

THE COMPETITIVENESS OF THE ROMANIAN TOURISM – A GHOST OR SUSTAINABLE REALITY?

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The integration of Romanian tourism into the European Union means making the economic activity more efficient in concordance with the natural and social environment. The tourism has the chance to develop freely without constraint from the limits imposed by the decision factors, as it happened in the cases of the agriculture and industry. The reduced competitiveness of the Romanian tourism in comparison with the member states of the European Union, even the new integrated states, can be improved through the adoption of a strategy which could establish very clearly the priorities towards which they would direct the financial resources allotted by the EU or by the state budget for the period 2007-2013.

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INTRODUCTION

The context of today's world, marked by the globalisation of phenomena and the acknowledgement of the interdependencies, has imposed new rules of the game: the prosperity of the nations meaning competitiveness on the international markets, and the companies integrated into the world chain of values. As a consequence, the problem of competitiveness has become a hot subject at the level of each actor on the economy scene, from the one of the economic regions to the one of each organisation. At the same time we can notice an evolution of the concept of competitiveness, that is the change from the static competitiveness where the advantage was given by the endowment with the technical factors, to the dynamic competitiveness whose factors are: the technical progress, the rise of the salaries and the modern methods of management, which have created the advantage to outrun the economic dimension: the growth of financial power and of the productive power of the country, the education, the security, the quality of life being all the components of the concept.

Being defined as the „degree to which a nation, in conditions of the free and honest market, can produce goods and services which can pass the trials of the international markets, managing at the same time to maintain and increase the real income of its citizens (Ph. Kotler, *The Marketing of Places*, Teora Publishing House, Bucharest, 2001, pg. 232): the competitiveness is thus a challenge which applies not only in the case of the nations but also in the case of all the regions and the cities/resorts in the world.

The competitiveness of a nation is influenced by the level of competitiveness realized at the level of each of the actors on the national economy scene. In other words, all the sectors of the national economy, and implicitly all the branches of national economy, all the organizations within each of the branches, contribute to the achievement of the competitiveness of a nation.

Thus, the productive sectors of the national economy contribute, through the increase of their competitiveness, to the increase of GP, of the VAT, while other branches contribute, through the enrolled activity, to the increase of the quality of life (health, tourism, culture, social assistance), to the formation of qualified work force (education), to the assurance of the efficient function of the justice, to the protection of the private property and of the citizen's safety.

In 2007, there were 760 millions tourists. In fifteen years there will be 1 milliard 760 millions. By generating considerable public incomes, tourism is one of the most important sectors and with the most rapid development in the national economy. But tourism is a special product.

The branch of tourism identifies with the accommodations: the national and international hotel chains as well as a lot of small companies, the majority being family businesses. The small and medium sized companies represent over 90% of the European tourism companies. The industry of tourism contains, as well, the destinations with their offers and their natural and cultural wealth, as well as professional tourist operators.

Globalisation, the promotion of a new destination, new technologies have changed the competitive environment of the European countries. Nowadays the most powerful instrument in the tourist promotion is the image of a country or of a region or of a tourist product. If we concentrate on the international dimension, the strategies for building an image or for the tourist promotion are:

- the creation of a new tourist image;
- the re-positioning of a traditional tourist destination;
- the creation of a degree of awareness within the competitive frame;
- the process of creation of the brand (which covers the regional/national level).

In the case of well-known destinations, the tourist promotion is planned and financed through the collaboration and the partnership between the public sector and the private one. This thing brings, first of all, more resources for promotion, which can be allotted using a strategy on a long term and from the perspective of marketing and communication, where the objectives and the targets are very well defined. The public-private partnership for the tourist promotion is a very important problem, because the majority of tourism companies are small and have the tendency to set for themselves shorter time horizons and to take individual decisions, while the objective should be to consider tourism within the bigger picture. This is a very important point in the involvement in activities of promotion and in the strengthening of the collaboration between the diverse actors in order to assure the participation of all the parties in this process.

The undertaken short analysis emphasizes the importance of the investment in the public relations through communication strategies which can contribute to the tourism development. The partnership and the promotion in the tourism industry must deal with the complex reality. On the one hand, the professionals/the specialists in promotion and partnership collaborates with the Coordination Institute (which represents the political, economic and productive forces) which has been established for the strategy of promotion, setting the main directions of communication, and on the other hand must take into consideration the many actors and a fragmentation of the companies: the achievement of the objectives of the strategic plan is not an easy task.

If there is not a development strategy for the implementation of a quality tourism, based on the sustained development, including a selective and planned construction of accommodation units and the reconstruction and the improvement of the already existent ones, the staged development of a supplementary offer (culture, sports, wealth, entertainment, recreation etc.), the development of family tourism, of the organisational and business tourism, activating the potentials of the whole territory, then successful results will not exist: the tourist sector must adopt a proactive attitude. And how can a tourism strategy promote the interests of all its participants on the basis of mutual advantages, how can it afford the challenges of globalisation, how can it plan new and successful strategies for the small and medium sized companies in tourism? How should a project be finalized by the promotion of the image of a country, of the Danube Bend, of the seaside, of some centres of recreation or some mountainous areas?

In the following, I will try to offer some solutions, which, in my opinion, are beneficial in such an attempt:

1. A project of promotion and of partnership must take into consideration all the interested entities (stakeholders) from the tourist branch. What are they? The accommodations, the tourist associations, the professional associations, the unions, the municipality, the local travel agencies, which work for the public departments, the Ministry and/or the National Committee for Tourism, the National Agencies for Tourism, the European Union (the Difficulties of adjustment to the external shocks at the global level, like the terrorism acts, prove to us one more time how important peace and the political stability are for tourism.). Without being aware of the relations between entrepreneurs, institutions and the public, it is impossible to initiate the planning of an efficient communication strategy

2. The market research is the essential tool which brings specific information, which not only offers a clear image of the actual state, but also offers the possibility of turning to quantity and quality researches of the tourist sector in discussion and of the trends in tourism in general. The SWOT analysis cannot miss from the promotion plan for tourism. It is advisable, in case there is not any, to create an observation point for the collection and the monitoring of the statistical data.

3. The strategic plan: the tourist sector, as a dynamic community, which consolidates the destination brand through Communication and public relations.

The first step, the internal communication: in order to complete this plan there is a fundamental condition: the consolidation of the partnership culture, the actors' information about the strategic plan and about its objectives as well as the indication of the positive aspects for the participants.

The second step: the use of promotion tools, starting with the relations with the media through press tours, and even study tours for the travel agencies, the collaboration with the National Council for Tourism, the promotion of the conferences about tourism, the organisation of meetings and events, especially at the most important holiday and tourism fairs, the participation in the promotion activities along with the tourist operators, the support for the advertising campaigns for the tourist image, in general, and for the specific products. The promotion of some quality and ecologic labels in order to increase the responsibility of businesses and of the consumers (tourism is an economic activity where there is a close relation between the suppliers of services and the consumers).

4. Last, but not least, there is the creation of a system of monitoring and evaluation with the purpose of checking the performances and the objectives achievement.

„Everything little is beautiful” says a very beautiful sentence, but in order to be and remain competitive, the small and medium sized tourist companies must connect to a bigger network. The collaboration and the partnership lead in a professional manner are the key elements for success.

The recent and the beneficial cooperation at the level of the European Union is relevant if it brings a plus of value. There have been identified three domains in which the actions of the European Union can bring a plus of value to the states member, including Romania. These are:

1. The improvement of the common statistical data bases – in order to offer correct information regarding the tourism industry – represents a precondition for the comparative analysis, for the exchange of ideas and experience and it addresses especially to the strategic problems from the tourist sector. One of the things already accomplished in this matter is the registration of the 10 destinations from Romania, among which there is the one we coordinated within the Pilot Project: „Drobeta – the Danube Bend – Ponoare”, a tourist triangle of excellence, won through competition, co-financed by the European Commission and the Government of Romania through the Ministry of Small and Medium Sized Companies, Commerce, Tourism and Professions – the General Direction for Development and International Relations (Dec. 2007 – June 2008), obtaining the Diploma of Excellence, as a result of the selection within the Project „European destinations of Excellence” with the topic „Tourism and the untouchable local heritage”. Following the project, the destination benefited from the free promotion within the tourism event from the country and from the ones organised at the European level, from a leaflet and a CD, where there have been presented the elements of tourist interest of the destination, that is Mehedinti County.

2. The focus on the comparative analysis in order to know in detail the tourist activities from the member countries and in this way to develop the quality of the definitions and of the indicators, by formulating a vision of the sustainable tourism.

3. The consolidation of the tourism policy integration within the other policies with which it has a connection. Tourism is a sector with a transversal nature and it is affected by numerous policies of the European Union, and numerous common efforts should often be focused on the horizontal nature problems. The economic growth from the following years should come from the implementation of the structural reforms and from the improvement of the conditions within the general frame for the citizens as well as for the companies in the European Union.

The last point on this list is situated at the centre of the discussions which take place at the level of the European Union. The problem is that if tourism had an own horizontal policy or if tourism were considered within the EU Treaty as one of the support domains, which could play a complementary role in the European Union for the member states.

Another example of cooperation at the European level is represented by the care for the protection against the commercial effects, which leads to the bankruptcy of the tour-operators, and they represent a great part of the tourist sector.

Even if there are national protection plans for consumers, hotel companies and their suppliers, the danger still exists and a mechanism must be implemented at the European level in order to respond to the special conditions, like the time differences, the distances and the various practices in doing business.

A number of factors are expected to have a major impact on the tourist transportation and on the competitiveness in Europe in the future: the diversity of the means of transportation plays an important role in the growth of the European and international tourism – the car being the most common means of transportation, followed by the air transport and the train.

We live in a world in which the economic growth has stimulated the demand for transportation – there is a great part of the population who travels, the journeys being shorter though, but more frequent. The transportation cost will always remain a decisive part of the global cost of the tourist product, the transportation being judged correctly by the terms of quality, profitability and safety. In many cases the preference for a means of transportation conditions the type of vacation and the destinations chosen by the tourists. The traffic jams and/or the delays may make them think twice before taking a decision.

The use of information technologies in the tourism sector may modernise and improve the efficiency of the tourist infrastructure and can promote an intelligent transportation. Also, the mobility can increase.

One of the most serious problems of European tourism is whether there should be a unitary promotion or not. This is not a political problem or an administrative one, in the sense that the only thing that politicians have to do is to put together the old plans with the new ones, to work together with other professional researchers and stakeholders and decide, from one case to another, if it is more useful/more efficient to promote the entire Europe, only certain parts from the continent or to offer governments the possibility and the support to achieve the promotion locally. In the last case, it is interesting to notice if the local governments are capable to promote the cultural or the natural resources common to more regions, or the realities of isolated regions. In one word, if they have the ability to act beyond their own competences.

Thus, the implications of the adhesion to the European Union which aims directly to the tourism in Romania are already visible:

- The tourist destinations competitiveness. Because there is not only one offer of services for the satisfaction of the tourist's needs, the competitiveness of a destination depends at a great extent on the quality of the different facilities which this one has to offer. As long as there are more tourist activities practised by the public institutions, the competitiveness of a destination depends on the good function of the partnership between the public and the private. The destination is as well the best level for the creation of cooperation networks between different offers of tourist products. Moreover, the Community supports a

number of actions which emphasise first of all the quality aspects; such actions include pilot projects for the preservation of the architectural heritage, the restoration of the European monuments and of the historic objectives (for example the European City of Culture, the case of Sibiu, declared European capital in 2008, fact that attracted many appreciated merits, the European cultural month and the Kaleidoscope project) in order to encourage cultural events and the activities with a European dimension involving participants from at least three member states.

- The number of foreign tourists from EU which visit Romania is possible to grow. Still this growth is unlikely to be spectacular and it must be seen as within the general tendency of tourism growth at a European level, but also in the context of promoting Romania within the member states manifested through the growth of the interest for a new country in the EU. We must take into account that in 2004 there was a great extension with 10 new member states, many of these are veritable tourist destinations – Cyprus, Malta, the Check Republic, Hungary or Poland.

- The competition growth at the level of destination as well as at the level of the tourism operators. As a holiday destination Romania will enter the competition with the new member states which entered EU in 2004. The tourism operators on the Romanian market will compete with any similar company from the unique European market.

The monitoring of the degree of Romania's tourist competitiveness is based on the data offered by the World Travel and Tourism Council (WTTC) within the so-called „Monitor of Competitiveness” elaborated in partnership with Christel de Hann Tourism and Travel Research Institute from the University of Nottingham – Great Britain. This Monitor of competitiveness is in fact an analytical framing which:

- offers a record of the policy indicators and of the evolutions which have an impact on the tourism industry and of the travels industry;

- compares the national statistics, the policies, the governmental engagements for 2009;

- indicates the efficiency of the national policies in order to attract direct foreign investments and the expenses of tourists on a competitive market;

- shows the importance of the strategic planning and the need for the tourism and travels industry to be included in the policies and the governmental decisions.

The competitiveness analysis in tourism is based on a series of 8 indexes – the index of price competitiveness, the index Human Tourism, the index of the infrastructure, the index of the environment, the index of technology, the index of human resources, the index of the opening, the social index – whose value on a scale from 0 to 100 shows the performance of each country in comparison to other countries. The 0 value represents the smallest value of the index, and the 100 value is the greatest. The data sources for these indicators are represented at a great extent by the development indicators elaborated by the World Bank, but also by the UNO and the WTTC reports.

Within the competitiveness analysis in tourism 8 countries close to Romania have been chosen as reference countries, considered competitor countries in tourism: Bulgaria, Croatia, Serbia and Montenegro, Hungary, the Check Republic, Slovakia, Poland and Ukraine.

If we calculate a simple average of the indexes value, supposing that all these have the same importance, we obtain a so-called „competitiveness environment index”. In conformity with this, Romania is clearly outrun in the competitiveness in tourism domain by countries like Hungary (78.44) and the Check Republic (74.47), but also by Bulgaria (68.57), Croatia (68.04), Poland (66.03) and Slovakia (62.84).

Romania is more competitive than some of the competitors in the domains of prices, of the environment, of the openness towards commerce and tourism and in the social domain, but less competitive in the technology domain, the human resources and the infrastructure:

- In comparison with Bulgaria, Romania is more competitive regarding the prices domain (the tariffs per room in hotels, in 2007; the parity index of the purchasing power; at the level of the taxes on tourism), infrastructure (only the roads and the railways – with superior indexes than Bulgaria), environment (fewer carbon dioxide emissions than Bulgaria, but a greater population density), technology (the high-tech exports), social (the newspapers and television sets indexes).

- In comparison with Croatia, Romania is more competitive regarding the prices domain (the taxes on tourism), environment (fewer carbon dioxide emissions than Croatia, but a greater population density), international openness (the taxes on the international commerce) and the social domain (the newspapers and television sets indexes). We must also mention that the analysis is incomplete because of the lack of data for the infrastructure and human tourism fields.

- In comparison with Serbia and Montenegro, the analysis of competitiveness is limited to two fields because of the lack of data: the technology field (Romania having a larger number of INTERNET users) and the international openness (visas and the taxes on international commerce).

- In comparison with Hungary, Romania is more competitive only regarding the prices field (the tariffs per room in hotels in 2004 and the taxes on tourism) and the social field (the television sets index).

- In comparison with Slovakia, Romania is more competitive only regarding the prices field (the tariffs per room in hotels in 2007), human tourism (the involvement of people in tourism), environment, technology

(the high-tech exports), the international openness (visas) and the social field (the newspapers and television sets indexes).

- In comparison with the Check Republic, Romania is more competitive only regarding the prices field (the tariffs per room in hotels in 2007 and the taxes on tourism) and the social field (the newspapers and television sets indexes).

- In comparison with Poland, Romania is more competitive only regarding the prices field (the tariffs per room in hotels in 2007 and the taxes on tourism), human tourism (the economic impact of tourism), technology (the high-tech exports), the international openness (the openness towards tourism index and the openness towards commerce index) and the social field (the television sets index).

- In comparison with Ukraine, Romania is more competitive regarding the prices domain (the tariffs per room in hotels, in 2007; the parity index of the purchase power; at the level of the taxes on tourism), human tourism (the population involvement in tourism), environment (fewer carbon dioxide emissions than Ukraine, but a greater population density), technology (the high-tech exports, the number of INTERNET users, the mobile phones), the international openness (visas, the taxes on the international commerce) and social (the newspapers and television sets indexes, the computers index, the human development index).

- The quality of the tourist product will become a decisive factor in order to respond the best to the tourists' needs and to cope with the competition.

- The tourists will be aware of their rights as consumers, the result of the European legislation regarding the conditions of the increase of tourist exigency towards the services offered.

- The protection of the environment and the sustainable development will condition the development of tourism. This is an imperative around which any new tourist assembly will gravitate.

- A great accent is set on the tourism development at a regional level in the context of the decentralising/regionalising tendency of the competences in the tourism field as an economic activity.

- The intensification of the cooperation between different tourism operators at the level of a tourism destination as a result of the creation of a partnership between the public and the private which is necessary for the access to the European finances as well as for offering a better competitiveness of the destination.

- The tourist marketing must constitute a priority at the level of the central authority (the National Authority for Tourism) as well as at the level of tourist destination and even at the level of each tourism operator. Image plays a very important role in the decision of choosing a holiday destination. Many of the European tourists still know very little about Romania, certain prejudices about our country still existing. The reasons for the holiday are very closely connected to images. People choose their holiday destinations if these match their reasons. The potential tourists from the member states must be convinced that their reasons to travel are satisfied in Romania, and in these conditions it is time for a strong marketing.

- The transparent access to the finances offered by the European Union will facilitate the tourism development and that of the infrastructure in the areas with tourism potential from Romania. Of course, this depends on Romania's capacity of „completing viable projects” for tourism, and the human resources play a very important part here.

On a short term the impact on tourism is not relevant. There is no guarantee that foreign tourists will be more interested in Romania once it has adhered to the EU, but only a chance that must be revaluated through the aggressive promotion in the member states markets, doubled by the offer of quality services. We must take into account the inadequate infrastructure in many regions of the country, the poor quality of the tourist services and, last but not least, the existing prejudices that the Occident has regarding our country.

On a medium and long term, if it knows how to use the opportunities offered by the quality of EU member, Romania could become a veritable tourist destination not only exclusively for the old member states, but also for the member states or not from the Central and Eastern Europe. It would be ideal to transform the GHOST into a sustainable reality, with professionalism and especially with tourist potential, even an exceptional one, and acknowledgement at the highest forums of the European and world tourism field.

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