intentions of the wearer.- These tattoos can have personal and deep meanings for the individual, representing his values, interests, experiences or feelings. For example, a flower tattoo can symbolize beauty, fragility, or a moment of personal blossoming, while a compass tattoo can represent a desire to find direction or stability in life. |

Source: The authors' work adapted from the article written by Catalin Stanculescu (2023) and according to the information provided by the website tattooing101.com

As a summary of the information presented in the above table, tattoos might be described as cryptic and complex or simple and obvious. Tattooing has been practiced throughout history by many distinct cultures, each of which has its own set of tools, inks, and methods (Mallick & Kipgen 2023). Also, based on the historical information about the techniques, material and tools used in the art of tattooing and the evolution of those, tattoos can be categorized based on tattooing styles, designs, and methods. According to tattooing101.com and tattooinsight.com, some of the most popular tattoo styles are traditional, neo-traditional, realism, watercolor,

Japanese, tribal, and blackwork (See Figure 2). The creative style of a tattoo can be used to categorize and characterize it. Tattoos with a traditional design are often influenced by certain cultures, such as sailor or tribal art. To create a lifelike image, realistic tattoos attempt to accurately reproduce things, people, or landscapes. Old School tattoos have a throwback look that is distinguished by bold colors, strong black lines, and thick lines.

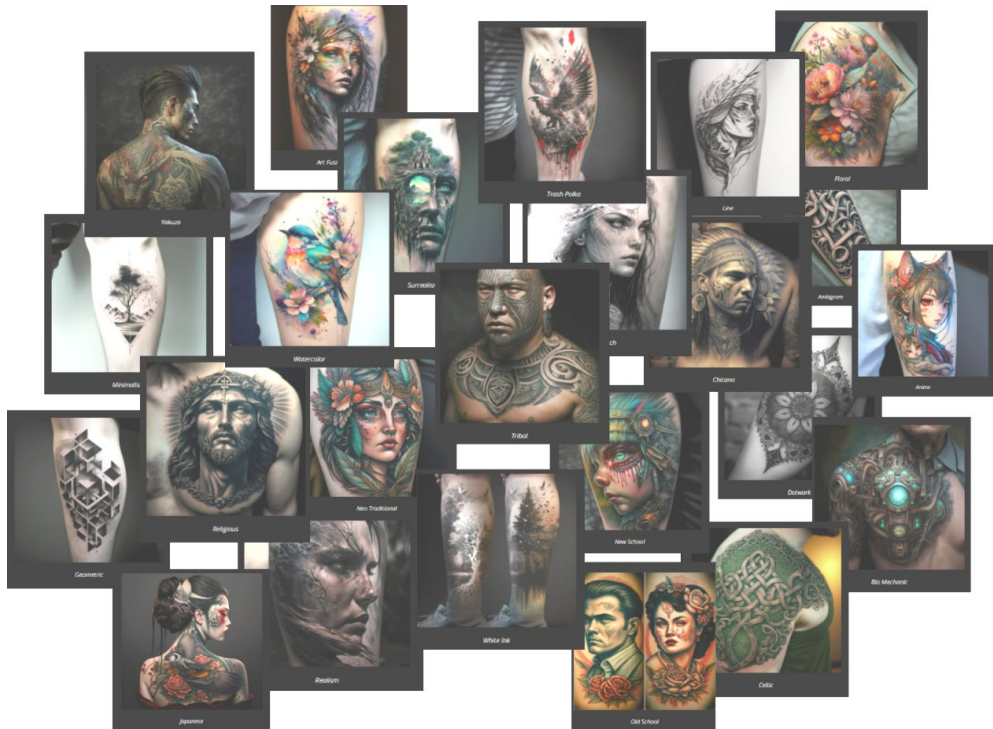


Figure 2. Extensive illustration of the diversity of tattoo styles

Source: The authors' work based on the information provided by the author Andrei Kovalev (2022) on the website

<https://www.midlibrary.io>, images that were made using AI technology

Abstract or fantastical motifs, bright colors, and thin lines are all characteristics of New School tattoos. Tattoos that use water effects and diluted colors imitate the watercolor style. Lines, triangles, circles, and other geometric shapes constitute the foundation of geometric tattoos. Words, quotations, or sentences are inscribed on the skin as script tattoos in a

variety of fonts and writing styles. Neo-traditional tattoos can be thought of as a modern take on American Traditional. Neo Traditional uses varied line weights, soft gradients, additional colors, and complex details while still retaining a two-dimensional appearance and technical accuracy.

In industrialized nations during the 1970s, tattoos have grown in popularity and come to be identified with specific occupations and cultural movements. According to a survey of people between the ages of 18 and 50, it is currently estimated that 10% to 24% of the general population in Europe, Australia, and the United States have tattoos. These findings were provided in their work by the authors Oanta *et al.* (2014). Recent research in Germany of 3,400 tattooed individuals painted a typical picture of the “tattooed person”: men and women in their 30s with tattoos covering an area of roughly 300 cm² (or more in 61% of respondents), and 65% of them had several tattoos (Oanta *et al.*, 2014).

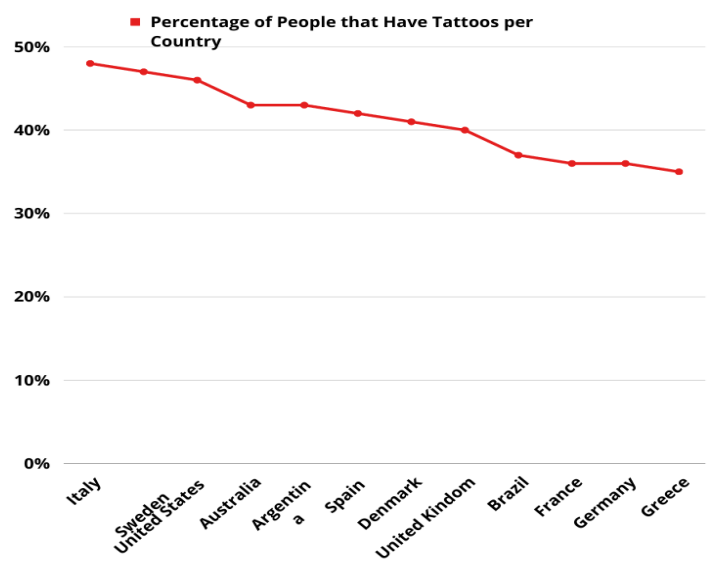


Figure 3. The percentage of the population with tattoos per country.
Source: Authors’ work based on article written by Jason Wise (2023)

Incorporating data from specialized websites like Statista, Salary.com, and other websites like YouGov, according to author Jason Wise (2023), highlights the stigmatization phenomena. He also points out that stigma in

the job is one of the reasons why many people choose not to have tattoos or attempt to cover them up. In a UK survey, it was discovered that about 25% of participants were in favor of tattoo-related photos. When considering formal, highly trained occupations like those of doctors and lawyers, however, the attitude drastically altered and fell to fewer than 10%.

Finding a job is extremely difficult for people who have more obvious tattoos, particularly on the face and neck. In contrast, tattoos that are covered by clothing, like those on the back or upper arm, draw less criticism (Wise, 2023). Nevertheless, there is a clear prejudice towards someone with a tattoo, regardless of where it is. They are at a disadvantage in this regard compared to their counterparts who do not have tattoos (Wise, 2023). Figure 3 below shows that the country with the highest percentage of tattooed people is Italy, at 48%, followed by Sweden, at 47%. Other European nations with high rates of tattooing include Spain, Denmark, the United Kingdom, and France, with percentages ranging from 35% to 48% (Wise, 2023).

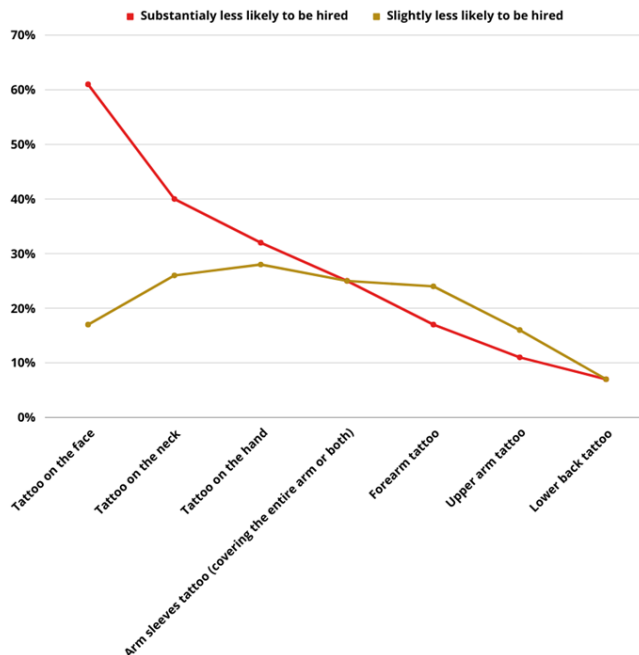


Figure 4. The percentage of the population that are likely to be hired based on the placement of their tattoo

Source: Authors' work based on article written by Jason Wise (2023)

A study by Oxygen Network and Lightspeed discovered that 59% of women globally have at least one tattoo. Only 13% of women in the country of the tattoo report having one, compared to 15% of all men of all ages. Similar statistics may be found in Russia, where 39% of men and only 27% of women respectively have at least one tattoo. With almost 40% of its members sporting at least one tattoo, the 18-to-34 age group has the highest prevalence of ink. With a rate of 36%, people in the 35 to 54 age range come in second. On the other hand, only 16% of adults 55 and older have tattoos (Wise, 2023). Even though there has been progress in exposing the stigmatization of those with tattoos, particularly in highly developed economies, discrimination still happens frequently. According to data gathered by the same author through research on various platforms and statistical reports, he discusses in his article that despite the progress made in lowering stigmatization of the tattooed population, especially in highly developed economies, there are still high rates of discrimination in the modern world. Figure 4 shows the perspective of people with tattoos and the proportion of their employment opportunities based on where their tattoos may be seen.

The graph above and data from Jason Wise (2023) indicate that people with facial tattoos appear to be 61% less likely to be considerably employed and 17% less likely to be lightly employed. A hand tattoo increases the likelihood of being hired easily by 28% while a neck tattoo decreases the likelihood of being considerably employed by 40% and lightly employed by 26%. Regarding people with tattoos on the whole arm or both arms (tattoo sleeves), those with a tattoo on the forearm and those with a tattoo on the upper arm have a 25%, 17% and 11% lower probability respectively to be employed substantially and with 25%, 24%, and 16% less to be employed lightly. Moreover, these same statistics state that people with lower back tattoos are 7% less likely to be substantially employed and 7% less likely to be lightly employed (Wise, 2023).

Numerous studies (Desrumaux *et al.*, 2009; Featherstone, 2010; Hosoda *et al.*, 2003; Braun *et al.*, 2015; Madera, 2016) have examined the impact of physical attractiveness on hiring decisions. Woodford *et al.* (2022) discuss in their study how data suggests that job applicants who have desirable physical attributes, such as physical attractiveness, are often viewed in a more favorable light during the selection process. The “pretty is good” heuristic, which states that physical attractiveness provides

a halo effect that causes favorable judgments of attractive individuals, can be used to explain this preference for appearance (Johnson *et al.*, 2010; Murphy *et al.*, 2015). In general, applicants with unfavorable physical traits - such as obesity, facial deformity, a physical disability, or purposeful body modification - are evaluated less favorably and may be more likely to experience direct discrimination throughout the application process. Koch *et al.* (2015) and Carter (2016) talk about selection. When physical attractiveness is prioritized over cerebral aptitude and knowledge of one's surroundings, this sort of prejudice, known as "lookism," is more prevalent in employment involving direct consumer contact. Despite the fact that visible tattoos are more prevalent and accepted in modern society (Kluger, 2015), most employers still view them as a disqualifying physical trait. Tattoos are viewed by society as a source of stigma because of their historical links with sailors, gang members, prisoners, motorcyclists, and people participating in unlawful and socially deviant behavior (Zestcott *et al.*, 2018). In turn, "tattooed" people are stigmatized as a marginalized group in society and are connected to unfavorable social traits such sexual promiscuity, drug use, anger, violence, delinquent behavior, low intelligence, and dishonesty. The stigma hypothesis states that stigma can automatically elicit unfavorable assumptions and accompanying reactions, which can result in the formation of both explicit and implicit negative attitudes (Dale *et al.*, 2009; Bekhor *et al.*, 1995; Baumann *et al.*, 2016; Dean, 2010, 2011; Henle *et al.*, 2018; Jibuti, 2018; Miller *et al.*, 2016; Swanger, 2006; Timming, 2015; Zestcott *et al.*, 2018)

According to studies, tattoos are often seen as an unfavorable trait in the workplace and hiring managers have a stronger negative attitude toward job applicants with visible tattoos (Woodford *et al.*, 2022). Additionally, it was shown that these candidates encountered more direct and indirect prejudice during the screening process. The extent to which visible tattoos affect work prospects, according to study, may vary depending on the situation. Timming (2015) found that managers' attitudes toward applicants with visible tattoos varied by industry and degree of customer interaction, with tattoos being less tolerated in the service industry and in jobs that directly deal with customers. Less than a third of managers in the hotel, beauty, retail, and office industries were willing to hire a person with a visible tattoo, according to Bekhor *et al.*'s (1995) research. Customers often have negative feelings toward service industry personnel

who have tattoos, unless they work in more traditionally masculine roles, like mechanics, according to more recent studies, such as that conducted by Baumann *et al.* (2016). In another study on consumer preferences, Dean (2010) found that while identical tattoos on manual workers were acceptable, those on clerical workers were regarded inappropriate.

Studies by Dean (2010) and Baumann *et al.* (2016) found that the nature of the role or industry had an impact on customers' perceptions of visible tattoos. This research showed that, compared to manual or blue-collar employment, traditional office tasks are less favorable toward visible tattoos. Contrarily, the division of employment into white-collar and blue-collar classifications is a frequent method for separating labor tasks according to their context, content, and associated physical and psychological demands (Woodford *et al.*, 2022). Blue-collar professions typically involve hard physical labor and a focus on physical rather than intellectual demands. They are distinguished by low levels of autonomy, discretion, task variety, and decision-making, according to researchers. Since they usually require less formal education and training, they are more common. White-collar jobs, such those performed by managers, supervisors, and professionals, call for more complex cognitive activities and are associated with higher levels of independence, discretion, and decision-making.

Additionally, these occupations frequently ask for a higher level of education, experience, and training (Herr *et al.*, 2015; Ravensteijn *et al.*, 2017; Schreurs *et al.*, 2011). According to the stereotype fit theory (Dipboye, 1985), decision-makers may view members of various social groups as being suited for certain jobs or organizations based on common misconceptions about that group (for a more in-depth explanation, see Lee *et al.*, 2015). With the help of this hypothesis, it is possible to understand why tattoo acceptance varies between white-collar and blue-collar occupations. As was previously stated (Kosut, 2006), people with tattoos are stigmatized as being less talented, intelligent, determined, and honest than those without tattoos. According to the theory of stereotype matching, a hiring manager might use these stereotypes as a source of knowledge to determine that a job applicant with tattoos is unfit for a white-collar function given the intellectually demanding nature of the responsibilities involved with that employment. Similarly, a hiring manager may come to the opposite conclusion and believe that a candidate with tattoos is a good fit for a profession that demands less mental input or decision-making and requires

greater physical toughness and endurance, attributes typically associated with blue collar employment. According to Timming (2015), tattooed people's ability to find employment depends heavily on their proximity to clients. An employer can conclude that a job applicant with tattoos is not a good fit for a white-collar position requiring customer connection because of stereotypes that equate tattoos to fear, wrath, and hostility since many white-collar jobs require involvement with consumers. The bulk of blue-collar positions, in contrast, do not necessitate close client contact, which reduces the weight given to tattoos in the hiring decision (Woodford *et al.*, 2022).

Stereotypes regarding tattooed persons may vary depending on the tattoos' individual characteristics and the context in which the tattooed person is encountered. When it comes to employment, clients' perceptions of workers with tattoos may be influenced by these stereotypes (Frankel *et al.*, 2023). The activation and application of preconceptions or the intentionally stereotyped processing of tattoos, however, are necessary for this grading system. The style, color, and size of a tattoo can have a positive or negative impact on how people feel about them. The working environment, which includes professional responsibilities, customer interaction, and the degree of luxury in the office, has an impact on how well-rated tattooed employees are. However, there are other cases where employees with tattoos receive positive feedback, especially in the service industry where an artistic appearance is valued. In the context of the workplace, the impact of tattoos on stereotypes and intentions to do business with tattooed employees is investigated (Frankel *et al.*, 2023).

RESEARCH METHODOLOGY

The present study is based on the research carried out during the master's program for the completion of the dissertation thesis. The study incorporated both primary and secondary research. Exploratory research was used in the first part of the study to collect secondary data, which required reading through the text of several specialized papers and publications. The secondary data for this study was also acquired over a three-month period using a range of academic and scientific study

and research platforms, such as Research Gate, Science Direct, Springer, and Google Scholar to download specialist literature. For the purposes of this chapter, the in-depth semi-structured interview served as the primary exploratory research method, while neuromarketing research served as a cutting-edge, contemporary research method. A sample of 29 interviewees will be used for the qualitative data collecting approach, which is the interview. The composition of this sample consists of 12 students, 2 civil servants, 2 plastic artists, 2 pensioners, a photographer, an IT worker, a hotel receptionist, a technical actuary, a flight attendant, 3 talent acquisition, a piercer and 2 artists tattoo artists. The motivation behind the choice of diversifying the interview participants from the point of view of occupations was mainly the desire to find out the main perceptions towards tattoos, both from the point of view of increasing the popularity of this trend within the Romanian population, but also from the point of view the presence of tattooed individuals on the labor market and the attitude towards them, especially in jobs that have a greater interaction with the final consumer, such as those of civil servants, receptionists or flight attendants.

Through the tattoo artists and the interviewees who admitted getting tattoos, it was possible to learn more about the tattoo market in Romania and the level of appeal to this phenomenon of body modification. It was also able to identify several similar characteristics relating to the mindset of tattoo consumers and to identify some universal traits relating to tattoo preferences and the driving forces behind tattoo decisions. In addition, the participants in the in-depth interview ranged in age from 19 to 25 years old to 40 to 75 years old. In the interview, women outnumbered men by a ratio of 21 to 8, and Cluj County, Constanta County, Bistrița, Suceava, and Tulcea were the most frequent places of origin. Urban and rural settings were also employed to depict the environment of origin. Finding and interviewing the interview applicants also took roughly two months. The interviews were conducted over the phone, online via the Microsoft Teams platform, and in-person in Cluj-Napoca. The duration of the interviews ranged from 45 minutes to an hour and a half. The participants were informed at the outset of the interview that their replies would be kept confidential and used only as indicated. They were also informed that the discussion would be recorded.

RESULTS AND DISCUSSIONS

Based on the interviews, it appears that both within and outside of Romania, tattoos on the job aspect are not given much weight in general. The young adults who participated in the interviews displayed a deep love for tattoos and a desire to express themselves freely through them. Most of them admitted to having tattoos and said their primary motivations for getting them were to personalize their bodies with images that held special meaning for them. Other motivations for getting tattoos were impulsivity and a desire to fit in. Additionally, the interviewees that work in human resource field mentioned that there are still clients or older employees in Romania who view tattoos negatively and that there is still a generational divide in this regard.

Those workers as talent acquisition noted that there is not a well-known negative perception about those who have tattoos and that they have not really encountered this phenomenon of discrimination or misunderstanding, but they wanted to mention that older people still have a negative perception about tattoos and that employees are encouraged to cover them up. On the other hand, there were participants who are already employed and who encountered these tattoo problems at their workplace, but they were only encountered in the experience of people who worked in the aviation field as flight attendants or as waiters in a restaurant. They pointed out that there are still people who persist in the idea that tattoos are associated with bad people and violent behavior, especially on the part of older people, and that is why employers have clothing policies or covering tattoos at their workplace especially when it comes to interacting with customers. In another vein, there were participants who agreed that there are also employers who do not have a problem with their appearance at all, and even said that their tattoos are often a way to get closer to other colleagues and to start conversations at work.

Regarding the opinion of the participants at the idea of whether or not tattoos affect a person's career on a long run, their answers were divided, some of them considering that tattoos do not affect a person's career and that today's generation of employers is not entirely populated by people who have a problem with them, and the other half agreed with the idea that they are an obstacle in an individual's career. Following the

identification of a general reason that causes this reticence towards people with tattoos, the conclusion was reached that it is not the tattoos themselves that represent this reason, but rather the model chosen to make the tattoos and the placement, as for example on the face. One of the respondents even gave examples such as the presence of an obscene message or grotesque designs in visible places. Moreover, another participant in the interview mentioned that in her career she encountered situations of reticence based on a person's tattoos both at her address and from the point of view of close people, mentioning that one of her acquaintances was treated failed the driving test because he had visible tattoos, and personally this person mentioned how during the time she worked with the Work and Travel program in the USA, at a restaurant she was told to cover her tattoos and this situation and behavior created a feeling of inferiority and misconception for the person in question.

When the people interviewed were asked to give their opinion on tattooed people and how they would describe such people in general, the vast majority said that they have a certain respect for these people because they see them as brave, authentic, and very cool, expressing in at the same time and a certain curiosity towards them. Other people have also mentioned that in their opinion they are "just people" and that their tattoos do not in any way change their judgment towards them or their correlation with a certain social group. Moreover, the interviewed people unanimously agreed that tattoos are form of personal and artistic expression, through which each person can convey feelings, experiences, and identity. One person also mentions that: *„Tattoos allow us to express our creativity and mark significant aspects of our lives and are ways in which we can use our body as a canvas to create art and express our individuality”*. When the respondents were asked what they consider to be the role of tattoos in society, the majority said that in general tattoos are perceived as forms of personal expression and art. Another idea shared by most participants was that there are still people who associate them with criminality or consider them negative, such as the older generation such as grandparents. One of the interviewees added on this matter that: *“Personally, I went through the situation of having a dispute about tattoos with older people. In my opinion, the fight between generations regarding tattoos is born because of the instinct of the elderly to oppose the change of social dogmas to which they were exposed, in turn, in their youth. Thus, they oppose tattoos*

today as they were considered an indicator of infamous people.” In recent years, however, there has been a trend toward greater acceptance and recognition of the artistic value of tattoos, was another addition. The role of tattoos is subjective and depends on everyone, being a way of expression, memory, beauty, or identity, answered the respondents.

During the interviews started, I had the opportunity to interview a number of 18 people with tattoos from those interviewed. From the point of view of people with tattoos, I was able to answer questions regarding the identification of consumer behavior for this permanent body decoration service. The vast majority said that they have tattoos starting from one and the most, namely 14 small ones done over the course of 6 years, were the answers given by the interviewers. They also said that they got their first tattoo at the age of 18 and 16. When the people with tattoos were asked about the area where their tattoos are found, according to the graph below Figure 5, out of the 18 people, 9 said that they have tattoos on their hands, 3 on their backs, 5 on their legs, 6 on their chest, 3 on the hands, 3 on the fingers, 2 on the thighs and 1 person on the ribs. When these people were asked to justify the choice made to get inked, most said that they chose the respective area of the body for tattoos depending on the size and complexity of the desired tattoo. One person also said that he chose to get tattoos on his hands because he always wants to see them up closed, not necessarily for the aesthetics but because they remind her of the periods and personal reasons why she decided to get them done in the first place. Other people, such as those who said they got tattoos on their fingers, also mentioned the desire for aesthetics and beauty as a reason for getting them done. There were also people who said that they chose to get their tattoos in less visible areas because they don't want to draw attention to themselves with them and that often they manage to create a state of mystery for strangers at the time when he finds out about them.

Regarding the retired people, they also brought a slightly older perspective, namely the one from the time of communism in Romania when tattoos were the most common in the army. They mentioned that they got their tattoos during the time they spent in the army, their tattoos being done on their arms by their colleagues who made them with needles and ink. These were typical sailors' tattoos represented by hearts pierced by arrows or mermaids. One of them also said that it was more

of a spur of the moment and motivated by the social group of that time. They also said that in the case of their jobs as construction workers and carpenters, they did not encounter serious reactions to their tattoos, especially because they were small and could be covered, but one of them pointed out that at that time the people who got tattoos in the army or in adolescence, they were not allowed regardless of their performance and qualification to enter a police or military school.

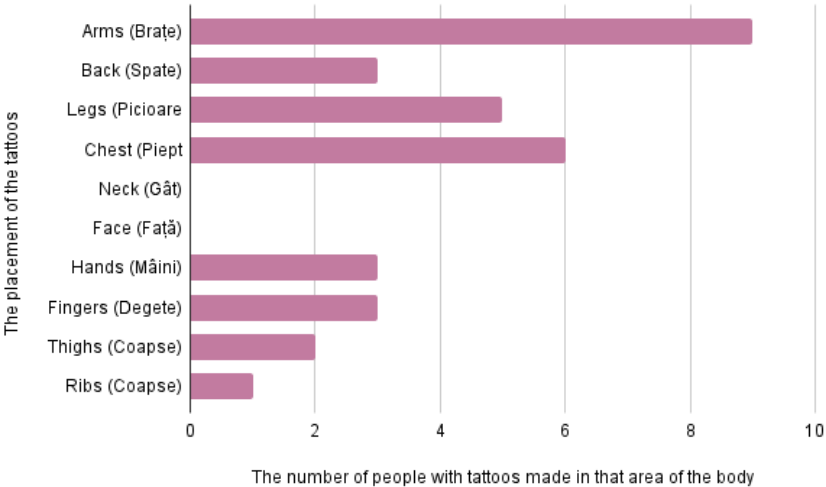


Figure 5. The preferences of tattoo consumers according to the location area on the body
Source: Authors’ work

On the other hand, when the same people were asked about the tattoo style in which their own tattoos are found, among the tattooed people interviewed, 6 people said that their tattoos have a geometric style, 5 have new school, 4 have old school. Also, 2 people said that they have tattoos made in the watercolor, tribal and pin-up style and there were people who said that they have tattoos made in the following styles: Patchwork, black out, the style that has become popular since 2020, fairy, Minimalist, colorful, fine lines, Nordic and Japanese inspiration. (See Figure 6)

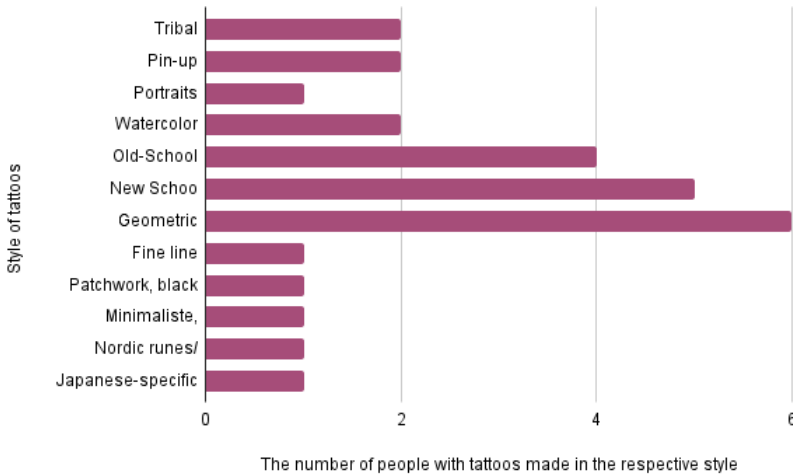


Figure 6. The preferences of tattoo consumers according to the existing tattoo styles

Source: Authors' work

In a similar vein, when people were asked at what age it is advisable for a person to get a tattoo, most of them mentioned that at least from 18 years old, when you get to have some accumulated maturity and a certain life experience as well as the capacity for self-analysis and knowledge of self. The main reasons for this statement were on the premise that when you are a teenager it is possible to later regret the tattoos done if you do not think about them well before doing them. They commonly noted that the primary motivation for getting tattoos is typically driven by a desire for artistic freedom and beauty rather than by a negative issue. To the question asked: "How much time did you give to the tattoo decision or the choice of the model to be tattooed?", many of them claimed that they didn't take much time to select or consider the model, only a short time before the scheduled appointment at the tattoo parlor or even just a few minutes before deciding on the tattoo artist's recommendation on the model. Also, in response to the questions, "How did you choose the model for the tattoo?" One person replied that he simply selected a model he liked from the internet, another said that he asked a friend who is artistic to create the model in accordance with his instructions, and another said that he simply wanted to have a scene from his favorite anime

tattooed on his arm. Some interviewees also said that the chosen tattoo model represents a special memory or a particular memorable experience for them, which is also related to thoughts about the meaning of getting tattoos or of having tattoos. Most people, especially students, who were asked about their tattooing preferences said that they went to tattoo artists who were highly recommended by friends or by advertisements on social media.

Regarding the interviewed tattoo artists, they brought into view in some respects the disappointment with Romanian clients in terms of education on this subject and the lack of interest in the tattooing process itself. They also mentioned that the vast majority do not value the work and the process of making tattoos and they just want to have one, not paying attention to hygiene, complexity, and the accreditations of a tattoo artist. *“Many choose to get tattooed by someone at home who does not have a course in the field just because tattoos are cheaper in the end”* were some of the arguments brought by them. Moreover, they said that they have had many clients who do not appreciate the work behind the creation of the model and that they give up appointments even on the day in question, especially when they find out the amount for them. And this often represents a minus in the continuation of the business and a waste of time, especially for tattooists at the beginning of the journey. On the other hand, another opinion attested to the satisfaction of the existing of social media in the process of promoting the business and that thanks to the advertisements on their own social media accounts, they managed to attract a wider range of customers, especially young ones. All of them mentioned that they are surprised from the point of view of the diversity of the of people who cross their threshold at the tattoo studio, and how much the openness towards these ways of body decoration has increased in recent years.

The use of eye-tracking technology, as in the second method of gathering primary data, will be discussed next in this paragraph. That's being said, eye tracking is an innovative research tool that enables researchers to study participants' eyes movement while they engage in certain activities or tasks. This provides insight into the cognitive processes underpinning a variety of human behaviors, and it might also aid in the development of models or strategies that organizations can use to better understand and interact with a specific demographic of customers (Mitu & Bota, 2021).

The research tool was made available for free by the Gaze Recorder platform, which allowed for the development and execution of a test that allowed for the analysis of the interactions between a person's movements, fixation, and the stimulus that was chosen to be viewed for 15 seconds, during this online platform for scientific research. Two photographs from the Free Pick platform were selected for this eye-tracking study with a male and female subject to ensure gender balance. Both individuals have a "clean" appearance, but only one had ink on his neck and face. Figures 7 below show the photos that were utilized during the test as study materials.

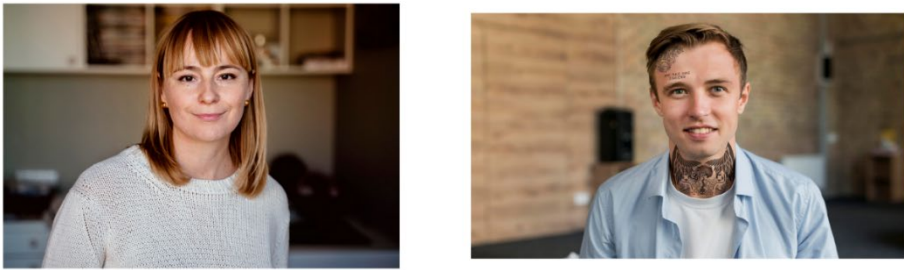


Figure 7. Stimulus: Photo of a tattooed candidate chosen for the eye-tracking test
Source: Picture obtained from Freepik platform <https://www.freepik.com/> and edited by the author in terms of tattoo application

The characters in both images have been placed in the middle, have certain compositional elements, and even share colors in terms of accessories and attire. They were selected in this manner in order to see if, generally speaking, people view and form an initial opinion of others in a manner similar to that of when viewing a painting for the first time. According to the authors (Mitu & Bota, 2021), when viewing a stimulus, people tend to focus their attention primarily on the face and eyes, which are also the center of the stimulus. More than this, 7 individuals who had no prior tattooing experience also took part in the experiment. It was necessary to contact each participant separately through social media and telephone to introduce them to the study's theme and purpose, as well as what the eye-tracking technology entails and how it will be used in this research work. This was done, regarding the subjects who participated

separately in this test that was conducted solely online, on the platform mentioned above in the text. A Heatmap and A.O.I are used to display the test findings. The Heatmap shows how the stimulus is translated into a visual with colorful overlays in both dark and light tones. Yellow and red are used to denote locations where people concentrate most intensely, whereas blue and green are used to denote areas where people concentrate less intensely.

Yellow and red denote higher levels of interaction, whereas blue denotes lower levels of attentiveness. The A.O.I., which locates specific locations where stimuli are situated and calculates pertinent values from those places, is the second sort of outcome. These metrics include the number of persons who looked at the area, how long they looked at the stimulus, how often they looked at it, and how often they moved back and forth inside that area. The Heatmap is shown in the Figure 8 bellow.

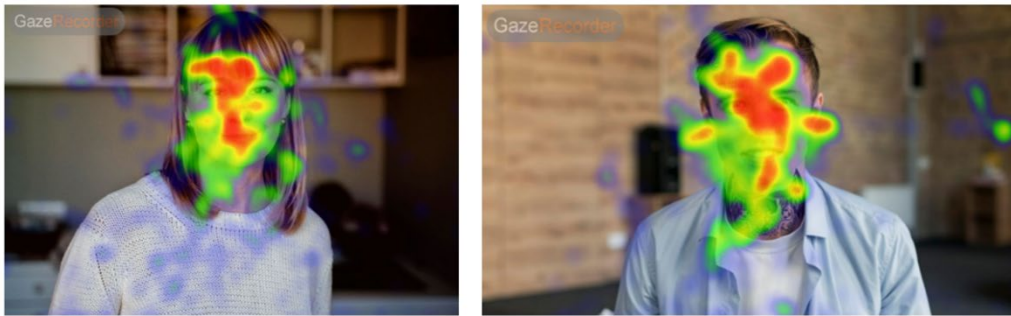


Figure 8. Heatmap corresponding to the image of a tattooed and nontattooed person used as a stimulus.

Source: Gaze Recorder Platform: <https://app.gazerecorder.com/Study/>

It is clear from the composition of the image of the tattooed man that the test subjects were drawn to and appeared most interested in the center of the image, which represented the subject of the picture. The picture of the women without tattoos experienced the same thing. The person's mouth, nose, and neck area are more prominently highlighted by the color red. The face, the tattoos on the subject, and the blurred decoration in the background of the image were the next elements that managed to draw the attention of all the participants more effectively and more. This hierarchy of colors was also present in the heatmap of the

tattooed man. Regarding the areas of interest, which are the second category of results provided by the platform (See Figure 9), it appears that 6 out of 7 users spent a total of 3.34 seconds looking at the neck region of the person in the image during their first view. With a total look time of 3.45 seconds and a time recorded for the first gaze fixation of 3.72 seconds, the eye area appears to be the first part of the image that individuals spent the most time gazing at. This area is the second most observed area in the image. Because people's attention, regardless of its direction, tends to return to a region throughout the time allotted for a look, it appears that two participants spent 14.19 seconds in the background area that is blurred on the right side of the image. This is also conceivable since people are curious about making sense of the components in the hazy backdrop, as one participant explicitly acknowledged. For a total of 3.83 seconds, with a first gaze fixation of 1.1 seconds, only 3 of the 7 participants focused on the second tattooed area in this image, which is the one on the left side of the forehead. People looked at the mouth and chin portions of the woman's photo for a longer period of time than they did the man's (See Figure 10), with the total attention time in each area being 2.19 seconds and the first gaze fixation in each location being 2.81 seconds. Six of the seven people were focusing on the neck region.



Figure 9. A.O.I. results corresponding to the tattooed man's image
Source: <https://app.gazerecorder.com/Study/>

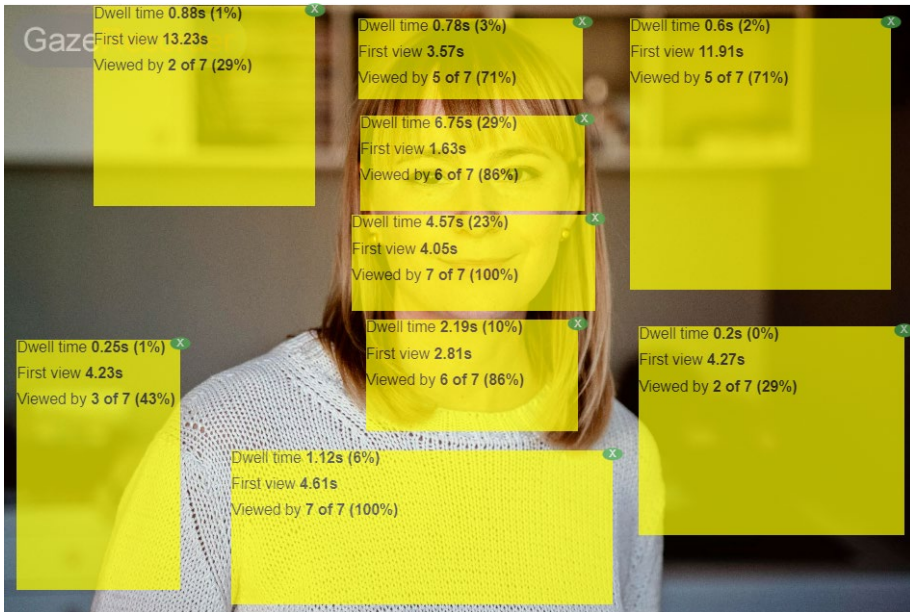


Figure 10. A.O.I. corresponding to the nontattooed women's image

Source: <https://app.gazerecorder.com/Study/v>

The participants in the trial also seemed to be paying attention to the subject's mouth and attire. The average amount of time spent looking at the mouth area was 4.57 seconds, with the first look taking an average of 4.05 seconds, compared to other facial features like the eyes. The average amount of time spent looking at clothing by the participants was 1.12 seconds, and the average duration of the initial stare was 4.61 seconds. This shows that people's gazes are no longer fixed on that region, with the importance of a person's look taking precedence. Similar results for the tattooed person's image support the hypothesis that people pay attention to the face and neck in addition to the stimulus's center region.

Additionally, several people stated that they frequently stared into someone's eyes because, in general, that is the first thing that draws their attention to a person's people when they were asked where they looked more and why at the conclusion. Another individual said that he spent a lot of time studying the tattoo on his neck to determine exactly what was in the model and what it stood for. Another individual commented that he was also interested in the backdrop details because they were obscured, and they

wanted to identify them. Another viewpoint expressed by the experiment's participants was that the tattooed man "seems a little creepy," particularly in light of the size of his eyes and his smile. The tattoos weren't even a factor because these were the most notable and descriptive aspects of the man's description.

CONCLUSIONS

In conclusion, perceptions about tattoos in the workplace are evolving as young individuals increasingly accept and value them to display their uniqueness and personal style. Even if tattoos are usually not given much attention in Romania or other countries, there is still a generational divide and some stigma associated with them, especially among older individuals and those in specialized fields like aviation and hospitality. The fact that some people with tattoos are still hired despite these preconceptions should be stressed.

Through tattoos, which are becoming more and more recognized as a popular form of artistic and personal expression, people are able to express their feelings, experiences, and identities. The design of the tattoo, rather than just its outward appearance, is said to have a greater impact on one's career options. Size, complexity, aesthetics, and placement intent are all taken into consideration while placing a tattoo. Although there are differing views on how tattoos affect a person's career, in general it is believed that they offer a bold, authentic, and hip method to express oneself.

Another conclusion is that tattoos were once regularly associated with crime or perceived as rebellious symbols. Although there is still some social stigma in Romania regarding tattoos, this stigma tends to diminish over time as society becomes more accepting of various kinds of self-expression. Internal organizational norms may affect career chances in the workplace depending on corporate rules and the industry they are applied in. Conservative businesses may continue to maintain a restrictive view on visible tattoos, even while some have a more open approach and value the skills and qualities of employees. More than this, it appears that the demand for permanent tattoos has greatly increased recently, particularly in industrialized countries like the United States, Australia, and Europe, according to the second and third chapters of this essay. Researchers

have shown that people with tattoos who are looking for work, particularly those with tattoos on conspicuous locations, can experience difficulty. Despite this, people from all walks of life, including those involving different genders, ages, educational levels, and occupations, continue to fearlessly accept tattoo artwork on their skin. Considering the increased legal safeguards against discrimination based on appearance and the rising acceptance of tattoos in society, particularly among younger individuals entering the profession, it is imperative to examine prejudices against job applicants with noticeable tattoos. Despite having qualifications that are on par with or even superior to those of those without tattoos, hiring managers may instinctively reject this expanding category of candidates due to stereotypes and biases regarding those with visible tattoos.

It is critical to acknowledge and address the challenges that job applicants with prominent tattoos experience if the workplace is to be inclusive and varied. Another finding from the eye-tracking study in the previous chapter is the potential for advancing and demonstrating the concept of social behavior in terms of how the public perceives individuals with various physical characteristics, and that paying close attention to someone's appearance is not always indicative of a negative perception but rather is simply a general activity of focusing on compositional elements with alluring colors and features. The main factors in people's attention fixations are things like tattoos as well as more generic things like a person's face and attire that catch their sight. Because tattoos are physical alterations to a person's body that only slightly alter the perception of their clean skin, they are nothing more than an attention-grabbing visual stimulus. This attention, however, may later result in misunderstandings about a person's mentality if their tattoos convey offensive, diabolical, or macabre meanings that could inspire bad deeds. It's important to remember that some organizations and professions continue to hold conservative views on visible tattoos, which might restrict a person's chances for employment. It's crucial to challenge stereotypes and embrace diversity, including different forms of self-expression like tattoos, in order to foster a more welcoming and inclusive workplace in both professional and personal contexts.

RECOMMENDATION

The holding of more events and exhibitions devoted to this form of expression in Romania is one suggestion for how to advance the generalization of tattooing activity and the normality of tattooed persons in social contexts. In order to help promote tattoos in Romania and the actors involved in this activity as well as the protection and hygiene measures as well as the warnings regarding when to choose to get a tattoo, it is also necessary to promote the presence of tattoos in recruitment campaigns for jobs. Furthermore, managers can utilize online eye-tracking techniques to analyze prospects more objectively when they get CVs or test their new junior recruiters' skills. They will be better able to resist being ruled by irrational beliefs thanks to this. People may be able to increase their chances of landing a job by choosing fewer radical tattoos that are less likely to be stigmatized and applying body art to less visible places of the body, like on the face.

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THE ACCOUNTING PROFESSION IN ROMANIA: GENESIS AND KEY MOMENTS

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ABSTRACT. This paper approaches from a historical perspective the development of the accounting profession in Romania. We aim to present, through an interpretivism methodological approach, using descriptive narrative research, the phenomena of the accounting profession in Romania and its evolution throughout history. The paper captures various stages of development, but also elements that have contributed to the development of this profession in Romania, and the role it had throughout time and the role that it fulfills today. The article highlights the fact that the development of higher education in economics was and is still essential in the existence and development of the accounting profession. By fulfilling such objectives and such performance standards, it will be possible to achieve the goal of this professional organization in terms of adapting quickly and efficiently to changes in the socio-economic environment, ensuring a high level of professionalism of members who will be constantly trained for the future, providing strategic consulting for the business environment, and finally affiliation to the position of reliable business

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partners. However, if we think about the way the accountant was perceived in the 19th century and the status he benefits in contemporary society, we can say with certainty that it was a battle won.

Keywords: accounting profession, accounting regulation, genesis, communism period, Romania

JEL classification: M40, M41, N93, N94

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INTRODUCTORY REMARKS AND BACKGROUND LITERATURE

This article aims to capture the evolution of the accounting profession in Romania from the beginning until now. Feleagă (1996) argued that the accounting profession in Romania had a surprising and dominant evolution before the communism era, and later it was reborn from the ashes, being influenced by several factors which came from norm setters, professionals, academics, and researchers. The role and importance of the evolution of the accounting profession is a key driver for society and the business environment and has been influenced over time by various factors and has had turning points. Triantafillou (2004) emphasized that the evolution of the accounting profession is of interest given that it involves promoting certain principles regarding global and cultural models of corporate governance, the performance, and responsibility of corporate governance through the practices they promote in the fields of accounting and audit. Gray & Clegg (2003) mentioned that, in addition to contextual, economic, and political influences, the accounting profession in Romania must be regarded as a profession that has evolved according to the market's demands, being in continuous dynamic. At the level of the accounting profession in Romania, we could identify different stages with their particularities.

In this paper, we intend to identify the legal stages of the accounting profession, the professional conditions required to be able to keep the accounting records, how the accounting was practiced, and how the accounting

profession was perceived by the business environment. Also, another objective of the paper is to identify the institutions, respectively, the bodies that contributed to the defense of the rights of the accounting profession and thus contributed to the evolution of the profession. In Romania, the evolution of accounting and the accounting profession was a long process, which was in full swing in the interwar period, but which at the time of the establishment of the communist regime was stopped. The specificity of this article aims to enrich the literature on the history of accounting in Romania, a field in which there is a great shortage, given that few memoirs are available that could promote and contribute to a thorough knowledge of the evolution of accounting and the accounting profession.

METHODOLOGY

The methodology used in the present study is qualitative, research based on the philosophy of interpretivism paradigm, which enables researchers to gain further depth by seeking experiences and perceptions of a particular social context. The research approach is inductive given that qualitative aspects are retrieved in a longitudinal mode to establish the final conclusions regarding the evolution of the accounting profession in Romania and to also establish some benchmarks on the influences upon it, such as the role of the state, the relationship between the state and the accounting profession. In this context, the type of research is descriptive narrative, and the data collection was done existing publications on the subject for an extended temporal horizon such as specialized and secondary literature, memoirs, but also magazines/periodicals. Additionally, some information has been recovered from the documents of professional organizations in Romania, published at previous conferences, congresses, studies, and research, but also other information provided by the media or through official briefings.

In the following, we structure the article in two parts with their subchapters. The first part of the article includes the early stages of the development of the accounting profession, between 1921-1945/50, until the communist regime was established in Romania. At the end of this part, we will highlight the aspects of the communist period. The second part of this paper covers the period after the Revolution of 1989, after the removal of the communist regime, when the accounting profession has

found a fertile ground to get reorganized and start again. Both parts are structured in a unitary manner, as we wanted to highlight the social, economic, and political contexts that allowed the emergence and development of this profession and the key moments that have supported and actively contributed to the organization of the accounting profession in Romania.

Genesis and Development of the Accounting Profession Between the End of the 19th Century and the End of the Communism Period

Social, economic, and political background

The end of the 19th century and the first half of the 20th century is a period in which many social, political, and economic changes have occurred in the international and national context. Throughout this period, the political structure of Romanian territories evolved under the national state (1859/1918). They gained their independence (1877), and it was the phase of “building modern institutions, the fundamental transformation of Romanian society; it is the epoch of removing feudal structures and composing and maturing a social and economic organism, western style” (Axenciuc, 1977). The process of modernization of the social, political, and economic environment has been completed around the year 1921.

Constantinescu & Neacșu (1996) and Badea (2003) emphasize that the international context of the first part of the 19th century – the peace of Adrianopole between Ottoman Empire and Russia - brought to the elimination of the Ottoman monopoly over the Romanian commerce and the entrance of two of the Romanian territories (Wallachia and Moldavia) under the Russian protectorate. Therefore, for the first time on Romanian territories, the trade and merchants were free and able to operate in a competitive environment. This was an important engine for economic and political development. Axenciuc (1977) and Badea (2003) argue that also the regulations (Organic Regulations, 1831-1832) imposed by Russia in the two Romanian territories during this period, contributed to social, economic, and political change.

Besides many areas of social-economic life, this body of regulations has also regarded for the first time public accounting (evidence of public income and expenses). For the first time in history, this regulation required the distinction between state property and sovereign property. Calu (2005)

highlights that the Organic Regulations also contained some directions regarding the organization of accounting education.

After a previous time span of initiation and substantiation of the accounting aspects, a period of evolution followed in a certain geopolitical context. Starting with the second part of the 19th century, the political situation of the Romanian territories changed again, directly influenced by the international context. After the Crimean War ended with the Peace of Paris in 1856, the Romanian principalities went under the protection of the World Powers: France, England, Prussia, Austria, Sardinia, Russia, and Turkey. Ionașcu (1997) argued that this gave them more freedom to work on the main factors which influenced the economy of Romanian provinces in the 19th century: the degree of industrial development, trade development, the degree of economic autonomy, capital availability, national independence etc.

One of the studies in the academic literature (Morărașu, 1994) highlights that the social, economic, and national issues found partial solutions under the prince Alexandru Ioan Cuza, who in the year 1859 unified the Romanian territories, Moldavia, and Walachia, accomplishing a half-dream of Romanian nation (Transylvania and Banat were still under foreign occupation). During Cuza's leadership, a series of reforms were implemented. A new tax system is imposed, and in 1866, the Constitution of the Romanian state and the civil and penal code are adopted. Furthermore, monetary issues (Romanian territories did not have their own currency and used along the history, coins from other nations, especially gold and silver coins) are solved by introducing a monetary system which is based on *Leu*.

A wide range of previous studies in the academic literature (Morărașu, 1994; Badea, 2003; CECCAR, 2011a) noted that during centuries, the credit was in the hands of moneylenders, which imposed their own rules regarding the interest. Starting with the beginning of the 19th century, in Transylvania the first credit associations (the *General House of Economies* in Brasov, 1827) were created which tried to satisfy the credit demand and to stop the greedy moneylenders. After the year 1859, as part of the reforms of Al. I. Cuza credit institutions are organized: the Home Savings (*Casa de Economii și Consemnațiuni*) is the first one since 1864, afterwards the National Bank of Romania in 1880. Moreover, in 1864, the *Court of Auditors* for public institutions was created and in 1868, the first *Chamber*

of Commerce of Romania in Bucharest. These institutions were important for the state's economy, and they will contribute to the development of accounting education and profession in Romania (CECCAR, 2011).

The modernization of the Romanian state was pursued under the long reign of Carol I Hohenzoller, who was brought to Romania by the world powers to take Cuza's place, who was sent in exile. Under the reign of Carol I (1866-1914), Romania gained its independence in 1877 and under his successor, Ferdinand I (1914-1927), it is defined as the unification of the state, Transylvania being attached to Romania. Starting with 1881, the political form of Romania is the monarchy, and Carol I is the king. The interval of the three reigns was characterized in economic and social aspects by the stabilization of the new organism of the country.

In the first part of the 19th century, economic and accounting thought and literature developed on the Romanian territories. Sută-Selejan (2000) highlights that during the period 1859-1918, the economy of the newly created national state, Romania, requested and stimulated the economic thought: solving of the agrarian problems, definition of the long-term economic strategy concerning industry or agriculture, the external politics regarding exchange (free trade or protectionism), and the place of the national state in the international context. The development of the press was another factor that contributed to the development of economic and accounting ideas. In 1908, the first accounting review *Revista Generală de Comerț și Contabilitate* (The General Review of Commerce and Accounting) was created, which spread the idea for the emergence of the professional body of accountants.

Compulsory education and the emergence of commercial schools also created a favourable context for the appearance of the accounting profession. Zelinschi (2009) argued that accounting education started in our country as bookkeeping training in the schools of commerce. In Romania, the first schools of commerce appeared in Bucharest and Giurgiu, in 1864. In Transylvania, a school of commerce was created in 1868 in Brasov, the only one in Romanian language.

As a result of early initiatives to introduce accounting as a teaching discipline from 1831 to 1835 (Demetrescu, 1972), in the conditions in which regulations had appeared, and the first field of accounting that was regulated in our country was that of public accounting (CECCAR, 2019) were created, consequently the premises for the emergence of an incipient

form of a professional accounting organization for the first time in 1888 (Calu, 2005). In this context, the Circle of Graduates of Business and Finance Schools was created, and later the Association of Graduates of Business Schools from the Country and Abroad was established. In 1913, the Academy of High Commercial and Industrial Studies of Bucharest was founded, which was the first form of Higher Education in the economic field in Romania. In 1920, in Cluj-Napoca was developed the second Academy of High Commercial and Industrial Studies, being the first institution of higher education in the economic and accounting field in Transylvania in the Romanian language.

The legislation was another factor which influenced the development of accounting practice. In 1865, the Ministry of Finance published the first law for public accounting, which regarded the adoption and execution of the state budget (CECCAR, 2011b). Starting in 1884, companies needed to be registered to the court and to keep accounting registers. In 1887, the Romanian commercial code was adopted after around 30 years, during which time the French commercial code was used. Axenciuc (1977) specified that a law for the use of accounting in private and public institutions was established in the same period and was concerning single-entry bookkeeping and afterwards double-entry bookkeeping. It was only in 1929 that double entry accounting was introduced in public accounting in Romania by the new law of public accounting (CECCAR, 2011b).

A wide range of previous studies in the academic literature (Axenciuc, 1977; Sută-Selejan, 2000; Drăgoescu, 1997) emphasize that the first half of the 20th century represented the most important period in the development of the accounting profession. The collapse of the Habsburg Empire defined the unification process of Romania. The year 1918 is the 'unification year' for Romania, and the end of the First World War at the international level. During 1919-1939 Romania underwent several phases when the new economic, politic, and social organism reached maturity.

During the Second World War (1939-1945), the entire focus was on the conflict. The economic, social, and political life was affected by all countries. Afterwards, in Romania came the communism regime, which changed everything in what it concerns accounting and accounting profession. During this period, the accounting profession suffered. The professional organization then called the *Body of Chartered Accountants and Chartered Accountants*, recently founded in 1921, was effectively

disbanded in 1950, while other institutions were only reorganized according to the principles and desideratum of the time. A possible explanation is the fact that in the first postwar years, accounting thinking was preferentially oriented towards a standardization of accounting with strong accents of regulation, uniformity, and rigidity. In this context, the stage of accounting thinking and practice achieved up to that moment was abandoned, which was built on professional reasoning starting from the first works taken over and developed from the Italian, French, German, and English experience. A radical change took over the Soviet experience, specific to the requirements of a centralized economy.

As a result, in Romania, since 1949, the foundations of socialist accounting have been laid. One circumstance that supported this context may be that in the period 1940-1948 the accounting literature did not make significant progress, as Demetrescu mentioned in 1972. Therefore, according to the same author, prior to the dissolution in 1950 of the professional accounting organization, after taking over the powers of representation, in 1947 a permanent Council of Accounting Standardization was established within the Ministry of Industry and Commerce. Subsequently, in 1948, a special directorate for unitary management was established within the Ministry of Finance on the entire national economy of accounting methodology and standardization: the Accounting Standardization and Guidance Directorate. This body was responsible for specifying the role and importance of accountants in the national economy, issuing instructions and regulations in relation to the specific requirements of a centralized, socialist economy.

The contribution recognized until then by the professional organization specific to the field of accounting, the Body of Chartered Accountants, and Expert Accountants was effectively limited to the fact that it prepared the ground for solving the current problems of accounting specific to a centralized economy. From this moment on, the responsibility for profession was taken over by the government. The independent professional organization was unable to achieve the objectives for which it was established: professionalizing the practice of accounting, monopolizing this occupation, and stopping access to the profession of those who did not have specialized training (Zelinschi, 2009). Under these conditions, the existence and functioning of an independent organization of accountants was no longer justified, rather it became impossible (CECCAR, 2006).

Therefore, the entire patrimony of the institution was taken over by the Scientific Association of Engineers and Technicians. For two years, there was also an “accounting” section in this organization (CECCAR, 2021). The activity of accounting expertise continued until 1990 at a minimalist level, without an independent professional body, and without the status of a liberal profession. Thus, the Ministry of Finance together with the Ministry of Justice establishes that the necessary accounting expertise in justice should be performed by accountants employed in institutions, enterprises, and economic organizations (Pantazi & Pantazi, 2021). Subsequently, some administrative regulations appeared in 1957 - 1958 and a decree issued in 1971, published in a restricted form, which disregarded the previously accumulated professional practice and expertise (Botez, 2021). For this period until 1990, the accounting profession lost its importance and its professional contribution to the evolution of the company was greatly diminished.

Key moments in the development of the profession and main influences

The accounting profession in Romania was formed after the foundation of accounting education, the process of professionalization started in 1888, engaged by the alumni of the Superior Schools of Commerce, which were at that point the highest institution of instruction in accounting. Education is one of the most important external factors that influences the professionalization process. The commercial education was very developed in Transylvania, and although it was not part of Romania at that time, most of the parents were sending their children to Brasov at the Superior School of Commerce where I.C. Panțu was one of the great figures of the accounting thought at that age. They followed the German model and wanted to transform their profession into an organized one. The promoters of the accounting profession in Romania were in search of what the theorists of the profession describe: power, wealth, prestige, and jurisdiction (Abbott, 1988).

The first step was taken in 1888, when a group of graduates from the schools of commerce, also senior officials of the National Bank, established ‘the Circle of the Alumni of the Schools of Commerce and Finance from the country and abroad’ (*Cercul Absolvenților Școlilor Comerciale*

și Financiare din Țară și Străinătate). The fact that the name comprehended the word *overseas* was a demonstration that Transylvania had a great influence on the process of professionalization. In CECCAR (2011a) it was mentioned that the stated goal of the Circle was the "organization and regulation of an association of accountants", but it also wanted to fight for the rights of the alumni and help them to find jobs. In 1898, the Graduates' Circle became the 'Alumni Association of the Schools of Commerce in the country and overseas'.

In 1906, on 29 October, the first Congress of the Alumni Association was organized, and the first point of the program appeared to be the "need for the regulation of the accounting profession", especially interrupting the serious error of giving such accounting expertise to persons that were not having any accounting knowledge (CECCAR, 2006).

In the next year, a group of the graduates from commercial schools formed a different organization under the name of Union of the Alumni from the commercial schools (*Uniunea Absolvenților Școalelor Superioare de Comerț*) which in 1914 will merged with the existent one and formed *Corpul Absolvenților Școalelor Superioare de Comerț* (Alumni Body of the Superior Schools of Commerce). This is the first body which represented the accounting profession in Romania and was regulated by the law from the 17th of February 1916 (CECCAR, 2006), which recognized the body as a legal structure. This was the second step towards the creation of the accounting body.

In 1908, it was created *Revista de Comerț și Contabilitate* (General Review of Commerce and Accounting) having as purpose the propaganda, research, and defense of the merchant interests (CECCAR, 2006). This review will represent until 1947 the channel for communication of the accounting profession in Romania, expressing the preoccupations of this profession during the time.

The outbreak of the First World War stopped the movement of the alumni between 1916 and 1918. In the first year after the war, in the first issue of *Revista Generală de Comerț și Contabilitate* (General Review of Commerce and Accounting) the reorganization of the body that emerged before the war was contested. In the lines of the review, the purpose of such a body: to sustain the economy and to encourage the graduates from commercial schools to have private initiatives of being entrepreneurs. They were also perceived as regulators of commercial education and

sustainers of scientific activities for accountants. In the same year, 1918, the Circle of Commercial Studies (*Cercul de Studii Comerciale*) was established, and the fight for gaining their jurisdiction was resumed with greater perseverance. On 5 May 1919, the Circle of Commercial Studies inaugurated its activity in the Palace of the Chamber of Commerce with the conference organized by Peter Drăgănescu-Brateş on the subject *Chestiunea Expertilor Contabili în Romania* (Matter of Chartered Accountants in Romania). The project of the accounting profession in Romania was accepted, recognized, and regulated by the law from 1 July 1921 (CECCAR, 2006). Therefore, the third and final step in the establishment of the accounting profession in Romania was finalized.

In the autumn of 1921, the Law for the organization of the *Body of Licensed Accountants and Expert Accountants in Romania* (*Corpul Contabililor Autorizați și Expertilor Contabili din România*), published in the Official Monitory no. 80 from 15 July 1921, has been implemented by creating the first section, the section of Ilfov, which included Bucharest. The members of the Superior Council were in majority professors from the Academy of Commercial and Industrial Studies from Bucharest.

After five years, the Body had 6,565 members, including 1932 expert accountants, 4,076 authorised accountants and 557 trainee accountants. Four years later, in 1930, we are witnessing a spectacular growth, with 11,130 members, 2302 expert accountants, 7,468 licensed accountants and 1360 trainee accountants. The peak in the organisation and the number of members was recorded between 1938 and 1939, when the number reached nearly 15,000 members (CECCAR, 2011b; CECCAR, 2006). The Second World War had negative consequences for the accounting profession in Romania, the governing bodies were replaced by an interim management committee, appointed by ministerial decision. After the establishment of the communist regime, free enterprise is replaced by a driven economy. In 1948 occurs the nationalisation of the main means of production, so that centralised economic controls all become work one hundred percent. Under these conditions, the existence of a Body of independent accountants became almost impossible, and the Body of Chartered Accountants and Chartered Accountants was abolished in 1951 after the Decision of the Council of Ministers (headed by Dr. Petru Groza), no. 201 of 8 March 1951.

Rebirth of the accounting profession after the communism period

Social, economic, and political background

The year 1991 represents a new chapter of history for the accounting profession in Romania, a moment characterized by the appearance of several laws for the regulation from the field of activity, the reorientation of the profession towards Europe, the reappearance of specialized journals, and the increasing interest for the preparation and training for future chartered accountants.

The perception and adaptation of the activity of the professional organization to the experience of other countries created a first milestone in the post-communism period, immediately after the creation of the Body of Expert and Licensed Accountants of Romania. Gorgan (2013) argued that the initial orientation of the accounting profession in Romania to adopt the experience of professional organizations in other countries, notably France, involves the activity of professional accountants, training, autonomy, and responsibilities of accounting professionals, ethics, and professional freedom, and previous professional collaboration of accounting specialists. This will be the key element of the Romanian accounting system, oriented to the continental French system after 1994, an accounting system heavily regulated which gives priority to a strict adherence to specific rules and regulations. In this direction fall the activities undertaken after 1990 in collaboration with the Institute of Chartered Accountants of France, especially in terms of providing information materials and the participation of certain members of the institute to the courses for trainers in French for the activity of accounting expertise and assessment, and the participation of Romanian specialists to the congresses of French accounting experts. Some authors (Tiron-Tudor & Mușiu, 2007; Calu, 2005) show that given that this exploratory period lasted three years including a period of one year of testing on a total of 70 entities of different sizes from different fields¹⁷, the French accounting system was adopted and implemented effectively from the 1st of January 1994 when in Romania becomes effective the Government Decision no. 704 from 14 December 1993 for approving an enforcement of the Accounting Law. Some authors such as Damian (2011) believe that this turning point was the clear result of the transition from a closed to a modern information system as a result of

the convergence of views between the two categories of professional accountants: conservative and reformist. In this way, the accounting profession requires more than applying a set of rules and using a list of accounts, based on objectives and principles to ensure a true and fair view of the financial statements.

The evolution of the accounting profession in Romania was marked by the conditions imposed by the World Bank in 1998 to ensure financial assistance for Romania. It sought the adoption of international accounting standards for large companies, their financial auditing, and the publication of a guide to implement these standards by the Ministry of Finance. The evolution of the accounting profession in Romania from this moment on was marked by the existence of two professional organizations: The Body of Chartered Accountants and Licensed Accountants in Romania (CECCAR) and the Chamber of Financial Auditors of Romania (CAFR). From this moment on, the profession of accounting experts was institutionally delimited from that of financial auditors, even if at that time most of the CECCAR members were also members of the CAFR. The professional involvement of the financial auditors in ensuring the quality of financial reporting for users was provided through a steady and consistent reduction of the financial and accounting parameters for the companies required to audit the financial statements starting from a turnover of 9 million euros, assets of 4.5 million euros, and an average number of employees of 250 in 2001, to values of turnover of 7.3 million euros, assets of 3.65 million euros and an average number of employees of 50 in 2015. Over time, collaboration between the two institutions has continued, and in 2010 a protocol was signed between CECCAR and CAFR to validate the practical training for the trainees of the two professional organizations to have access to the profession. In addition to the two professional organizations, in 2006, a third professional organization for the fiscal field in Romania was created: the Romanian Chamber of Tax Consultants (Ro: CCFR). Cooper & Robson (2006) consider that all three organizations aim to strengthen, specialize, and increase the prestige of the accounting profession activating in an institutional environment constantly changing given that the professional organizations which oversee the profession should monitor, regulate, and promote the profession in relation with other tangential professions. We believe that the diversity of the professional organizations governing the profession is a favorable aspect even if in the

literature (Bunget et al., 2009; CECCAR, 2006) there are reported some inconveniences due to administrative duplication or perfectible institutional autonomy. A wide range of previous studies in the academic literature (Willmott, 1986; Neal & Morgan, 2000) emphasized that the Anglo-Saxon experience of the evolution of professional organizations from the accounting field shows that in addition to the fact that any cooperation between complementary professional organizations supports the mutual help of members from a professional perspective and minimizes the risk of state's intervention in governing the profession, as evidenced in other continental countries such as Germany.

To support the internationalization of the accounting profession, various equivalence agreements have been concluded for complementary professional qualifications provided by other institutions/organizations from abroad for chartered accountants since 1994, for financial auditors from 2008, and for fiscal consultants since 2007. Kwok & Sharp (2005) argue that empowering accounting professionals qualified in other states to practice nationally since 2007 is a prerequisite able to support the internationalization of the profession, and thus the increase of its influence internationally.

In the current period, there is an opening for Romanian professional organizations in the accounting field to conclude collaboration agreements with the business field in general and with the multinational companies operating in the field. Caramanis (2002) considers that the purpose of these collaborations is to promote professionalism, regulation of the profession by adapting to the dynamic situations in practice in accordance with the international experience of the professionals.

Key moments in the development of the profession and main influences

Stage I: Reestablishment of the Body of Expert and Licensed Accountants of Romania and the profession liberalization (1991-1999)

After the communism period in Romania, the institution that regulated the accounting profession in Romania between 1921 and 1951 has restarted its activity in January 1990. The legislative regulations of the period stipulated the functioning of the Body of Expert Accountants of Romania

and the Body of Technical Experts together. Subsequently, due to the support of accounting experts from Western Europe, a separation of activities between the accounting experts and technical experts emerges (the existence of separate management and separate leadership). This materializes in practice by sentence no. 33/12 October 1991, and the role of the *initiative committee* consisting of members of the institution was to reorganize the association. The initiative committee held its first General Assembly of the Body on 9 May 1992, which had as main objective the reestablishment of the old Body of Expert and Licensed Accountants of Romania formed originally in 1921, in the context in which the organization was established at the European level. The first General Assembly was completed with the creation of its own legal entity for the organization and the creation of 30 regional branches throughout the country. This initiative was intended to support the training activities of the members of the body.

The existence of the Body of Chartered Accountants in Romania was officially recorded by publication in the Official Gazette of Government Decision no. 575/1992. Feleagă (1996) highlights that through this normative act a new accounting system was enacted, and an advisory board was created, a body with competencies in rethinking the accounting referential and reorganizing the normalization activity. Tiron-Tudor & Muțiu (2007) considered this was induced as a necessity, as an imperative factor required by the economy's evolution that had to be sustained by major changes in the Romanian accounting system. The official name was established on 10 July 1992, when the Body of Expert and Licensed Accountants of Romania has acquired legal personality. Among the stated goals were to protect the professional interests of the members, to bring a substantial contribution to the dynamics of the legislation in the field, to organize training courses for members, to provide special assistance to companies, and a high moral prestige for members.

Regarding the accounting profession/accounting activity, there were three fundamental laws, namely: Law no. 31/1990 on commercial companies, Law no. 82/1991- The accounting law and Law no. 30/1991 referring to the organization and functioning of the financial control and of the Financial Guard. During this period, the law of accounting expertise which, complementary to the professions of expert accountant and chartered

accountant, established the qualities and attributions associated with censors, fiscalists, and experts in disputes between companies and assessors. The members of the Permanent Bureau, elected at the First National Conference of CECCAR held on 22 May 1993, had immediate initiatives regarding the establishment of mandatory verification and certification of the financial statements of all entities. This measure was more urgent because it wanted to eliminate the methodological, accounting, and fiscal irregularities recorded in the financial statements of the year 1993. The activity of the Permanent Bureau resulted in the publication of the Government Ordinance no. 65/1994, which regulated the activity of expert accountants and chartered accountants, this activity became independent, outside government control. By this normative act, the activities of accounting experts and chartered accountants are removed from the control of public authorities and placed under the control of the specialized professional organization. Bunget et al. (2009) highlight that this moment marked the beginning of the organization of the liberal accounting profession in Romania. This Ordinance has become, in 1995, the basic regulation (law) of the Body of Chartered and Licensed Accountants. During the law's promulgation, there were also approved Rules of organization and functioning were also approved, along with the first Code of Ethics and Professional Conduct for CECCAR members. There is a wide range of previous studies in the academic literature (Cowton & Julian, 2003; Cohen et al., 2001; Cohen & Pant, 1991; Hoffman and Mills, 1982) emphasizing that the Code of Ethics is considered an indispensable element of a professional accounting organization able to offer confidence in the activity of the members and which must be integrated in the professional training activities both at the level of the professional organization and the curricula of institutions with specialized profiles.

The first Congress of the accounting profession after the interwar period and the tenth since the establishment in 1921 of the Romanian professional organization was held in Romania from 20 to 21 October 1994. The Congress's organization is a key moment in the evolution of the accounting profession in Romania, being a tradition dating from the interwar period, and it was resumed after a period of 59 years. That was the moment when the periodicity was established (every two years), and the event was attended by a total of 225 accountants, 210 guests from various governmental and nongovernmental bodies, 52 personalities –

representatives of similar international organizations and international private companies with tradition in the accounting profession (CECCAR, 2006). What stood out at the time was the fact that the accounting profession was positioned in an equidistant manner between the government and the beneficiary entities of accounting services, the increase of confidence degree in the accounting professional, its role aimed at ensuring the state of compliance with the law by the companies not, but also supporting companies to be subjected to penalties for violations which have not occurred. Some authors (Sikka & Willmott, 1995) argue that the relationship between the profession and government is otherwise specific to the Anglo-Saxon accounting systems, where the accounting profession has a well-established status in society. The motion adopted by voting mentions, among others, the importance of orienting higher economic education toward the preparation and training accounting specialists and the importance of developing, with priority, guidelines for professional accountants, auditors, and assessors. It was considered that these initiatives aimed to show the specialists and the general public the role, image, and perception of accounting professionals, to permanently attract specialists in the profession, and to define the accounting profession in comparison with other professions.

On the other hand, Velayutham & Rahman (2000) argue that the role of professional bodies was to establish a common body of theory for those working in that professional area. In this context, to professionally train the members, there have been organized both at the central headquarter of the body and on field circles of information and discussions on professional accounting topics, which highlighted the bookkeeping, asset evaluation, and accounting aspects regarding privatization operations. Subsequently, these activities have evolved and taken shape in training activities carried out by academics and specialists from the Ministry of Finance. Furthermore, these specialists have acquired the role of trainers to implement the new accounting system, with the goal to align the accounting rules of Romania and other European countries. Thus, in 1993, 16000 persons graduated the courses of professional training in actions organized by the Body of Chartered Accountants in Romania.

Some studies (Carnegie & Napier, 2010; Friedman & Lyne, 2001) measure the evolution of the accounting profession through specialized publications issued. This aspect is justified given that the publications

issued by professional organizations in general and the accounting ones reflect the cultural values of the practitioners and their organizations, which can therefore be compared with those of society as a whole (Zelinschi, 2009). Thus, for the accounting profession in Romania, the year 1993 represents a start for the publication of professional bodies in the field, the year in which the first three numbers of the specialized magazine of the Body of Experts were published. Through specialized publications and the approach of published studies, such as Barbu et al. (2010), the dissemination of certain aspects related to professional ethics, freedom of profession, professional training of accounting experts and chartered accountants, autonomy, and the responsibility of each accounting expert for their activities was attempted.

According to CECCAR (2006), in 1995, the activity of accounting experts in Romania mainly consisted of accounting expertise (approximately 90% of the activity), and other services such as financial audit services, economic and financial analyses, accounting inspections, and certification of financial statements were less carried out.

The professional difficulties specific to this period aimed professional ethical issues such as the autonomy and the independence of the accounting expert, but also issues related to the large number of financial and accounting regulations, their lack of clarity, and the ambiguities generated by successive changes and additions. The increase in this period of requirements in terms of access to the profession, since 1995 was the first year that the admission exam was conducted, was an issue able to support the competencies in specific professional activities.

Another significant moment for the accounting profession is marked by the year 1996 when CECCAR is recognized internationally by becoming a member of the International Federation of Accountants (IFAC), headquartered in New York, and member of the Federation of European Accountants (FEE), based in Brussels, even if the members of the second organization were countries that were at that time part of the European Union, which was not yet the case for Romania. At that time, IFAC consisted of 122 member organizations from 87 countries and counted 1.7 million accounting professionals, and regarding FEE, the number of member organizations increased from 26 to 38 countries, comprising a total of 375.000 members. Toma (2011) highlights that later, it was found that the membership and the active role in these international and regional

bodies, long before Romania engaged in the process of Euro-Atlantic integration, were crucial for obtaining international professional support for various difficulties faced by CECCAR internally.

In 1998, the activity of the Romanian professional organization was focused on the transition from quantitative elements of the management of the accounting profession to qualitative elements. Relevant in this regard is the increased involvement in the regulation activity of the public authorities in the financial accounting field.

Between 1991 and 1999, specialized publications were published, representing a benchmark for the accounting profession and the activities of professional accountants, such as: General Review of Accounting and Expertise (1996-1997), Accounting and Expertise (1998-1999), Finance, Credit and Accounting Review (1990-1999). Moreover, in 1999, CECCAR finalized and published the National Auditing Standards as a result of two years of collaboration with a similar French organization, which translated in Romanian the American Accounting Standards (US GAAP). The exercise of the accounting profession has also been supported by some academic publications: Rusu (1991) who published a synthesis of research projects that focused on accounting history until 1990, Ramil (1995) who published data on the accounting culture of the 19th and 20th centuries, but also Feleagă (1996) and Ionașcu (1997) who analyzed the historical trend of the accounting profession.

Stage II: The artisanal period and the promotion of the accounting profession 2000-2009

During this time, the profession has seen a significant evolution, but artisanal (CECCAR, 2011a) faced with internal professional challenges because accounting professionals had to be specialized and to cooperate rather than to conduct individual practice. On the other hand, the profession also had to deal with external challenges, namely globalization in financial accounting due to the opening of the national market and the activity in Romania of strong international companies specialized in the financial and accounting field. During this period, the accounting profession in Romania played a mediating role between assimilating in accounting of the economic aspects specific to developed economies and the tendency to connect some specialized knowledge with an accounting specific originated in the centralized economy of the period before 1990.

According to CECCAR (2008), this is a general truth at the level of Romanian professional organizations, the fact that the evolution of the profession in this period is conditioned by the assimilation of accounting practices and techniques from the international sphere as a result of the economic globalization. On the other hand, one study (Olimid & Calu, 2010) argued that one could see that in this period when the accounting profession was promoted, the governmental regulatory authorities become more open and flexible in accepting the professional accounting judgment, in comparison with the previous period of liberalization of the accounting profession when the priority was set on a strict adherence to the idea promoted by the Ministry of Finance.

A significant moment in the evolution of the accounting profession in Romania in this period is marked by the launching in 1997 of the accounting harmonization program in Romania with the European directives and international accounting standards on which prevail the Anglo-Saxon influence. Through this orientation, the accounting profession would evolve, as it would have to regulate a professional activity that could overcome a passive position within an entity and would be able to assume the tasks of design, synthesis, forecast, and participation in the entity's work strategy (Pântea & Gherasim, 1999). The initiative belonged to the Ministry of Finance which was supported by The Institute of Chartered Accountants of Scotland. In this respect, the activity of accounting professionals has been marked in the coming years by a series of regulations aimed at partial or full adoption of the European and/or international regulations. In the first stage, the activity of the accounting profession has been regulated by Order no. 403/1999 issued by the Minister of Finance for approving the accounting regulations harmonized with Directive IV of the European Economic Communities and the International Accounting Standards.

This normative act has been subsequently replaced with Order no. 94/2001, with the same name but with application to large companies. For small companies, a simplified version was adopted through the publication of Order no. 306/2002 for the approval of simplified accounting regulations, harmonized only with the EU directives. It was later published Order no. 1752/2005 which supported this time the approval of accounting regulations complying with international regulations. This regulation has been applied since 2006 by all entities, except credit institutions and some institutions of public interest. The end of the period of promoting the liberal profession

overlaps with the adoption of a new law, Order no. 3055/2009, approving the accounting regulations complying with the EU directives. During this period, representatives of the profession support initiatives with an impact on increasing the profession's authority, a moment marked by the standardization and normalization of Romanian accounting by elaborating the Romanian Accounting Standards by the Romanian accounting profession, through consultation with users of accounting information. Specialists in the field, such as Pop (2004) and Dumbravă (2004), considered that professional judgment must prevail, and the attributes of government institutions would only consist of subsequently implementing these regulations and that in this manner the activity of accounting professionals would not be limited to the passive reflection of past transactions, but would become proactive, being more useful for managers to make decisions in the future.

In this context, Toma (2011) highlights that the accounting profession has strengthened its role and place in society through a vast program of infrastructure development carried out by CECCAR, which would initiate measures of increasing the security of the liberal profession, elaborating the national professional standards, all these even though the regulatory excess of the public authorities resulted in the separation of the profession in component activities. As mentioned in CECCAR (2003), regulating the profession, establishing a set of rules related to ethics, and control elements of the quality of activities carried out by members were measures taken during this period to eliminate deficiencies, such as elaborating the financial statements by people who are not CECCAR employees or members.

The process of improving the audit techniques for the quality of accounting services and expertise continued also in 2012 (a process implemented since 2000). These procedures were made available to the members through the publication in 2012 of the updated versions of the *Regulation on quality audit in the field of accounting services*. This regulation aimed, among others, to harmonize the professional behavior of members, improvement of working techniques, establish proper professional standards, and organize cabinets of accounting expertise. Consequently, in the same year there were trained the first 41 accounting experts to audit the quality of accounting services, and by the end of 2002 they audited 123 accountancy practices (CECCAR, 2006).

Furthermore, in 2002, 150 trainers participated in the courses organized by the CECCAR in the field of International Accounting Standards, which provided professional training to 5000 accounting professionals in the upcoming period. The result of increasing level of training of members is highlighted by the large number of high difficulty tasks, the number of judicial expertise grew with 120% in 2004 compared to 2003 (CECCAR, 2011b).

Regarding specialized publications from this period, publications hich aimed to support the evolution of the accounting profession (Magazine Public Finance and Accounting (2000-2009) could be found. CECCAR also published the book "*Cartea expertului contabil și a contabilului autorizat*" which contains rules relating to the professional activity of members and a number of 33 professional guides for understanding and applying each international Accounting Standard separately.²⁶ Until 2003, CECCAR has edited more than 100 titles for professional accounting practitioners: documentaries, books, brochures, specialized guides (CECCAR, 2003), and in 2004 about 60 papers on accounting, and CECCAR Publishing has been recognized by the Ministry of Educations and Research (CECCAR, 2006). Until 2004, the professional rules and published guidelines covered almost all categories of works executed by accounting professionals, and in 2005, the rules regarding the continuing professional development of accounting professionals, and the translation in Romanian of the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) was published. In this regard, Malciu & Feleagă (2005) consider that the efforts of the professional body are justified given that, in that period, there were difficulties with the accounting profession in terms of assimilating the international standards caused by the habit of applying with priority the fiscal judgment to the detriment of the economic one and by the weak disconnection of the accounting from the taxation.

This period is marked by the organization for the first time in Romania, on the 21st of September 2005, of the event "*Ziua Națională a contabilului român*" (National Day of the Romanian Accountant) and by the publication of the "*Codul etic național al profesioniștilor contabili*" (The Code of Ethics for Professional Accountants), published in 2007, considered by the literature (Horomnea & Tabără, 2008) as the art of fulfilling the professional duties.

The activity of the professional body in Romania (CECCAR) is marked by collecting evidence regarding the history of the Romanian accounting profession. Inaugurated in 2009, the Museum of the Accounting Profession in Romania, comprised 300 restored objects, of which 150 were scientific papers, 20 computing devices, five valuable medals, dozens of documents, and the recovery of documents (CECCAR, 2015a).

Stage III: The Adulthood of the Accounting Profession and a new culture in the accounting profession 2010 - Present

During this period, CECCAR focused on national professional standardizing for the services provided by the members and on the creation of own educational entities for obtaining the qualification for the professions of accounting expert and chartered accountant. From a legal perspective, significant changes in accounting regulatory activity that tend to align to international rules are materialized by publishing the Order of the Minister of Public Finances no. 1802/2014 regarding the approval of accounting regulations on individual annual financial statements and consolidated annual financial statements applied from 2015. At the beginning of this period, in 2010, the accounting profession was represented in CECCAR by 30,869 members of which approximately 80% were accounting experts. The number of CECCAR members, accounting experts – recorded a consistent increase year after year from 1.911 individuals and businesses in 1999 to 24,548 in 2010.

During this period, the purpose of professional organizations is to provide high-quality specialist training to perform practical work within companies. Bunea et al. (2013) argue that professional organizations are oriented mainly towards the transmission of information that can be immediately applied in practice, especially in the field of organizations and businesses, IFRS, corporate governance, and financial markets, but not toward those which can forecast future evolutions of the financial and accounting field or can support the development of the career of a member of that organization. In this period, opinions are emerging regarding the focus of the accounting professional through the qualification he has toward activities that will associate him less with the accounting traditional stereotypes (Evans & Fraser, 2012), with the typology of the professional

who enjoys routine tasks (Hunt et al., 2011), very interested in legal compliance or being the providers of bad news (Wells et al., 2009) or with the tendency to abuse their position of trust (Smith & Jacobs, 2011). It was highlighted that the tendency of professional organizations is to qualify the professional accountant in a manner that will ensure him the greatest possible responsibilities as a consultant, analyst, and business partner to avoid situations in which nonaccountants may fill in their positions.

The organization of Romanian accounting profession, the Body of Expert and Licensed Accountants of Romania (CECCAR) is nowadays composed by expert accountants and licensed accountants. As a condition for public practice the membership of the institute is mandatory. In order to become expert accountants the candidates are supposed to graduate an economic university acknowledged by the Ministry of Education and Research. Additionally they should participate at an initial exam. This is followed by three years of practical experience, and in the end, they should pass a final exam related to their accounting aptitudes. By fulfilling such objectives and such performance standards, it will be possible to achieve the goal of this professional organization in terms of adapting quickly and efficiently to changes in the socio-economic environment, ensuring a high level of professionalism of members who will be constantly trained for the future, providing strategic consulting for the business environment, and finally affiliation to the position of reliable business partners.

CONCLUSIONS

The history of the Romanian accounting profession has been shaken by various social and political factors over time. However, if we think about the way the accountant was perceived in the nineteenth century and the status he enjoys in contemporary society, we can say with certainty that it was a battle won.

The accounting profession in Romania was one of the most well-organised accounting professions at that time, and the professionalisation process supported the idea of creating higher education institutions in the economic field in Romania. The accounting profession in Romania based its knowledge on academic education. In the next stages of development

of the accounting profession, we could identify the professors of the Academy who were part of the Body of the profession and the interactions of the profession with the Academy.

The evolution of the profession brought us today in front of a mature profession which needs to answer to the challenges of the environmental context and to transform into a consulting profession. More than a century after the regulation of the accounting profession in Romania, we can say that professional accountants are important actors in completing the public interest. CECCAR is one of the oldest and largest professional bodies in Romania and holds one of the most important roles in economic life. By applying its principles and values, CECCAR stands out through professionalism, trust, and respect. Obviously, the growth and development of the profession is the result of accountants who over time with devotion, with love for the profession, have contributed to consolidating its role and importance in Romanian society.

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DIGITAL TRANSFORMATION IN ROMANIAN ONLINE TRAVEL AGENCIES

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ABSTRACT. New technologies have generated profound changes in the conduct of economic and individual activities; companies from all industries were forced to adapt to the multiple solutions, tools, technologies and devices made available to individuals by the IT&C industry; the need to adopt new technologies by companies, generated multiple implications, challenges, but also offered multiple development opportunities for them; digitization, digitalization and finally the digital transformation of companies, has proven to become a necessity for any company, in order to gain a sustainable competitive advantage; in this context, this article studies aspects related to digital transformation, from one of the industries that are the biggest adopters of new technologies, namely, that of tourism; more precisely, were explored the state, adopted solutions, encountered problems and future plans of the Romanian online tourism agencies, in their transition towards a digital transformation; results obtained from the conducted study, can constitute a valuable input both for companies in tourism and in the IT&C industry, as well as for conducting other comparative or more complex studies.

Keywords: digital transformation, digitization, digitalization, tourism, online travel agencies

JEL classification: *L86, M15 Digital transformation in Romanian online travel agencies*

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Introduction and literature review

In recent years, digital transformation (DT) has proven to be a necessity for companies in various industries; this transformation, through which companies apply new technologies, helps to improve business processes and generate more value for customers. For digital transformation, there are a multitude of definitions covering various fields of activity; one of these shows that the digital transformation is “a process that aims to improve an entity by triggering significant changes to its properties through combinations of information, computing, communication, and connectivity technologies” (Kraus et al., 2021, p:557); this transformation, generically, can be seen as “the transforming abilities of digital technologies for businesses, involves replacing or enhancing the physical offerings of a firm’s products and services” (Acquila-Natale et al., 2022, p.441); Digital transformation refers to “changes caused by digital technologies in the business model of companies, which result in changes to products or the structure of the organization or the automation of processes” (Gouveia & Mamede, 2022, p.673). Also, this appears as “a progressive mentality and a continuous use of new technologies in the interaction with customers, organizational processes and even with business models” (Marx et al., 2021, p.2).

From another perspective, the digital transformation at the company level was also defined by “the effects of technological innovation on organizational systems and their environment, including all stakeholders such as employees, customers, suppliers, and competitors” (Van Der Schaft et al., 2022, p. 3).

In specialized literature, two terms are frequently mentioned, namely: digital transformation and digital maturity; thus, it is useful to emphasize some aspects, as there are situations in which these two notions overlap; digital transformation, is considered as “continuous

process of application of new technologies in customer interaction, organisational processes, and business models, covering and involving specific activities from Information Technology, Customer Experience, Product Innovation, Process Digitisation, Culture and Expertise, Organisation, Cooperation, Strategy, and Transformation Management” (Marx et al., 2021, p.2); the difference between digital maturity and digital transformation, “is established by projects organizations of high maturity treat these projects not as IT projects but as transformation projects” (Marx et al., 2021, p.2). DT, was identified as the final stage of a specific evolution going through digitization and digitalization; the first stage, digitization, was considered as “a conversion of analog information into digital information” (Verhoef et al., 2021, p.891); the second stage, digitalization, involved the use of digital technologies and IT tools “as a key enabler to seize new business possibilities by changing existing business processes, such as communication; finally, digital transformation, could be considered as “the most pervasive phase, and describes a company-wide change that leads to the development of new business model” (Verhoef et al., 2021, p.891).

Digitization, was also defined as “as a component of digitalization which, in turn, is subsumed under digital transformation (Saarikko et al., 2020, p.828); at the same time, digital transformation, received the valence of a “sociocultural process of adapting firms to the new organizational forms and skill sets needed to remain viable and relevant in a digital landscape (page:829); (Saarikko et al., 2020, p.829). Digitization, in essence, implies “taking analog information and encoding it into zeroes and ones so that computers can store, process, and transmit such information” (Gong & Ribiere, 2021, p.2), serving as an important support in the “digitalization and digital transformation process”; as a result, the digital transformation includes” a fundamental change of a whole new form, function, or structure with the adoption of digital technologies that create new value (Gong & Ribiere, 2021, p.13).

Digitalization, is considered “as a process of transformation and/or improvement of enterprise activities, business models, business functions, communications, use of online platforms, training and retraining of staff to work in new conditions, etc. based on the widespread use of digital technologies and digitized data” (Morze & Strutynska, 2021, p.4).

Digitalization has also been defined as a set of specific and generally applied technologies as they are” Internet of Things, Automation Cloud, Big Data technologies, Smart Grids and Renewable Energy, Mobility, Unmanned Sites and Remote Operations, and Service, for instance, software-as-a-service (SaaS)” (Heiets et al., 2022, p.2).

Over time, were formed opinions based on which “digitalization and the 4th industrial revolution, DT, will tend to widen the gap between developed and Developing Countries” (Santos et al., 2022, p.1302).

From another perspective, for DT, was defined another set of three evolutionary stages, namely: “digital orientation, digital intensity and digital maturity” (Nasiri et al., 2022, p.275); thus, digital orientation, was considered as “an indicator that shows the ability and determination of companies to move to their digital transformation”; digital intensity, “is an influential factor in digital transformation and can accelerate the digital maturity of companies; this refers to the ability of companies to effectively manage more complex operations, carried out in different working environments”; digital maturity, “is essential in digital transformation strategies, it represents a procedural effort to constantly prepare and adapt to continuous digital transformation” (Nasiri et al., 2022, p.275).

Digital transformation, appears defined as “a multidimensional phenomenon that affects all domains of human activity, namely technology, the economy, politics and society, as well; being considered as the Fourth Industrial Revolution or Industry 4.0” (Kraft et al., 2022, p.471); from this point of view, at the level of SMEs, digital transformation covers “the adoption of digital technologies in managerial work and the use of digital technologies that operational employees utilize in their work, associated with the changing nature of the work to be completed” (Kraft et al., 2022, p.474).

From the perspective of its applicability at the company level, digital transformation is a “practical implementation of digital technologies to improve customer experience and engagement, make operations simpler, strengthen business models or generate new business opportunities” (Fernandez-Vidal et al., 2022, p.30).

It is also useful to emphasize an association made between “sustainability and digital transformation”, generating a new concept,

“digital sustainability”, which “has the power of unifying the two strategic objectives to drive positive societal and environmental changes rather than just focusing on reducing them” (Guandalini, 2022, p.458).

In digital transformation, it is absolutely necessary to establish a “digital strategy, which can be considered as an ability to structure, manage and design integrating networks that provide complementary capabilities to those of the firm itself” (Ellstroem et al., 2022).

DT, is seen as massive “modification of processes, products, business models as well as human behaviors by digital technologies, which aims at designing the companies’ business activities more efficiently and effectively” (Wengler et al., 2021, p.600).

The very important “relationship between digital transformation and economic development, labor productivity, employment, as well as the massive benefits brought by DT for companies and national economies” was also identified and emphasized (Aly, 2022, p.253); from this perspective, in recent years, artificial intelligence has been defined as “an important component and at the same time accelerator of the rapid digital transformation” (Aly, 2022, p.240).

Also, “artificial knowledge”, are very important elements for the companies that adopt DT as well as for “transforming digital knowledge into business processes and incorporating digital technologies and novel sustainable solutions to achieve the SDGs”(Di Vaio et al., 2023, p.22) .

For DT, other specific pillars were identified, as well: “IT uplift, digitizing operations, digital marketing, and digital businesses” (El-Moffock, 2023, pp.528-529).

Undertaking the digital transformation for companies brings with it important benefits, including: “better business model, improved management, reduction costs, profit growth, sustainability efforts, higher productivity, enhanced data collection, quality improvements, better customer experience, complying with regulations” (Quix, 2023).

From a completely different perspective, Dell Technologies, presents very relevant aspects related to over 94% of companies that face multiple barriers in digital transformation; among the problems identified, we list: “problems related to data security and confidentiality, insufficient financial resources, the inability to extract and use valuable data/information from data-driven analytics, the lack of economic growth to consider, the

lack of technical skills and the necessary expertise of staff for the use of new technologies and processes, frequent legislative amendments, the immaturity of the digital culture of companies, the lack of strategies and coherent visions in digitization, a weak structure and digital governance, the lack of suitable leadership for DT, a fragmented or siloed computing environment” (Dell DT, 2023) ;in response to these problems in DT, the same company, identifies technological solutions to be adopted by companies, covering two important levels, namely: “basic and emerging technologies; in the first category are included: cybersecurity solutions, data management tools, 5G infrastructure, multi-cloud environment, privacy software, etc.; the category of emerging technologies includes: AI algorithms, robotics, real-time applications, natural user interface, quantum computing, Mix augmented an virtual reality, blockchain, nanotechnology, etc.” (Dell DT, 2023).

In tourism, digital transformation, can bring “the opportunity to overcome the limitations of space and time, develop new models and form a new balance of supply-demand” (Ha & Huan, 2023, p.116); In this industry, DT, has been visible in recent years, starting with the development and use of online booking platforms, multiple mobile applications and active and effective social media presences. These digital technologies have generated a different experience for tourists, facilitating specific activities in all phases of a trip (in preparation, during and after its completion); this, however, puts tourism companies in front of a great challenge in maintaining a balance between the need to adopt new technologies and ensuring the confidentiality and security of customer/ tourist data.

In digital transformation of the tourism industry, “DMOs can take on a leadership role in digital transformation and sustainable tourism”, being practically demonstrated that “DMOs attempt to transfer knowledge by implementing concepts and ideas within tourism SMEs” (Schoenherr, et al., 2023, p.94)

In the hotel industry, were identified aspects related to “the misalignment of IT operations and business strategies today demands digital transformation in many aspects of its operations” (Sarfraz et al., 2023, p.2); from this point of view, it is emphasized that “the digital transformation supported by the supply chain strategy shapes the

business on a large scale” (p. 5); were also explored “the role of moderators (digital transformation and sustainable practices) and mediators (blockchain adoption) in relation to sustainable supply chain strategy and performance” (Sarfraz et al., 2023, p. 9).

The digital transformation, was also adopted by museums, as being some of the “organizations in the tourism ecosystem that have invested in DT to maintain the interest of tourists and create competitive differences for regions where the economy is based on tourism” (Menezes et al., 2023, p. 203).

UNWTO, emphasizes the fact that the tourism industry pioneered business processes at the global level, starting with online booking solutions in airlines and hotels, permanently maintaining its activities specifically updated with new technologies, solutions and trends brought by the ICT industry; the digitalization and digital transformation of this industry, ensures the continuous growth of competitiveness at the global level for the companies in the fields, as well as the sustainable development of the industry as a well.

The adoption of new technologies such as: “IoT, location-based services, artificial intelligence, augmented and virtual reality, and blockchain technology, have generated a more attractive, efficient, inclusive and economical tourist offer, socially and environmentally sustainable” (UNWTO, 2023).

From the perspective of their applicability and adoption in the tourism industry, the most important trends and solutions used in digital transformation processes include: mobile technology, AI, VR, data-driven analytics and blockchain technology”(Digital, 2023); the practice and case studies of profile companies have also identified the trends in the adoption of digital transformation solutions specific to tourism companies; thus, in the case of “mobile technologies, they were implemented in activities such as check in/out, room service, door lock/unlock; IoT, provided solutions for smart rooms, beacons, voice assistants; Data-driven analytics has solutions in the collection and analysis of customer data, purchase history, identification of tourists’ preferences; VR, offers support in activities such as: preview of properties/rooms/etc., virtual world trip, 3D travel stories; chatbots, currently widely used tools, offer support for booking, guest services, timely information; also, DT brings

extremely valuable managerial support through RPA (Robotic process automation) solutions, frequently and specifically used in processing of booking and claims, and in reporting and auditing” of internal processes (Digital trends, 2023).

From a *statistical perspective*, the current level of adoption of DT at the company level was determined by considering a set of three criteria, namely: “importance of digitization and digital strategy, cloud adoption and customer experience systems used”; thus, according to studies carried out by Gartner, “91% of businesses are engaged in some form of digital initiative, and 87% of senior business leaders say digitalization is a priority; 89% of all companies have already adopted a digital-first business strategy or are planning to do so; the global digital transformation market is expected to grow to \$1,009.8 billion by 2025; Global Cloud Revenue to Total \$474 Billion in 2022, Up from \$408 Billion in 2021; 64% of customer service and support leaders will focus on business growth in 2022”(Statis, 2023).

Material and method(s)

In this article, was studied the level of digital transformation in tourism and some of the trends and challenges faced by an important category of tourism companies, namely travel agencies, were identified; the study population was extracted from the list of licensed travel agencies in Romania, according to the Ministry of Economy, Entrepreneurship and Tourism, for 2023 (Min tur, 2023) in this list, comprising 2623 licensed travel agencies, these are structured according to their type, namely: intermediary travel agencies (34%), online intermediaries (13%), organizers (10%) and online organizers (43%); it can be noted that the agencies licensed for online activity are in the minority (23%); it must be specified that ,for the present study, only the licensed agencies for online activities were considered (601 online agencies, both, intermediary and organizers); after analyzing the data related to these travel agencies, only those with viable web presences, having active and usable URLs, were retained for study; it was found that only 403 of them have viable digital presences, representing only 67% of the total number of licensed online

agencies; these constituting the final sample to be studied; an online and mobile survey was conducted among these agencies, for a duration of 10 days, in March 2023 and 10 days in August 2023; 205 valid questionnaires (51%) were collected and used for data analysis; subjects were asked to answer questions related to important aspects regarding digital transformation (DT) in their companies related to:

- the current level of digital technologies' adoption and the perception regarding DT
- the strategies and solutions used in DT
- the challenges encountered in adopting DT
- the benefits obtained from DT
- the company's DT initiatives/perspectives

Results and Discussions

It is useful and necessary to start with a picture of the general structure of the total population (all licensed travel agencies) vs. that of the final sample (the online travel agencies licensed); thus, criteria such as the distribution of licensed tourism agencies, by county and by registration year, were analyzed in order to obtain a parallel vision; the following results were obtained:

- *structure by counties:*
 - all licensed travel agencies:
 - Bucharest was clearly detached, with the largest number of licensed agencies, 801 (Figure 1); with a number of over 100 licensed agencies, the counties of Brasov, Cluj, Constanta and Ilfov appear in the top 4, while the counties of Teleorman, Giurgiu, Mehedinti and Calarasi do not exceed 10 licensed agencies;

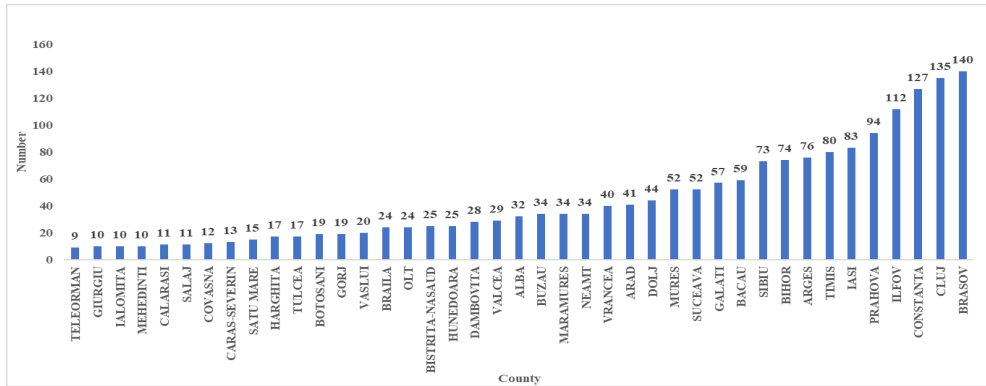


Figure 1. Structure by county – all licensed travel agencies
Source: data extracted from Min tur (2023)

- For the online travel agencies(Figure 2), the same situation is encountered for Bucharest, which is in the top with 250 online agencies; in this case, the same four counties remain at the top, only that their ranking is changed, Ilfov appearing in first place; at the opposite pole, there are counties with one or 2 registered online agencies, such as: Bistrita-Nasaud, Botosani, Calarasi, Mehedinti, Olt;

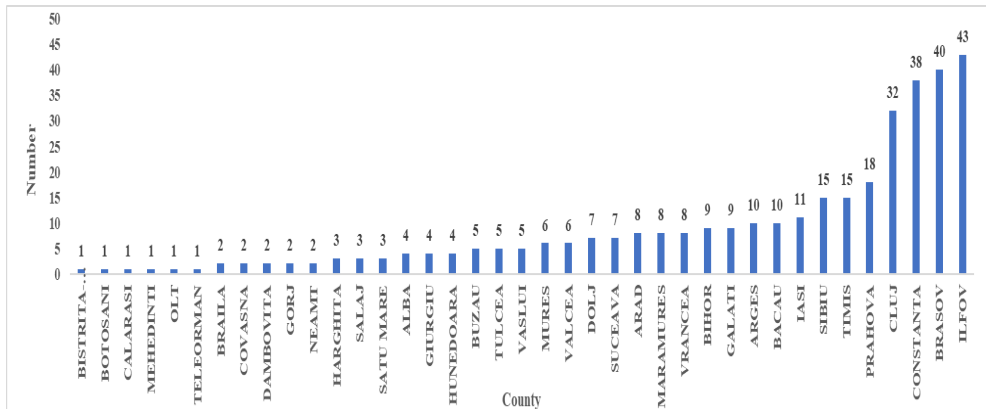


Figure 2. Structure by county – online travel agencies
Source: data extracted from Min tur (2023)

- *structure by license issuance year* (Table 1):
 - in the case of the total travel agencies licensed, a massive increase in licenses is visible in 2019, possibly explained by the initiation of the Covid pandemic crisis; also, a decreasing trend of licensing registrations from 2018 to 2023 can be noticed;

Table 1. Structure by license issuance year – comparative view

| Year | Licenses | |
|------|---------------------|------------------------|
| | All travel agencies | Online travel agencies |
| 2012 | 1 | - |
| 2018 | 299 | 40 |
| 2019 | 1225 | 169 |
| 2020 | 297 | 104 |
| 2021 | 283 | 87 |
| 2022 | 289 | 106 |
| 2023 | 229 | 95 |
| | 2623 | 601 |

Source: data extracted from Min tur (2023)

- in the case of online agencies, their structure according to the type of agency was also followed (table 2), being identified the preponderance of intermediary agencies (56%), in the total number of agencies licensed for online activities.

Table 2. Sample structure - online travel agency

| Type | Number | % |
|---------------------|--------|----|
| online intermediary | 335 | 56 |
| online organizers | 266 | 44 |

Source: data extracted from Min tur (2023)

The identification of valid web presences of online travel agencies, highlighted, once again, the preponderance of intermediate online agencies (52%)(Table3).

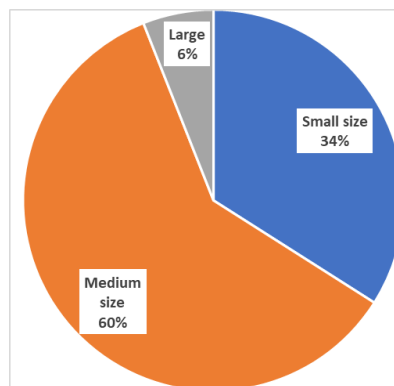
Table 3. Active web presences by type of online travel agencies

| Type | webs | % |
|----------------------------|------------|-----------|
| online intermediary | 209 | 52 |
| online organizers | 194 | 48 |

Source: data extracted from Min tur (2023)

Further, from the analysis of the collected data, the following results were obtained:

- first of all, depending on *the size of the companies*, it was found that the studied sample included a majority segment of companies declared to be medium size (60%) (figure 3); at the same time, a very weak representation of large companies (6%); by extrapolation, it could be concluded that at the national level this is the structure of the online travel agencies, depending on their size; the category of medium size companies covers 67.88% online intermediary agencies and the rest online organizers; for small companies, 86.19% are online intermediary agencies, the rest online organizers; in the case of large companies 78.13%, were online intermediaries and the rest online organizers; it thus becomes evident that for the entire sample studied, the segment of intermediate online travel agencies is dominant;

**Figure 3.** Online travel agencies by company size

Source: author's data

- the *level of digital technologies' adoption* (figure 4) and *the perception of the importance of digital transformation for the company/tourism agency* (figure 5), surprised as the majority profile, the companies declared as pragmatist adopters of new technologies as support in their activities and business processes (49.40%), followed by those declared as conservative adopters (27.80%); aspects related to the relationship between the size of the company, its type and the stage of adoption of new technologies should also be noted; thus in the most richly represented category, pragmatists, 75.16% are represented by medium size online intermediary agencies, 12.35%, are medium size online organizers and the rest, large online intermediaries; as earlier adopters, 93.11% are large intermediary online agencies, the rest, being medium size online organizers; in the skeptic adopter category, 89.32%, there are small online intermediary agencies and the rest, small online organizers; the conservative adopter category, covers 90.09% medium size online organizers agencies;

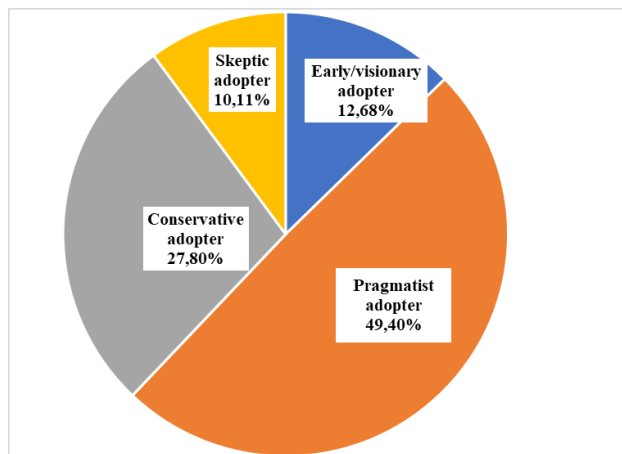


Figure 4. Level of technology adoption

Source: author's data

- from the perspective of perceiving *the importance of digital transformation*, as a logical and necessary consequence of the adoption of new technologies, the largest segment of companies

(62.44%) stood out, indicating that this transformation is very important for them; however, the existence of a significant segment (28.78%) that still considers this aspect somewhat important and not at all important for the evolution of their companies should not be neglected (Figure 5); we emphasize the fact that in the last category there are medium and small size companies only from the online organizer category; DT, was selected as extremely important, only by large online intermediaries;

- regarding *the technologies and the solutions implemented* as part of the company's digital transformation (Table 4), the top three indicated, as being already used, were the commonly used tools, namely: those specific to social media (90.04%), online booking platforms and solutions (88.12%) and cloud computing solutions (38.56%); technologies considered to be newer, innovative, such as AI ML, IoT and Automation tools and processes, are used very little and only by agencies declared to be large companies; these results can also be explained by the fact that the new advanced technologies are on the one hand very expensive and on the other hand their implementation requires an adequate ITC infrastructure and a professional staff with the ability to exploit these technologies; technologies from the AI and ML category, were selected mostly by large online intermediaries (90.56%), the rest, being large online organizers; in the case of data analytics, 77.33% were indicated by large medium size online companies and the rest, being medium size intermediary online agencies; IoT solutions and automation tools, were selected entirely by large online intermediary companies; in the case of VR solutions, 79.23% were large online intermediary companies, 10.67% medium size online organizing companies and the rest ,online intermediaries; a surprising aspect must be emphasized, namely the very low implementation of mobile applications (12.78%), indicated as being implemented by 86.54% medium size online intermediary agencies and the rest, by large online organizer companies; the very low percentage of the use of mobile applications by online agencies, contradicts the upward trends in the use of these products, by tourists;

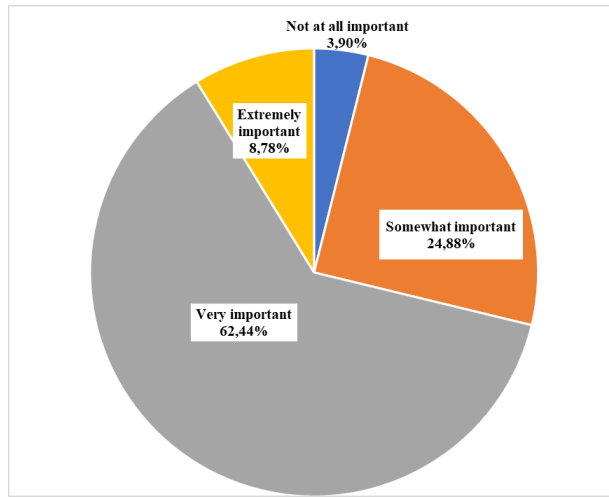


Figure 5. The importance of digital transformation
Source: author's data

Table 4. DT- implemented technologies and solutions

| Technologies implemented | % |
|--|---------------|
| Artificial intelligence (AI) and ML (machine learning) | 2.57% |
| Automation tools and processes | 2.07% |
| Cloud computing | 38.56% |
| Data analytics tools | 22.11% |
| Internet of Things (IoT) | 2.13% |
| Mobile applications | 12.78% |
| Online booking platform | 88.12% |
| Social media | 90.04% |
| Virtual reality technology | 3.82% |

Source: author's data

- in the identification of the *barriers, problems and general challenges* perceived by the agencies, in their approach to digital transformation (table 5), an important triad was highlighted, consisting of: difficulties in finding the right technology solutions for company

and specific business processes (78.72%), financial/budgetary problems (65.23%) and problems related to resistance to change expressed from three sources (employees, tourists and business partners) (49.07%); the fact that for the agencies the most difficult aspect in DT, is their inability to choose the most suitable solution in digital transformation approach; this aspect denotes, on the one hand the lack of an innovative and a visionary management and, on the other hand is also identified a problem of companies in the IT industry, that develop some specific DT solutions for tourism and that do not make enough efforts to inform and educate tourism companies about the existing and suitable solutions for the company's DT; the lack of sufficient financial resources is a reality to be considered, but given the fact that on the market there are multiple solutions and technologies offered in various ways of distribution, with very different financial plans, the companies' management can identify the right DT solutions according to the company's resources, as well; the problems related to the implementation of new technologies to achieve DT, assume the existence of experienced users, both within the digitally transformed company, as well as among the company's consumers/tourists and business partners; therefore, must be considered some concerns related to the changes brought by DT, in the business environment of travel agencies and the potential problems of incompatibility that can be created if not all partners have the same technologies; also, both, the difficulties in integrating new technologies with existing systems or migrating to new technologies and the lack of knowledge/skills for the use of new technologies within the company and in its business environment, have significant importance; a worrisome aspect, related to cyber security, must also be emphasized, because the least important concern for agencies (29.11%), is the cyber security, in the context in which sensitive and private data of both, tourists and business, are collected.

Table 5. Challenges encountered in adopting DT

| Problems/barriers | % |
|---|---------------|
| Lack of financial resources or budget constraints | 65.23% |
| Resistance to change on the part of employees, consumers and business partners | 49.07% |
| Difficulties in finding the right technology solutions for company and specific business processes | 78.72% |
| Lack of knowledge/skills for the use of new technologies within the company and in its business environment | 37.89% |
| Difficulties in integrating new technologies with existing systems or migrating to new technologies | 44.28% |
| Cybersecurity concerns/issues | 29.11% |

Source: author's data

- *the benefits of DT*, perceived by the subjects (table 6), were related to the improvement of three aspects, namely: customer satisfaction and loyalty (83.14%), employee productivity and efficiency (68.11%) and decision-making (36.17%); in the last place, the increase in the market share was perceived as a benefit of DT;

Table 6. Digital transformation - perceived benefits

| DT benefits | |
|--|---------------|
| Increased market share | 28.13% |
| Increased revenue or profitability | 33.09% |
| Improved customer satisfaction and loyalty | 83.14% |
| Improved decision-making | 36.17% |
| Increased Employee productivity and efficiency | 68.11% |

Source: author's data

- directly connected with the benefits perceived in the adoption of DT, is the *differentiation from the competition* (table 7); in this case, technological solutions dedicated to the improvement of services for tourists (68.12%) are preferred by agencies, closely followed by the use of innovative technologies; thus, a clear link can be observed in the agencies' perception of the benefits brought by DT in the processes and activities dedicated to consumers/

tourists, which demonstrates a good understanding of how to generate competitive advantage through new experiences for tourists, using innovative technologies;

Table 7. DT - differentiation from the competition

| DT Solutions | |
|---------------------------------------|---------------|
| Personalized travel experiences | 44.13% |
| Enhanced customer service and support | 68.12% |
| Innovative use of technology | 57.09% |

Source: author's data

- for the *perspective initiatives* of the agencies regarding DT (table8), the first solution indicated was partnering with other companies (68.33%), this being specific to small agencies and achievable in several directions, involving suppliers, consumers, etc.; in the case of partnering with suppliers, solutions can be oriented to attract developers of new technologies and specific DT solutions; also, the search, identification and exploration of new technologies (56.06%), was an initiative mostly identified by medium size online agencies; the development and training of some qualified personnel in the use of new technologies (56.06%), was the common solution chosen by agents from the category of medium and large companies; the future solutions related to the increase of the financed contribution in DT, was almost uniformly identified by the small segment of the agencies in the category of large companies (93.15%), the rest being medium size companies;

Table 8. DT perspectives

| Plans for future DT initiatives | |
|---|---------------|
| Further investment in existing technologies | 40.25% |
| Exploration of new technologies | 56.06% |
| Increase in staff training and development | 47.37% |
| Partnering with other companies | 68.33% |

Source: author's data

Results and discussions

From the analysis of the collected data, two different profiles were identified depending on the size of the companies, for large and medium size companies; small companies, have declared themselves skeptical adopters and do not consider DT as important for their development; so that currently it is not important to create a profile for them; but these small companies can constitute a very important and attractive target segment for IT companies and technology developers, to convert them into potential future users of DT solutions.

For the agencies in the category of large companies, although very poorly represented in the studied sample, a profile is outlined; it is about an online intermediary agency, declared as early adopter of new technologies, perceives DT as extremely important for the company's evolution, has implemented and uses all technologies commonly used, as well as those in the category of innovative AI, ML, VR, IoT; considers as the main problems in the adoption of DT problems in difficulties in integrating new technologies with existing systems or migrating to new technologies and cybersecurity concerns/issues; the main benefits considered to be brought by DT, are the increase in revenue or profitability, the market share and the improvement of decision-making; the use of innovative technologies, is the only DT solution indicated for competitive differentiation; in perspective, plan investments in already existing technologies and the exploration of new ones, as well.

In the general profile of the agencies, declared as medium-sized companies, there is also an online intermediary agency, a pragmatist adopter of new technologies, considering DT as very important for the future development of the company, using, only, very common DT technologies and solutions, identifying as major problems in adoption DT the lack of financial resources, of knowledge/skills for the use of new technologies within the company and in its business environment and the difficulties in integrating new technologies with existing systems or migrating to new technologies; believes that DT can generate benefits by increasing consumer satisfaction and employee productivity and efficiency; in achieving a competitive advantage through DT, indicates as important, the customization of travel experiences and the improvement of customer

services and support; in the future plans for the adoption of DT, pursues the exploration of new technologies and the increase in staff training and development.

The obtained results reveal a more active presence of agencies in the category of online intermediaries, compared to online organizers; also, the online intermediary agencies are much more open in adopting new technologies and much more prepared for DT, already using more digital solutions and technologies than the organizers, ones; were identified some aspects that are not at all considered by the agencies, such as the problems related to the confidentiality and security of the collected data, both from tourists and business, the incomplete understanding of the competition environment in the tourism industry and ignoring solutions offered by the new technologies in generating competitive advantages; then, small companies and those with difficulties in budget allocations for the adoption of new technologies for DT, the level of information regarding the multiple existing solutions on the IT market is insufficient; thus may be due to faulty management having no perspective of sustainable development; we consider that our results, can be useful both, for tourism companies/tourism agencies as well as for companies providing new technologies and DT solutions.

Limitations

We consider that the study has some limitations related, on the one hand, to the size of the studied sample and its representativeness, as well as to the consideration for study of only the online agencies having viable digital presences; but the results already obtained can be used as important input for studies carried out on larger and more complex populations.

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