

THE CHALLENGES OF TOUR OPERATORS FACING THE PROMOTION OF ROMANIAN DESTINATIONS

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Abstract

The development of tourism has been influenced by the general breakthrough in engineering, technology, and telecommunication and so on. As a result, the tourism activity has permanently adapted to different stimuli, such aspects determining major challenges for all its participants.

This paper underlines the main aspects regarding the realities and trends of the tourism environment, focusing on the major changes in consumers' purchasing habits. In addition an analysis is made regarding tour operators' challenges and opportunities on their quest for meeting and satisfying the consumers' demands and maintaining a competitive position on international markets, in the Romanian tourism context.

Key words: tourism, tour operators, challenges, offer segmentation

1. Introduction

Tourism has evolved to be one of the fastest growing industries due to its importance on multiple levels, such as, economic, political, cultural, social etc. This has led to an increasing effort for destinations and specific organizations in order to provide high quality services for the experienced consumers. More than that, each of the tourism sectors was organized to match the market realities and necessities. The accommodation, the food and beverage, the transport and the leisure segments have undergone changes that translated into an increase of the number of arrivals and revenues for all the destinations committed.

Nevertheless, the process of continuing adaptation has been confronted by numerous challenges that consist mainly in: changes of tourist's behavior, globalization, economic crisis, and therefore the purchasing power decline, quality of life, new technologies used, sustainable development initiatives, competitive factors for destinations etc. All of these must be taken into consideration in designing and selling the tourism

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products, representing a concern of the local and national authorities, firms and more important, the tour operators.

Worldwide tour operators are facing the variation of tourism circulation, consumers' preferences and the impact on local population in accordance with the need to offer new and interesting products, which set them apart from the competitors.

2. Realities and trends of tourism environment

The tourism industry has shifted from a traditional approach to a new and innovative one, representing a continued process of changing the dynamic and structure of tourism activities. The new environment places tourists' needs and wants in the center of preoccupations, concentrating on the most important actor, the consumer.

In this context, each organization must reconsider the importance of tourism trends and provide offers characterized by variety and novelty and to facilitate an easy and prompt access to these. (as shown in table1).

A sum of the major tendencies, regarding the tourism, generated a response in the costumers' opinion towards their choice. On one hand, tourists are becoming more experienced; their options are more various; on the other hand this is the result of the general development of tourism and the way it's perceived, transcending from the point of view of luxury to need.

Many factors are favoring the blooming of the industry: globalization increased the competitiveness degree; easy access to all kind of information; internet and on-line services; low cost air transport, the intensive promotion of different services etc. are just a few of the most important aspects. Hence, it shouldn't be ignored the negative influence of economic crisis, the degradation of the environment as a direct consequence of tourism, terrorism and others.

The interdependencies between the technology developments, particularly the IT and the modernization of consumers' behavior about tourism can be explained, on one hand by the necessity to change following the various technical opportunities; on the other hand the increased research and innovation initiative of organizations is rooted to the global changes in general, but also in consumers' new buying behavior.

The general trends of tourism have imprinted on the modern tourist eager for true experience, new and interesting services, destinations or forms of tourism, converting to a high maintenance consumers. The exigent tourist represents the topmost challenge for all tourism organizations as his requests lead to a reorientation of tourism circulation and the selection of destinations, with the noticeable result of the long haul ones.

Changing tourism environment

Table 1

Transforming from	to
Traditional trips	New type of trips
Traditional destinations	New destinations
Classic Products	New products
Extensive tourism development,	New development strategies

Centralized state control	Community control
Unrealistic financial optimism	Financial realism
Passive consumers	Interactive consumers
Functional technology	Creative technology
Mass market	Specialized segments
Mass marketing	Direct communication to consumers

Source: adaptation from C. Cristureanu, *Strategii și tranzacții în turismul internațional*, Editura C.H., Beck, București, 2006, p.195;

A brief review of tourism destinations and their positioning among consumers preferences provide an interesting perspective, underlining the concerns for innovative products and services in order to differentiate and create a unique experience.

The European continent is in the lead in relation to the international tourist arrivals for 2012 (534.2 mil.), followed by Asia-Pacific region (233.6 mil), Americas (163.1mil.), Africa (52.4 mil) and Middle East (52 mil) [UNWTO Tourism Highlights 2013]. All regions find themselves on in a continuous growth, with high expectations from the Asian destinations due in part to the amount of infrastructure developed and services offered and to the large addressability in the eyes of the final consumer and the ability to provide new and sophisticated experiences. Despite the strong effects of economic crisis, the international tourist arrivals have registered a positive trend, with few exceptions. The hierarchy suggests not only the attractiveness level of destinations or the notoriety of them, but also their initiative to meet the modern tourists' expectations. The traditional destinations with particularities like cultural, the "sea, sun, sand" offers, or well-known forms of tourism are constantly conducting actions regarding the products offered translating into new forms of tourism, new leisure infrastructure and services, active components rather than passive ones, themed vacations or emerging destinations.

A global analysis of tourism segments presents an optimistic view over the year to come [European Travel Commission - tourism trends 2013]:

The air transport presents a growth trend, as predicted in the final months of 2012, but in a slow way, with major variations for regions, specifying, for instance, that the long haul travel regarding Europe and Asia market are expected to maintain a positive evolution. The beginning of 2013 underlines the constantly growth of Middle East with significant seat capacity for local and transit demand, followed closely by Latin America.

Based on the revenue passenger kilometers of 4.3% growth, at a global level for the early 2013, the estimations are on a positive trajectory, even though the increase inclines to be smaller than the previous years.

The accommodation trend shows a small growth in regard to the occupancy rate, similarly to Middle East and Latin America positive outcome, with stronger room demand thanks to local markets. On a general analysis, more countries reflect an increase in the occupancy rate; there is as well, the concern of the room rate growth despite the lower occupancy for a number of European countries.

The overall conclusion sketches a positive picture for tourism, with higher evolution for some destinations, facing a positive outlook, despite the fact of the lower growth rate than the previous years

The travel trends of 2012 are sustaining *the complex services and innovative infrastructure* [World Travel Market – global trends report and Euro Monitor International]:

- The European continent is focusing on the leisure tourism, especially the shopping activities from BRIC- Brazil, Russia, India and China- visitors. Paris, followed by London, Frankfurt, Milan and Madrid are the main attraction points identifying their notoriety with the leisure shopping. The niche market of shopping will generate the abundance of tailor made trips;

- Shopping is also an important concern for Middle East, as hotels are included inside malls rather than to be in the proximity of their establishments. Major shopping malls are under development in UAE, Qatar, Lebanon and Egypt, providing a complex experience similar to resorts;

- African tourism is concentrating on the leisure experience like movie industry, Nollywood (Nigeria) been the second largest film industry after Bollywood, in terms of volume, out ranking the famous Hollywood. The great interest lead to hotel groups openings, such as Hilton, Accor, Intercontinental, Sheraton etc. and encouraged the development of air transport, especially the low cost segment;

- Beside the great evolution of the tourism industry in Asia, remarkable by the outstanding infrastructure and proper services, there are noticeable luxury brands initiatives for hotel development. Car brands are extending their image in well-known destinations of Asia, for instance China (finds itself on top five destinations worldwide, regarding the tourist arrivals and revenue) followed by fashion brands and others that are designing the same ideas;

- An overview of tourism destinations, as shown in this report, accentuates the importance undertaken by emerging destinations (a continuation of the latest trend) and as for tourism sectors, shopping and medical forms are the most appealing, also cruise and spa are expecting to register a positive evolution;

Taking into consideration the most important trends, *the role of leisure activities* and infrastructure for the development and diversification of tourism services can be clearly seen. Destinations have invested in providing leisure services that offer a different perspective over the tourism, new forms of spending free time and overall a new image on global market. The future of tourism is strictly related to the level of attractiveness perceived by tourists and therefore by the ability of organizations to include varieties of leisure services and permanently create brand new experiences.

A related topic is the *airports as destinations* [Shift travel IQ Publication, 2013] that represent an adaptation of their general objective toward new modalities to cater for tourists, changing the way it's perceived, from a place to go to a place to stay and enjoy a multitude of facilities. In addition to the comfort ones – easy control initiatives, larger and greener spaces, food courts etc., the shopping activities are more and more mall like components.

Other significant trends turn to *offer segmentation*, with an accent on leisure activities [TTB World Travel Trends Report 2012/2013]: the need for individual travel experiences, with major implication of tourists' decisions and in compliance with the usage of modern technology; increased interest for authentic destinations and establish better connections

with the local communities; further development tourism forms such as adventure travel, or medical travel; these are among the most important concerns for future travel. It is interesting to notice the change in tourists' behavior towards an authentic travel destination, which offers true experience, especially since the artificial environment had gained a top rank in their options. Well known destinations have improved their offer by combining the traditional forms of tourism practiced with new and artificial infrastructure in order to extend the amount of tourism services and become more interesting for a large spectrum of consumers.

Turning towards nature based destinations sets apart the flexible consumers' habits, always seeking to spent enjoyable time in a different perspective. This trend coexists with the one related to the artificial facilities, taking into consideration the importance of the offer segmentation, especially since the delimitations are increasingly clear.

Along with the segmentation of the offer, some destinations have developed intensive actions to restructure the tourism activities determining conversions from a specific area to a specific tourism objective. These are the case of amusement parks, famous restaurants, major shopping galleries, malls etc.

Culinary tourism, for instance attracts tourists looking to enhance their experience by concentrating on international particularities of famous food and beverage regions, for example Thai food, Mexican, Indian and others. Many tourists are focusing on famous restaurants, themselves as destinations, like Michelin three star restaurants that are spread around the globe, Belgium, Hong Kong, Macao, France, Germany, Japan, Spain [Wikipedia].

The segment of adventure travel has been increasing as many vacations are focusing on different adventure activities. *Adventure Tourism Market Study 2013* realized by the Adventure Travel and Trade Association and George Washington University, USA present the importance of adventure tourism, with particularity of the adventure tourists in comparison to non-adventure ones. The adventure tourism followers are orientated to a large spectrum of activities, from the soft side to the hard one, with the recognition of the necessity of specific gear and the higher degree of interest in selecting the service packages. As study shows, these are more likely to use professional services such as: tour operator concealing, guides, instructors etc. aiming toward vacations providing special destinations (landscapes) and activities that nature has to offer, rather than the options of the non-adventure travelers.

The increasing number of demands is considered to be a result of the many tourists' behavior changes expression the necessity to shift from the spectator point of view to the actor one, from a passive to active role. As has been stated before, the major concerns of tourism organizations and especially the tour operators concentrate on the new and modern tourists and their high maintenance character.

The proclivity to nature based activities has its roots on the ascending preoccupation of tourists towards the environment. Eco products are becoming more and more attractive as a fruit of the awareness actions about the sustainable tourism perspectives. Choosing ecofriendly services, tourists are more involved in sustainable development of destinations providing an important stimulation of local entrepreneurs, fructifying cultural traditions.

The modern tourist makes the transition from the classical one focused on mass products, organized programs in delimited seasons, with specific routine activities, with a high degree of sensibility to incomes and prices modifications etc. to a whole new experience, with a great variety of unpremeditated activities.

The eco conscience tourists are also choosing products and service providers that embrace the ecological responsibility, determining a special interest of organizations, for instance the eco-management practices for hotels, green hotels and other similar initiatives. The concerns of organizations for green services complete the perceptions of tourists in their options for traditional destinations becoming a current trend for the modern and experienced tourists. As follows, a sum of characteristics of the major tourist types is presented (table 2).

Major characteristics of modern tourist

Table 2.

Responsible consumer
Sensitive to local culture
Aware of social problems
Discernment
Informed about environmental issues
Preference for spontaneous and flexible itineraries
Carefully evaluator in advance of tourism products
Meaningful and authentic experiences seeker
Desire to have a positive impact on the destination
Driven by the desire for self-fulfillment and knowledge
Seeker of challenging mental and psychological experiences

Source: adaptation from David B. Weaver, *Tourism Management*, Third Edition, Published by John Wiley&Sons Australia, 2006;

3. Tour operators' perspectives for the promotion of Romanian destinations

The varied tourism potential of Romania determines the practice of different forms of tourism offering large perspectives for holidays, for all types of consumers. Based on traditional forms of tourism and also new and modern ones, Romanian destinations cater for sophisticated requirements of the connoisseur tourists.

Romanian tourism activity has focused on a few of the most well-known destinations, to the detriment of some particular areas little exploited. More than that, the promoting strategy has failed to increase, in a large number, the tourists' circulation, especially the foreign ones. Even though, more and more initiatives have been taken to develop and modernize the infrastructure for tourism and the related services, there are concerns in regard to the attractiveness of destinations for the foreign tourists.

The table below shows a general image of arrivals, both Romanian and foreign tourists, in the main regions, for 2010-2012. The analysis of this underlines the importance of specific destinations for tourists and the evolution of tourism circulation generating the possibility to identify to attractiveness of Romanian destinations.

National and international tourist arrivals

Table.3 thousand tourists

	2010		2011		2012	
	Romanian	Foreign	Romanian	Foreign	Romanian	Foreign
Seaside	671.1	31.3	706.8	28.9	767.8	36.3
$I_{n/0}$	-	-	105.3	0.9	114.4	115.9
Spas	546.06	22.1	662.4	26,7	666.6	29.4
$I_{n/0}$	-	-	121.3	120,8	122.07	133.03
Mountain resorts	728.3	86.6	865.08	97.3	1,007.7	113.4
$I_{n/0}$	-	-	118.07	112.3	138.3	130.9
Danube Delta	54.2	14.2	58.5	23.01	56.7	31.2
$I_{n/0}$	-	-	107.9	162	104.6	219.6
Bucharest and other county capital cities	1,964.4	1,047.2	2,364.8	1,176.5	2,555.4	1,261.4
$I_{n/0}$	-	-	120.3	112.3	130.08	120.4
Other localities and touristic routes	762.1	144.6	857.03	164.1	975.5	104.3
$I_{n/0}$	-	-	112.4	113.4	128.01	0.72

Source: Romanian Tourism Statistical Abstract, ISSN 1224-2950, 2011, 2012, 2013;

A brief review presents an increase of Romanian tourists' arrivals for all destinations and also the ranking of their options, such as: Bucharest and other country capital cities are top of the list, taking into consideration the large share of traditional forms of tourism, for instance the cultural one, and the business tourism that usually takes place in major cities; mountain resorts are the most appealing destinations for tourists as it encompass a large number of leisure activities (in particular sports activities) with high practice in the two major seasons; seaside resorts are highly appreciated by Romanian tourists, with high concentration in the destinations that have been the subject of an intense development and promotion actions (unfortunately there are major disparities between the resorts in terms of infrastructure investment and services); spas are the following, with the specification that the investment efforts are at a limited level, the general infrastructure of tourism is obsolete, with little exceptions; The Danube Delta is situated last in ranking.

The foreign circulation presents similarities to the Romanian one, travel preferences are maintained, though at much lower rate. The differences between the resident and foreign travelers represent a main concern for tour operators that are concentrating in developing the Romanian destinations and tourism in general. Creating an image of an international and successful destination, Romania strategy regarding tourism industry must be focused on intensifying the development of tourism infrastructure, (by attracting different investors), the equilibrate the price quality report, the marketing approaches on a tourism brand of Romania etc., never the less, creating the proper environment for tourists offering a great experience, that will determine their return.

The major challenges of tour operators in attracting tourists are, essentially, concentrated on the tourism practices and the transition towards the new modern tourism

of the well-known global destination. The most important concerns are about the following:

- The internal tourism is situated on a much higher level than the inbound. The resident travels overtake the number of foreign travel in Romania and the general evolution is positive but at a low rate. Targeting both the Romanian and foreign tourist needs a special interest for offer segmentation reported to the nationality, age, social status etc. for providing an increase of attractiveness of tourism packages;

- Mass tourism is preferred by residents because is considered cheaper. This mentality underlines the importance of tourism perceptions about Romanian vacations, the role of tour operator being to help the transition to a point of view closely related to the realities of global tourism market. In addition to the consumers' changes in behavior, the modern tourists are interested in tailor made offers, and their involvement in creating the best holiday package.

- The specific development of different forms of tourism, adventure based one, need a special attention as tour operators must consider the existence of an active approach rather than a passive one, therefor including such characteristics in their process of creating and commercializing the tourism offers;

- Tourism providers, for instance the accommodation units, don't have interest or financial possibilities to invest in the ecological technology. As mentioned above, the eco component of tourism services is becoming more and more important for tourist on one hand and for destinations on the other. Promoting intensely the importance of sustainable development as a base of each offer represents a major impact on stimulation tourism circulation and attracting investors to support these changes;

- The discrepancies between the major tourism components, with accent on the lack of leisure infrastructure, especially since leisure activities has become search engines for holidays. The modern offer should definitely include a form of leisure activity, nature based or anthropic which provides the framework for vacations;

- The high level of prices of Romanian services is a big impediment in the increasing popularity among tourists, and especially foreigners, considering the strong competition of countries with similar potential; applying high prices must be correlated with service quality and increase the attractiveness of destination by providing discounts, early booking opportunities, last minute trips etc.;

- The lower interest for organized vacation, in particular for circuits, is another characteristic of resident travel that organizations are facing. The Romanian tourists often consider the individual trips as being cheaper than the organized one, thus choosing to travel on their own;

- The new technologies are influencing the way consumers are prospecting the market and purchasing the best services. This determines that each tourism organization invests in creating a special interface in order to raise the attractiveness and set apart from competitors. Promoting through online, social networks represents an important asset in increasing visibility and accessibility, this being another primordial concern of tour operators;

• In support of the promotion the capitalization and inclusion of a country brand in foreign tourism offers is an important requirement; promotion actions must be linked with tourism development; etc.

4. Conclusion

The alignment with international market trends represents the most important requirement of tourism development and notoriety of Romanian destinations. Keeping an uncertain situation of tourism by failing to adapt to the demanding requirements of consumers will generate a reduction in terms of tourism arrivals, regardless of their origin. Creating a segment oriented packages enlarges the opportunity to attract more tourists, to meet the needs and wants of them and to raise awareness of the Romanian tourism. In addition, the promotion initiatives should focus upon creating a successful image of Romania as a major destination.

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