Impacts of Economic Recession on Greek Domestic Tourism

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ABSTRACT

The global financial recession that began in 2007 and during its peak in the autumn of 2008 has affected almost all national economies. In fact, the recession had a high impact on the international tourism industry. In turn, inbound tourism in Greece was also been affected as the impact of the recessionwas also present in the years 2008 to 2010. However, from 2010 onwards, the major economies of the globe came back to growth, not the case the Greek economy, which is the last seven years in deep recession. The high increase in direct and indirect taxation, wage cuts and pensions, the increase in the unemployment rate, changes in labor relations consistsome of the outcomes that have led to strong fiscal adjustment undertaken in the Greek economy. The austerity measures implemented since then, in cooperation with the European Union (EU), the European

Central Bank (ECB) and International Monetary Fund (IMF), have significant impact both the incomes of Greek employees, professionals, the consumer and consequently the tourism behavior. This paper examines the effect of the fiscal adjustment programs implemented in Greece in recent years, the tourism behavior of domestic tourists. An attempt was made to identify the changes presented in the behavior of domestic tourists as a result of the economic recession. Such changes are shown not only in the number of trips / holidays and in their duration but also in per capita expenditure, the choice of destination and accommodation, creating a new and different complex domestic tourist characteristics, which is quite different compared with the characteristics of the Greek tourism industry before 2008.

Key words: Impacts, Economic Recession, Greek Tourism Industry. Greek Domestic Tourism, Tourist behavior.

1. INTRODUCTION

Over the last nine years (2008-2017), the economic recession in Greece has affected the country's socio-economic structures as a whole (Charduvelis 2011). International tourism, also known as the “heavy” industry of the country, contributing significant revenue to the state budget, has faced remarkable growth trends in the recent years, following a phase of recession in the early years of the crisis. Domestic tourism, which is much less dynamic than international tourism (extroverted), is nevertheless an important part of the country's overall tourism industry. However, the ongoing economic recession has greatly affected not only its quantitative characteristics but also its financial trends, which contribute to a redistribution of income within the country. The vast majority of Greeks have reduced both the number of trips / holiday they spend and their duration, since their income is insufficient to meet the specific consumer spending. The percentage of Greeks who can no longer participate in the consumption of the travel / holiday category is also very large, since their income is in many cases insufficient to cover the basic daily needs (Kyriakou, Belias, Koutselios, Varsanis, Xanthopoulos 2015).

All available data show that the tourist behavior of domestic tourists has changed significantly since 2010 to date. However, the fact that incoming international tourism shows upward trends in the corresponding period may not have made this change noticeable to the professional groups directly involved with tourism, with the exception of tourismdestinations, directly dependent on domestic tourists as well as the employees of the hotel and tourism industry (Papayiannis et all, 2015). Domestic tourism has made a small contribution to the revenues of tourism businesses in relation to inbound tourism. For many years in the past, domestic tourists covered only 25% of total overnight stays, while international tourists accounted for 75%, reflecting the high extroversion of Greek tourism compared to other European countries. However, the domestic tourist was the one who financially supported small and medium-sized tourism enterprises, given their spatial and temporal peculiarities, which significantly affect their economic function.

Furthermore, domestic tourist with its vacations / holidays was operating supportively in the country's prefectures where their tourism development was not identified with the model of mass tourism. It is therefore reasonable that groups of small and medium-sized tourism enterprises and specific prefectures have been significantly affected by the decline of domestic tourism as a result of the economic recession and its impact on the daily life of Greek citizens.

This paper investigates the effect of the fiscal adjustment programs implemented in Greece in recent years and the tourism behavior of domestic tourists.

2. ECONOMIC RECESSION IN GREECE

At the time that global economic recession started, Greece was in a phase of rapid development that had preceded the past years, which supported the “naïve” forecast that it would continue over the next years.

The model of economic growth that had prevailed until the implementation of the restrictive policies can no longer be supported, since some of its main sectors (e.g. public or private construction) have been affected as a consequence of the crisis. The effort to focus the prospects for growth on attracting large private investments and ceding public sector entities does not currently seem to constitute a tool to strengthen the economy. A precondition for stable growth prospects is the creation of targeted productive public investments, which will strengthen demand and activate the productive mechanism (Mavridakis, Dovas, Bravou, 2014).

The prevailing climate of the Greek economy at the end of 2008 and the beginning of 2009 is reflected in the Updated Stability and Growth Program 2008-2011 submitted to the European Commission on 30/01/2009, with extremely optimistic prospects for the conjuncture, It was reported that growth in 2009 would continue at a rate of 1.1%, which would accelerate to 1.6% in 2010 and 1.9% in 2011. The government deficit as a percentage of GDP, to 3,7% in 2008, would remain at the same level in 2009. The deficit would fall to 3,6% of GDP in 2010 and to 2,6% in 2011 (Bank of Greece 2014).

At that time, the seriousness of the situation and the danger of the international recession becoming a debt crisis, in countries with high deficits and debts such as Greece, was not understood. On the contrary, the international crisis (Bernanke 2004) was treated as a distant phenomenon that did not concern the country.

Since October 2008, the global financial crisis has also negatively affected the Greek economy, and all the evidence has shown that it was going to deteriorate, which was confirmed the following years (Fakiolas 2011).

In 2008, the general government deficit exceeded 4% of GDP, resulting in the country's Excessive Deficit Procedure (EDP) in April 2009, while public debt rose to close to 97% of GDP. Then the above figures were revised with the deficit of that year reaching 9.8% of GDP and the debt at 112.9% of GDP (Bank of Greece, 2014).

In 2009, the problems of the economy, which were preexisting, became apparent, despite they were ignored in acomplacent environment. With the advent of the international financial crisis (Rajan 2009), these problems could not be controlled and addressed. Therefore, emergency measures should have beenconcerted and taken immediately, long-term planning should has been made, but it was difficultto be met by the existing socio- political aspects. In addition to, in 2009 took place two elections, both for the European Parliament in June and for the Greek Parliament in October. This fact created the country's budgetary outturn, i.e. rising public spending and loosening of the tax collection mechanism, but also prevented the political system as a whole converging on a minimal basis, for conciliation to deal with the extraordinary circumstances that were shaping up.

In January 2009, Standard & Poor's credit rating agency downgraded the country's credit rating from A to A-, due to the "worsening loss of competitiveness of the Greek economy." Due to this degradation, the yield spreads between Greek and German government bonds rose to 300 basis points in January 2009 and remained at this level until March. In the following period, spreads ranged between 150 and 200 basis points lower, while they were up again in the last months of 2009 (Alpha Bank 2009).

Greek authorities on 22nd of October in 2009 presented the deterioration of the national economic status, by proving that the annual budget deficit was more than double that projected and that last year's estimations were significantly higher than the original estimates. These new deficit data confirmed the predictionsof the markets and rating agencies that Greece's fiscal problem was much more serious than have been seemed to bebythe official figures so far. Thus, two major issues for discussion and further investigation have been placed in the attention of the markets: firstly, if the Greek authorities have the determination and willingness to implement an adjustment program capable of addressing such deficits, and secondly, if the statistical data provides country's financial situation records reliably.

Due toabove two issues, the assessment of the markets at the end of 2009 was negative and this was reinforced by the ECOFIN decision of 2 December 2009, according to which Greece did not respond adequately to the Council Recommendation in April 2009, When the Excessive Deficit Procedure (EDP) was launched. In particular, until 27 October 2009, which was due to expire, the necessary measures had not been taken. Further reports in all major international media have questioned Greece's ability to achieve the necessary fiscal adjustment, which has affected the existing unfavorable climate. These reports not only continued but also plunged in the first months of 2010, focusing mainly on public debt and the possibility of bankruptcy and exit from the euro zone. On the one hand, the unfavorable circumstances for the country were hampered by the delay of the adoption of effective fiscal adjustment measures in Greece and, on the other hand, by the EU's lagging behind.

Progress in the country's growth was mainly supported by favorable international and local circumstances in given periods, and in the end, until it became linked for all practical purposes with the European Union, it did not succeed in creating the necessary economic dynamism that would grant it a similar role in the international and European division of labor. Greece belonged to the periphery of Europe, and remained there even after its accession to the European Union (Mavridakis, Dovas, Bravou, 2016).

The unfavorable effects in2009 resulted in a derailment of fiscal aggregates, with the deficit reaching 15.7% of GDP and the government debt of 129.7% of GDP. In 2008, Greece's GDP was 232.920 million and the deficit reached 113% of GDP. From 2009 onwards, Greece's GDP shrinks each year to reach € 205,322 million in 2011, to € 177,559 million in 2014, to € 184,416 million in 2015, and € 184,317 million in 2016. It is a fact that all the financial Measures taken by the Greek governments in 2016, the country's debt amounts to 146.5% of GDP (Bank of Greece, 2017).

3. CONSEQUENCES OF ECONOMIC RECESSION ON GREEK ECONOMY

As mentioned above, in the first years of the financial recession the impacts were not so evidentin Greece. In fact, there was a supreme optimism and an unreasonable complacency, that the situation could not prevent the development of the Greek economy. At nowadays, the country is still facing the same uncontrolled situation, and its political and socio-economical effects. Greece's debt crisis affects significantly the national sovereignty, as the economic policy isdetermined by its foreign creditors (IMF, ECB, and EU). The bankruptcy risk is threatening the socio-economic life through distressing taxes imposition.

The international financial crisis has highlighted the serious structural problems of the Greek economy as well as the significant lag in the pursuit of an appropriate economic policy (Karamouzis, Anastasatos, 2011). As mentioned above, Greece faced an acute fiscal problem before the financial crisis, due to the high public debt and deficit. The international financial recessiononly accelerated the deterioration of public finances. The specificity of Greece consists of a distinct condition of the Greek economy compared to the respective countries of the European Union. Specifically, besides any special cases and factors that arise in each separate country,in Greece, many parameters and causes have a decisive impact on the overall behavior of the country in economic terms (Dovas, Mavridakis, Politis-Stergiou, 2016).

For more than 20 years before 2010 in Greece, capital injected from EU sources and loans. These inflows were largely diverted to consumption, thus adding large categories of population to standards of living asymmetrical with productive performance (Fakiolas,2011). In contradiction, the country ranked 90th globally in production, and among the prosperous societies got the 30th rank in consumption.

The degradation of the country's creditworthiness by international rating agencies in combination with the widening of the yield differential between Greek and German bonds, since 2009 led to the transformation of the financial problem of the Greek economy into a problem of borrowing and thus the inability to finance its public debt. The Greek economy was trapped in a vicious circle, as it was forced to borrow in order to serve the loans it had received in the past, but the borrowing rates were so high that it was unable to repay the loans it would receive in the future.

Moreover, in 2008 before the crisis broke out, GDP (at current market prices) was EUR 241.990 million. In 2011, GDP reached 205.327 million € in 2015 to 184.416 million € and 2016 to 184.317. The percentage of GDP decline between 2008 and 2016 is 23,8%. The per capita income in 2008 was 21.845 €. The evolution of per capita income in the coming years was declining. Thus in 2011 it was 18.643 € and in 2014 it was 16.250 €, down 25,61% compared to 2008.

Furthermore, actual individual consumption in 2008 was 188.414 million. In 2011 it was 167.212 million€, and in 2015 it was 139.233 million€, down 26,10% compared to 2008 (Bank of Greece, 2017).

There is no doubt that the main reasons for the growth deficit arethe excessive and counterproductive public sector, the extreme delays on justice, and their relation with widespread corruption and tax evasion, complicated legislation and incredible bureaucracy. It is admitted by senior financial analysts that Greece's failed production model relied on internal oversupply and over-borrowing. Furthermore, small-sized enterprises which are flexible for the internal market, but without any unions or partnerships, they cannot penetrate foreign markets and compete in a globalized economy (SETE 2013).

4. CONSEQUENCES OF ECONOMIC RECESSION ON GREEK TOURISM INDUSTRY

After the 2004 Olympic Games, international tourist arrivals in Greece have grown up significantly at the beginning of the 2008's of the economic recession. In the years 2009-2010, the global economic crisis had negative impacts on tourism (Varvaressos 2009), as recorded in the relative figures. Also, another factor contributing to the drop in the main tourist figures since 2009 was the negative publicity of the country, as was shown by the international media. Thus, difficult economic conditions, political instability, uncertainty about Greece's stay in the Eurozone and frequent strikes have been deterrents in reservations and buying tour packages from international tourists.

Once again, the year 2008 was positive for Greek tourism, particularly in tourism receipts, which was 11.635.9 million €, reaching their highest historical tourism expenditure and the average tourist expenditure per capita, which was 730 euros. In 2009, the impact of the global economic crisis is evident in the respective figures. Revenues from foreign tourists who visited Greece in

2009 were 10.400.20 million and were 10,62% down compared to 2008. The decline continued in 2010, with receipts dropping by an additional 7,59% compared to 2009 and the total decrease compared to 2008 to 17,40%. From 2011 until now Greek tourism is on a steady rise. The receipts of foreign tourists in the year 2016 were 13.220 million € increased by 37,5% compared to 2010. However, international tourism receipts in 2016 showed a decline of -6.4% compared to 2015.

In addition, tourism contribution in the country's GDP from 17,50% in 2007 was 15,90% in 2009 and 16,00% in 2010. The decrease of tourism revenue in Greek GDP between 2007 and 2009 was 9,14%. Typical is also the difference in the number of people employed with tourism. In 2007, the number of employees in the tourism industry was 878.200, while in 2014 it was 699,000 reduced by more than 20,00%.

Moreover, a similar trend is also observed in the inbound non-resident travel traffic in Greece. In 2009, foreign tourists who visited Greece were 14.9 million, down 6.43% compared to 2008, the number being 15.9 million. The following year it was noticed a slight increase compared to 2009 by 0.62%, as foreigners who visited the country reached 15 million. From 2011, however, by the year 2015, the number of foreigners visiting Greece is constantly rising to reach 28.071 million visitors in 2016.

Furthermore, from 2011 onwards, Greek tourism shows upward trends. Revenue from tourism in 2014 was 13.3 billion € and in 2016 13.2 billion € increased by about 35% compared to 2010 (Bank of Greece, 2017). Nevertheless, an important element here is the reduction of the average per capita expenditure of tourists. From € 730 in 2008 it reaches € 541 in 2015 reduced by about 25,9%, falling to € 471 in 2016, down by 13% compared to 2015. Only between 2015 and 2016 the average per capita expenditure per travel is reduced by 70 euros. Thus, while the arrivals of international tourists in the year 2016 were about 28 million, increased by about 87.8% compared to 2009, which was 14.9 million, there was a decrease of 32.4% in the average tourist expenditure per capita, equivalent to 226 €. Expenditure per night in 2016 is 9,1% lower than in 2015 (2016: 68 €, 2015: 75 €), while the average length of stay is 6.9 nights, down 4.3% compared to 2015 (2015: 7.2 overnight stays).

From the above data, it is concluded that Greek tourism declined in its basic figures during 2009-2010 as a result of the global financial recession. Nevertheless, from 2010 onwards, it is on a steady rise, mainly quantitative, despite the decrease in per capita touristspending and average length of stay. The turbulence observed in this period in several Mediterranean countries, which are the main tourism competitors of the country, is also a major factor in this. Thus, events such as the war in Syria, the political turmoil in Egypt, the political scene and the terrorist attacks in Turkey contributed to the increase in the size of Greek tourism industry, since the country, despite the economic recession that exists, is still regarded as a safe tourism destination.

5. CONSEQUENCES OF ECONOMIC RECESSION ON GREEK DOMESTIC TOURISM

The economic recession has a direct impact on the holidays of the Greek citizens since 2009 and on. "Domestic tourism reflects the economy of the country," reports Andreas Andreadis, President of SETE, attributing the decrease observed in domestic tourism in recent years to the general negative economic environment, the poor financial situation of households and the capital controls imposed in the summer 2015 (www.skai.gr). From 2009 onwards, it can be observed that all figures on domestic tourism show significant degrease. The number of domestic tourists on 4 or more over nights spent in 2009 was 3.507.791€. This figure has declined in the coming years to reach a 37,58% drop in 2013 compared to 2009. In 2014, there is an increase of 18.45% compared to 2014, but again the overall decline relative to year 2009 is quite high of 26,06%(Hellenic Statistical Authority).

Moreover, arrivals in hotel accommodation and camping of domestic tourists in 2009 were 7.552.183. In 2012, arrivals were 5.257.258, down by 28.49%. In the next two years, 2013 and 2014, domestic arrivals showed a slight increase compared to 2012. In 2014 this growth was 5.32% compared to 2012 but again the overall decrease compared to 2009 is quite high of 24.69%. Respectively, similar figures are also evident on the guest overnight stays in hotels and campsites. The overnight stays of domestic tourists in 2009 were 18.366.858. In 2012 it was 12.515.232 showing a decline of 31.86% compared to 2009. In the next two years, 2013 and 2014, the overnight stays of domestic tourists showed a slight increase compared to 2012. Furthermore, in 2014, this increase was 4,27 % compared to 2012 but yet the overall decrease compared to 2009 is quite high of the rate of 28,95%. Travel costs with one or more overnight stays for domestic tourists were 3.533.272.152 in 2009. The drop in the expenses of domestic tourists was very high. In 2013, the fall was 66,18%, a direct result of the reduction of earnings of the Greek citizens. In 2014, there is an increase of 13,17% compared to 2013, but again the overall decrease compared to 2009 is very important in the order of 61,72%. The number of trips with 4 or more overnight stays for domestic tourists in 2009 was 6.917.568. In the coming years and until 2013 there is a constant decline in the number of trips. In 2013, the decrease was in a rate of 52.91%. In 2014, there is an increase of 14,92% compared to 2013, but again the total decrease compared to 2009 is very significant with a rate of 45,88% ((Hellenic Statistical Authority).

Moreover, the collapse in the size of domestic tourism in recent years due to the economic crisis is reported in a study by the Institute of Tourism Research and Estimations published in June 2016. According to this study, the expenses of the Greeks for travel within the country between 2008 and 2014 decreased by 64%. In particular, for 2014, spending was limited to 1.14 billion €, from 3.16 billion € in 2008. Also, a significant drop of 72,2% was recorded in the expenses of Greeks for travel abroad. Overall, spending has fallen by 72,2%, as in 2014 it has shrunk to 293 million € from 1 billion € in 2008. This survey concerns travels of four or more nights. In addition, domestic trips in 2014 recorded a 45,2% decrease compared to the corresponding trips in 2008, while for the same period the voyage abroad recorded a further decline of 51,6%. An additional element indicating the negative impact of the economic recession on holiday decision making, is the extensive fall of 44.3% and 55.2% of overnight stays in hotels within Greece and abroad respectively (www.kathimerini.com).

Furthermore, the overall turnover loss in the tourism industry since 2009, due to the large decline observed in all aspects of domestic tourism, seems difficult to be estimated. Taking as “base” year the expenditure of domestic tourists (travel costs of one or more overnight stays) in 2008, is noticed that without calculating a relative growth rate per year, that over 13 billion€have been lost from the domestic Greek tourism market by the year 2015. The aforementioned amount is certainly much higher since the multiplier effect of tourism in other sectors of the economy is not calculated(Varvaressos 2013).

6. DATA ANALYSIS ON DOMESTIC TOURISM IN GREECE

According to the definition of the United Nations World Tourism Organization (UNWTO), a country's domestic tourism includes the activities of a visitor- resident within the country in question either as part of a tourist trip in the country or as part of a tourist trip abroad (Varvaressos 2013).

Greeks who choose to spend their holidays within the country are part of the domestic tourism of the country. The economic recession that has affected the country in recent years has a direct impact on the holidays of the Greeks.

According to Hellenic Statistical Authority data available, for overnight stays in hotel accommodation of domestic tourists in Greece, show that they decreased by 22,5% in the period 2008-2015, while non-residents' nights increased by 28,9% over the same period. At the same time, there is a decrease in the share of overnight stays in hotel accommodation of domestic tourists from 26,3% in 2008 to 18,6% in 2013 and to 17,6% in 2014.

The most popular destination for the Greek voyages in the country is Central Macedonia, which accounted for 15,9% of the tourists' stay in 2014 (2013: 15,3%, 2008: 16,5%). Second in the preferences of the Greeks is Peloponnese, which attracts about 10% of overnight stays in hotel accommodation over time.

The less tourismdevelopedregions of the country, such as Western Macedonia and Epirus, also attract the highest rates of Greek tourists. Thus, the share of tourists' stay in Western Macedonia in 2014 was 87,3%, compared to 90,6% in 2008. The respective rates for Epirus were 70,7% in 2014 and 77,5% in 2008. High rates of overnight stays of Greek tourists in the hotels are also recorded in the individual regional sections of Eastern. Macedonia-Thrace ranging from 77% - 88%, with the exception of Kavala where the percentage is 20% and thus the average of the region (45,9%) is moderated.

On the contrary, the island's tourist regions of the country, spatial units hosting foreign tourism, such as Crete and the South Aegean Islands, record the lowest rates of overnight stays for domestic tourists in hotel accommodation. In Crete, the percentage of Greeks stayed in hotels in 2014 was reduced to 4,4% from 7,3% in 2008, while in the southern Aegean islands from 11,1% in 2008 it fell to 6,3% in 2014.

Another element that shows the negative impacts of the economic recession on holiday preferences, is the great reduction in overnight stays in hotels at home and abroad in the period 2008-2014 (-44.3% and -55.2%, respectively). In 2014, relative to 2013, there is a reversal of the negative trend observed during the aforementioned period, with the overnight stays of Greeks in hotels within the country increasing by 20,1% and abroad by 6.9%.

Moreover, a significant decrease is also recorded in the tourist expense of the Greeks for the trips they made in 2014 compared to 2008 (concerns travel with more than 4 nights). Overall, their travel expenses for these trips declined by 66.1% in 2014 compared to 2008, while the decrease in tourist spending for the corresponding trips abroad decreased by 72.2%. The largest decrease was recorded in tourist spending for accommodation in hotels and was of the rate of 76%. The improved situation observed in 2014 compared to 2013 for overnight stays has also had a positive impact on spending, which recorded an increase of 10,7% for the domestic and 1,4% for the foreign ones.

Lastly, from the monthly distribution of the total overnight stays of Greeks for their trips in and out of the home prefecture, the pattern of seasonality emerges. Total nights spent in the summer period (June-September) account for 79,1% of the total nights spent by the Greeks when traveling domestically and abroad in 2015. It is noteworthy that the corresponding rate for the nights they spent while traveling abroad, has a significantly lower seasonality (53,6%) compared to the percentage of overnight stays in the country (82,4%).

7. CHARACTERISTICS OF GREEK DOMESTIC TOURISM

In 2015 the Hellenic Statistical Authoritypublished the Tourism Qualitative Survey (Vacation Survey) for the year 2014. This survey is conducted on a yearly basis in all EU Member States, with a view to collecting data on the characteristics of the Tourists' spending, tourism spending and participation in tourism of the various socio-demographic groups, as well as the tourist behavior of these groups. These figures are very important for the development of national and European tourism policy and concern not only the number of domestic tourists but also the number of trips, overnight stays and expenses incurred during these trips. In addition, data on the characteristics of resident tourists, such as age and gender, are collected for the type and characteristics of each trip, such as the purpose and destination of the trip, the means of transportation, the type of accommodation, etc., thereby creating their profile presented below.

In 2014, 6.334.275 trips were made by 3.644.262 Greek tourists inside the country. Of these journeys, 5,73% concerned business trips, and 94,27% related to leisure, and in particular, 63,20% concerned travel for resting, recreation, holidays, 24,27% related to a visit to friends and relatives

(VFR)and 6,80% related to other trips (pilgrimage, health, education, etc.). Also during 2014, 63.977.192 hotel over nights and 1.834.964.490 € were spent. Expenditure was 8,33% in business travel and 91.67% in travelling for private reasons.

Most travels of those of leisure were made by women at 52,17%, while the percentage of men was 47,83%. As far as the age distribution of tourists is concerned, is noticed that most of them are aged between 25 and 44 with 40,06%. This is followed by ages 45 to 64 with 32,23%, 65 and over with 14.58%, and ages 15 to 24 with 13,14%.

Moreover, of the leisure trips made in 2014, 2.129.777, 35,67% were within the length of 4 to 7 nights. There are 1 to 3 nights' travels with 28,36%, 15 nights and over with 19,16%, and 8 to 14 nights with 16,81%. Most of the leisure trips were made by road αt 69,68%. The sea travel is followed by 18,11%, the air with 10,95% and finally the railway by 1,26%.

Mean of booking in accommodation was 93.94% with direct booking by the tourists themselves and only 6,06% through a travel agency.

In addition, the number of overnight stays of domestic tourists who traveled for personal reasons in 2014 was 60.247.374, up 8.4% compared to 2013. 31,89% of overnight stays were made by people aged 25 to 44, followed by people aged 45 to 64 with 31.11%, followed by people aged 65 and over with 24.92%. Most overnight stays, 78,89%, were made in non-rented accommodation (cottage, accommodation provided free of charge by relatives and friends, other privately-owned accommodation).From the above data is noticed that the domestic tourist is mostly 25-44 years of age, mainly travels personally for rest, recreation, holidays, travels by road, mainly stays in non-rented accommodation (cottage, accommodation provided free of charge by friendsand relatives, other privately owned accommodations) and makes the reservation directly.

8. SEASONALITY OF GREEK DOMESTIC TOURISM

The term Tourism Seasonality indicates the phenomenon of tourism activity at a certain time of the year (Varvaressos 2000). In Greece, the natural causes, namely the climatic conditions prevailing in the country, as well as institutional causes, which will be mentioned below, are the reasons of seasonality observed in the tourist behavior of domestic tourists (Institute of Tourism Research and Estimations, 2014).

The year 2008 was selected to compare the behavior of domestic tourists before and after the onset of the economic recession in Greece, which has highly reduced the income of the Greek citizens.In 2014, the number of trips, with 4 or more nights, made by domestic tourists was 3.743.868. The largest number of trips take place during the summer months and especially in July and August. In 2008, the number of trips made during the summer months is 61,61% of the total number of trips, while in 2014 it is 70,57%.The number of overnight stays for domestic tourists in hotels and similar accommodation amounted to 13.049.668 in 2014. We also notice that the number of overnight stays is higher in the summer months. In 2014, the figure is 42,63%, while in 2008 it is 44,17%.The number of arrivals of domestic tourists in hotels and similar accommodation reached 5.536.719 in 2014. Arrivals in the summer months in 2014 amounted to 35,02%, and in 2008 to 34.74% of total annual arrivals.From the above data, it is also observed that the behavior of domestic tourists, in terms of seasonality, has not been particularly affected by the economic recession. The figures from 2014 it is typical for the year 2014, the tourist traffic of domestic tourists increases during the summer season and peaked in August. These characteristics are minimal in 2015 absolute figures are significantly lower than those of year 2008.

9. DOMESTIC GREEK TOURISTS' BEHAVIOR

There has not been enough research to illustrate the behavior and characteristics of domestic tourists. Nevertheless, in 2008, a survey was carried out by Kapa Research for "Trends in Tourism Behavior of Greeks" for the Ministry of Tourism Development and the main findings of which are presented below:

- At the first rank of the Greeks' choice for escapes / excursions are with 58.5%the two-day or three-day getaways at random weekends within the whole year, while 37.4% are followed by two-day or three-day getaways on bank holidays. The daily trips are next at 28.5%, while it is noticed that 10,8% of tours / trips, except summer holidays, do not take excursions or summer holidays 10,7% of the respondents.
- The choice of the destination of the excursions is made through travel guides with 28,5% and descriptions from relatives / friends / acquaintances with 21.6%,.Then newspaper / magazine advertising follows, while notice that only 11.3% of respondents use the internet as a mean of selecting a destination.
- Greek tourism is characterized by intense seasonality, which is also reflected in the findings of the survey in question. 55.7% of Greeks choose August for their holidays, while July is chosen from 30,0% of them.
- The summer vacation of the Greeks in 2008 was mainly up to 10 days by 23.65%, while second in ranking is the vacation up to 2 weeks at 21,3%.Holidays up to 1 week make 19,7% and up to 3 weeks 14,2% of respondents.
- 33,7% of domestic tourists choose their own holiday cottage during the summer holidays. Here are the 22,7% rental rooms and the 16,4% small hotels / pensions. The large hotel resorts are selected from 12,6%, while it is noticed that homes of friends and relatives, as accommodation, is selected by only 5,4% of the respondents.
- The Cycladic Islands are in the first rank, with 19,7%, as a choice of destination for summer holidays of the Greeks, followed by the Ionian Islands with 11,4%, Crete with 8,9%, Dodecanese with 6,8%, Peloponnese with 6,7% and the northern Aegean islands with 6,2%. Chalkidiki is followed by 5,9% and the Sporades with 2,8%.

Moreover, traveling /holidays are now perceived in Greece by a large portion of the population as luxuriousproduct, and even those who do travel trying to do so at the lowest possible financial cost. As a result, holiday break rates for domestic tourists are declining. A survey (Voutsikidis 2016) that complements that of Kapa Research for 2015, confirms the above conclusion, and complements its gaps in the behavior of domestic tourists and the characteristics of the type of consumption they shape in an environment of economic recession. The main points of the survey in question are set out below.

- The annual income of the Greek citizens in 2015 compared to 2010 has decreased to a significant rate. 79.95% of them state that their income has been reduced. This combined with the increase in direct and indirect taxation and in general the cost of living in recent years has greatly reduced the disposable income for travel / holidays.
- Excursions / trips of domestic tourists, except for summer holidays, are 48,69% with duration 1 to 3 days. It is also important to notice that one in four people does not go on excursions/ trips in the recent years and one in three has made no travel at all,other than summer holidays in 2015.
- The duration of the summer holidays of one in three (33,47%) has a duration of 4 to 7 days. In addition, one in five (20.19%) did not go to summer holidays at all in 2015.
- The daily per capita travel / holiday expenditure in 2015 was for the majority of nationals (60,71%) to 60 € a day. This percentage increases to 68,38% among those who had travel / holiday expenses, i.e. excluding zero spending.
- One in three (33.06%) selects in 2016 for accommodation, the friend's- relative's home, ie accommodation for which they will not pay accommodation costs.
- More than half of the domestic tourists (54.77%) choose a three-star hotel for their stay. In addition, one in two (55.88%) replied that he would choose a hotelof higher category if his income had not been affectedfrom the financial recession.
- July and August, 78,01% are the months that choose to spend their summer holidays, thus enhancing the seasonality of Greek tourism.
- Six out of ten (57,95%) would not choose to visit in the summer of 2016 any of the islands that are a gateway to refugees in Greece. This is a major blow to the islands of the northern Aegean and the Dodecanese, which have been affected by the refugee crisis in addition to the economic crisis.
- One out of three uses Internet to choose the destination of their excursions / vacations. The use of the internet has overshadowed some traditional ways of reservations such as a travel agency or travel guides.
- The privately owned vehicle (car-motorcycle) is what most people use to go on excursions / vacations.

- Rest and relaxation as well as cost-related factors such as the amount of disposable income, cost of transportation to and from the destination, and cost of living at the area of destination, are the factors that influence the decision making of the potential vacationers.

10. CONCLUSIONS AND FURTHER SUGGESTIONS - RECOMMENDATIONS

The economic recession, as all the aforementioned evidence shows, has greatly influenced the tourist behavior of the Greeks in terms of their preferences and options.

Thus, according to the above analysis, it is concluded:

A) Decrease of the departures rate for holidays of domestic tourists and increase of the extrovert character (international tourism) of the Greek tourism industry.

B) The increase in extroversion of Greek tourism, as a result of the economic recession, seems to give to tourism development model of the country the characteristics of a colonial model based on North-South dependence.

C) Increase of the percentage of domestic tourists who stay during their holidays in a second holiday home and in rented rooms as well as in relatives and friends' houses, reducing the per capita tourist expenditure.

D) Increase the seasonality of domestic tourism and its concentration, especially during the month of August.

E) Decrease of daily expenses for domestic tourists.

F) Decrease of tourist receipts in the country's tourismspatial destination areas, which have traditionally been destinations of domestic tourism, with further multiplier effects on all their economic activities.

Furthermore, income decrease, increasein taxation and unemployment rates, the unstable political scene have led the majority of the Greek population to struggle to meet its basic needs.

The creation of an overall plan for the direction of the economy in the coming period will play a determinant role for the country's future. The economic development model for the country that predominated in the past was not economically effective (deficits, debt), nor did it create the conditions for long-term growth. The proposal for the country's economic evolution needs to take into consideration a series of conditions, which will create a model that will lead to long-term growth and stability based on solid foundations. (Mavridakis, Dovas, Bravou, 2015).

Moreover, Greece since 2008 in confronting economic recession and despite the occasional statements of the current and previous political leadership, there is not yet a clear timetable for leaving it. The increase in VAT in one additional unit, the abolition of the reduced VAT rate on the islands, a series of new indirect taxes, tax increases, pension cuts, the increase of flexible employment, etc., are responsible for domestic tourism'sfurther shrinkage. In such an economic environment, it is difficult to make suggestions to mitigate the impact of the economic recession on domestic tourism (Varvaressos 2009). Tourism by its nature is a sensitive sector directly affected by the economic environment in which it operates, and is the result of the disposable income and leisure time of the potential tourist.

In addition, in the current economic recession, given the uncertainty about the future being evident, the following proposals have as their primary objective to limit the further decline in domestic tourism. The development of domestic tourism will be evident when the domestic economy stabilizes and rebounds, since the main factors influencing the decision making for holidays are directly related to disposable income and the economic cost of holidays. Towards to meet this objective, tourism businesses should also be oriented towards flexible pricing of their services, smart offers, etc. Many businesses in the industry already offer attractive packages especially in off-peak periods, thus limiting the cost to domestic tourists. As such a policy will be generalized, it will be possible to make trips / holidays to a larger target group, since the costs will no longer constitute a barrier. The policy of "special off season" offers also contributes to reducing the seasonality phenomenon that characterizes the Greek tourism product. Furthermore, a domestic tourist should learn to search for these offers. The internet can be used as a mean towards achieving this goal. Another area of action could be the orientation of domestic tourists in the country's spatial areas with no high volume of tourism development and the subsequent exciding the over capacity of those areas which receive high volumes of foreign tourists. Prices in these areas, both for accommodation and for food and beverage, are more affordable ratherthan in other tourism developed destinations resulting in decrease in total consumption costs.

Furthermore, the Greek State should, firstly mitigate the impact of the economic recession on domestic tourism. Thus, the existing Social Tourism Programs can be adapted to cost reduction policies, such as to reimburse part of the VAT on accommodation, catering and travel costs incurred by residents. Without state support, and given the new burdens that lead to a further decrease in the disposable income of Greeks, domestic tourism will be further shrinking in the years to come. Therefore, there should be measures by both the State and the tourism enterprises that will encourage domestic tourists to make their holidays within the country, thereby enhancing both tourism and business State revenues. Diversification policies, such as special interest forms of tourism, in contrast to the "summer holiday" model, in new countryside tourisms spatial areas, may be part of these policies. More importantly, however, is the reformation of the country's tourism development model into a more people-oriented tourism, highly oriented to domestic tourism, evenly distributed in the destination area, differentiated from the tourism development model of seasonal tourism, which without any safeguards in the particular recession period, greatly reduces the country's tourism revenues and maximizes the North-South dependency relationships.

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