

REFLECTIONS ON TOURISM MARKETING COORDINATES AND DEVELOPMENT IN ROMANIA

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Abstract: *With a striking manifestation for at least 50 years the tourism industry identifies itself in our country as an independent economic field. Generally speaking, the importance and development of tourism within the national economic activities represent the result of preoccupations in applying the policies and strategies specific to marketing. Starting from the authors' idea that the tourism industry counts among those industries that need both investments (in infrastructure, environment etc.) and strategic (and implicitly, marketing) planning permanently adapted to the real conditions, this paper aims to perform a retrospective and equally a parallel between the effects of marketing application within the tourism activities in our country, the periods taken into consideration for the purpose of analysis being separated by the time when the communist regime was replaced in Romania. Within this approach, the periods before and after 1990 shall be considered.*

Key words: *tourism industry, tourism marketing, marketing policy in tourism, marketing mix in tourism.*

1. Introduction

The Travel and Tourism (T&T) represent an independent economic branch which provides a wide range of (consumption and investment) products, as well as services taken from other economic branches directly or indirectly related to the tourism. Through these branches, but also in a direct way, the tourism activity reflects both in the GDP and especially in the social field, through the workplace creation. Global economic and social phenomenon with major implications for the world economy, the tourism identifies itself within this context as a trade market,

both through the offer of majority of branches providing goods and services, and through the offer of workplaces in the society.

At the end of 2010, the value of production and activities providing goods and services for T&T and offered both directly and indirectly to the tourism consumption, amounted 5,991 billion \$, its share to total GDP being of 9%. Furthermore, the number of jobs provided both directly and indirectly represented 8.6% out of the total of world offer. Performing a similar assessment at the level of activities providing goods and

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services directly for the tourists' consumption, the global values highlight the growth of T&T share with 2.8% to GDP and with 3.3% to the total of jobs provided worldwide [12].

2. The conceptual framework of marketing policy in tourism

Romania is part of the international tourism circuit with unique tourist values both from the categories of natural, anthropic and cultural tourism resources, whose clever capitalization may determine a significant increase in importance of tourism industry role within the national economy, with positive, chain reactions at the level of the entire society.

Tourism marketing represents one of the first areas of the marketing specialization. The marketing concepts, such as specific methods of study and analysis, were applied in tourism long before the conceptualization of services marketing. Such a situation was generated by the complexity of tourism phenomenon which imposed the use of marketing as settlement tool for the problems faced by tourism companies and tourism activity, in general.

When the literature approaches the topic of services marketing specialization, the tourism marketing is mentioned almost unanimously on the first position. Moreover, Philip Kotler, famous marketing expert, chose to distinctly approach a single area of marketing specialization, i.e. the tourism marketing [1].

Several special circumstances of the tourism sector made the marketing application in tourism possible, among which: [2]

- the evolved competences of tourism sector;
- the main emitting countries which, in Europe, seem to have reached the superior limit regarding the population's preference concerning the holiday matters;

- demand's motivations, tastes and preferences which suffered major changes;
- the permanent development of new tourism destinations and products/services;
- the communications development and the continuous launches of new information technologies that facilitate the trade techniques.

During the past years, the tourism marketing faced a significant increase, in respect of a powerful segmentation of tourism markets, with the awareness and recognition of the fact that most of them are composed of subgroups with similar features. In the future, the essential actions of tourism industry marketing will consist in identifying those market segments for which special tourism products shall be developed and corresponding promotional tools will be used [8].

All four classic variables of marketing mix (tourism product, prices/rates, place and promotion) present numerous particularities in the tertiary sector, in general, and in the tourism sector, in particular.

Upon certain authors, beside the variables previously listed, the tourism marketing mix includes another three to five variables of major importance, i.e. people, process, physical evidence, consumer and complementary services [10]. Taking into consideration also the travel destinations, as an important factor of decision, other authors proposed the completion of the classic system of marketing instrumentary with another three variables, using in this respect the concept of 7 P's [5]. Those are: 5) participation and people; 6) environment physical evidence; 7) process/service provision.

The challenge for the tourism organizations that apply the marketing concepts consists in the fact that the necessary activities exceed the 7 P's limits,

additional tools being used to tangibilize different tourism production composing elements. Thus, while certain Romanian authors recognize only other four Ps, namely: packing, programming, partnerships and personnel [8] (on the other hand, for the purpose of tourism product positioning, other Ps may be included, such as stories, myths, legends, traditional dishes, local personalities, whose aid may lead to a sustainable and competitive advantage), other authors have completed the seven marketing tools with the following additional variables: [7]

5. *service package* or “travel package” which aims to integrate within the package offers in order to make them more attractive and adapted to the demand of different sub-segments and market niches;

6. *programming* by enlarging the tourism companies’ range of offers with new arrangements, with short, but compact life cycles (festival, special reunion or event that do not involve fix periods of repeatability);

7. *positioning* (a very important strategic module, but which may be considered also as an independent marketing mix tool) which requires the logistic combination of all other marketing variables (price, promotion, distribution) depending on the features of the tourism markets environment targeted by the tourism company;

8. *power* (respectively the economic force and strengths of a tourism enterprise, all closely related to the positioning);

9. *partnership* (cooperation between the tourism companies and business partners – providers of those services integrated within the tourism products structure);

10. *public or community* which includes a great diversity of components, such as the support services providers (medical care, consular services, and so forth), the tourists’ contact with local people (language, traditions, customs), the contact

of tourism companies with the visitors of national and international tourism markets, the own personnel behavior and integration within the agency’s objectives (in-house marketing), public relation actions.

However, regardless the way of classification in tourism of these marketing mix variables, what matters is their role in facilitating the efficient capitalization of distinctive features of a tourism destination and in increasing in this respect the attractiveness / market competitiveness.

Furthermore, another characteristic of the current context specific for tourism activity at all levels (micro, mezo and macro) and all countries, regardless their tourism “tradition”, and mainly due to the complexity and permanent changes in the external environment where a company carries out its activity, is represented by the substantial increase of importance paid to the marketing strategic planning, and the decisions regarding the transposition into practice of marketing mix indentified as possible and necessary may be found within the marketing plan, instrument of materialization of marketing planning process [9].

The specificity of tourism activities confers to tourism marketing particular, unique features, new exigencies, necessary adaptations, fact which justifies the large interest for this field of specialization among worldwide researchers and professionals.

3. Marketing policy in tourism – comparative analysis

During the communist era, the tourism form our country was identified and assessed as an real “industry” with important effects over the general economic development of our country. Moreover, it was considered a social necessity, representing the direct result of mutations at the level of people’s consumption demand, for the purpose of

satisfying superior needs, specific for an increasing welfare [6].

At the reference moment of our analysis, namely 1975, the launch year of the first specialized book in the field of tourism marketing, the authors were highlighting the fact that the tourism activity development in Romania implies its transformation into an efficient and lucrative activity, tendency adopted also by the methods and techniques of tourism marketing, outcome of the expertise gathered internally and internationally [4].

During the communist years, more than 50% of Romania's population was performing tourism activities and, respectively, was hosted in accommodation units or similar [6]. Regarding the Romania's international tourism, 1981 was a top year for the Romanian tourism export, a number of more than 7 million foreign tourists visiting Romania during that year [3]. Most of the foreigners coming into our country were from Germany (both from the Democratic Republic and from the Federal one), Yugoslavia, Czechoslovakia, Poland, Hungary. Thus, the positive results of unitary coordination of tourism activities carried out by an independent ministry of tourism were brought forward, a ministry which, in our opinion, was carrying coherent and efficient national marketing activities, although, in accordance with the political orientations from that time, the terms used included content and connotations proper to the communist language.

Nowadays, the tourism in our country has a total (direct or indirect) contribution to GDP of 4.2% and of 5.2% to the employment rate, the figures corresponding to direct contribution being of 1.7% and 2.7%. In 2010, Romania was visited by 5.37 million foreign tourists, the number of those who were accommodated (overnight visitors) being of 1.27 million

persons out of the total previously mentioned [12].

The policy of Romanian tourism product represented a priority for the tourism's evolution during the period before 1990, year representing the object of the analysis. A special attention was given to the development of the tourism, transports and tourism services technical and material base, they representing the cornerstone for the actions of capitalization of Romanian tourism potential. The output rates setting related to the tourism activities organized in Romania was based on the information systems of the coordinated activities. Several systems were applied: "Information system for the activity of accommodation service provision within hotel and watering units" (1973), "Information system for the activity of public food service for tourism" (1980), "Information system for the activity of tourism accommodation units" (1985), "Commercial norms related to the domestic tourism activity" (1974), these representing concrete examples of the application of a unitary and complete product policy.

For the purpose of coordinating and improving the efficiency of the national tourism activities, the Research Centre of the Ministry of Tourism was performing complete analyses over the travel motivations of Romanian tourists, the convincing example being the "Tourism options of the Romania's population" study, a complete survey investigation carried out in 1972 over 1400 individuals from 11 counties, respectively, 52 localities [4].

The tourism resorts built during that period, especially those from the seaside, were complying with the theoretical norms of tourism arrangements, the preferred options from that time being those similar to amphitheatres, the architectural concepts being unitarian and, moreover,

taking into account the need to make a stratification in terms of comfort and rates, providing this way access for all categories of tourism consumers. A differentiation between the seaside resorts was performed: Eforie Sud was composed of buildings with smaller capacities, while Cap Aurora identified itself by hotels of modern architecture and high capacity of accommodation. In the same time, the seaside resorts offer was oriented towards mass tourism, complex tourism products being provided, such as: holidays for families with children (first in Mamaia resort, then in the rest of resorts), holidays for treating the rheumatic affections and for geriatric treatments (in Eforie Nord, then in Mangalia), holidays for pensioner in extra season, etc [4].

Furthermore, the arrangements and rates mirrored the use of principle of tourism offer segmentation. Regarding the seaside resorts, Olimp and Neptun provided deluxe tourism products, while Saturn was intended to meet the needs of the tourists with modest incomes.

The aspects related to the quality and diversification of tourism services were also highlighted, well-known units such as Aro Brasov, Alpin of Poiana Brasov, International of Mamaia, and so forth, being true trademarks with wide recognition among the Romanian tourism customers. Although the Romanian tourism had a “pseudo-total” mass character, we cannot omit within this short analysis the degradation of standards highlighted in the 70’s and beginning of 80’s Romanian tourism, especially due to the national austerity measures. At present, the tourism units’ performance is nationally regulated on the basis of certain norms of classification the accommodation and food units, of licensing the tourism intermediaries and of certification the individuals who held leading titles within the tourism sector. Complicated and

sometimes unclear, the norms previously mentioned are periodically amended, fact which generates chaos and misunderstandings. On the other hand, the real situation of the Romanian tourism accommodation base highlights the need of major investments, sustained efforts from the owners. Despite the fact that, practically, there are tourism destinations all over the country, noting in this respect only the watering resorts, where the units’ current situation is disastrous, Romania, through the ministry of resort, aims to recover its position in the balneary tourism, while the tourism infrastructure faces the same situation. The specialized studies used are sporadic, although the current ways of collecting information allow the extension of this activity on a large scale. Today (June 2011), the Ministry’s website provides information regarding the “Tourism services consumption”, through INSOMAR reports for highlighting the preferences of tourism consumption of Romania’s population, as well as analyses carried out for three distinct moments, namely August 2009, October 2009 and November 2009 (the research population being of 2500 individuals).

The new constructions belonging to the tourism infrastructure from our country fails to comply with a national unitary architectural system, in order to identify the specificity of each area. During the past few years, the owners of these units were forced “to integrate within the architectural style with local specificity”, provision valid only for the tourist and agrotourist boarding houses [11].

The price policy also contributed to the positive development of Romanian tourism. A unique, central, legally imposed system permitted a strict and direct control over the incomes obtained within the tourism units, it took into consideration the potential of consumption of the Romanian

tourist, but it equally neglected the particular aspects of the holiday destinations and restricted completely the freedom of action of those responsible with the tourism units' management. We cannot omit the existence of an acceptable quality-price ratio, fact highlighted by the large number of Romanian and international tourists. For the later, Romania represented a cheap holiday destination, with high potential and resources that recommended it as a viable alternative for spending the annual leave. The major coordinates in setting the price policy aimed the concomitant orientation depending on the internal costs, as well as the demand and competition on the market where the tourism products were proposed [4].

In Romania after 1990, the applied prices and rates were set mainly on the base of the demand/supply ratio, fact which determined for instance in some of the tourism resorts a remarkable selection of tourists, towards the tendency of acquiring the statute of an "elitist" destination. It is well-known the fact that too many times a seaside or mountain holiday is cheaper in Greece, Turkey or Bulgaria, but inaccessible in Romania.

From the perspective of applied prices, the Romanian seaside tourism transformed into a weekend tourism when, in essence, it shall remain especially a holiday tourism. On the other hand, the balneary tourism, previously exemplified, following the status of the technical and material base, the applied prices ensure only their subsistence.

The preponderance of consistent prices and rates applied by the owners of the tourism units, that are not based upon a judicious economic calculation, the system preferred to set them being that of copying the competition (but without taking into consideration the fact that sometimes in tourism it is very difficult, even impossible, to compare two tourism offers

without considering even the consumer, with his needs, desires, criteria of selection, etc.), situation added to the population's low level of living from our country, lead to a reverse situation as compared to the one from the communist era, respectively the low population accessibility to tourism consumption, considered in fact an aspect of luxury.

In authors' opinion, *the distribution policy* was simple; it used short distribution channels, at the level of each county being a single tourism unit approved to carry out such actions, with branches in all important localities, without affecting the final price to consumer.

Regarding the external distribution, this activity was performed by two sellers of Romanian tourism products on the external markets, namely "Carpați" Tourism National Office and "Litoral" Tourism National Office. These units held both the title of producers (for own products), of agents (for the products of Tourism County Offices), and of internal travel organizers [4].

At present, the distribution in the Romanian tourism faces a remarkable positive evolution, the most obvious upon authors' opinion, in the whole marketing mix, being close related to the fact that it is a field where the tendencies manifested internationally towards the use of Internet and of all ways of related tourism market penetration were applied on a large scale. The total number of licensed tourism agencies in Romania is now of 3333, both tour operators and detail companies [13].

The diversity of tourism packages offers, airline ticket sales, intermediaries between the accesses to different tourism services represent the essential coordinates of the activities carried out by the tourism agents of our country.

The promotional policy did not represent a priority for the Ministry of Tourism management board and, although recognized at a theoretic level by the

professionals of that time, it was carried out mostly for the purpose of creating an international tourism image.

Especially in the last few years, the promotional policy of Romanian tourism represents the variable with preferential regime within the national application of tourism marketing mix, throughout a system considered by authors as being unnatural. The increase of visibility and, consequently, of interest for the tourist Romania represent wanted, expected, necessary, important aspects, etc., but only when the general and tourism infrastructure allows the access in a civilized way to the domestic tourism destinations. The first impression of those who visit us, represented by the condition of airports, roads, tourism units, the reduced number of leisure units, etc. will negatively influence the image of Romania, and till the correction of these old and heavy defaults from our country, any promotional policy, regardless its high level of captivation and expensiveness, cannot cover this “gap”. And this so much the more if it does not develop in a natural way, as a result of completing several analyses / phases within a rigorous and strategic process of marketing planning!...

Related to the *personnel policy*, the same unitary system of selection and staff training in the tourism units is noticed, performed by a restraint number of specialized units, but which had the capacity to ensure the qualified labor force for the performance of specific operations. Real personalities of the Romanian tourism distinguished themselves during that period, especially within the food-related activities, which nowadays hardly may be surpassed in value and international recognition. High quality restaurant service and dishes of chefs represent nostalgic memories for many Romanians. Despite these aspects, we remember the exaggerated nepotism practiced within the

Romanian tourism units, the pronounced tendencies especially during the 80's to fraud the customers, etc., elements influenced also by the food scarcity.

During the period after 1990, a migration of unqualified labor force or with “study papers” obtained by simply paying some education fees was noticed, fact which intensified the phenomenon of lack of professionalism within the tourism field, with all negative effects known and felt. It is known the fact that the essence of the tourism product offered is represented by the quality of labor force, and the applied remuneration system firstly contributes to deepening the above mentioned deficiencies.

Most of the companies from the industry of tourism shall be managed by individuals with solid knowledge about marketing, and the marketing professional associations in tourism will grow in number and role held [8].

It is known, however, the fact that numerous investments in tourism are considered by their owners as real estate businesses, the performance objectives being thus neglected.

4. Conclusions

Having no intention to make an apology of the Romanian tourism organization during the period before 1990 (but only a sequential analysis of it from the perspective of marketing application or non-application), we cannot ignore or omit the positive aspects untaken afterwards in a constructive way, they representing motivations of tourism industry decline in our country.

Considered a priority for the economic development of our country, Romanian tourism failed in achieving the expected possibilities of evolution and performance, fact due, to an important extent, to the lack of professionalism or the ignorance of benefic effects of the application of specific marketing techniques and methods in tourism.

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