

# MEASURES AND INITIATIVES ADOPTED TO MANAGE AND DEVELOP TOURISM ACTIVITY IN THE UE MEMBER STATES

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## *Abstract*

*The paper presents measures adopted to manage and develop tourism activity by the UE member states as: Croatia, Germany, Greece, Hungary, Denmark, Italy, Ireland, Malta, Spain and Romania.*

*Key words: measures, seasonality, demand, tourism activity*

*JEL Classification: M29*

## **Current position of tourism in the World and Europe**

Latest data from UNWTO was presented; in 2009 to July, we have seen a 7% decline on 2008 in worldwide tourism, whereas Europe has seen a 9% decline.

The UNWTO Resilience Committee is focusing on three main areas: market intelligence, stimulus measures and the green economy. It was noted that the downturn has identified the underlying weaknesses and threats which should be tackled if we are to ensure the long term competitiveness of tourism in Europe. In particular, we need to undertake work on product development, sustainability and to increase the marketing of tourism towards Europe<sup>278</sup>.

## **Measures taken in tourism to reduce the seasonality of demand**

### **Croatia**

One of the key problems of Croatian tourism is seasonality. In the period from June to September 86% of total overnight stays are realised and 62% in the two peak summer months. The reasons for outstanding seasonality are focusing to the one main product 'sea and sun', adverse structure and quality of tourism offer and its concentration in the coastal region of the country. Steps to ease seasonality are mainly connected to raising the quality of tourism supply and thus higher usage of accommodation, focusing on diverse segment of tourist's demand as well as to diversification of tourist products that are not closely related to the summer period such as spa and wellness tourism, urban tourism, wine roads and traditional dishes, excursion routes and national parks etc. Relevant documents are: The Development Strategy of Croatian Tourism by 2010 and Ordinance on Classification and Hospitality Facilities Categorization.

### **Germany**

The Federal Government's Commissioner for Tourism advocates staggering the school summer holidays in the Länder, in order to bring about a broader utilisation of available capacity in the hotel and restaurant sector.

### **Greece**

An important purpose of the Ministry of Tourism is to mitigate seasonality in tourist demand. In order to succeed, it seeks to enrich and diversify the tourism product through special forms of

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<sup>278</sup> UNWTO, Eu Tourism and the Economic Downturn: new Opportunities for a Sustainable Prosperous Future?, 8 th European Tourism Forum, Brussels / Belgium 9 th October 2009.

tourism. The Ministry aims in particular at nine sectors of specialised tourism products (Seaside, Sea, Cultural, MICE, Rural, Health and Wellness, Luxury and “City Break” Tourism). The overall aim is to offer a variety of options concerning the Greek tourism product, penetrate into as many and different markets as possible as well as set an influential tourism pattern, confirming the country’s capability to meet the expectations of visitors with varied motives and multiple demands.

This differentiation of the tourism product aims at the sustainability of enterprises which have completed 12 months of operation. The main objective is to improve quality in all domains (services, tourist infrastructure, visitors) which will help upgrade the international presence of Greece (new markets, enhancement of traditional markets) and will guarantee the conditions for bigger investments.

## **Hungary**

In the National Development Plan until 2013 1.197 billion EUR can be spent for tourism development as indicated in point 2.5, mainly for tourism attraction development, accommodation development and for the establishment of destination management system. The developments contribute to the establishment of high quality tourism services and widening the tourism offer throughout the whole year.

In the priority tourism product development areas detailed substrategies are established outlining the major aims and development measures. A substrategy has been already elaborated in health and spa tourism, ecotourism and equestrian tourism development. A cultural and a youth tourism one is under development. These strategies serve partly quality development of the main tourism products, partly to decreasing the seasonality through widening the product offers throughout the whole year. It gives guidelines to the evaluation of applications for funding of developments and supports co-operation between the governmental bodies and industry organisations.

One of the main objectives of the Hungarian National Tourist Office is to reduce the seasonality of inbound and domestic demand in order to help the sustainability of the sector. Some major marketing actions in co-operation with the service providers also contribute to decreasing the seasonality. In the field of inbound tourism, the most successful measure has been the Budapest Winter Invitation campaign that aims at inviting tourists to Budapest off the high season: between the 1<sup>st</sup> of November and the 31<sup>st</sup> of March. This is the third year of this campaign that attracts more and more visitors to the Hungarian capital while more and more hotels and other service providers join the campaign. What refers to domestic tourism, the Hungarian National Tourist Office has several initiatives with the regions and service providers (for example 2=3 or 3=4 nights in hotels) to help reducing seasonality in the framework of the so called thematic years (2006: the Year of Gastronomy, 2007: the Year of Ecotourism, 2008 the Year of Water tourism, 2009: the Year of Cultural Tourism, 2010: the Year of Festivals). Through thematic year promotions the HNTTO promotes a specific product through the whole year by this generating demand towards certain tourism products all over the year.

The promotion of off-season mega events like Budapest Spring Festival also contribute to decreasing seasonality. The HNTTO also stimulates the utilization of the holiday cheques for domestic travelling which also contributes to decreasing seasonality. The HNTTO has developed the national tourism database as a united source of tourism information to public and professionals which makes the all year round events available.

The first results of developments can be measured as regards the seasonality. Even though the average stay of tourists did not change in 2007, the share of the first 4 months in the total demand increased by 5 %.

## **Denmark**

In 2006 VisitDenmark initiated the project “All-year tourism” with the aim of developing strong tourist destinations and attracting more tourists off-season. The project is supposed to support innovation, co-operation and growth in Danish tourism and focuses on product development (accommodation facilities, attractions, general tourism offers and experiences, tourism service infrastructure etc.) and branding. Seven destinations through-out the country have been chosen as “all-year destinations” and a few might be added. VisitDenmark is responsible for the project management, including the planning of workshops and seminars, study tours etc. In January 2009 the seven destinations have finished their implementation plans for their development 2009-2015. The project will continue throughout 2009 with a focus on strategic organisational development (DMOs), target group oriented product and experience development and strategic marketing.

## **Italy**

Face to the current economic downturn, the Secretary of State for tourism signed in January 2009 a decree on “holidays vouchers” to benefit low income families. Vouchers can be used from the 6<sup>th</sup> of January until the first week of July, and from the first week of September until the 20<sup>th</sup> of December. The amount granted covers between 20% and 45% of the average family expense for holidays, calculated according to several criteria, such as annual income and number of persons in the family.

## **Ireland**

The tourism agencies have been working with industry for a number of years to encourage tourism in the non-peak season, in particular by offering good value packages at these times. A National Conference Centre is due to open in 2010. A number of conferences have already been secured in the off-peak season and strategies are being implemented to grow this business. A new Cultural Tourism Initiative should encourage visitors outside of the peak season.

## **Malta**

One of the main objectives of the National Tourism Policy is to reduce seasonality, though it is acknowledged that tourism activity is by its own nature seasonal.

Product improvement projects are being developed aimed at encouraging tourists to visit and experience the different localities during their stay on our islands. This will help to achieve a fairer distribution of income and increase employment throughout the islands whilst alleviating some of the pressure off the more visited sites and locations.

**Cruising** – Government will continue its efforts at promoting Malta as a ‘cruise and fly’ destination. Cruise passenger visitors are potential tourists. Investment in artistic projects will be undertaken to ensure the possibility of providing a local art experience to the tourist. The sister island of Gozo may be promoted with operators of clippers (small cruise ships carrying less than 1000 visitors). These will visit Gozo and Malta. Travelling in smaller numbers but providing a higher yield, these tourists are more attractive for Gozo. Government will make the necessary investments in order to have offshore berthing facilities.

**Strengthening short breaks** – Government will continue to maintain and promote a national calendar of events. Various measures are being taken aimed at attracting low cost airlines to operate to and from Malta thereby increasing the number of short-stay holidays in Malta. Government will continue supporting events that add value to the visitor’s stay in Malta.

**Relaxation** – In the last couple of years a number of hotels have invested in health and spa facilities in order to market Malta for this emerging market. These facilities provide an added-value for short break holidays.

**Medical Holidays** – Government will continue supporting private institutions interested in developing this niche. Private hospitals are working with international organizations in order to

obtain permits to be able to carry out medical procedures on their behalf. Marketing efforts are underway to support these initiatives.

**Wedding Holidays** – The related product and services are continuously being refined to offer a memorable experience to the growing number of foreign spouses who are deciding to get married in Malta.

Our policy is to ensure that marketing, product development, human resource development and quality assured initiatives are well co-ordinated and integrated to ensure that the identified segments continue to develop and result in a positive economic and social contribution to Malta and Gozo.

## **Spain**

The model of action used in most tourist destinations has hitherto been marked by a two-pronged approach of standardisation and diversification. These concepts must be replaced by specialisation and differentiation in response to the new challenges facing the sector. This will inevitably have an impact not only on the setting of priorities for action but also on the content of the actions to be implemented.

### **Actions to support the design and planning of tourism products**

The aim of developing the reference methods for designing and planning tourism products is to provide support to the tourist destinations that need it, so that actions can be appropriately defined and implemented in order for these destinations to be able to achieve the required level of specialisation and differentiation.

The most important actions that will be carried out or promoted relate to the following areas:

- The planning, organisation and management of the specialist product.
- A manual for the specialist tourism product.
- The creation of a specialist product club and/or specialist tourism association at national level.
- A tourism product observatory - scorecard.
- Comparative analysis with the leading international specialist destinations.
- Fostering innovation with regard to tourism products.
- Destination specialisation
- A model signposting system – homogenisation.
- Marketing and commercialisation of the specialist tourism product.
- Marketing and commercialisation model for the specialist tourism product.
- Guidelines on the image and positioning of the specialist tourism product.
- Customer service and information model for dealing with tourists in the destination.
- Internet presence and online marketing.
- Loyalty to the specialist demand.

## **Romania**

There are 3 programmes developed for extending the season by offering low price tourist packages for holidays taken in spring and autumn: “The Sea Coast for Everybody”, elaborated by ANAT - the National Association of Travel Agencies and Tour Operators, “A Holiday in the Countryside” elaborated by ANTREC - the National Association for Rural, Ecologic and Cultural Tourism, and a “A Week of Recovery in Spas” and the “Spa Decade”, elaborated by OPTBR -the National Association for Spa Tourism.

## **Conclusions**

This measure provides Member States with an opportunity to outline specific initiatives and policies that are or are going to be adopted to manage and develop tourism activity in ways which respond to the key challenges of the Agenda and which fall within the six main aims of the Agenda itself.

### **1 Economic prosperity**

To ensure the long term competitiveness, viability and prosperity of tourism enterprises and destinations.

To provide quality employment opportunities, offering fair pay and conditions for all employees and avoiding all forms of discrimination.

### **2 Social equity and cohesion**

To enhance the quality of life of local communities through tourism, and engage them in its planning and management

To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, religion, disability or in other ways.

### **3 Environmental and cultural protection**

To minimise pollution and degradation of the global and local environment and the use of scarce resources by tourism activities.

To maintain and strengthen cultural richness and biodiversity and contribute to their appreciation and conservation.

Due to the crisis, competitiveness of the industry has come more into the picture. Different elements such as sustainability, branding or diversification strategies receive more attention than before the crisis.

Improving competitiveness has to be achieved, firstly, by improving price/quality standards and, in a second stage, by implementing sustainable development process.

Emerging markets (e.g. China, India) constitute new market opportunities for the european tourism and hospitality sector. However, the current visa policies should be facilitated. Training is being organised to facilitate the hosting of these new giests with different cultures.

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