

THE PERFORMANCE OF TOURISM AS A TOOL OF DEVELOPMENT FOR BRASOV REGION

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Abstract: *Tourism is a strategic economic activity in Brasov, its importance in the local and national economy being likely to grow in the next few years. Tourism is now one of the world's largest industries and one of its fastest growing economic sectors.*

This paper is aimed at analysing the tendencies in tourism over the past five years in Brasov, observing the evolutions and suggesting some viable solutions for this region to become and remain a successful tourism destination in the future.

The measurement of tourism activity from the perspective of the consumption of visitors entails the estimation of the observation units – trip, visitor and travel party – and their corresponding characteristics. Tourism is a consumer of cultural and natural resources, direct and indirect services, being a source of services in turn. A significant part of the Brasov region abounds in natural and anthropic tourism resources, which makes it possible that an increasing flow of both national and international travellers should be drawn by tourism development, while new towns may appear and flourish as tourism resort.

In the case of Brasov region, the main reflection topic should be focused on the difference between the expected performance – the regional resources and the geographic position. As an absolute and also relative value in GDP, in the last few years, the Romanian tourism achieved performances which place it in the second half of the classifications related to Europe.

The contribution of tourism activity to the general economic development in Romania shows that tourism may act as an impetus for the global economic system. This implies the specific demand of technologies, goods, and services produced by various economic branches should be met.

Brasov area has a diversity of natural tourist resources and cultural assets of a great historical, architectural, and artistic value, those distinguish it from other areas. An accurate estimation of tourist potential elements requires a qualitative and quantitative system of criteria. Tourism favours the local utilization of several resources, of the labour market, for instance, contributing to its stabilization by diminishing the migration process towards the urban areas.

Keywords: *tourism, system of indicators, accommodation, performance, analyse.*

JEL Classification: *M 10, M 20.*

1. Introduction Tourism is a service sector with a particularly complex product which depends on an extremely fragmented supply. Each link in the chain (hoteliers, travel agencies, tour operators, restaurateurs) offers one element in the overall product. Together, these components determine tourists' experiences and their appreciation of the quality of the service. (Tassiopoulos, 2008).

The industry and services in Brasov

After the industrial decline in 1999, similar with the national tendency an industry relaunching happened in the year 2000. The industrial output has dropped in the last period due the following factors:

- The low capacity of adaptation to the modifications occurring in the structure of the home and foreign markets
- Strong undercapitalization due to inflation rise, sharp devaluation of the national currency, low investments volume, etc.
- Slow rate of privatization and restructuring
- Unsteady and incoherent legislative framework that did not stimulate foreign and home capital investment.

The construction sector is well represented at regional level. The industrial building sites have proven their experience in the framework of broad projects, by building dwellings, commercial centres, hospitals, education institutions, etc. A similar ambitious project was started in Brasov in 2011, called Airport Brasov.

In the field of services we can identify a decrease tendency that can be notices both at regional and national level in the recent period of time, with the mention that in the region the lowering rate has decreased from year to year. The weight of occupied population in services against region total is 29,60%, value that is extremely low when reported with the weight owned of this sector in UE regions.

This sector is characterized by:

- a strong concentration in the developed centres of the region, while in the rest of the territory it has a very low weight;
- Focusing on commerce and restaurant activities, and the services supplied directly to the population are insufficient and of poor quality.
- Tourism services that are not capitalized at the level of the existing potential;
- The advisory services that are insufficiently promoted;
- The health and social assistance services that are under the quality standards;

The activities concerned to ware and passenger transport have followed two baselines:

- Railway transport is still under state ownership and was subject to restructuring at the level of regional subsidiaries, to update the existing infrastructure;
- Road transport has particularly developed in the private sector, as ware and passenger transport companies were established and organized in an up-to-date and efficient manner.

Taking into account that tourism activity influences the use of the labor force from other sectors of the economy such as agriculture, food industry, light industry, construction, and that each job in the tourism generates one to three indirect and induced jobs, it highlights the need to develop stronger tourism activity in Romania and increasing its role in the national economy (Mihalache, 2011).

2. The evolution of tourism in Brasov during 2007 - 2011

Brasov County is one of the counties with an enviable heritage and natural history, but that is not valued as it should be. Although the largest share of total tourist accommodation capacity in operation in the Romania, over the five years, has the Constanta County, Brasov County is following the share of total accommodation capacity in the country. Its advantage is that the accommodation capacity can be used in all seasons. It is interesting to follow the evolution of the accommodation

capacity and the number of tourist facilities, the types of units in order to determine a prognosis closer to reality as the development of tourism in Brasov.

Table 1 Establishments of tourist reception with functions of tourists' accommodation

Tourist accommodation structures	2007	2008	2009	2010	2011
Hotels and motels	42	37	42	47	55
Tourist chalets	27	24	19	21	13
Campgrounds	2	2	1	2	2
Villas and bungalows	60	59	52	64	67
Camps for students and preschool children	7	7	7	3	1
Urban guesthouses	84	87	119	82	107
Rural guesthouses	114	121	121	211	155
Holiday villages	1	1	1	1	2
Total	337	338	362	431	403

Source: National Institute of Statistics

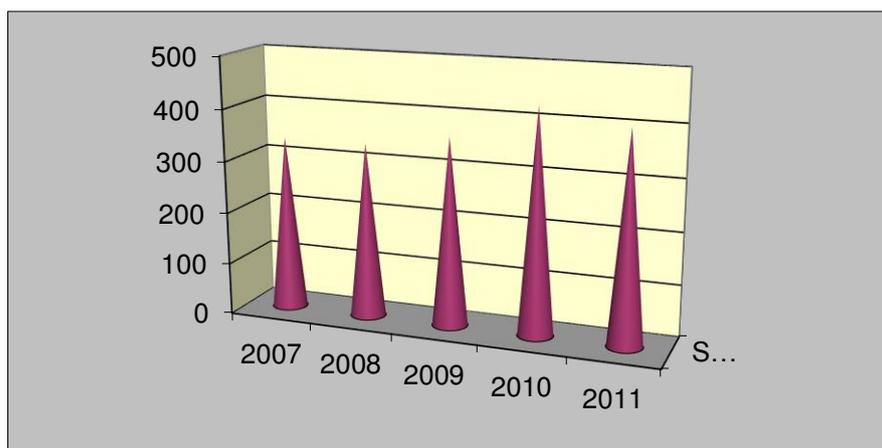


Figure 1 - Evolution of the total number of tourist accommodation – Made by the author

Source: National Institute of Statistics

It can be observed that in the years 2007 – 2011, in Brasov, the overall number of tourist accommodation structures with functions of accommodation had an increasing trend (with 66 units), their number decreased in the last year by 28 (403 in 2008 compared 431 in 2010). Were put into operation new hotels, motels, villas and bungalows, increased number of urban hostels, however, the number of guesthouses, after a steep increase from 114 in 2007 to 211 in 2010, in 2011 a decrease from 155 to 56 units. Also it is noted a decrease in the number of tourist chalets (from 27 in 2007 to 13 in 2011) and camps for students and preschoolers. However, increasing the capacity of accommodation in Brasov in 2011 compared to 2007 is approximately 20%.

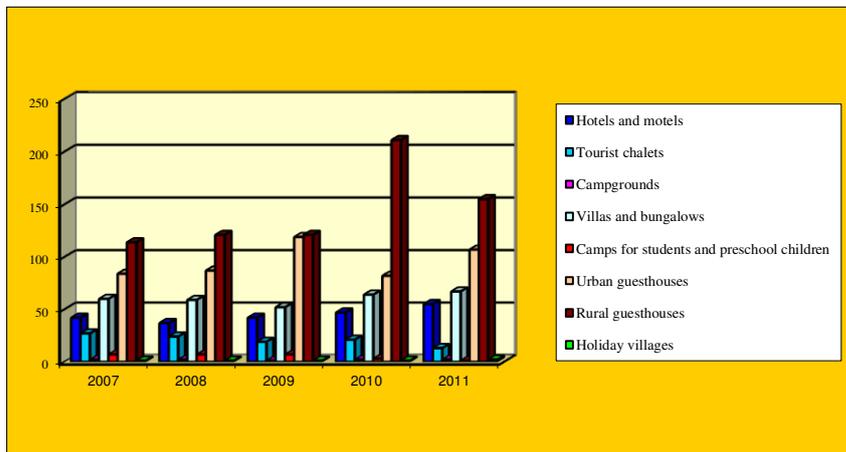


Figure 2 - The evolution of the types of accommodation in Brasov, during 2007 – 2011 – Made by the author
Source: National Institute of Statistics

Accommodation capacity has fared similar to the tourist reception structures, an increase of 14.5% in 2011 compared to 2007. There was a decrease during the period in 2008 when the number of accommodation decreased from 10.513 to 9.528 (a difference of 985), but the following year began to rise again, reaching a total of 12,037 in 2011.

Table 2 - Evolution accommodation capacity in Brasov during 2007 – 2011

Year	2007	2008	2009	2010	2011
The accommodation capacity	10.513	9.528	10.007	11.380	12.037

Source: National Institute of Statistics

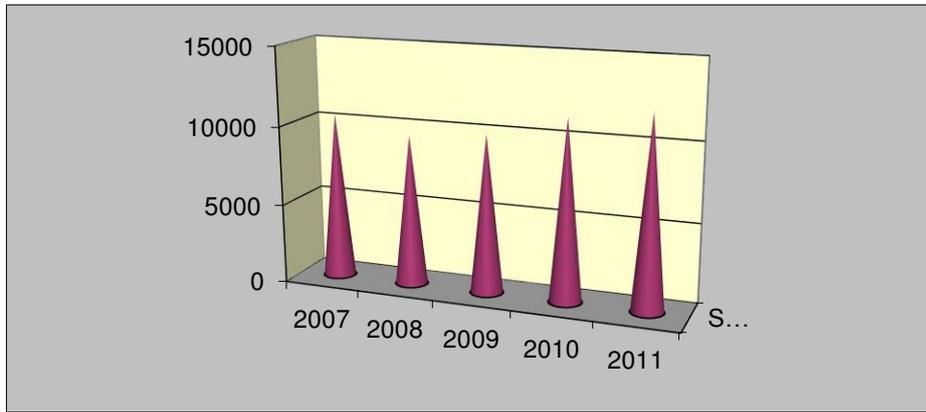


Figure 3 - Trend of accommodation during 2007 – 2011 – Made by the author
Source: National Institute of Statistics

It can be observed the same trend of growth and in terms of arrivals in tourist accommodation structures, with a decrease in 2008, followed by an increase in the next years. From 2008 to 2010 there is an increase in the number of arrivals by 45,5% and in 2011 came to 36,6% more tourists than in 2007.

Table 3 – Arrivals in the establishments of tourists' reception with functions of accommodation

Year	2007	2008	2009	2010	2011
Number of persons	328.000	290.000	325.000	422.000	448.000

Source: National Institute of Statistics

Table 4 - Number of overnight stays in the establishments with accommodation functions in Brasov during 2007 – 2011

Year	2007	2008	2009	2010	2011
Number of persons	885.000	779.000	823.000	961.000	1.000.000

Source: National Institute of Statistics

Number of overnight stays, according to statistics, in the period under review increased by 13%, had a period of decline in 2008, as the number of arrivals. Overall, the net use index of tourist accommodation capacity, determined as the ratio between the number of nights and number of places-days tourist capacity was in Brasov in the 2007 – 2011 lower than the national average (and so pretty lower) and lower than the average in the region VII Centre. This is a real warning to taking action for revival of tourism in Brasov.

Table 5 – The net use index of accommodation places (%)

Year	2007	2008	2009	2010	2011
Brasov County	23,1	23,6	22,5	24,6	23,7

Source: National Institute of Statistics

The biggest tourist capacity utilization index in operation was recorded in 2010 (24,6%) compared to previous years (23,1% in 2007, 23,6% in 2008, 22,5% in 2009 and 23,7% in 2011).

3. The accommodation structures in Brasov

Table 6 - Accommodation structures in Brasov

Hotel / Guest house	Classification	No. of rooms	Conference room	Restaurant	Price / double room (euro)
Aro Palace	****	117	200	x	140
Casa Craița	****	8	-	x	60
Casa Țepeș	****	5	-	-	60
Curtea Brașov	****	14	20	-	55
Memo	****	6	-	x	60
Ambient	***	14	x	x	50
Ana Maria	***	7	20	-	45
Brașov	***	18	40	-	50
Capitol	***	183	-	x	48
Casa Mureșan	***	18	30	x	45
Flamingo	***	8	-	-	45
Montana	***	8	-	-	50
Kronstadt	***	14	-	x	50
Leo	***	12	-	x	48

Muri	***	10	15	x	40
Ned	***	42	-	x	45
Pompi	***	6	15	x	45
Simona	***	5	-	-	40
Sofie	***	18	30	x	40
Stejeriș	***	12	-	x	45
Warte	***	14	-	-	50
Ada Belle	**	14	30	x	30
Silvana	**	6	-	-	25
Coroana	**	76	-	x	40
Helis	**	20	-	x	50
Aro Sport	*	34	-	-	10
Postăvarul	*	63	-	x	20
Stadion	*	18	-	x	20
Tâmpa	*	43	-	x	25
Trifan	*	9	-	x	30

Made by the author

The analysis of the degree distribution of the stars we can see that classification most hotels in Brasov are classified with the 3 – star levels (53%). This reality actually pursues European tourism market trends and national default. Most hotels in major cities have a high three-star comfort, a trend that is reflected in the evolution expected for the next years. That kind of hotel has as tourist's model: businessmen, tourist groups, middle class families, etc.

The distribution of hotels in Brasov

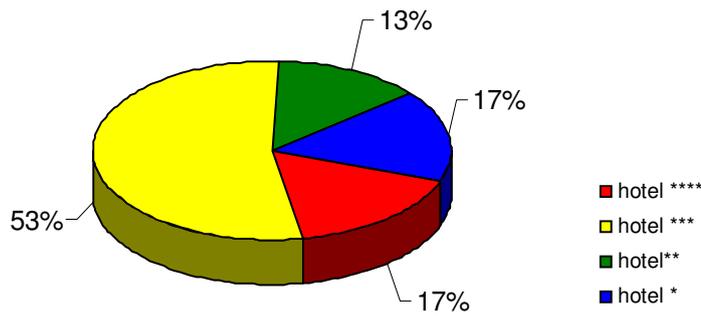


Figure 4 – The distribution of hotels in Brasov – Made by the author
Source: National Institute of Statistics

Regarding the distribution of the conference rooms in hotels, it can be notice that about a quarter of them have conference rooms equipped properly. The trend at the level of providers is to create such spaces considering that the business tourism is in full development. This form of action in tourism is becoming more profitable because of their high load hospitality, services ordered and consumed (conference rooms, catering, entertainment, etc.). In generally conference participants personally do not support the costs of accommodation and meals; those are paid by companies, who sometimes have impressive budgets for these events.

Analyzing the distribution of accommodation units that have their own restaurants, it is observed that about 40% of them have dining rooms. This is a normal situation, considering that many of the accommodation units have a limited number of rooms, which do not justify setting up catering facilities. Hotels with more than 20 rooms have catering facilities.

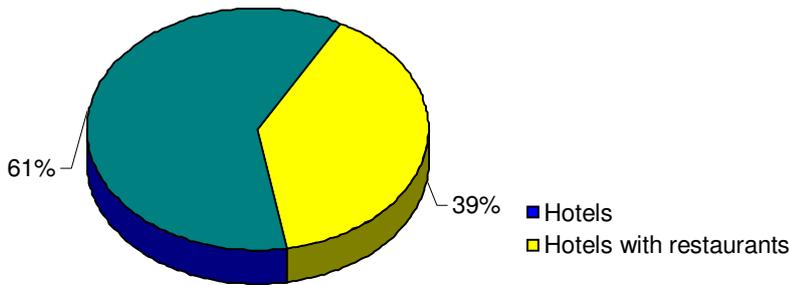


Figure 5 - The distribution of hotels with restaurant/ hotels in Brasov – Made by the author
Source: National Institute of Statistics

By analyzing the size the accommodation units of Brasov *are withdrawn* the following conclusions 33% of them are sized up to 10 rooms, 39% between 10 and 20 rooms. The rest are units with no more than 20 rooms. This shows that 72% of accommodation units in Brasov are small size, generally family hotels. Relatively low capacity of the accommodation is generally particularly high value of the investment in the hospitality industry. As a positive factor sizing to a small number of rooms allows for better adaptation to market requirements. Underdimensionnement for accommodation capacity creates inconvenience, especially in the case of larger groups.

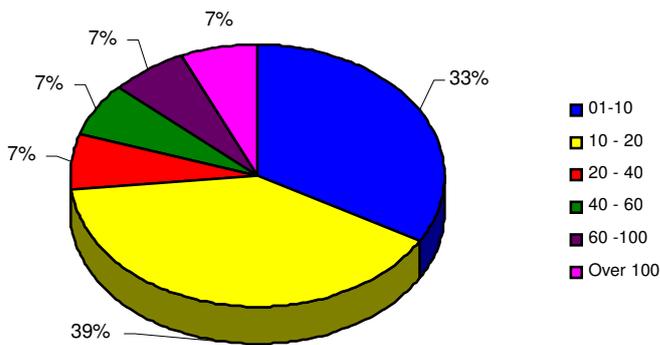


Figure 6 - Percentage representation of the size of the accommodation units in Brasov – Made by the author
Source: National Institute of Statistics

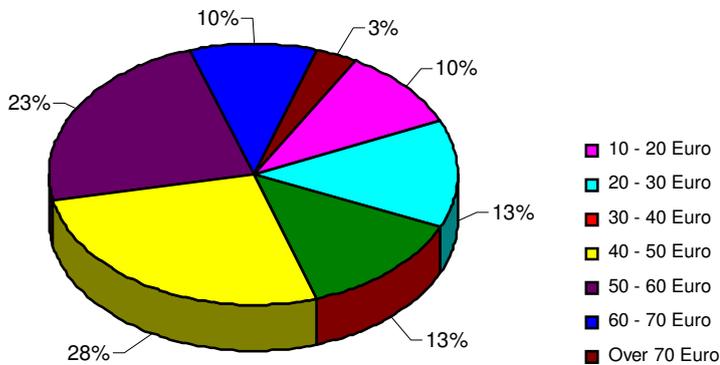


Figure 6 – Percentage representation of charges in hotels – Made by the author
Source: National Institute of Statistics

Analysis applied tariffs at the reception show off those overall margin price 3-star establishments in the range of 40-60 Euro price / night for double room. This is an acceptable price by consumers being practiced within both national and European level.

4. Conclusions

Brasov tourism market is growing, so one could say the same about the types of tourism products, so investment in this area are welcome and can be effective. The tourist offer should be based on developing a marketing mix to be based on a correct segmentation of the target market; a complex product policy and adapted to expectations of potential customers; attractive pricing strategies, standard distribution policies and especially communication and promotion policy aimed at achieving direct feed-back communication with the target market. Prices / rates should take into account, on the one hand, the specificity and the financial interests of companies and, on the other hand, the strategies adopted by companies / travel agencies competing both directly and indirectly. It required a special approach market for individuals because it particularities both domestic and foreign markets, while improving market approach where the majority of business customers are more features. It is necessary to enhancement of the positive image that has the Brasov area, including the external market, while trying to create loyalty for the significant customers by using public relations techniques.

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