

DEMOGRAPHIC, SOCIAL, ECONOMIC AND GEOGRAPHIC FEATURES – SHAPING FACTORS OF THE TOURIST MARKET

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Abstract

One of the major themes which have more and more importance at a European level, but also at a national level, is the demographic evolution and its effects in the different fields of the social and economic life. The demographic trends which affect Romania, emphasized in the demographic prognoses, require a more complex approach, from the perspective of the development projects which the local authorities are initiating, within the operational programs, based especially on the objectives of the Regional Operational Program – REGIO. In order to clarify the connection between demography and development, between demography and tourism, we must underline the analysis of the demographic situation and the demographic prognoses on a medium and long term, which serve to the correct foundation of the plans and development strategies, regardless of the field of life and social activity, so exposed to the current metamorphoses.

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JEL Classification: J1, J11, A11

The demographic changes we are witnessing in recent decades represent an increasing concern at European and global levels, demonstrated by the fact that many demographers and economists have drawn warnings, concerning some alarming demographic trends, with negative effects on many economic branches, including tourism, like:

- reduced fertility and birth,
- increased inequalities between age groups
- the aging of the population,
- increased external migration.

Studies show that the aging of the population will increase in Europe and will increasingly affect the economic and social life. Developments expected by the year 2060 for each Member of the European Union and their implications are discussed in the recent Report on the Aging Population, report prepared by the General Directorate for Economy and Finance of the European Commission and the Economic Policy Committee.

Data from the European Commission's report show an increase, at European level, in the share of population of 65 years and older, from 17% in 2008 to 30% of

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the total in 2060. The report provides for Romania an increase in the share of population of 65 years and older from 15% in 2008 to 35% in 2060.

According to the projections, Romania is in the process of demographic aging. This age group will have high needs in terms of health and social services. It is about care arrangements on the one hand, and the provision of specific facilities for people no longer working, but who have requirements regarding education, culture and accommodation for leisure. At all levels listed above, the social and health costs will increase because of the old people's pressure on the active population, more reduced in number.

Considering the fact that now, after Romania's EU accession, a process of opening labour markets will take place gradually it is possible that the mutations that appear to exceed the projected trends and the decline to be amplified.

All this clearly shows that the results of population forecasts developments are of considerable importance for all planning processes and that in future they will have to be taken into account.

Hospitality and tourism represent a profession, and understanding of hospitality and tourism are skills that require specialized training and experience. However, many people are involved in this phenomenon directly or indirectly and need to know basic principles.

It is very difficult to quantitatively identify needs for future workforce in the hospitality and tourism sector in Romania. Currently, a large number of people who have completed a training program or university go to find a job abroad. Also, a large number of people who have begun their career in one of the big international chains after finishing school leave Romania after several months of practical experience.

It is estimated that less than 20% of high school or university graduates specialized in tourism with programs of interest work in the hospitality and tourism sector in Romania.

The records on the number of personnel leaving abroad and their level of training do not exist. Also, there are no records on the average duration of their stay.

Also, there are no records about the duration of their absence. A rough estimate of the number should be between 10 and 20% of those with basic education in tourism and a diploma offered by one of the existing high schools offering training programs in tourism.

What the hospitality sector needs in particular is trained staff and not university graduates with theoretical training.

In the year 2008, employment resources in Romania (population aged 15-64 years) were 15.05 million persons, up 100 thousand compared to 2002. Employment rate was in 2007 of 58.8%, without notable changes to the figures of 2002, being well below the 70% target set by the Lisbon strategy for all European Union for 2010. In qualitative terms, however, there is a significant progress: the number of employees was in 2007 with almost 500 thousand higher than in 2002, reducing employment in agriculture properly. The share of highly educated people of the total employment

(from 11% in 2002 to over 14% in 2007) and those with secondary education (from 62.9% in 2002 to about 65% in 2007) increased, which was reflected in sustained growth in labour productivity. At the same time the labour market unbalances widened, with some sectors or professions workforce shortages. Employment resources are reduced because of the current retirement age (less than 58 years for women and 63.5 for men), significantly lower than age limit of activity. Youth unemployment remains high, around 21%. Overall, we notice that Romania has untapped potential labour resources at a rate of about 30%, which creates premises for solving partially and on a short term some of the problems created by labour shortages. There is also a definite trend for more efficient use of human capital on the labour market.

Figures on migration (immigration and emigration of legal permanent) have not been, after 1995, statistically significant (around 10-15 thousand less per year). Instead, temporary migration for work abroad, mainly to EU countries in the West, is expected in spring 2008, to be of about 2 million.

This is, in particular, about the young adults who, if they decide to become residents of those countries by naturalization, will seriously affect the balance of age and birth preliminary contribution. We should take into account the fact that, while maintaining a significant gap between the living standards and prospects for professional and personal achievement in the country, the attraction of temporary or permanent emigration will remain strong, taking into account the needs of the more developed partner countries in the EU facing the same problems of demographic aging and birth rates decrease.

The concept of mobility implies instructive, cultural and tourist movement, as well as international cooperation and exchange. Mobility provides an open communication with other societies and cultures, which includes knowledge, tolerance and diversity mutual respect. In addition to social learning through intercultural approach, mobility facilitates the exchange of ideas and enriches experience.

Economic and geo-demographic segmentation (also called descriptive segmentation) helps to define a profile of the segments described above, using other segmentation criteria. Descriptive segmentation is most easily achieved; data can often be obtained without effort from the statistical yearbook and other publications, or from research institutions against a small cost.

Although descriptive segmentation is useful in the decisions on the choice of advertising and selecting channels, in most cases the demographic profile of the customers can not be an adequate basis for the management of an effective marketing campaign on its own. This is because people having similar economic and demographic characteristics are often very different in terms of motivations, desires, behaviour, purposes for practising tourism and so on.

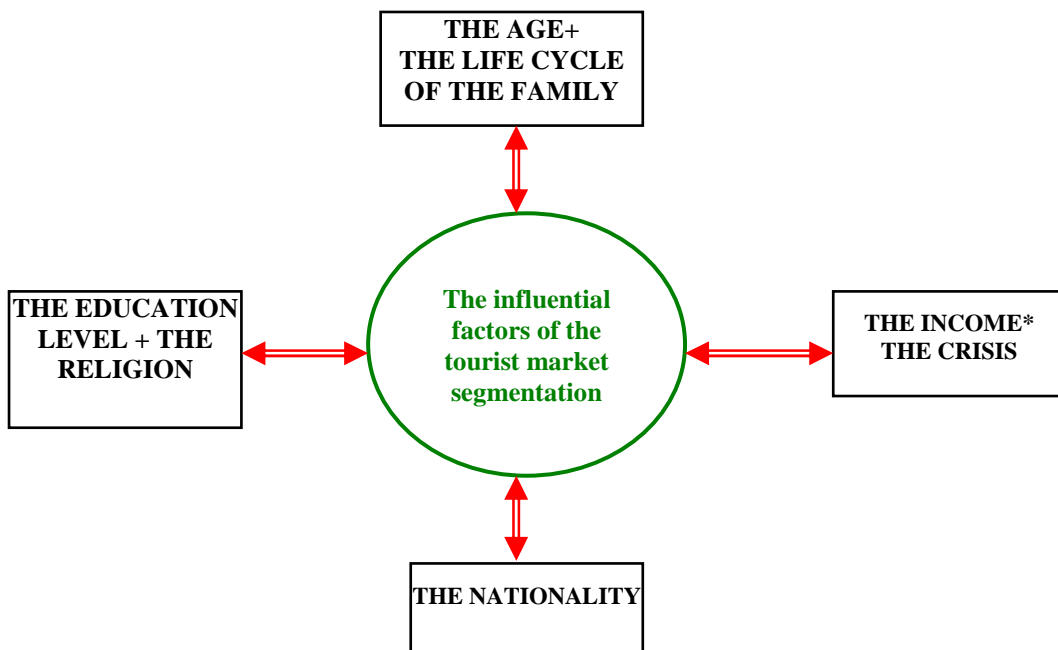
For example, demographic variable “age”, taken in isolation, tells us virtually nothing about a potential tourist. It is certainly expected that tastes and preferences

in terms of tourism for people with different ages to be significantly different. Also, there will be differences between married and unmarried persons, between those with children or without.

The main demographic and socio-economic criteria used by experts in tourism market segmentation are described in Figure 1:

- age,
- family life cycle,
- income,
- education level,
- nationality,
- religion.

Picture 1: The influential factors of the tourist market segmentation (the author's adaptation)



For the first two criteria listed above (age and family life cycle) we present here a Finnish tourist market segmentation, implemented in 1994 by Gallup-Media Institute of Finland. Thus, market segments described following the study were:

- “the video games generation”, aged between 12 and 14 years, it is about children who strongly influence parents’ choices regarding destinations and vacation activities;
- “the generation of consumption”, aged 15 to 24 years, is a segment consisting of adolescents and young people, mostly unmarried;

- “the wealth generation”, aged 25-34, some of them married but without children or with one child, usually aged up to 7 years;
- “the suburban generation”, aged 35 -44 years, formed, in general, of couples with children between 7 and 15 years;
- “the generation of social change”, aged between 45 and 54, a segment consisting of couples without children or whose children have already left the house parents;
- “the war and lacks generation”; made up of people aged between 55 and 64, retired couples or single pensioners;
- “the seniors”, that segment of the elderly over 55 years.

As the Professor Adrian Gherasim shows in his study: Tourism marketing, Economic Publishing House, 2009, Bucharest, interesting age segments for tourism marketing in terms of behaviour are:

- childhood (when the emphasis is on entertainment games and movement),
- adolescence (when cheap trips without outstanding conditions, hiking, games, educational and cultural tourism offer are preferred),
- first youth (when preferences are turned to those offers that ensure fulfilment of personality),
- second youth (when the trend towards relaxation and rest accentuates),
- and old (often when the demand for products and services related to medical tourism occurs).

The income may lead to the following market segments as well:

- poor tourists, whose income exceeds the minimum subsistence level and who rarely resort to tourism. They are interested not so much in the comfort and the quality of the service, but in the price;
- average condition tourists who form the majority of customers, more demanding in relation to the comfort, more willing to spend money on various services and open to the new;
- luxury travellers, high and very large incomes, very demanding in terms of the quality of the services as well as willing to pay.

In these categories, the above-listed, I would allow myself to add a circumstantial, even undesirable category even for tourists sanctioned by the measures imposed by governments, which solve “management incompetence” by unexplained reductions in wages or “worked” bonuses (e.g. bonus for the PhD, or the competence one from the higher education, designed to encourage and motivate real competence, so blasphemed in the higher education), or for tour operators, travel agencies, stake-holders etc., who see their dreams, their relations with foreign partners, even their investments shattered.

Crisis tourists, who we see more and more on television, forced to sell their holiday tickets difficultly purchased and giving up other family expenses or, even worse, crisis tourists who choose to spend the holidays in much cheaper destinations, more accessible to their budget so tried by the metamorphoses of the global

economic crisis.

The level of education is important, especially for some types of tourism such as the cultural tourism. People with elementary or middle education are particularly motivated by the desire to rest and fun when they travel, while people with higher education levels have often reasons related to status, prestige or self-fulfilment (more details can be found in the chapter regarding the conduct of tourists). The tourist attracted by the cultural tourism is often an educated person, with morality, who requires high quality services. The tourist guide for such groups is highly skilled, aware and directly interested in the preservation and the respect for natural tourist landscape.

The framework program 6 and the new European Union Framework Program 7 pay attention to the sustainable tourism development through cultural tourism.

The influence of the development of cultural tourism in Romania has started showing. The failure of the amusement park related to the project “Dracula Land” is good for those who try to substitute the image of an uncertain ex-communist country, with the bloody past with vampires legends, with the country image formed of the Carpathians, the Danube and the Black Sea, with history and rich culture, with monasteries of rare beauty, with old university centre cities, with traditional villages and welcoming people.

The qualified personnel for tourist activities is crucial to the successful development of tourism and to the assurance of that high level of service that tourists expect and they pay for. Local authorities must assess the needs for qualified staff, anywhere and at anytime.

Each area must improve education in tourism and training needs and must determine how to meet them. If the relevant national or regional institutions do exist, local authorities should encourage local people to attend them. If the estimations show that the local area will be a major tourist area, it may be appropriate to create a local institute of tourism or a tourism department at a vocational school. The tourism office will be to work with private sector enterprises to develop the most appropriate programs. The tourism office will have to identify the opportunities for their staff, in order to receive the necessary training in tourism management, often through regional, national and international programs. The World Tourism Organization can assist the tourism office in providing training, may recommend training institutions and international programs, including short-term programs for tourism management.

The nationality is important for the international tourist market segmentation. Here are some examples of the criterion used for segmentation: some providers in the tourism industry particularly restaurants - are specialised in specific national elements; the tourist attractions draw up their information documents (restaurant menu or price list) in several languages, depending on the nationality of tourists that visit most frequently, for example, in the Danube Bend area, tourist hostels are geared to attract tourists from Hungary and the Netherlands, while Drobeta Turnu Severin attracts Canadian and American tourists, even Japanese, and on Mallorca

Island, some seaside resorts are oriented towards the segment of German tourists, while others towards British tourists.

The religion is important as well, as the segmentation criterion for operators carrying out a significant part of their turnover based on pilgrimages. For example, in the Mehedinți area, full of valuable ecumenical monuments, recognized both nationally and internationally, a new type of tourism has recently taken shape, in the year 2009: the tourism of “memories”, meaning that tourists or refugees already settled in Hungary, return and call on memory to find their roots, seeking in the above-mentioned area either the Austro-Hungarian border, or identity, religion, common education elements.

Tourism as the other activities of the national economic cycle has built in time a market of its own, defined by factors with specific occurrence and determined by the economic, social, political, geographical and motivational nature. The diversity of market variables and the variety of the materialization forms of the tourist market factors limit the possibility of thorough knowledge of it, the risk of entering the tourist market without a prior analysis being great as well.

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