

STRATEGIC DIRECTIONS FOR TOURISM ENTERPRISES DEVELOPMENT AT MICROECONOMIC LEVEL

Iordache Maria Carmen

Constantin Brancoveanu University, Rm Valcea, Romania Management Marketing in Economic Business Faculty iordache72@yahoo.com 0765216780

Popa Roxana

Constantin Brancoveanu University, Rm Valcea, Romania Management Marketing in Economic Business Faculty rx_ana@yahoo.com 0741248897

Rizea Ionela

Constantin Brancoveanu University, Rm Valcea, Romania Management Marketing in Economic Business Faculty rizea.carmen@yahoo.com 0766570966

A tourism company succes, and not only, dependes on efectiv implementation of marketing strategies. Strategy implementing represent the process through ideas becomes actions through programs developing, bugets and procedures.

This proces might concerne culture changes and and management company' style. In a continuous environment changes can not be seen precisely, so that the tourism agency must put all its actions in a micro economic perspectiv, with a developing strategies formula whi have to assure the human forces, material and financial mobilization with a view to achieve with succes that goals and targets.

Key words: *tourism strategy, tourism policy, sectorial policy, competitiveness.*

Clasificare JEL: *L 83, M 21, M 31*

1. Introduction

Romanian tourism enterprises take place raporting in a permanent way to evolution of external environment components and also to those changes who appears in tourism market and are continuously exposed to a adopting proces to those new conditions.

In these terms, a company performance on one hand depends to that way she uses her resources who has and on the other hand to that measure in which is coneccting her activity to environment conditions in who works. Synthesis of such an approach will be reflected in how the tourism agency will define strategies and politics to a micro economic level.

2. Tourism marketing strategies to a microeconomic level

To a microeconomic level the marketing strategy is used like an instrument for a coherent assembly of tactics and concrete measures in order to achieve the company's strategic objectives. Essentially the marketing strategy defines the company's attitude towards the environment and, at the same time, its practical approach involving all its aspects. This marketing strategy, also expresses the company's option for one alternative to follow among a range of possibilities (1).

In this respect we set apart two main strategy categories:

1. **General strategies** – representing the company's overall position towards the environment and the actions taken with regards to all its aspects.
2. **Specific strategies** – representing the company position towards each environmental issue, who is also separately estimated, along with specific actions taken for each issue approached.

Table no.1: Market – product matrix in services field

Services	Current services	New services
Markets	Current markets	New markets
Current markets	Market penetration	Services development
New markets	Market development	Diversification of activities

Source: Adrian Payne, *The essence of services marketing*, Prentice Hall International, 1993, pag.43

The combination of chosen strategies represents the „core marketing strategy”. This combination clearly defines the path this company has chosen for expanding its activities.

Following the „market – services” matrix we can easily identify the possible alternatives (table no. 1).

Adapting this matrix to the main characteristics of tourism activity we may define the following tourism marketing strategy options:

- **Market penetration or adapting strategy** represents the main strategy expressed in bringing current services on the market at a given moment. It is characterized by the company tendency to follow the evolution of tourism demand and act on it. This type of strategy is applied in small and medium commercial companies; in this way they may grow on a stable market without having to break into another. The only issue that may rise is to choose those products that best meet the tourism market needs.

- **Growth or development strategies** – implies a research program development through an upright and intensive tourism marketing implementation. The goal of this type of strategy is to adjust the environment to its needs, for the tourism unit to ensure a competitive advantage for its products or to increase its influence power on the market. Practically, this strategy can be achieved by following the line of the actions below:

I. Display and introduce current products in new markets, in witch case we have to do with **development tourism market;**

II. Launch new products in current markets, which ensure the **tourism product development;**

III. Braking in a tourist market through multiplication of tourism products and services, which essentially means diversification of activities.

Depending on the large market share (taking into account the positions it might take at a given moment on a market) a company might have the following strategic options:

- **market leader**, its strategy is either to keep the market share or to expand its market share or to increase demand on the market;

- **challengers**, who follow the increasing of share market and focuses its strategies towards smaller competitors and not on leaders;

- **niche players**, focus on selecting an advantageous market share, however on too a small one to be in the interest of bigger companies.

- **Survival strategy** is characterized by the tourist concern of enterprise to realize tourist corresponding benefits, without taking into account the market elements. Concluding, this is a defensive strategy, which cannot contribute to the success of a tourist company.

The company’s fundamental market strategy consists both in general and specific strategies.

General strategies are based on the demand – supply report and also on the company’s relations towards the environment, elements who represent criteria for grouping them (2).

Demand – supply report characteristics in tourism activity are strongly affected by its seasonal nature and suggest temporary differentiation of marketing strategies in tourism. Temporal differentiation of business marketing is implemented by a concomitantly action on demand and supply through strategies specific to a market component.

As the main target is to extend high season, some authors divide these strategies in two categories:

- **primary response strategies** are decided on a macroeconomic level and they are designed to influence the demand by administrative measures, such as organizing school holidays or employees paid leave on specific areas;

- *secondary response strategies*, are initiated by tourism entrepreneurs in order to continuing the tourist services in those periods when demand is lower than the offer; this is done by means of several instruments like setting different rates and prices for the services offered. The essential aspect of this difference is to set a minimum and a maximum point for the whole season. Discounts must be offered for all services included in a tourist product, even transport and entertainment.

Increasing the demand off season can be achieved by implementing a different approach related to customer categories – with a special reference to children and elders. Starting from the characteristics of these customer categories, one can set up service packages, which include special facilities added to bed and breakfast lodging, entertainment and transport. In this way, the differentiation seasons strategy of tourism rates is completed with differentiation strategy on the consumers segments.

Specific strategies represent the adopted position by the company versus every external component considered to be separate, especially both customers and competitors.

Regarding customers, the essential criteria for grouping the marketing tourist strategies represents the structure of tourism market.

Tourism market consists of a network division from different categories of clients, necessities, preferences and specific motivation, allowing the differentiation on homogeneous customers categories based on similar behavior towards elements of tourist product. Existence of this elements is doing possible the application of some adequate marketing strategies.

Tourist market division is based on a number of criteria, such as:

- ***geographic origin area*** who allows market division on regions, mountain and costal areas, urban and rural space etc., the company's taking development strategies into account from local variations of needs and preferences to concerned customers;

- ***demographic characteristics*** (age, sex, income, occupation, religion, etc.);

- ***social, psychological and behavior factors*** (personality, social class, life style etc.).

Depending on these criteria, then can be adopted tourist package services for youngsters, adults, for those interested in the mountains, in the sea and who practice different sports and cultural activities, for those who are interested in exploring and more, also can be adopted attracting strategies to different kind of tourists .

According to company position towards the market structure are known the undifferentiated strategy (poorly differentiated), differentiated strategy and focused strategy (3).

- *Undifferentiated strategy* is that strategy adopted by the company when it is addressing to the market in a total way, without keeping on its division, using the same marketing mix for all target markets. In tourism this strategy is rarely met because of the complexity of tourist products and of the necessity to division the markets because of various ways in which customers express their wishes.

- *Differentiated strategy* is used by the companies that aim to many segments in that market who offer specific products and services. In the tourist industry there are companies who operate under various brands or commercial names, depending on the market share to whom is addressed. This strategy is used more than undifferentiated strategy even though the marketing costs are higher, but because of its sales increasing those extra costs are recovered.

- *Focused strategy* is used when companies focus on a market division who knows its necessities. Option for one of three strategies is required by many factors. Thus, if company has limited resources then focused strategy is recommended. In tourism is used by the majority of the hotels and resorts in which case in direct competition with major national and international hotel chains delivers unique packages or personal assistance in order to attract both business and regular tourists. They offer one type of products who is serving only to some market divisions in contact with their necessities and wishes, in homogeneous products case, and for the leaders is recommended undifferentiated strategy.

For those products that are presented in a wide range it is more used differentiated strategy. The most important view of this strategy represents specialization and a particular attention for the necessities of a target market.

There are other fields in tourism activity, such as travel agencies who focus their full attention to all exclusive and luxurious holidays' packages, often with less common destinations.

In its relation with competitors, tourism companies are using specific strategic alternatives. Because the buying decision of that tourist products has an complex effect in which case image plays an important role, a permanent and full preoccupation of tourism agency is to distinguish its position compared with competitors through a series of actions unfolding for identification, development and passing on of a competitive advantage to their tourists, the goal being the perception of services to be seen superior and different towards rivals. These actions are making the basic object for a marketing instrument that is named tourist services positioning.

Initially designed and used like an promotional technique for creating a favorable and differentiated image about firm products, positioning includes during the time in its contents actions for services differentiation who concerns all mix components, product in particular and distribution implicitly. In our days, positioning it's a component of marketing strategy and supposing tourist services differentiation, in the first place, and then the image differentiation that has positive repercussions in a competitive advantage. Competitive advantage is the result of differentiation assured by the elements that compose the tourist service: personnel, facilities, atmosphere and tourists, and at the same time represents the instruments for its differentiation (4). The extent in which these decisive can contribute to creating the competitive position depends on destination type, respective the social-economic development level, topographic particularities, climate, culture and traditions, political system, special factors etc.

Bibliography:

1. Diaconu M., Hanciuc N., Iordache C.M., Touristic marketing, Publishing house Economic Independence, PiteSti, 2003
2. Iordache C. M., Tourism economy, Publishing house Economic Independence, Pitesti, 2008
3. Olteanu V., Services marketing, theory and practice, Publishing house Uranus, București, 1999
4. Payne A., The essence of services marketing, Prentice Hall International, 1993