

Chapter 6 : STRUCTURAL FRAMEWORK

Global competitiveness and tourism concentration creates numerous challenges and problems in the creation of consumer loyalty and sustainable competitive advantage in the tourism product market. The problems are evident in demand management and creation of unique image of a particular tourist destination. Involvement of a great number of different organizations in creation and marketing of tourism products of a tourist destination makes it difficult to align their different interests and aims. On the other side, these organizations enter different kinds of partnerships for the purpose of achieving individual and mutual effects. Balancing the strategic aims of stakeholders and increasing total economic benefits are the most important objectives of the strategic marketing of a destination.

This involves value creation for all participating partners through development of integrated marketing that contributes to the creation and advancement of attraction and unique image of a destination. Tourism, as an economic activity, has a growing importance for the development of not only a particular region, but also national economy as a whole. This is an area of increasing development. According to UNWTO data (www.unwto.org) in the last 50 years

Holistic marketing of a tourist destination is viewed as a strategic approach. The development of holistic marketing of a tourist destination enables tourism workers efficient utilization of resources and capability for undertaking rational actions that contribute to the realization of strategic aims.

Managing a tourist destination, under contemporary conditions, is based on a strategic approach according to which providing innovative and well co-ordinated tourism products is therefore exceedingly important for tourism regions.

Producing innovative and specialised tourism products will enable destinations to attract intentional demand and to differentiate their products. Destination product differentiation is based on the research and recognition of unique tourist needs for a tourist destination as a specific geographic and socio-cultural region. Tourist satisfaction measurement becomes an important standard of strategic control and business success. The key marketing aim is generating satisfaction of tourists and satisfactions among interacting tourists and hosts, and not the increase of the number of tourists and consumption of tourism as a commodity. It must adopt societal marketing strategies. It is also important to monitor continually host reactions to tourists, for host – tourist interaction is an important component of the tourist experience and being aware that infrastructure development of tourism resort areas has implications for the types of tourists that will be attracted (Ryan, 1997).

The image of a destination comprises two connected components: perceptive assessment related to knowledge and personal beliefs (of tourists) and emotional assessment related to the emotions of individuals regarding a particular destination (Kotler, 2006). These components together create the image in the eyes of tourists, which is the basis for next choices and passing on to others. Tourist overall experience is composed of numerous small encounters with a variety of tourism principals (such as taxi drivers, hoteliers, waiters), as well as with elements of the local attractions (such as museums, theatres, beaches, theme parks, etc). Their overall impression develops their image of a destination after their visit. As a consequence there is overlapping between strategic marketing of a destination and each individual supplier in the region. Therefore, there is overlapping between strategic marketing of the destination as a whole and of each individual supplier in the region. Their competitiveness is, on one side, interrelated, but very different on the other.

The image of a destination represents the essence of its value that management has managed to use for the creation of a favourable market position. In order to be a source of competitive advantage, the image must be unique for the creation of a stable and strong impact on consumers in the process of decision making about buying. The whole image is the result of the combination of tangible and non-tangible elements used for the creation of a wanted image on the market: attractive, functional, tangible and organizational (Jovičić, 2000). Attractive elements are the objects and space parts that have utility value since they satisfy the needs of tourists. These motives can be natural (climate, flora, fauna) and anthropogenic (cultural and historic heritage, fares, manifestations, festivities).

Functional elements are development forms of tourist circulation (recreation, cultural and mountain tourism, excursions) that reflect socio-economic and space characteristics of tourism. Tangible elements comprise different types of services in tourist circulation, which form the material basis of circulation which form the basis of tourism in the destination.

Planning of tangible elements is in direct connection with the functional elements of a destination. Organizational elements represent a system of measures for optimal development and alignment of heterogeneous aims of tourism in the destination (regulations, cadre, promotion activities).

If consumer perception of a destination creates delight, consumers are ready to pay premium price. Therefore, local resources and their sustainability become a central asset for destinations and tourism suppliers. On the other side, destinations may involve demarketing i.e., the discouragement of certain market segments from visiting the destination during certain periods, through a range of prohibitive measures or by charging premium prices. For example, Venice, which deters more visitors by charging premium prices for all services offered and recently initiated negative advertisement to reduce mass tourism. Some towns aim to attract only visitors who contribute little to the local economy by controlling their parking processes, etc.

Competitiveness of a tourist destination depends on its distinctive capabilities. Image represents an important distinctive capability of a destination. It supposes a set of attributes stemming from past actions, i.e. set of expectations and perceptions of potential tourists towards a destination. Respectable image and reputation ensure the creation of satisfaction and loyalty of tourists, broadening of positive attitudes and attracting new ones, the possibility of reaching premium price, creation of satisfaction and loyalty of employees, favourable assessment by financial institutions, etc. The degree of tourist satisfaction is the most important result of recognizable and unique image of a destination. It is created as a result of the assessment of perceived total experience towards anticipated expectations and perceptions.

Creation of good and recognizable reputation is a result of investing in numerous activities, the aim of which is the creation of a wanted image in the consciousness of all key constituents of an enterprise. Sustainability of local resources becomes one of the most important elements of the image of a destination. The conception of sustainable development needs marketing approach oriented towards environment and socially responsible development. In programming marketing instrument, it is necessary to start with the protection of consumer interests, environmental protection and control of available resources (social marketing). The development of marketing strategy of a tourist destination demands identification of building long term competitive advantage of a tourist destination and strategic positioning of a tourism product for the purpose of achieving strategic aims and unique image that is increasingly based on creation and delivery of superior value