The Problem of Short-term Rental as a Manifestation of the Overtourism Effect on the Housing Market in the Historical City of Krakow

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SUMMARY

The aim of the article is to identify the scale of the overtourism problem in the context of one of its areas, namely the residential real estate market on the example of one of the most famous historical cities - Krakow. The specific objective is to broaden the knowledge about one of new phenomena on this market, namely short-term rental, as one of the key problems, in addition to gentrification related to overtourism. As shown in the article, the problem of overtourism is in the early stage of development in Krakow and only its first symptoms can be observed. Therefore, due to the existence of partial data on the tourism market, it is difficult to perform a reliable statistical analysis. Conclusions from the deliberations carried out in the article and the information gap in this respect prompted the author to outline the assumptions of the research programme in this field, considering both quantitative and qualitative methods. In the article an explorative approach was used.

KEYWORDS:
- destination management
- management of excessive tourist traffic
- short-term rental apartments
- overtourism

SŁOWA KLUCZOWE:
- zarządzanie destynacjami
- zarządzanie nadmiernym ruchem turystycznym
- apartamenty na wynajem krótkoterminowy
- nadmierny napływ turystów

STRESZCZENIE

Problem krótkoterminowego najmu jako przejaw efektu nadmiernego napływu turystów na rynek mieszkaniowy w historycznym mieście Krakowie

Celem niniejszego artykułu jest identyfikacja skali problemu nadmiernego napływu turystów (overtourism) w kontekście jednego z jego obszarów, a mianowicie rynku nieruchomości mieszkaniowych na przykładzie jednego z najświętszych miast historycznych - Krakowa. Celem szczegółowym jest poszerzenie wiedzy o jednym z nowych zjawisk na tym rynku, a mianowicie najmniej krótkoterminowym jako jednym z kluczowych problemów związanych z nadmiernym napływem turystów. Jak pokazano w niniejszym artykule, problem nadmiernego napływu turystów do Krakowa znajduje się we wczesnej fazie i można zaobserwować jego pierwsze objawy. W związku z tym, że istnieją jedynie częściowe dane na temat rynku turystycznego, trudno jest przeprowadzić wiarygodną analizę. Wnioski z rozważań przeprowadzonych w niniejszym artykule oraz luka informacyjna w tym zakresie skłoniły autorkę do nakreślenia założeń programu badawczego w tym obszarze, biorąc pod uwagę metody zarówno ilościowe jak i jakościowe. W niniejszym artykule wykorzystano podejście eksploracyjne.
1. Introduction

The problem of overtourism is not a new phenomenon, although the term itself appeared relatively recently. The popularity of this word, the growing number of publications and conferences organised on this subject indicates the importance of the problem that concerns primarily European historical cities. The growing tourist traffic in such destinations as Venice, Barcelona, Prague or Dubrovnik causes a few positive and negative consequences for these cities. An example of such a city that belongs to this group is Krakow. Forecasts of tourist traffic in the world indicate an even greater inflow of tourists to Europe, mainly from China, and thus the intensification of the overtourism problem. This is the reason why historical cities and UNWTO – the World Tourism Organization at the United Nations have begun discussing the development of tools to deal with this phenomenon. In addition to the undoubted benefits of growing tourism, Krakow is beginning to feel the impact of this factor on many areas, such as environmental pollution, rising property prices and depopulation of city centres, residents’ protests or the need to invest in infrastructure, etc. The overtourism phenomenon is also linked to the real estate market, with the investments of residents and private investors in accommodation for tourists. This process is stimulated by websites such as Airbnb.com or Booking.com, which are new business models based on the idea of sharing economy. In addition to the benefits for investors and tourists, this causes several tensions and conflicts with residents due to noise and lower quality of life.

The phenomenon of overtourism is a problem the most attractive tourist cities in the world, such as Barcelona, Venice, Dubrovnik or Krakow have been struggling for many years. It is an example of the clash of conflicting interests of different groups of stakeholders. Urban space is a field on which various activities of public and private entities, often differently perceiving the development of resources in their possession, cross. It can give rise to conflicts and thus influence the development of cities. Therefore, it becomes an element that should be included in the strategies of sustainable development of cities and regions. The dynamic development of tourism, which has been a source of benefits for many stakeholder groups for many years, today to some of them is becoming a problem that requires a broad look and ways to solve it (Koens, Postma & Papp, 2018).

For many years there have been consultations, working teams and organised conferences, whose task is to exchange experiences and develop tools that would enable to deal with overtourism, at the same time considering the risk of various side effects and long-term consequences of such activities, including a significant decrease in the number of tourists. As is evident from the report resulting from the Conference Historical Cities 3.0, the problems of a contemporary historical city can be divided into two overlapping areas: visitor and residents’ relations and the development of local entrepreneurship and space management (Walas et al., 2018, p. 8). Although the definition of overtourism contains a negative charge suggesting excess and too high intensity of the phenomenon, it can be argued that the balance of benefits from the point of view of different stakeholder groups, including residents, can be positive if they cooperate actively in managing this problem in a longer period.

An example of such an area that has recently joined the group of factors related to tourism is individual housing construction. You can see the positive impact of tourism on an increase in investment in this area, related to the demand for rental housing. This in turn is stimulated in part by the development of new business models based on the idea of sharing economy, such as Airbnb.com or Booking.com. The booking.com application was from the beginning a typical intermediary model on the tourism market focused on combining professional operators in the tourist market, such as hotels or guest houses, and assumed the functioning of various communication channels with service providers and other communication channel with consumers of these services. Currently, a natural person – a consumer, can offer their own housing resources from the level of an individual user, which evidently brings this model closer to Airbnb.com and models typical for sharing economy, and more specifically co-creation.
An expression of the importance of this phenomenon is, among others, the fact that since 2017 the category of investments in housing resources for sale or rent in the research methodology conducted by the Central Statistical Office in Poland.

The aim of the article is to analyse and evaluate the impact of overtourism on the short-term rental of apartments in Krakow. The observed dynamics of an increase in the number of visitors to Krakow affects the development of both positive and negative phenomena regarding such a city area as well as interested entities (including residents). From the point of view of residents (residents) who are adversely affected by a short-term stay of tourists, a dropping confidence in the city managers and the pressure of change can be observed, including the introduction of legal regulations for short-term rental. It seems that emerging problems undoubtedly create the need for such regulations, including the introduction of restrictions like those in other touristic cities in Europe and determine specific actions in the area of managing this problem. An increase in the number of short-term rental transactions results in additional externalities, e.g. an increase in the cost of maintaining cleanliness in the city, overloading existing infrastructure (in long-term, historic buildings), accelerated consumption of the road and communication network and the related increase in the emission of harmful substances in the city area.

2. Causes of the occurrence and consequences of the overtourism phenomenon

The word overtourism has a relatively short history, although the problem itself has been noticed for many years. The importance of this problem is emphasised by the fact that 2017 was declared the year of sustainable tourism development by the United Nations (the International Year of Sustainable Tourism for Development). The word overtourism was also entered in the competition for the word of 2018. It is difficult to identify the creators of this term, but it appeared in public space in 2016 in an article by Rafat Ali, the founder and president of the Skift tourist company, who entitled the preface to a newspaper article about tourism in Iceland “Foreword: the coming perils of overtourism”. Since that moment, there is a growing interest in this problem. An example of this is the Google search statistics (Fig. 1).

In 2018 UNWTO – the World Tourism Organization at the United Nations, in the course of conducted academic and environmental discussions, defined overtourism as “The impact of tourism on a destination, and the quality of visitors experiences in a negative way” (UNWTO, 2018, p. 4). In the Collins dictionary, the concept of overtourism is defined as “The phenomenon of a popular destination or sight becoming overrun with tourists in an unsustainable way”.

The problem of overtourism appeared implicitly a long time ago in the context of considerations regarding urban development, sustainable development, social responsibility or the safety of tourism in the context of global conflicts and the phenomenon of terrorism (Coca-Stefaniak & Morrison, 2018). In recent years, additional factors have emerged that have spread this concept, namely the development of business models based on the idea of co-creation and the Internet, such as Airbnb.com.

The problem of mass tourism began to be particularly experienced by European historical cities, their authorities and residents, which triggered several reactive processes and discussions in order to develop a common policy on an international scale (Clarke, 1997). Overtourism is increasingly opposed by the concept of responsible tourism partnership, which refers to “excessive traffic” as a place where the hosts or guests, locals or visitors believe that there are too many visitors, and the quality of life in the area or the quality of experience has deteriorated in an unacceptable way (Haywood, 1988). Responsible tourism creates better places to live and better places to visit. There are plans to create temporary rental of apartments, alternative to Airbnb.com, under the name of Fairbnb.com, which would conduct similar activities but address the needs of local communities.

According to the UNWTO (World Tourism Organization), specialists taking part in the Historical Cities 3.0 Conference organised on March 1-2 in Krakow and authors of many publications, the main reasons for the overtourism phenomenon can be (UNWTO, 2018; Walas et al., 2018):

- a) A general increase in the population of the world, and thus the potential number of tourists. UNWTO anticipates an average annual increase in tourism by 4.5%;
- b) An increase in the wealth of societies of many countries, which has increased the amount of free time available to them and the financial resources earmarked for this purpose (The Brookings Institute recently released data suggesting that the global middle class could currently stand at around 5.7 billion, with another 160 million set to join the group annually for the next five years).

### TABLE 1. SELECTED PROBLEM AREA RELATED TO THE NEGATIVE INFLUENCE OF TOURISM

<table>
<thead>
<tr>
<th>PROBLEMS RELATED TO OVERTOURISM</th>
<th>AUTHOR, YEAR OF PUBLICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>The social consequences of tourism development</td>
<td>(Forster, 1964), (Harrison et al., 1992)</td>
</tr>
<tr>
<td>Restrictions of the natural environment for recreation</td>
<td>(Wagar, 1974)</td>
</tr>
<tr>
<td>Social costs of settling residents and reactions of local communities</td>
<td>(Pizam, 1978)</td>
</tr>
<tr>
<td>The impact of tourism on cultural goods in historical cities</td>
<td>(van der Borg, Costa &amp; Gotti, 1996)</td>
</tr>
<tr>
<td>The impact of tourism on the possibility of eradicating poverty in third world countries</td>
<td>(Scheyvens, 2009), (Harrison, 2008), (Ashley, Boyd &amp; Goodwin, 2000)</td>
</tr>
<tr>
<td>Impact of sharing economy and new business models on tourism development</td>
<td>(Paulauskaite et al., 2017), (Ryan, 2002), (Zervas, Proserpio &amp; Byers, 2014)</td>
</tr>
</tbody>
</table>

Source: own elaboration on the basis of selected scientific articles.
c) New groups of tourists entering the market, primarily from China. The China Outbound Tourism Research Institute (COTRI) predicts that overseas trips by the country’s residents will increase to more than 400 million by 2050.) and young millennials seeking new, real experiences inspired by new technologies and social media;

d) Reduction of transport costs, mainly international, e.g. low-cost airlines (Rey, Myro & Galera, 2011);

e) The growth of facilities for tourists, promotional activities of both cities and regions and the activity of private entities stimulating indirectly overtourism, such as transport companies, shopping centres, or directly related to hotel services (Braïka, 2016);

f) Solutions on the part of governments supporting tourism as an important source of state revenue, for example, infrastructure creation, tax breaks, etc.;

g) Industrial development, which caused the creation and development of so-called business tourism (Borodako et al., 2014; Borodako, 2013);

h) Investing in new attractions such as sports facilities, entertainment halls and the development of pilgrimage tourism to religious places (Lazar, & A. Lazar, 2000);

i) Establishment and development of new business models based on the idea of sharing economy and the co-creation concept (Zervas et al., 2014);

j) The development of the Internet and new ways of communication, and, consequently, tourist information, promotions and methods of payment (Pasichnyk & Savchuk, 2015);

k) Temporary restrictions of places of visits in the world due to the weather or armed conflicts direct the stream of tourists to the safest places, which are European countries in recent years (Coca-Stefaniak & Morrison, 2018).

The problem of excessive inflow of tourists does not apply to all European cities, but mainly to those that offer specific cultural and historical resources. Due to their uniqueness, they have a much more limited ability to absorb loads, which is the effect of an increasing number of tourists compared to other destinations. However, it should be noted that also in the case of these cities, not all stakeholders perceive excessive tourist traffic as a problem – certainly not those who are beneficiaries of this phenomenon.

Krakow is a place that, due to its location, is the most popular destination in Central Europe and attracts tourists from all over the world. In 2017, Krakow was visited by 12.9 million of tourists. For comparison, it is expected that Barcelona will be visited by approx. 30 million tourists in 2020, half of whom will stay in the city (Milano, 2017, p. 6). It is estimated that in 2017 tourists spent over PLN 5.5 billion (1.2 billion EUR) in Krakow. The city attracts tourists not only with its unique historic complexes, unique historical objects, but also with its unique atmosphere. In addition to unquestionable tourist attractions and a rich offer of cultural attractions and events, it is also a place of work and education. Krakow is one of the most important academic and scientific centres in Poland (23 institutions of higher education including 5 universities). This affects directly the supply of qualified staff for companies operating on the market, including the modern business services sector, also modern technologies, as well as the research and development sector (according to Tholons, Top 100 Outsourcing Destinations 2017, Krakow is ranked first in Poland, second in Europe and 8th in the world). Krakow is among the cities in which innovation and new technologies are supported and it is one of the largest start-up centres in Poland. It should be emphasised that an important source of visitors to Krakow are people visiting the city on business. This result in the systematic development of the so-called meeting market, and when it comes to business meetings Krakow is becoming the leading city in Poland (Borodako et al., 2014). Krakow Balice Airport handled 5.8 million passengers and recorded a 17% increase compared to the previous year. However, it should be emphasised that the structure of tourist traffic, and thus the impact of various groups of visitors is quite diverse.

For many years, most stakeholders and local governments have noticed benefits in the development of tourism. This is still the case with Krakow, among others because the tourism receipts account for about 8% of the city’s GDP. The tourism sector is responsible for creating 40,000 jobs, which means that every tenth place of work is related to their service.

Krakow, as an agglomeration, accepts nearly 200,000 daily commuters to schools and universities. Therefore, it is difficult to see in excessive numbers of tourists only various negative phenomena affecting the quality of life of residents and the cost of maintaining infrastructure and public space. In some European cities, due to many tourists and their nocturnal activity, there are business entities that dedicate their offer to this group of tourists, thus one can speak about the so-called nightlife economy. Due to the development of this phenomenon, there appeared a necessity to solve various types of emerging problems and conflicts - thus there was a need to create an institution of so-called night mayors, whose task is to support night-time industries and mitigate the negative effects of their activities, such as outdoor events, concerts or 24-hour clubs of gastronomic establishments (Walas et al., 2018, p. 16).

The direct effects of overtourism in historical cities include:

a) uneven intensity of tourist traffic and the appearance of “bottlenecks” in the possibilities of accepting the maximum number of tourists e.g. in hotels, restaurants, museums, etc.,

b) too big negative impact on transport and congestion in cities, blocking the passage of other means of transport by tourist vehicles,

c) too high density and marketing activity of objects focused on tourists, such as hotels or shops,

d) the concentration of tourist traffic in the most attractive parts of cities, and not evenly throughout the area (UNWTO, 2018, p. 5),

e) the long-term effect of overtourism in historical cities is the gentrification of housing and trade, as a result of which a gradual outflow of existing residents takes place, pushed out in an economic and social sense from attractive historical districts (Walas et al., 2018, p. 16),

f) an increase in the demand for accommodation services results in an increase in the prices of rental services and, consequently, an increase in property prices (Milano, 2017),

g) overtourism has, despite appearances, a negative impact on the labour market (Walmsley, 2017, p. 3) and leads to the phenomenon of hourglass economy and social polarisation (Anderson, 2009),

h) conflicts with residents in the case of short-term rental,

i) an increase in crime and public order disturbances.
Under the influence of residents’ protests, for several years many cities have been introducing various activities limiting the negative effects of overtourism. These include first of all administrative restrictions, concerning tourists themselves and their activities during the night hours, as well as tax solutions, addressed to landlords through Internet services.

The most important proposals put forward by the largest and most endangered with the overtourism phenomenon cities include:

a) Cancellation or restriction of the public promotion of tourism;
b) Withdrawing subsidies, tax relief, grants and transfer of public funds;
c) Implementing more restrictive urban planning;
d) Having resident representation in the Boards of the Airports;
e) Amending the legislation;
f) Increased democratisation and implementation of the city’s tourism development.

It seems that without a comprehensive and long-term approach to managing this problem in connection with the needs of all stakeholders it will be difficult to find a solution that would satisfy all parties, e.g. in the matter of renting private apartments for arrivals and tourists.

3. The relations between tourism and the development of the real estate market in Krakow

Krakow occupies a leading position among Polish cities in terms of the number of flats completed. For several years, the sale of residential premises in Krakow has been steadily growing. It seems, however, that in 2017 the trend was growing in terms of the number of transactions on this market, which is not due to the lack of demand in the market, but the limitations resulting mainly from the lack of investment plots. This was reflected in the number of investments carried out, which at the end of 2017 decreased by approximately 30% and the number of completed investments to only 143. During that period, the total housing market fell by as much as 43%. The exception was the District of Krowodrza, where there was no significant decrease in the number of completed construction projects. Real estate offer prices in this district are perceived as attractive, also due to their height in relation to the good location, i.e. close to the city centre. Locations in the city centre have the highest location attractiveness, while their prices are often too big a barrier for an average buyer. It seems that in 2018 the sales volume will not be higher because there is less housing investment. The depletion of land reserves was undoubtedly influenced by a very large number of investments in previous years. The current situation, on the other hand, affects a decline in housing investments, which is followed by a decline in the supply of new premises, and transactions are increasingly concluded with a long period of implementation. The limitation is not only the lack of the access to plots where new multi-family investments could be implemented but also the allotting existing houses and tenement houses to hostels, boutiques or rental apartments for tourists.

In the primary residential real estate market in 2017, the offer of flats from developers was record-breaking, however, in individual quarters it decreased (for example, 10,700 flats were offered in spring, and 9,900 in winter). The demand from buyers, and hence, the number of transactions increased successively from quarter to quarter (in the fourth quarter, due to restrictions on the supply side it slightly decreased), with the average offer price of PLN 7,000/sqm, i.e. higher in relation to the previous year by an average of 12% (Fig. 2).

![FIGURE 2. NUMBER OF APARTMENTS SOLD ON THE KRAKOW PRIMARY MARKET BY QUARTERS* (2017)](source: Krakow ..., 2018, p. 6)

*the offered apartment pool includes also the booked apartments

In the secondary real estate market, unflagging demand was also observed, which is confirmed by the volume of transactions. It seems that an important reason for stimulating this market is the treatment of buying a flat as an investment purchase - in the case of having free funds, the purchase is treated as an alternative to a bank deposit. Similarly to the primary market, a significant part of buyers are investors who buy apartments for rent. The attractiveness of individual areas of the city can be assessed through the prism of average prices of residential premises. The highest prices are in Śródmieście and Krowodrza, while the average price of 1 sqm is over PLN 6,300/sqm. A good location is an important factor that determines the conclusion of a transaction because it allows to rent premises and have no problems with possible resale. The number of transactions concluded over the last ten years is shown in Figure 3.

For a few years, the number of flats and their total area in Krakow have been growing even though the number of inhabitants declaring permanent residence has remained at the same level for many years. This increase is caused by the growing demand of people living temporarily, e.g. students, temporary workers working away from home and foreign ones, and thus an increase in rental prices. This prompts many investors to buy new apartments for rent. This phenomenon has been recorded in official statistics since 2016, and approx. 85% share of flats for sale or rent in the total number of new flats indicates its importance for the real estate market in Krakow (Tab. 2).

The effect of new housing investments is an increasing amount of housing resources on the Krakow market. There was a 2.5% increase in 2016 and a 2.9% increase compared to the previous year. It should be emphasised that based on data from the City of Krakow in 2017, 8,397 new housing investments were started, and 12,123 building permits were issued (Tab. 3). The average area of apartments may indicate their commercial purpose.
FIGURE 3. VOLUME OF TRANSACTION ON THE SECONDARY HOUSING MARKET IN KRAKOW (2010-2017)

*estimated on the basis of incomplete data
Source: (Krakow ..., 2018, p. 7).

TABLE 2. FLATS FOR USE IN THE YEARS 2016-2017 BY TYPE OF PROPERTY

<table>
<thead>
<tr>
<th>PROPERTY FORM</th>
<th>APARTMENTS COMPLETED</th>
<th>AREA OF COMPLETED APARTMENTS</th>
<th>THE AVERAGE USABLE FLOOR AREA OF APARTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, incl.:</td>
<td>9363</td>
<td>11063</td>
<td>537 953</td>
</tr>
<tr>
<td>Private</td>
<td>1 229</td>
<td>906</td>
<td>114 941</td>
</tr>
<tr>
<td>For sale and rent</td>
<td>7 972</td>
<td>10 024</td>
<td>415 277</td>
</tr>
<tr>
<td>Cooperative</td>
<td>112</td>
<td>133</td>
<td>5 560</td>
</tr>
<tr>
<td>Municipal</td>
<td>48</td>
<td>-</td>
<td>2 010</td>
</tr>
<tr>
<td>Firm’s property apartments</td>
<td>2</td>
<td>-</td>
<td>165</td>
</tr>
</tbody>
</table>

Source: (Urząd Miasta Krakowa, 2018).

TABLE 3. RESIDENTIAL RESOURCES IN KRAKOW IN THE YEARS 2015-2017

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of apartments (in thousands)</td>
<td>359.9</td>
<td>369.2</td>
<td>380.1</td>
</tr>
<tr>
<td>Number of rooms (in thousands)</td>
<td>1,138.7</td>
<td>1,162.8</td>
<td>1,191.4</td>
</tr>
<tr>
<td>Usable area of apartments (in million m²)</td>
<td>20.8</td>
<td>21.3</td>
<td>21.9</td>
</tr>
<tr>
<td>Average usable floor area of the apartment (in m²)</td>
<td>57.7</td>
<td>57.7</td>
<td>57.7</td>
</tr>
</tbody>
</table>

Source: (Urząd Miasta Krakowa, 2018).
3. Short-term rental of real estate on the Krakow market

The attractiveness of the city in terms of tourism as well as business undoubtedly affects the development of the accommodation market. The steady increase in the number of visitors determines a wide range of accommodation. Krakow has the most categorised hotels in the country – according to the Central List of Hotel Facilities, in 2017 there were 158 hotels in Krakow of various standard (from 1 to 5 stars), and there are another four under construction. The city has the largest number of luxury hotels in the country in comparison with other regional cities. According to data at the end of 2017, the total number of hotel rooms was 10,401. The occupancy rate of hotel rooms from January to October was 53%. This is not only a very good result, but also a good forecast for the future for the hotel sector. Despite this, there are not enough places in hotels with a lower standard and available prices.

Krakow is among the cities in which one can observe the dynamic development of the short-term rental market. One of the reasons that undoubtedly affect the development of this market is an increase in the number of visitors – mainly tourists. According to the AirDNA analytical company report, which analyses the short-term lease carried out through Airbnb, Krakow is one of the cities with the most offers of such a lease (nearly 5.3 thousand). The next cities are Warsaw (4.8 thousand) and Tricity – 3.1 thousand. The choice of Krakow, as the place most often chosen for a short-term stay, is also confirmed by Windu’s competitive Airbnb service.

After entering the word “Krakow” on a popular website Booking.com, which allows you to book accommodation all over the world, we have more than 2,500 entries. Most of them are rooms or apartments. Mainly in the city centre – Kazimierz, the Old Town, Zablocie, and Stare Podgorze. Numerous hostels and hotels are built for this purpose. According to official data from the City of Krakow, there are around 20,000 places to stay in legally operating buildings in Krakow that are not categorised. However, it is difficult to estimate which work legally, but the scale can be quite large (Ogórek, 2018).

In 2017, 8.5 million guests who secured their stay by renting accommodation through internationally known websites stayed in Krakow. This results not only from the attractiveness of Krakow in terms of tourism but also business.

Due to the predictions that short-term rental will still be popular in the city, there is a constantly growing interest of investors in the purchase of even entire buildings for apartments rented for a short period. It should be noted that the rapidly growing number of flats for temporary lease affects both a decline in availability and an increase in the prices of premises that can be rented in the long term. This is a significant problem because in some way it disturbs the balance on this market and causes a significant restriction of access to it to those people who for various reasons cannot or do not want to buy their own flat and would like to rent a flat for a longer period.

Short-term rental is undoubtedly an attractive activity. According to Morizon.pl, the competitive advantage of the owners of private apartments in relation to professional operators in Krakow, Warsaw and the Tri-City relies, among others, on offering a more favourable price per day (approximately PLN 50 on average), when the price for a hotel or hostel room is at a level of not less than PLN 60-70 per day. The growing popularity of ad hoc lease is undoubtedly positive information for those offering premises on the market in this mode, whereas this type of activity is an increasingly important problem for local communities.

4. Conclusions

Overtourism is certainly a phenomenon whose effects are already experienced by many cities in Europe. The benefits and costs of this phenomenon, however, do not spread equally among different stakeholders. Some residents and city budgets benefit from rental, services and taxes. In turn, they must deal with noise, destruction of monuments or investments in infrastructure. The same applies to the influence of over tourism on the real estate market, which is stimulated on the one hand by websites such as Airbnb.com or Booking.com, which increases the offer of flats for short-term rental. On the other hand, it causes an increase in property prices, depopulation of some city districts and a decrease in the quality of the life of residents.

The article shows limitations related to the access to information and the results of reliable research on not only overtourism but also the real estate market from the point of view of new business models related to short-term lease. Therefore, due to the existence of partial data on the tourism market in time intervals, it is difficult to perform a reliable statistical analysis. This gives rise to designing such research and carrying it out soon.

The problem presented in the article and the considerations in it point to a need to analyse phenomena and processes on different markets in a holistic way, pointing to a number of exogenous factors stemming from globalisation and contemporary social and economic phenomena, such as the Internet, new business models in the sphere of services based on the idea of low cost, sharing economy, sustainable development or smart city. The solution to these problems should also be integrative and comprehensive. The development of the real estate and tourism market is most often analysed from the point of view of an officially registered accommodation base. Therefore, the conclusions from the considerations carried out in the article and the information gap in this respect prompted the author to outline the assumptions of the research programme in this area, considering both quantitative and qualitative methods.

The fundamental research problems that should be an element of such research include:

a) relationships (types, features, quality) between stakeholders, both tourists in different sizes and residents, businesses directly and indirectly operating on the tourist market, trade and service companies, local government and state institutions, etc.,

b) positive and negative phenomena related to excessive tourist traffic for stakeholders,

c) the role of the Internet, mobile technologies in the area of the tourist market,

d) ways to solve selected problems from the point of view of stakeholders.

The real estate market requires a more thorough examination from the point of view of the inflow of tourists. In particular:

a) the structure of the ownership of residential real estate in Krakow, by country of origin,

b) geographical distribution of short-term rental premises,
c) preferences and assessment of tenants regarding the quality of the offer of flats for short-term rental in Krakow and comparison with the offer of traditional accommodation services,
d) assessment of landlords regarding the behaviour of tourists and renters,
e) identification and evaluation of forms of transaction execution and information exchange between landlords and tenants — new business models.

Due to the sources of information, the number, functions and availability of individual research stakeholders should include both qualitative research, such as in-depth interviews or focus groups, and quantitative surveys, e.g. surveys among residents. It is also necessary to continuously monitor the phenomenon, which means a need to create a research panel that would cyclically provide information on the evolution of the phenomenon of overtourism. It also seems necessary to involve the scientific community not only to measure and diagnose but also to seek solutions to emerging problems.

BIBLIOGRAPHY: