

# COMPETITIVE MANAGEMENT AND MARKETING IN TOURISM

**Trașcă Elisabeta, graduand,**

*University of Chisinau, Republic Moldova*

## **Abstract**

*In the past 20 years it was finding out a continuous decrease of the external tourist demand for Romania. It is necessary the modernization, relaunching and development of the Romanian tourism and also to create some modern and competitive touristic products specific for this market. These actions are appropriate to come back in the international market competition.*

*Also, it is necessary to develop the recreation and advertising offer with an important impact. In addition, it is necessary to improve and develop the marketing and promotion activities, in order to insure worldwide tourism integration. The valid legal regulations must compel with worldwide tourism and also to support a stimulative and permanent financial – fiscal pattern. In this view, it is a stressing need for intelligent strategies positioning on the tourism market, supported by channels of distribution and prices strategies to the national level and regional and local also.*

**Key words:** *competitive management, marketing, tourism,*

**JEL Classification:** *M30, L83*

## **1. INTRODUCTION**

Nowadays, the industry of tourism and the travels worldwide represents the most dynamic sector of activity and in the mean time the most important generator of jobs. From the economic point of view, the tourism consists also on a main source of national economies support. Usually these countries have important touristic resources and are adequately exploited.

The Romanian tourist offer is the same as time passes, but become inadequate related to the tourist requirements and similar tourist products from international markets. The lodging tourist structures and, especially, advertising offer are decayed, uncompetitive, and the tourist services with tourist programs are achieved stereotypically with poor quality and this is the reason why the prices are so high. These are the reasons why, in the past 20 years the external demand for Romanian services decreased. In order to be included again on the international tourist competition it is necessary to modernize, relaunch and develop the Romanian tourism infrastructure and to create also certain modern tourist products and also competitive on the tourist market. Thus, it is obvious, to the tourist structures modernization, and creation of new products, resorts, original programs, attractive and new that might be, with an activity sustained on promotion on the international market, and to attract important tourist flows to Romania. Thus, it is necessary to develop the advertising and animation offer, very appreciated, by creating different and amusement parks, aquatic parks, such as already existing in other important countries with international tradition. Except the modernization and development of a diversified tourist offer and competitive, it is necessary to improve the marketing and promotion activities. Aforesaid measures are important because the Romanian tourism has to integrate in worldwide tourism, supporting the legal requirements and also the financial – fiscal requirements as stimulative and strong adequate as possible to other countries.

The tourism and travels, as a technological intensive industry, can help Romania to obtain and apply at a competitive level certain IT & C technological systems. More and more operations from tourism and travels, as well as the sales and distribution virtual operations are provided by IT & C systems. As E-marketing concept appeared, it is obvious to all of us that on a competitive global market with a strong national branding it is necessary to optimize the resources, to concentrate in a core the interests - public and private sector, national, regional and local – and to get the tourist attention. That means that will need a special attention for a coordinated abordation over the marketing and distribution on Internet with the purpose on improving the vision on Romania. Actually, the development of a facility must exist with internet and IT & C development for entire country. The recommendation of the World Council of the Tourism and Travels (WTTC) is that the Romanian Government to follow, continuously, the policy of an open market of communication, that will generate low costs and services of a better quality for tourist and tourism companies. In correlation with entire national economy, the tourism acts as a dynamic element of

the global system. The tourism development calls a specific demand of goods and services. This demand needs an increase on its production.

The main arguments that determine the necessity of tourism development are:

1. Practically, the tourism resources are ever - living, and thus the tourism represents one of the economic sectors with real perspectives on long time period;

2. The complex exploitation and capitalization of the touristic resources with an effective promotion on external market might be a source of convertible incomes increasing of the state; that means that a balance of external payments will appear;

3. The tourism represents a safe market of labor work and redistribution of those who is disposable from other economic industry branches;

4. The tourism, further its multiplying effect acts like a dynamic element of the global economic system, generating some specific goods and services generating an increase of specific production; thus, the tourism sustains a diversification of national economy structures.

## **2. Using the management principles in tourism**

For a clear analyze and offer solutions in order to solve the development of business tourism in Romania, it is stressing to look out for certain elements. To find out better solutions, a travel agency specialized in tourism must understand that is a real difference between buyer (customer) and consumer. Generally, the customer is an employer (company), an organization or an institution who decides the fact that the employees will travel with a certain purpose, to a certain destination. Practically, for example the company pays the travel in business interest of the employee or its representative.

It is obvious the fact that the customer is different by the client. On the same time, the employee effective travel is finally the customer of these services. Obviously, it is the situation when the customer and consumer is the same person – for example in the case of participation to a scientific conference being the same person that pays, participating also to the conference. The owner of a small company, same as the manager, practically pays his own bills on company interest.

The presentation of this difference customer – consumer, has the role to stress out another difference, named as THE MOTIVATION. Virtually, the interest of the customer and consumer are the same, but many times, the employee on a mission has own interests, also without any connection to company interests or the reason why was sent to the mission.

### **2.1 Urban marketing**

**Urban marketing** represents a concept related to the urban policies aligning to the demands of the factors already existing in the local economy; the concept is also related to the hopes and expectations operated outside of it, with the purpose of local economy promotion. The urban development approach means an overlapping of those two elements – city and market – and, also orientation of all actions to urban level to the market.

### **2.2 Promotion of the Romanian tourism potential - factor of improvement of Romania image as touristic destination and support and increase of economic competitiveness**

In our country appeared some restraints representing a decrease of tourism competitiveness:

- Advantage of prices decreasing due countries competition from the region;
- Late out phasing and staffing on development of certain special tourist products;
- Limited knowledge about external markets and some market cu high prices;
- Inadequate infrastructure facilities, in high degradation status (roads, hotels, communications, airports and utilities, etc);
- Lack of the quality services oriented to the customers and markets;
- Lack of high management and marketing abilities;
- Lack of important investments on the private market;
- Lack of the legal regulations to this sector and horizontal cooperation with logistical services and the offer of services or products from other sectors;

Achievement of the purpose of the Romanian tourism competitiveness increase needs actions regarding international development and promotion of Romania as a tourist destination, near the development of a sustainable national touristic industry.

The development of the national touristic brand represents as well a general priority, by sustaining a country brand achievement with the effect of a foreign investments and to balance out the current account; also, it is a specific one, if we consider that the tourism development and its secondary effects of

achieving a poor infrastructure, on a medium period might have an important role on assembly captivity increasing on entire economy. Another important activity is also the promotion of the tourist products and services on the internal market by using a national campaign of sustaining the Romanian companies competitively speaking.

The actions are referring to:

- The creation of a positive image of Romania as a touristic destination by defining and promotion the national touristic brand;
- Internal market development of the tourism by a sustained increasing of the Romanian tourist products and specific marketing activities;

Development of a national information network consisting of Information Centers and Touristic Promotion by creating a national database with touristic information, inclusive an integrated national system of its collecting and distribution is a very important challenge to be achieved.

### **2.3 Policy in the tourism activities**

The national tourism will be oriented and integrated in regional and worldwide trend, from the point of view of dynamic and orientation in offer structuration.

The objectives established by the Romanian Government in the tourism activities are:

- Increasing of the touristic circulation all over Romania;
- Offer diversification and tourist services increasing;

The Government of Romania wants to double the incomes from tourism activities up to 2010, by using these aforesaid objectives.

The main measures that will be promoted by the Romanian Government to capitalize the national touristic potential regarding the following issues:

- The definition and promotion of a national touristic brand to a individualization, stressing out and insuring of a national specific offer attractively, as well for the final customers and investors, also;
- The stabilization of priorities in the stabilization of priorities of sustaining the tourism related to the general infrastructure development;
- The cooperation of the governmental bodies with private sector for the promotion of cross border investments, training process improvement and environment protection;
- Running of the consulting bodies between tourist industry and public administration and tourism certification;
- According to the international work, transferring to the private sector, of the marketing and promotion, licensing, certification and classification activities;
- Utilization of a share – part from the funds resulted from the professional conversion of the workless people, for the preparing and training them in jobs and occupations specific to the tourism activities;
- Improvement and financing of different educational profile level (tourism high schools and profile universities);
- Action of tourism promotion to be as qualified possible (IT & C).

### **3. The Romanian tourism competitively increasing**

Having into view the Romanian touristic potential, but in comparison also with the countries from the same location in Europe, the share to GIP is smaller; the same situation is related to the incomes obtained by the small companies specialized in tourism activities. This situation is due to the lack of the complex touristic products, existence of the old fashioned and unmodernised capacities, included on the nation privatization program between the period of 2001 – 2002 with modern facilities and equipment. In addition, we can speak about the lack of the housing capacities in touristic areas that supply special opportunities to practice the special tourism and echo – tourism, also.

There is a total or partial lack of the touristic capacities near the national parks or other protected areas legally certified by Romanian bodies, according to the legal European requirements. The natural touristic resources are difficult to be capitalized without an optimal quantitative and quality of housing, alimentation and advertising structures.

The Romanian tourism represents the economic sector that has a valuable potential of development, still enough unexploited; thus it might become an attraction source for investors and foreign tourists. Actually, this thing is difficult due the countries with close border of Romania (Hungary, Bulgaria, and Croatia) and also by the other specific problems in the Romanian tourism competitively.

The great advantage of Romania regarding the development of the tourism is offered by the natural and cultural resources of a large diversity all over the country, supplying the possibility to visit a great number of tourism attractions, representing a large number of tourism specific activities. To describe general tourist offer, with a poor diversification in the present days, it is important to say that Romania has an important resources to be exploit and capitalize, during all year long. It is important to stress out national and natural parks, protected areas, Danube Delta biosphere reservation, cultural patrimony richness and diversity (monasteries, strongholds, churches, and monuments). In addition, the human communities that keeps the values of rural cultural civilities in daily life and the opportunities of practicing adventure tourism provided by the national rivers, spec – tourism, equestrian tourism, travel tourism on the Danube river and winery tourism sustained by the fact that Romania is on the fifth place on Europe concerning viticulture. Of course, on the mountain areas Romania's guests all over the world can practice cycle – tourism with mountain – bikes but also the off – roads contests.

All these aforementioned opportunities provide to Romania an important potential in order to develop certain complex tourist product with a result to increase the total number of tourists. Also, the opportunities to attract the foreign tourists especially are more and more diverse: the offer of the balneal tourist stations, different shapes of the business tourism generated by congresses, symposiums and exhibitions, diplomatic actions generated by the adhesion of the Romania to the NATO structures as member, the cultural – scientific life, business opening with multinational companies etc.

To achieve a competitive tourism, it is necessary to achieve some new elements and add some high quality of the promotional materials, combined with optimal choose of the distribution channels. An important usage must be offered to the Internet and its opportunities. It is important to increase the activity of promotion by using the IT means, due the funds lack. Thus, it is important to buy some new modern IT equipment.

The development sustained of tourist potential, creation and promotion of the national touristic “brand” represents a basic component to achieve normal parameters. These parameters are adequate to impose the Romania's image on the international market as a good personalized destination, different by the other competitive destinations and finally to attract some new investors and other strategic partners for the tourist industry development.

Thus, it is necessary to create a complex tourist image by introducing some new elements, diversification of general promotional materials and promotion elements penetration increasing (brochures, CD-ROMs, films, maps, etc.) inclusive on all regions (counties and regions) to the level of demand, creating of the national tourist brand and regional brands for the areas well marked on the international and national tourist market and increasing of the advertising degree increasing, also.

### **3.1 Necessary strategic measures in tourism**

#### **Regional and local transport and business infrastructure improvement**

The purpose of this measure is to support businesses to regional level by co – financing the public investments in the business infrastructure, including IT&C, additional services to businesses, local transport (roads) and industrial sites rehabilitation. The measure endorses the local authorities and must lead to a better business pattern, by accessibility improvement, quality and services range for businesses, rehabilitation of the industrial zones and the potential development of touristic attractions.

#### **Urban rehabilitation and communal management services development**

This is an outstanding measure endorsing the urban rehabilitation by sustaining the investments in public resorts. Thus, it will be concentrated some measures to upgrade the water networks and also to treat it and will represent a continuance of SAMTID program for small and medium villages. Its purpose is to create services suppliers for potable and waste waters. Also, actions include rehabilitation and modernization of the water supply and sewage networks from small cities. This measure is available for the cities with a period up to a 10 years period without any repair of public investments in aforementioned city water networks.

This measure stresses out the local authorities and has the purpose to stop the urban decline and meanwhile to insure the basic conditions to bring some new investors.

#### **Special Tourism Development**

The measure of tourism stimulation has a purpose the stimulation of the special market areas - balnear, agro tourism, valorification of the cultural patrimony, representing Romania with an appreciable potential in many periphery zones of the country, by capitalization the existence of certain areas on this

area on the European market. This measure consists in a rehabilitation of a combination between existent facilities, equipment investments and personnel training and will supply incomes and an increase hiring opportunities in different areas in certain regions of the country.

#### ***Improvement and participation access to training programs***

*This is a measure with the purpose of assist the local authorities to achieve new competences on the training activities to improve the quality and accessibility, especially in rural areas and small towns. Also, in small and middle cities to improve existing facilities, by achieving rehabilitation works with modern training equipment and training courses adapted to the local market necessities.*

*It is important to achieve a correlation for specific training according to the economic activities in progress developed in rural areas supported and guided by implementing of the PND priority program: „Rural economy development and productivity increasing in agriculture, pisciculture and forestry exploitation”.*

*In addition, a number of measures are expected related to the investment activities to support learning conditions necessary to learn the specific knowledge, by adequate endowments with didactic equipments. This measure is related to the local authorities and public schools as final beneficiaries will add an important support to the economic growth increasing the opportunities of local working places training, especially for the people on the disadvantaged areas with a poor economy.*

### **3.2 SMC DEVELOPMENT OF PRODUCTIVE AND SERVICES SECTORS**

It is a measure with the role especially to support new established SMC, by offering non – refundable support (grants) for investments in production activities, inclusive in the activities with a high role of labor work, as well as the stimulation of the local SMC clusters training and also, the promotion of diversification for industrial activities diversification and local strategies. The measure stressing out the active small companies in disadvantaged zones, involved on the waste recycling and local resources exploitation.

Another result expected is that using of these measures to stimulate the management spirit of the population and to add something to the economic increasing and creating also some work places. Thus, it is possible to create the status to other investitional initiatives unachieved up to that time due the lack of funds unreleased by the banks.

### **3.3 WASTE MANAGEMENT IMPROVEMENT**

It is a measure with the purpose to improve the waste systems management in small and medium cities, as well as the lack of public investments on the past ten years in this sector. These measures are pointing out the local authorities' and will be based upon a number of local level local, inclusive the waste collecting and transport, as well as the management techniques dissemination of the losses with low impact and to small range, for example such as the platforms of punching. The measure will support to the living conditions improvement from the periphery zones, as well as the urban decline cases stopping and to the increasing of the number of localities that complies at the EU regulations.

## **1.4 CONCLUSIONS**

The role played by the urban management on increasing the cities competitively is depending on the ability used by the local public administrations to use its instruments: the strategic planification oriented to the market, the urban marketing and advanced financing. The sustainable urban development has certain performance requirements that combine the protection provided by the statute plans with flexibility, efficiency and implication offered by the plans oriented to the result. In the process of the strategic planning, it is very important the local knowledge potential and the demand of the target group are crucial to provide some policies of development oriented to the market.

In the same time, that means that the urban marketing becomes a part of the planning process and introduces to the level of the administrative structures a new organizational culture, pro-active, efficient

and orientated to the client. The characteristic of these structures is referring, also to the capability of finding some advanced forms of financing, on the situations where development projects are greater than local budget possibilities. There are some alternatives of tourism development: ecotourism, tourism as holiday house type, bringing also the natural capital, cultural and resources conservation

The touristic destinations are trying hardly to gain a better position on this dynamic market, in a continuous increasing. In this view, it is a stressing need for intelligent strategies of positioning on the tourism market, by adding also some distribution channels and price strategies. The tourist market knowledge, by using studies and analysis, it is a long time period, expensive but very necessary.

An essential question in the marketing of a destination is about to create and manage successfully a distinctive and attractive image of the damaged area. This thing is related directly and the efforts of Romania to create own image, distinctive and to promote all over target markets.

#### I. 4. REFERENCES:

- 1)\*\*\**European Commission, Enterprise DG, Directorate D – Services, tourism, new technologies and design industries, Unit D/3 Tourism, EU support for tourism enterprises and tourism destination – an Internet Guide;*
- 2) \*\*\* *European Commission, Structure, performance and competitiveness of European industry and its enterprises, Luxembourg: Office for Official Publications of the European Communities, 2008;*
- 3) \*\*\* *Romania, Bulgaria seek Reassurances on 2007 Membership Bids, European Commission, News Released, Bruxelles, 2003;*
- 4) \*\*\* *Studies and Reports concerning environment - tourist eco - label, European Commission, Bruxelles, 2008;*
- 5) \*\*\* *Structure, performance and competitiveness of European Tourism and its enterprises, Studies on Tourism, European Commission, Bruxelles, 2008;*
- 6) \*\*\* *The Programs of the Ministry of Tourism, 2009.*