

# Public Financing of Tourism Organisations: A Conceptual Approach

Egon Smeral

## **Abstract**

The state can improve market results by promoting tourism marketing efforts in the context of a liberal economic policy to compensate for market failures and/or high transaction costs. For those reasons public funds flow into national and regional tourism organisations (NTOs and RTOs) established to co-ordinate and market tourism products and destinations. The existence of market failures and transaction costs justify state intervention. But a state measure is useful only when it produces an improvement in the overall economic welfare (i. e. satisfies the sufficiency condition), which is evidenced by fundamental empirical indicators.

**Keywords:** public funding of NTOs/RTOs, market failures, transaction costs, economic welfare, Pareto-optimal.

# New ways for Public-Private Partnerships to Meet Challenges at the Destinations in Hungary

Andrea Nemes

## **Abstract**

This paper aims at presenting the development of destination management system in Hungary in the last years and its future. It seeks to broach the issue of the different levels of the destination management organisations and how the Hungarian government tries to boost the development of them

The paper is intended to provide an overview of the today's situation, and to analyse its services in a competitive, changing environment and the role of the government in this process.

The paper is a case study which was elaborated for the destination management organisation / system in Hungary based on secondary and primary sources. The data consists of statistics, interviews, surveys and other documents.

Nowadays it seems to be the only way for the tourist destinations in Hungary to reengineer public tourist offices in a destination and to develop new types of destination management organisation at the local, micro-regional, and regional level to act competitive, to make innovations and to improve the level of their services.

It summarizes the basic information's, and previews ongoing innovations to the state of the art level of destination management organisations in Hungary.

**Keywords:** destination management organisations, competitiveness, tourism in Hungary, product development, life cycle of destinations, stakeholders, Hungary.

# Marketing and Sustainable Tourism in Alpine Destinations

Katarzyna Klimek, Miriam Scaglione, Roland Schegg, Rafael Matos

## **Abstract**

On the one hand, sustainable management and conservation of natural resources and cultural heritage are important tasks for local and regional destination management organizations (DMO). On the other hand, climate change, environmental issues and social welfare are increasing the demand of the “21st century tourist” for an ecological and “green” life-style. Green destinations and holidays are becoming trendy and are requested by different market segments. The segment of “post-modern tourists” is more experienced and sophisticated than those of preceding generations. Their awareness of environmental, economic and social problems brought about by increasingly intensive tourism activity makes them more in tune with the challenges that Alpine DMOs have nowadays. They seek good tradeoffs between price and service, and the development of e-tourism offers them an excellent platform in travel planning.

The aim of this explanatory research is to evaluate the marketing efforts of top Alpine destinations listed in the BAK TOPINDEX to attract this green market segment by means of a lexicographical analysis of the websites of the DMO. The methods of analysis are text and theme analysis on the websites of those destinations. The results suggest that sustainable tourism concepts have been put into practice, not withstanding some differences between countries.

## **Keywords:**

# The Question is not – to Promote or not to Promote, but Rather When to Promote

Martinette Kruger, Melville Saayman

## **Abstract**

The Klein Karoo National Arts Festival (KKNK) is one of South Africa's largest and most popular arts festivals. The success of the festival is dependent on the number of tickets sold. Therefore, to ensure an increase in ticket sales, the festival organisers/marketers need to know how long prior to the event visitors decide to attend, so that they can plan their promotional strategy and know how long before the festival the event should be promoted. The purpose of this research is to segment visitors to the KKNK based on their decision-making style and, more specifically, their planning time. To achieve this goal, a questionnaire survey was conducted at the Festival in 2011 (2-9 April) where 479 questionnaires were administered. A distinction was made between different market segments based on their decision-making time. Two segments were identified. These were *Extended and routine decision-makers* and *Spontaneous decision-makers*. Two-way frequency tables and Chi-square tests as well as ANOVAs and Tukey's multiple comparisons identified the differences between the segments based on socio-demographics, behavioural characteristics, and overall satisfaction as well as travel motivations. The results showed significant differences between the two decision-making segments and indicated that marketing should be done at specific time frames to attract both visitor groups. This research thus addresses the issue of when arts festivals such as the KKNK should promote and what should be included in the marketing messages.

**Keywords:** segmentation, festival behaviour, decision-making time, festival marketing, arts festival, South Africa

# The Emerging Role of Social Media in Tourism Marketing Promotion

Serena Volo

## **Abstract**

The present paper analyses the nature, use and impact of user generated content on e-marketing theories and practices. In particular, it evaluates the potential of social media communication to supplant or to supplement the more traditional marketing communication functions and evaluates the strategies marketing organizations appear to be following for adapting to them. Case studies of three destinations, selected for their representativeness of stage of development, are presented to assess the ability of tourism destination organization to cope with the growing abundance of user-generated content and their use of such content. The findings provide evidence of the existence of an evolution in promotional strategies and show different levels of DMO's exploitation of user generated content and social media, but with a common adaptation strategy of co-opting the social media participants into joining the destination's own "marketing-organization-managed" electronic forum. Suggestions on how to implement web 2.0 promotional strategies are also provided for the benefit of destination marketing organizations and tourism enterprises.

**Keywords:** communication, user generated-content, blog and vlog, Web 2.0

# Promoting Tourism Products via 3D Graphic Arts

Marciszewska Barbara, Marciszewski Krzysztof

## **Abstract**

Changes in tourist destinations can be seen as both a result of a marketing modification and a reason for the development of future tourism products. Art has become a special core of tourist profits but it can also play a specific marketing role, e.g. graphic design can be a successful tool in the promotion of tourist products. A scholarly discussion concerning the role of art in the development of tourism usually focuses on art as a component of expected tourism products which meet tourists' needs and expectations. Purpose of the article: to identify promotional instruments of selected regions in Poland, to describe modern forms of promoting tourism on the basis of art and 3D graphic design and to suggest a potential value of art for the development of tourism in a destination in two dimensions: art as a motive for tourist travels to a given tourist destination and art as a tool promoting tourism products: an example of fine art and 3D graphic design. Methods and procedures: analysis of literature; content analysis of websites and selected Tourism Development Strategies; a comparison of tourists' perception of modern forms of promotion (3D graphic design of tourism products) at two different stages of art: based on unfinished 3D graphics and using a more developed 3D graphic design of tourism products (the case of the City of Gdansk). Expected results: differences in understanding the nature and functions of tourist destinations will be identified on the basis of a comparison of traditional forms of promotion and the ones using arts and graphic design as a new marketing tool; special attention will be paid to tourists' decision-making process as far as choosing a tourist destination is concerned (on the basis of a 3D presentation of tourism products and attractions). The study should reveal a necessity to apply art and new multimedia (as art) in promoting tourism. An analysis of selected regional strategies shows that these regions do not focus on new forms of visualisation of tourist products. An experiment carried out among students suggests that they do expect special experiences created by 3D graphic design of attractions of the City of Gdansk. It could be a basis for further development of promotional instruments expressed by art.

**Keywords:** destination marketing, 3D graphic design, new means of tourism promotion

# Antecedents of Domestic Tourism Demand in Tanzania

Wineaster Anderson

## **Abstract**

This study investigates antecedents of domestic tourism demand and compares the opinions of the major tourism providers in Tanzania as far as their assessment on the factors determining demand for domestic tourism is concerned. A survey involving domestic tourists and tourism providers was conducted. Thereafter antecedents of the domestic tourism demand was estimated using contingent and multiple responses models; while testing the stakeholders' opinions necessitates the use of Kruskal -Wallis Test. The main determinants of domestic tourism demand in Tanzania include awareness of tourism value, cultural values and real disposable incomes. Success in promoting domestic tourism can elevate the sector, especially during the times of global economic crisis that witness the long-haul international tourism to developing economies in Africa declining significantly.

**Keywords:** Domestic tourism, demand, Tanzania, marketing

# Organisational Challenges of using Social Media Marketing: The Case of two Network Carriers

David Caliesch, Andreas Liebrich

## **Abstract**

Social media marketing on Facebook or Twitter is en vogue, but it implies a considerable degree of transparency, and requires a high responsiveness that traditional hierarchical companies might not be used to. Using social media marketing tools therefore causes new kinds of organisational challenges that need to be researched. After a literature review, an explorative case study approach was chosen in order to research two approaches of airlines to dealing with the challenges in an international environment. Categories of challenges were built by collecting data from documents, interviews and the Facebook pages of KLM and SWISS International Airlines (SWISS).

The paper identifies four areas of challenges. First, it is crucial to set up an internal network of respondents in order to quickly answer public questions and complaints on social media channels. Second, the style of communicating with fans drives costs and benefits. Third: A Facebook Wall is a multi-purpose communication channel. Requests might be answered by various departments. Fourth: The dynamic field of social media marketing requires permanent improvements in order to better serve the customer.

**Keywords:** Social Media Marketing, Facebook, Airlines, Organisational Challenges

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# Creating a Powerful Niche Product – Ways to Successful Branding of ‘Energy-Tourism’

Alexandra Jiricka, Veronika Wirth, Boris Salak, Ulrike Pröbstl

## **Abstract**

A clear differentiation between tourism markets is becoming increasingly difficult. Long-standing markets, especially, are characterized by similar and interchangeable products with a lack of unique profiles (Bieger 2005). Today’s tourist expects innovation and unknown experiences. Product innovation ideally reflects the societal trends of the age. In the last ten years, the ongoing trend – or yielding to reason – of turning to renewable energy has been implemented in so called ‘energy regions’, with the aim of mainly fostering regional development.

However, the tourism concept related to these ‘renewables’ is confined to mere technical or scientific interest (concentrating on scientists, local politicians and representatives of renewable energy suppliers). Marketing is based on networks of excellence and concentrates on specialized media. The customer is hardly able to recognize a specific ‘product’ and has no clear idea of what to expect from the offers.

This paper shows how the concept of ‘energy-tourism’ can be adapted to be more recognizable and interesting for target groups, in order to improve its market placement. Against this background, a case study was carried out within the framework of the Interreg IVB project VISIONe (implemented within the context of the Central Europe project LISTEN TO THE VOICE OF VILLAGES). As pilot activities for the case study, we held interactive workshops with potential target groups and conducted interviews with the responsible officials in the market chain. The pilot development of VISIONe was accompanied by an evaluation through participatory observation and questionnaires on the target groups’ response. The case study shows the high potential for this possible new niche combining innovation, fun and experimental character.

**Keywords:** niche tourism, energy tourism, renewable energy, sustainable marketing