
**THE IMPORTANCE OF MARKETING MANAGEMENT ACTIVITIES FOR TOURIST
DESTINATION DEVELOPMENT**

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Abstract: The management is a continual process that helps to direct the business activities of the tourist destination. Achieving the aims of the tourist destination depends of its capabilities to satisfy the tourist's needs and wishes with adequate combination of the instruments for participating on the market.

The right marketing management is a way of finding the proper combination of marketing-mix, or a combination of instruments for appearance on a market, because that is the way in which the tourist destination will have priority over competition.

The meaning of application of marketing-mix is shown throughout unlimited numbers of possibilities which issue from the combination of it's instruments and their application into the different areas; from planning approach of formulation of marketing strategy; adapting of the offer toward specific needs etc.

The aims implementation and the marketing strategy are actually based on using the marketing instruments. Appliance of marketing conception actually is a key for successful select of tourist's needs. Management of tourist destination should permit a prosperous conversion of the needs into the products and services. Marketing-mix of the tourist destination can be considered of two aspects: on macro level (from aspect of the tourist destination), and from micro level (from aspect of tourist subjects individually).

When elaborating organization of marketing activities and their proper management we actually talk about their arrangement in the organized structure of the marketing. The organization of marketing activities actually refers to the organization of research on the market, the planning and development of the product, the propaganda and organization of the sale.

For successful promotion of the tourist destination it should be implement a process of coordination and reconciliation of efforts of all participants into the tourist industry. That is the only way to get the maximum of the tourist destination's potential.

In modern economic conditions, when the conditions of economy rapidly change, the marketing-management strategy enables the tourist destination to react on time on the market and to gain certain advantage over the remaining (competitive) destination.

The tourist destination can determine and set its objective, first of all, by considering and evaluating the factors it has at its disposal, making an evaluation of the income and establishing the character of the surrounding. What make one destination different from the others are actually the factors that the destination has at its disposal (attractive, communicative etc.).

Keywords: Marketing management, tourist destination, promotion, marketing mix, tourist's needs.

1. INTRODUCTION

In the insistence the tourist destination to be a step forward from the competition to attract more tourists, it should on the market to offer substantive synchronized composition of different products and services. The point is the various tourist requests to be satisfied more successfully.

Although, without proper analyze of surrounding, market and competition, and perceiving of advantages and weaknesses of tourist destination, there is no successful management. In contemporary conditions of working, the changes are numerous, dynamic, very often, unpredictable and with different intensity. When we are talking about tourism, we should say that these changes are turbulent. That is the reason why the tourist destination should grasp the surrounding first, and then to choose the aims and the ways of reaching them. As a result of that it shows the needs of permanent changing and adapting of aims of tourist destination.

2. POSITIONING OF THE TOURIST DESTINATION ON THE MARKET

The objective of undertaking marketing activities and their proper management is to direct the tourist destination towards occupying the desired and planned position on the tourist market. Nevertheless, in order to accomplish that, the first thing that has to be done is to scan the condition of the tourist destination, which is to establish its achieved level of development and its position on the market.

In order to establish the achieved degree of development, certain analyses have to be done that will provide data concerning: the structure of the accommodation and catering capacities, the condition of the communication factors (roads), the degree of valuation and allocation of the attractive resources (cultural and historical monuments, natural resources, etc.), the activities undertaken to enrich non-board offer, the degree of development of the intermediary factors, the degree of participation of the remaining activities in the constitution of the final tourist offer etc.

2.1 AN ANALYZES OF THE SURROUNDING

The determination of the position of the tourist destination on the market can be done, first of all, by analyzing the surrounding, the market and the competition, that is, by analyzing those tourist destinations that can be competitive in various respects.

Everyday and constant changes take place in the surrounding. The need for their constant observation and recording is a prerequisite for the successful development of the tourist destination. At the same time, it is very important to understand and accept the changes as a starting point of the marketing-management activities for the development of the tourist destination.

The broader surrounding of the tourist destination has a great influence on the desires and needs of the tourist, and consequently on the creation of the tourist product the destination and the way of its selling. Therefore, the observation of the changes is of great importance, especially because the ignoring of these changes could result in complete failure of the tourist destination.

Of the various and numerous components of the macro-surrounding, the *economic surrounding* no doubt has the utmost influence on the marketing-management of the tourist destination. Within this surrounding indicators can be pointed out that stimulate or inhibit the tourist travels, and depending on the degree of the demand have a positive or negative influence on the development of the tourist destination. The influence of the tourism on the development of the tourist destination is reflected in the inflow of foreign currencies which contributes to the improvement of the structure of the payment balance of the country, the degree of employment, the emphasis on the multiple role of tourism etc. On the other hand, certain factors such as the rate of inflation, the currency course, has an inhibiting influence on the tourist travels.

The *social and cultural surrounding*-and especially the demographic characteristic of the tourists bring about numerous changes. The choice of the tourist destination is largely influenced by the life-style of the tourist, their education, age structure, sex etc. The time of traveling, the duration of the stay, the structure of the expenditure also depend on these factors. In the tourist destination, an encounter between the native inhabitants and the tourist takes place which results in an exchange of information about their different cultures, habits, customs etc.

The *political surrounding* also has an important influence on the tourist destination. Building up a good reputation of the tourist destination greatly depends on the activities undertaken by the state (government), which means establishment and maintenance of a stable climate and development of the tourism by means of determine the parity of the national currency, the visa regime, the planning and protecting of the resources etc.

The *technological surrounding* refers to the technological achievements that bring about enormous changes. These changes refer to the possibility of increasing the degree of automation in the process of offering services, which is application of the latest technological achievements in furnishing the accommodation capacities, the latest achievements in the tourist mediation, the means of transport etc.

The *natural surrounding* is becoming more and more significant, as a result of the tourists' need to visit destination that have never been touched by a human hand, destinations that have remained authentic and therefore have enormous tourist value and draw enormous attention. In times of massive and rapid urbanization, much greater interest arouses that tourist destination, the offer of which is created in a way that enables the tourists to find themselves in an another world, quite different from the everyday world.

The *ecological surrounding* is an imperative in the marketing-management of the tourist destination. The fact is that as a result of the increased human negligence and the uncontrolled exploitation of the environment, that is, the resources, the tourist destinations are brought to an unseen ecological condition. Therefore, there is a need for an appropriate management of the marketing activities with the aim of influencing and directing human conduct, which is with the aim of arousing human conscience in order to stimulate the positive and minimize the negative influence on the environment. This means that a care has to be taken of protection of certain natural environments

that have tremendous importance to the development of tourism, the protection of the cultural and historical monuments, the quality of the surrounding etc. Nevertheless, above all human consciousness and conduct have to be influenced in order to decrease and control the water and air pollution, the clamor, to control the destruction of the natural and anthropological treasure of the tourist destination etc.

Generally speaking, the influence of the broader environment (surrounding) of the tourist destination on the creation and quality of the tourist product of the destination, is of great importance. Therefore the marketing-management activities should put a stress on those attributes that give the tourist destination a comparative advantage and influence the correction of the negative impacts.

2.2 AN ANALYSIS OF THE MARKET AND COMPETITION

The market analysis includes the analysis of the constituent elements, that is, of the demand, the offer, the product or the service that are being exchanged and the price of their exchange. In view of the fact that the relation the offer and demand on the tourist market differs from that on the classic market, i.e. the relation has an opposite direction, this market becomes very specific. Therefore, in order to sell the tourist product the purchasers have to be brought to the tourist destination, because this type of product cannot be exhibited for sale and the consumer has to come to the places where it is offered to consume it. Therefore, the tourist needs and desires have to be analyzed so that the tourist destination's offer can be adapted to their demand. The researches that are being done should establish.⁶⁵

- Identification of the past consumers;
- Identification of the potential consumers;
- The fundamental characteristics of the consumers including the social and economical and other significant characteristics;
- The structure of the consumers of the region;
- The basic motivation for purchasing;
- Factors that cause consumption;
- Changes of the consumers' habits etc.

The knowledge gained through these researches is very important to the companies in the field of tourism and hospitality (micro level) as well as to the tourist destination. Because the tourist product of the destination is composed of the particular products of the companies it is important that the marketing-management activities properly coordinate and harmonize their ultimate goals.

Depending on the aspect of observation of the tourist destination, we can talk about different types of market (international or domestic) and different segmentation of the market.

Nevertheless, even though it has chosen its, market and examined the demand, the tourist destination is not alone in the endeavor to meet the consumers' demands. This means that many competitors appear on the market to achieve one and the same goal i.e. to meet the needs of the consumers. The competition on the market, actually, stimulates the development of every company or tourist destination, because they each struggle to become victors in their own way. Meaning, the aim is to be different from and a step ahead of the competitors. Whether the tourist destination will decide to be more competitive on the market with regard to the different assortment of the offer, richer offer, the price of the tourist offer or any other way, depends on the knowledge gained from the different analyses and researches which have been done. In order to achieve greater success on the market, many companies or regions the offers of which are compatible, could create a common tourist product i.e. to have a common exhibition on the market and as a result of that to gain a suitable competitive advantage of the tourist destination.

3. MARKETING MANAGEMENT STRATEGY OF THE TOURIST DESTINATION

The knowledge of the position of the tourist destination on the market is based on the analyses of the surrounding, the market and the competition which have been previously done. However, what is even more important to the development of the tourist destination is to determine the position that the tourist destination has to occupy in the future, i.e. after a certain period of time. At the same time, it is very important that the goals that will be set have to be flexible and adaptable, i.e. "the tourist destination has to define such goals that will enable the survival of the tourist market and simultaneously to secure safe survival by means of an increase of the market participation and

⁶⁵ Kobašić, A., Senečić, J., *Marketing u turizmu*, Školska knjiga, Zagreb, (1989).

prestige.”⁶⁶ Since the achievement of the goals is closely related to and depends on the plans accomplishment, the flexibility of the plans enables the tourist destination to adapt itself to the surrounding and face the changes that take place. In view of the influence of the macro-surrounding on the tourist destination, the destinations goals can be defined in a way so that they can refer to certain parts of that same surrounding, which on the other hand, will result in greater flexibility in their achievement.

The marketing-management strategy of the tourist destination actually determines the goals, the long-ranged ones, and at the same time determines the road to reaching the goals. Through the marketing-management strategy the tourist destination actually enables itself to react on time to the changes in the surrounding and gain competitive advantage over the other destinations. Because the tourist product offered by the tourist destination is very specific, the application of this strategy has an enormous influence on the successful dealing with the problems.

Different strategies can be built depending on how specific the tourist destination’s goals are. Nevertheless, talking into account the fact that the purchasers are at the centre of the marketing-management strategy i.e. their and desires that constantly alter, it is necessary for the tourist destination to choose a strategy that will enable its rapid anticipation of the changes and its rapid adaptation to them. In endeavoring to offer a qualitative product and maintain its competitive advantage on the market, the tourist destination may choose either the strategy for the segmentation of the market or the strategy for differentiation of the product. The establishing of the segments and their profile actually means deciding on a particular tourist product of the tourist destination. On the other hand, the factors that influence the decisions to involve people in tourist currents and to make use of the tourist and also to establish the numerous segments, influence the quality and assortment of the product offered by the tourist destination.

On the other hand, the strategy for differentiation of the product of the tourist destination, actually, endeavors to retain the old and allure new tourist, i.e. to maintain and increase the tourist destination’s income. The differentiation of the product actually represents a separation, a selection of the product from the similar competitive products, i.e. it is an activity that in some way makes the product different from the remaining competitive products. The strategy for differentiation of the destination’s product could apply to all its segments (parts). That can be done with the physical characteristics as well as those that give the tourist an additional pleasure (psychological differentiation). The psychological differentiation is especially important to those segments that are physically untouchable (the quality of the services, the way they are offered, the conditions in which they are offered etc.)

In differentiation of the tourist destination’s product, it should be pointed out that “the differentiation has an influence on the demand, actually, helps the curve of the demand move to its own advantage, whereas the strategy for the segmentation means adaptation of the demand. The strategy for differentiation widens the participation on the market, that is conquers one level of the market whereas the segmentation of the market cut a much bigger **piece** of the market cake.”⁶⁷

4. MANAGEMENT OF MARKETING INSTRUMENTS OF THE TOURIST DESTINATION

In order to make good use of the potentials that the tourist destination has at its disposal all the participants in the tourist industry of the destination should be involved, but their activities should be coordinated and harmonized.

Having determined the objectives of the tourist destination and having defined particular segments of the market as targets, the next thing that should be done is to form an adequate combination of the marketing instruments i.e. an appropriate marketing mix (product, promotion, distribution and price,) in order to make the tourist destination competitive on the segmentation market.

The **product** as one of the elements of the marketing mix can be seen as a product of the tourist destination’s companies or as a tourist destination’, product. According to Gavrilović, “the main part of the tourist product actually the services. The largest portion of the total tourist consumption is done by different services and only a small portion by materially palpable products.”⁶⁸ But “the tourist product of the destination is a total (composite) product made up of certain number of elements as its constituent parts.”⁶⁹ In order to improve the assortment of the product of the destination, attention should be focused on three significant factors:

⁶⁶ Bakić, O., *Marketing menadžment turističke destinacije*, Ekonomski fakultet u Beogradu, CID, Beograd, (2002).

⁶⁷ Ibid.

⁶⁸ Gavrilović, S., *Međunarodni marketing u uslužnim delatnostima*, Naučna knjiga, Beograd, (1991).

⁶⁹ Bakić, O., *Marketing menadžment turističke destinacije*, Ekonomski fakultet u Beogradu, CID, Beograd, (2002).

- The destination *attractiveness*-a mixture of various natural (climate, flora, fauna etc.) and social elements (folklore, melody, gastronomy and other similar attractiveness)
- The destination's *accommodation facilities*-the available capacity of the accommodation objects as well as other activities necessary for an enjoyable stay of the tourists (sport, entertainment etc.)
- The destination's *accessibility*-it refers to the geographical and natural accessibility as well as the economic, represented by the travel expenses.

If the tourist destination does not have enough of these factors at its disposal in order to offer a tourist product with a good qualitative structure, that doesn't mean that there are no prerequisites for the development of the tourist product could occur in a modified form, which means as a possibility of substitution or completion of particular elements).

The *promotion* as another of the marketing mix instruments, which when combined with the other instruments is used to prompt and promote the offer and selling of the destination's product. The task of the promotion in tourism is to bring the consumers to the tourist destination where the tourist product is offered and to acquaint them with the destination and the product. The objective of the promotion in tourism is to inform the tourists about a particular tourist product and the way in which they can become acquainted with it. Actually, the promotion should arouse the potential consumers' interest in the product offer by the tourist destination. This means that the objective of the promotion is to direct the activities towards the tourists (or at least some of them) and through different ways of communication at first to attract them to the tourist destination and then persuade them to purchase certain products or services in the tourist destination during the stay, but also during their trip to a certain destination.

The *channels of sell and distribution* in tourism, according to Čačić, represent "a total of the business and organizational activities which make sure that the tourist product reach the consumers in a way, time, place and at price that suit them the most."⁷⁰ The division into direct and indirect is the most adequate to the manner of selling. We talk about direct selling when the products and services are sold directly to the tourists. When the tourist product is distributed indirectly, then it is sold through mediators. The indirect channels of distribution assume greater importance, because in the process of expanding of the tourist market they facility the communication between those who offer their services and the tourists.

The *price* of the tourist product is formed according to certain criteria and under the influence of certain factors. The factors that influence the creation of the price of the tourist product, could be of internal nature which includes the changes in the company (place, region, country) and of external nature, which includes the changes in the surrounding, putting a special accent on the changes on the tourist market and at the same time taking into account the specifications of the market.

What is especially specific in the creation of the prices is that the price is formed at a higher level in places which are, speaking of the point of view of tourism, more attractive (rich in cultural and historical monuments, natural riches etc.) and in object which are fully modernized (of a higher category). However, in the process of the price formation, a care has to be taken not to lose the competition on the market. At the same time, it is very important to find a way to combine the policy on prices and the policy on quality, because very often the quality of the product of the tourist destination (as an impalpable product) is determined through the price.⁷¹

The tourist destination has three possible strategies for the policy on prices at its disposal:

1. *strategy for prices predominantly determined by the expenses*-the expenses represent an internal factor in the creation of the price and give the low limit beneath which the price should not be formed. The upper limit is the price the tourists are ready to pay for the product.
2. *strategy for prices which is determined by the conduct of the competition*-the competition has great importance to the policy on prices. In the process of running the policy on prices, information should be provided about the prices of the competitor, the importance they attach to this instrument, the advantage gained on the market through the prices' differentiation etc.
3. *strategy for prices connected to the conduct of the tourist demand*-the primary feature of the demand is the high degree of flexibility, especially with regard to the price. That is way a care has to be taken in the process of the price creation i.e. its upper and lower limit in conducting the policy on prices.

⁷⁰ Čačić, K., Izbor kanala prodaje-sa posebnim osvrtom na jugoslovenski turizam, Jugoštampa, Beograd, (1980).

⁷¹ Bakić, O., Strategijsko planiranje turističkog proizvodstva, Naučna knjiga, Beograd, (1988).

The policy on prices should not be conducted separately from the policies of the other marketing instruments.

5. CONCLUSION

The aim which should be reached by assumed the marketing management activities are to be made a good image of tourist destination, or to make a good impression on tourists. By doing all necessary analyzes and by developing the right strategies, the right selection of the market is permit where the activities will be directed, the needs and desires of tourists will be determinate. That is the way of opening the possibilities for directing the tourist destination's offer to their satisfaction. That is the how is possible to make a competition priority of tourist destination and its' product on the tourist market. When we have these facts, one question is opened, and that is how the direct participant into the process of making the image of destination are commitment to achieve that and how they participate into propagation of tourist destination.

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