

Journal of Economics, Business & Organization Research

PROCEEDINGS OF THE THIRD ECONOMICS, BUSINESS AND ORGANIZATION RESEARCH (EBOR) CONFERENCE

ROME, ITALY, 2020



THE IMPORTANCE OF ONLINE ADVERTISING WHEN CHOOSING TOURIST DESTINATIONS

Anica HUNJET¹ Matija

Matija KONJIĆ²

Dijana VUKOVIĆ³

1 Dr., PhD, University North, Croatia, anica.hunjet@unin.hr

2 University North, Croatia, matija.konjic@gmail.com

3 Dr., PhD, University North, Croatia, dvukovic@unin.hr

Abstract

Tourist destination is a spacious unit that must attract its potential contents and attractions to potential tourists to satisfy their tourist needs. Marketing in tourism is a coordinated activity of private and public sector organizations. The tourist market represents an economic space where tourist offer and tourist demand meet. In marketing in tourism it should be taken at first place their specific characteristics, unlike marketing in general manufacturing. Destination marketing is type of marketing that promotes certain destination with the intention of increasing the number of visitors. The aim of the research is to determine the importance of online advertising about travel destinations for respondents, and to determine the specific impact of advertisements and reviews on respondents' decision to visit a particular tourist destination. For the purpose of the survey, a survey was conducted in September 2019.

Keywords: Tourism, Destination, Marketing.

1. INTRODUCTION

The topic is the analysis of marketing importance within tourism. The tourism market is characterized by changes that are also accompanied by increased competition. Therefore, a unique and recognizable tourism product, constant improvements of the tourism offers and the preservation of indigenous elements are crucial in the contemporary tourism.

This topic is relevant because marketing has a special position within tourism, which results from the uniqueness of the tourism market and the business that is related to it. This topic is especially relevant for our domestic tourism market due to the extreme importance of tourism for the Croatian economy. Accordingly, a well prepared marketing strategy is of great importance for attracting new guests, as well as for keeping the current ones. Along the four main elements of the marketing mix, another three elements can be added to it, and those are the people, the process, and the physical environment. The aim of this research is to investigate how much influence does a good marketing have on tourism, or whether a good marketing strategy can significantly increase the tourist demand for a specific destination. Also, the research will investigate which elements of the marketing mix have the biggest influence on the success of marketing and attracting the tourists. The questions investigated are: marketing determination of tourism, marketing apply in tourism, the importance of promotion, sales, and distribution.

2. MARKETING IN TOURISM

As a concept, marketing is oriented on the consumer and the development of an integrated business programme, as well as being focused towards achieving its goals (Kesić, 2003). Marketing is based on: "determining the needs and desirabilities of consumers, recognizing the differences between them, satisfying the specific needs and desirabilities, the long-term assessment of opportunities and dangers of the business, and coordinated decision-making and control" (Andrlić, 2007). Demonja and Gradičak (2014) state that the motives of tourist movements are diverse and are caused by different preferences of tourist demand. In those countries which have natural predispositions for development, tourism is certainly a very important industry which among other things advances other industries. According to the UNWTO, a tourist destination is defined as "an important place to visit during a trip and distinguishes three types of destinations: remote, main, motivating" (Bartoluci, 2013).

Tourist destinations are viewed in the context of tourism development. (Cetinski, 2005) state that tourism as an activity can make a positive contribution to social and economic development. A tourist destination, to be visited or to act as a tourist destination, must contain

the elements of conservation and attractiveness. It is known that there are natural elements and elements made by man himself, which are churches, works of art, parks, beaches and more. These elements are interconnected and dependent on each other. It is not enough to have just some art in a tourist destination if the climate or attitude towards tourists is not appropriate. The growth of a tourist destination cannot be expected unless all the elements are in balance.

The concept of competitiveness is based on sustainability, and they are also a tourism resource. "In order to attract tourists, tourist destinations must meet the basics of every trip: price, convenience and timeliness." Despite the elements of the sustainability of tourist destinations, the price, convenience and timeliness can have an impact on the development of the destination, and it can be stated that the price is a crucial factor for most tourists. for the reason that human psychology is "how to do a lot from a little".

Tourism is a universal and diverse concept, and it imposes the need for explaining the term itself. Theoretically, taking into consideration the International Association of Scientific Experts in Tourism (AIEST), tourism is generally defined as a set of relationships and occurrences which come about as a result of travelling and staying of a visitor at a certain location, if the staying does not include permanent residence and if it does not include any type of economic activity. Therefore, tourism is a concept that includes the intertwining of social and economic elements. Numerous factors influence the forming, behaviour, and consumption of the tourist demand, which causes interrelationships to occur. Tourism necessarily includes activities which are based on one's free time. Similarly, marketing in tourism is a part of a wider activity which is called the marketing of leisure.

Andrlić (2007) claims that, along with the development of tourism in the world, the number of dominant factors in the area of marketing is increasing as well. Due to the specific relationship between tourism and its marketing environment, it is important to understand the difference between this environment's influence and the influence of other branches of economics on tourism. The external environment of any branch of economics, especially tourism, has numerous interdependent factors which must be classified in a way.

According to Meffert et al. (2015), one of the important tasks of quality marketing is to create an optimal communication and marketing strategy that will ensure the desired goal with consistent application of action measures. There are two types of marketing applications in tourism: marketing of individual companies that generate their income in the tourism market, marketing at the level of individual spatial units. According to Kesić (2003), when creating a positive attitude towards a product, advertising has a limited effect. Advertising communication

can only occasionally affect a change of attitude, also it can only reinforce already existing attitudes in a positive or negative direction, and form some new attitudes. This is most often the case with new products and services with which the consumer has not previously had any experience. Furthermore, Kesić (2003) states that when it comes to public relations, it is important to consider everything from the perspective of the audience, to give it a sense of involvement in communication and the subject being discussed, to present that subject as part of the environment in which the audience lives, to communicate with people and not to people, and to localize the problem, that is to bring the message closer to the lifestyle of these people. Public relations are extremely useful as part of strategic management. Strategic public relations are aimed at achieving goals that contribute to the purpose and mission of the organization in general Tkalac Verčić, (2016). Therefore, the publicity challenge must be carefully considered and strategically developed, as it can then produce the best results. According to Pejaković (2015), social networks have established themselves as an indispensable part of the everyday life of modern man, and their power has been recognized by numerous companies. On this basis, social networks are becoming a space through which businesses are increasingly communicating with the public, which further strengthens the status of social networks on the Internet and in society and, in general, the media space (Čolić, Dunđer, 2015). Social media has left a big impact and changed destination marketing. Facebook, Twitter, Instagram are just some of the social networks served by many people around the world today. Social media is a type of tool that encourages and accelerates bidirectional or multidirectional communication of active users and is thus most easily promoted. Facebook is currently the largest and most wellknown social network with over two billion active users. The marketing mix is an important concept when it comes to marketing strategies in general. This mix is represented by a specific combination of elements which are used to achieve the aims of companies and satisfy the needs and wishes of the target markets. The tourism business primarily deals with services, which are a lot different than products. There are five basic specifics of services: intangibility, indivisibility, they cannot be stored, heterogeneity, and absence of ownership. Every consumer, it this case a hi-tech platform user has to be under various factor influences which will help him in the process of choosing a tourist destination. Some of the factors that influence the choice of a tourist destination are: demographical, terrain and price related, infrastructural, attractive, cultural, and the author would like to present the consumers all the factors in one place. The consumers would pick their main destination much easily, they would know what awaits them, and most important of all, they would be able to plan motivational destinations as well.

Hi - tech platform would replace tourist agencies that are not objective and do not suggest destinations according to factors rather than suggest them by the "key" where we have the best earnings there (Paliaga, 2008). It would allow an objective and transparent view of tourist destinations, suggest no choice, each destination would be in the same situation as the others. By arriving at the Landing Page, the consumer would see continents in the first step and there would not be a favourite. It gives consumers more confidence because they do nothing and allows them plenty of time to choose and plan a tourist destination. In one place, the consumer would learn all the features of tourist destinations starting from currency, movement statistics, gender share, and other parameters that would show the tourist destination as it is. There would be no focus on specific "resorts" that are now receiving all the credit for a particular tourist destination. It has gone in the wrong destination, and today, tourists are being offered standardized products such as a resort and possibly several optional excursions. Each destination has its own features and consumers should primarily see and feel it. This will give them a sense of satisfaction. A service is intangible, which means that it cannot be touched, tried out or taken home, but it rather represents an experience. Also, a service cannot be owned. Furthermore, a service is indivisible and cannot be stored since the time of production and the time of consumption are basically simultaneous. Heterogeneity of a service shows that it is connected to the human factor during the providing of the service. The service mostly depends on the one who provides it, so it can be said that the quality of the service is dependent on the human factor as well.

The marketing mix includes tactics and programmes which support every marketing strategy and which are used to achieve defined strategies and goals that have been set. There are four elements of the marketing mix: the product, the price, the promotion, and the sale and distribution (Kesić, 2006).

The tourism product is a main element of the marketing mix and is further relied upon by other elements. Kotler, Bowen, Makens (2010) state that a product entails all that can be offered to the market to arouse attention, stimulate purchase or consumption while satisfying the wants or needs of customers. While determining the promotional strategy, it is necessary to identify a target group, to set goals which are to be achieved by promotion, to define the means of promotion and determine the desired mix of promotional components.

Promotion is an expense for the tourist company, so there has to be a strategy for implementing this element of the marketing mix. The basic steps while determining a strategy are the following: "identifying a target audience, determining promotional goals, defining

promotional means (promotional mix: advertising, sales promotion, personal sales promotion, publicity or public relations promotion), determining the desired mix of promotional components, and choosing a specific strategy for each of the chosen elements of the promotional mix (advertising, sales promotion, personal sales promotion, publicity or public relations promotion)" (Petrić, 2011).

Promotion as a type of communication with potential consumers in different stages of the decision making process about the tourist travelling consists of: "encouraging people who have a desire for tourist movements, it influences the choice of concrete integral and/or partial tourism product, it helps with providing relevant pieces of information regarding the geographical, historical, cultural and other characteristics of the tourist destination, and it rationalizes, confirms, or legitimizes the decision of the tourist destination choice itself" (Popesku, 2013). "Marketing in tourism is a social and managing process in which individuals and groups receive what they need and want through creating and exchanging products and values with others" (Popesku, 2013).

In marketing in tourism, there are numerous coordinated activities and there is a lot of organizing within the private and the public sector in order to recognize the needs and wishes of target groups, and to deliver the services and satisfy the needs of the consumers as efficiently as possible compared to the competition (Weber, Boranić, 2000).

Motives of tourist movements are diverse, and they are caused by different preferences of the tourist demand. Therefore, in countries which possess natural predispositions for development, tourism is definitely an important industry which, among other things, improves other industries as well. The tourism market is the economical area where the tourist supply and demand meet. This is where the prices and the amount of products sold or bought are determined, and the tourism products are traded. A tourism product is a component of a certain tourist destination. In order for a location to become a tourist destination, or a tourism product, it has to meet certain preconditions, such as transportation accessibility, attractiveness, promotion and the effectiveness of promotion as well as the existence of an organizational approach, sufficient accommodation capacity and quality, etc. It is necessary to take into consideration the particularities of marketing in tourism with regard to marketing in the production activities. Since tourism is a service activity, applying marketing in the service activities is different from applying marketing in the production activities, primarily because of the specifics of the services as related to a concrete physical product.

According to Kos Kavran and Kostel, (2014), the basic task of destination marketing is to create a good and recognizable image of a tourist destination with an emphasis on optimal tourist reception with the provided quality and high level of conservation of natural and social resources as the only possible long-term tourism development. The contribution of local tourism marketing activities are local internal and local external tourism opportunities. Locally, the internal capability of a destination should be viewed as a function of the internal actions of municipalities, cities, associations, businesses and within the destination, its structure and regulations. These include accommodation and eating establishments, activity establishments, leisure facilities, and cultural establishments, site image, landscape image, other factors (kindness of the population, weather, climate, etc.), agglomeration of people on vacation (Magaš, Vodeb, Hit, 2018). Tourist attractions are the main generator of tourism since they mostly attract visitors and thus develop tourism in a destination. For this reason, transparency and information on tourist attractions are very important as it enables them to be used optimally to develop the marketing of the attraction and, in general, the development of tourism. (Križman Pavlović, 2003). Identities include values that lie not only in the furnishing and surroundings of the hotel but also in: "the degree of quality of service, the program being offered, the culture and the people, skills, and treatment" (Pavlek, 2016). Satisfaction is a measure refers to the client's impression that they gain during and after their stay, which can be positive or negative. An image is created in the guest's head that does not always correspond to identity, thus creating a divide called "implementation gap". Implementation, that is identity, is transformed into image by performances in which the human factor plays a big role. Therefore, pleasure is expressed emotionally through sympathy, fidelity, and is measurable in: "guest retention, repeated bookings, new guests arriving, encouraged by those who spread a positive voice" (Pavlek, 2016). According to Senečić and Vukonić (1997), while analysing the marketing in tourism, one must begin with: the specifics of the relationships dominating the tourism market, the specifics of the tourism goods and products, and the specifics of the tourists as consumers and their behaviour on the tourism market.

The development of tourism is tied to a certain space in which the tourism trade is developed because this space has certain attractions and monuments which motivate tourist movements. The tourism object does not necessarily have the same business interest as the site where it is located, but they must have at least one common goal. There are two types of applying marketing in tourism: the marketing of individual companies which generate their income at the tourism market, and the marketing at the level of individual spatial areas. The marketing of individual companies which generate their income at the tourism market includes the marketing of specific branches of economics, such as: the catering marketing, the hotel industry marketing, and the tourism mediation marketing, etc.

Marketing at the level of individual spatial areas includes a specific macro approach of applying marketing related to the placement of a tourism product of a certain destination. The main goal of the marketing activity of both types of marketing is the satisfaction of tourists' needs, as well as acquiring profits for the participants of the tourism offers and the carriers of marketing. The sale and distribution are probably the most sensitive stages of the business in the tourism market. The importance of these stages is clearly visible in the characteristics of the tourism market as a market of service, where the most important characteristic is the separation of the tourism services production process and the process of their purchase, as well as the high risk which is visible in the business at the tourism market. The fact that the production process and the purchase process do not occur at the same time, it is possible to purchase the tourism product before using it.

The direct distribution, or the distribution without a mediator, is specific for the so-called product consumption. The direct sale can be realized by using a reception at the place of the sale, through mail, by a telephone (telemarketing), by "door-to-door" sales, at the tourism manifestations, over the Internet, etc. Indirect distribution is consisted of distribution channels, or the marketing channels, the aim of which is to facilitate the transfer of the goods and ownership from the producer to the buyer. The mediators of the tourism product sales can be the representatives of hotel companies or tourist agencies; organizers of travels; consortiums; global distribution systems; national, regional and local tourism organizations; tourist information centres, etc. Nowadays, Internet channels are an indispensable part of promotion and marketing, and they appear to provide good results. This is especially true for younger generations, who obtain most of their pieces of information regarding potential tourist destinations over the Internet. You can see their influence and the use of internet techniques within the marketing of Croatian tourism boards below.



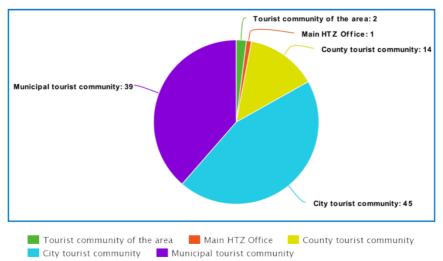


Figure 1. Aspects of internet Marketing in System TZ in Republic of Croatia Source: <u>https://www.slideshare.net/ivankelic/aspekti-internet-marketinga-u-sustavu-tz-a-u-republici-hrvatskoj</u>

3. METHODOLOGY AND RESEARCH RESULTS

For the purpose of the survey, an online survey called "Research on Online Advertising and Using Social Networks in Choosing Tourist Destinations" was conducted. The survey was posted in specific groups on Facebook and social portals. The survey included a sample of 108 respondents. The survey was conducted in September 2019. The aim of the research was to gather as much information as possible regarding the habits of the users of the tourist offer.

64% of women and 36.1% of men participated in the survey. In terms of education, the most represented are respondents with a university degree, while the least are those with a Ph.D. In terms of income, the majority of respondents are in the group that earns monthly income between 5,000.00 HRK and 7,000.00 HRK, 28.7% of them, while the least of those who earn an income is 9,000.00 HRK or more, with 12%.

The results showed that 55% of respondents surveyed online offers of tourist destinations on various tourist online portals and that a slightly larger number of them decide to visit some destinations based only on the online offer and presentation of a particular tourist destination.

Furthermore, the majority of respondents 84% believe that tourist destinations are not advertised too much through online channels, and regarding the credibility of advertisements and brochures of tourist destinations, the majority of respondents (68%) are restrained so only partially trust such ads, and the least are those who fully believe such ads (1%).

Most respondents (67%) have never traveled to a tourist destination solely based on advertisements presented by channels and media other than online channels, and those who traveled largely believe that the advertisement was justified and realistic and that there are no major deviations from the actual bid.

Regarding the importance of a brand of a particular tourist destination, most respondents (66%) are not important, and when ranking it is important, the most are those to whom it matters very little, while the least to those who are extremely important.

Furthermore, the survey showed that far more respondents are informed about tourist destinations on social networks, with Facebook (52%) leading the way, while no one is informed via Twitter. Regarding reading reviews and reviews of previous guests about tourist destinations, a significantly higher number of respondents read them (87%). Such ratings and reviews, for the most part, have a solid influence on the decision to travel to a particular destination, while for the most part, they have almost no impact.

Considering only positive reviews and ratings, a significantly higher number of respondents (68%) are those who have never decided to travel to a tourist destination based solely on positive reviews and reviews. It was precisely those who traveled solely based on such reviews, who stated that their impression was largely satisfactory, as confirmed by the positive reviews, while very few of them did not obtain a satisfactory impression.

On the other hand, considering only negative reviews and ratings, the largest number of respondents (60%) are those who have never given up visiting a particular tourist destination based on negative reviews alone, although a solid number are those who have given up. Looking only at the group of respondents who did not give up traveling, their impression of a tourist destination was still satisfactory for the most part (30%).

This research aimed to determine the extent to which tourism marketing is used, with an emphasis on online advertising channels when selecting tourist destinations. It is important to emphasize that respondents believe only in tourist destination advertisements and brochures only partially, therefore, they are aware that the real situation may deviate somewhat from the offer. The majority of respondents do not care that a potential tourist destination has a good brand, that is when choosing a tourist destination they are not burdened by the fact that the destination must have a reputation. This should take into account the circumstances in our society where economic power is not the best, and consequently, in most cases, domestic consumers cannot even afford to go to some exclusive destinations.

4. CONCLUSION

It was determined that, in order to successfully form and launch a destination to the market, it is first necessary to carry out certain marketing activities, such as identifying the tourism potential of a destination, forming the offer and determining the target group. It has been determined that, for succeeding in the contemporary tourism market, it is necessary to offer quality products, services and activities that will attract guests and motivate them to return to a specific destination. Therefore, it is important to choose a right marketing strategy which is the crucial part of the targeted communication with the market, the aim of which is to attract the guests. Promotion is of great importance as well, since the target group, the aims that are to be achieved by promotion, and the means of promotion must be carefully chosen while determining the promotional strategy. Marketing is a social and managing process which, through creating values, offers and exchanges, gives individuals and groups what they require and what they need. When it comes to marketing in tourism, what is taken into consideration is the classification of marketing according to the targeted market, which is related to the tourism market and the tourists. Marketing in tourism entails the applying of general postulates of the marketing activity regarding the specific conditions in which the relationships between the subjects of the tourism market are formed, whereas the uniqueness of the marketing in tourism comes about as the result of the specific characteristics of the tourism demand, offer and purchase. The strategies of marketing in tourism are oriented towards the positioning of a destination in the desired niche at the receptive tourism market.

This work has investigated and presented the importance of marketing in tourism, the specifics of applying the marketing mix in tourism, and the importance of all elements of the marketing mix. The results of this research can be used for future research instances that will examine the appropriate strategies and elements of the marketing mix. This can serve as the basis which indicates the importance of marketing and a well - chosen strategy.

References

- Andrlić, B. (2007). Primjena e-marketinga u turizmu. Poslovna izvrsnost. 1(2), 85-97.
- Bartoluci, M. (2013) Upravljanje razvojem turizma i poduzetništva : turistička politika, razvoj i poduzetništvo u turizmu. Školska knjiga, Zagreb.
- Cetinski, V. (2005). *Strateško upravljanje razvojem turizma i organizacijska dinamika*. Opatija: Fakultet za hotelski menadžment

- Čolić, M.; Dunđer, I., (2015). Analiza odnosa s javnošću i društveno odgovornog poslovanja pri promociji novih proizvoda na Internetu. *Politehnika i dizajn*. (2), 152-161.
- Demonja, D., Gredičak, T. (2014). Uloga marketinga u razvoju kulturnog turizma u Hrvatskoj. *Podravina: časopis za multidisciplinarna istraživanja*. 13(25), 112-128.
- https://www.slideshare.net/ivankelic/aspekti-internet-marketinga-u-sustavu-tz-a-u-republicihrvatskoj [14.07.2019.]
- Kesić, T. (2003). Integrirana marketinška komunikacija. Zagreb: Opinio
- Kesić, T. (2006). Ponašanje potrošača. Zagreb: Opinio
- Kos Kavran, A., Kostel, I. (2014). Razvoj destinacijskog marketinga u Međimurju. Zbornik radova Međimurskog veleučilišta u Čakovcu. 5(2), 33-43.
- Kotler, P., Bowen, J. T., Makens J. C. (2010). *Marketing u ugostiteljstvu, hotelijerstvu i turizmu*. Zagreb: Mate d.o.o.
- Križman Pavlović, D. (2003). Upravljačke i organizacijske odrednice marketinga turističke destinacije. Doktorska disertacija. Zagreb: Ekonomski fakultet u Zagrebu
- Magaš, D., Vodeb, K., Zadel, Z. (2018). *Menadžment turističke organizacije i destinacije*. Rijeka: Fakultet za menadžment u turizmu i ugostiteljstvu
- Meffert, H. et al. (2015). Marketing: Grundlagen marktorientierter Unternehmensführung. Konzepte - Instrumente – Praxisbeispiel. Berlin: Springer
- Paliaga, M. (2008). Branding i konkurentnost gradova. Pula: MPS d.o.o
- Pavlek, Z. (2016). *Kako stvoriti jaki hotelski brend*. URL: <u>http://www.zvonimirpavlek.hr/wp-content/uploads/2017/03/Pavlek-hotelski-brend-ST_4_2016.pdf</u> [pristup: 14.07.2019.]
- Pejaković, G. (2015). Oblici odnosa s javnošću u suvremenom poslovanju. *Tranzicija*. 17(36), 123-134.
- Petrić, L. (2011). Upravljanje turističkom destinacijom. Split: Udžbenici Sveučilišta u Splitu
- Popesku J. (2013). *Marketing u turizmu i hotelijerstvu*. Beograd: Fakultet za turistički i hotelijerski menadžment, Beograd.
- Senečić, J., Vukonić, B. (1997). Marketing u turizmu. Zagreb: Mikrorad
- Tkalac Verčić, A. (2016) Odnosi s javnošću. Zagreb: HUOJ
- Weber, S., Boranić, S., (2000). Marketing u turizmu. Varaždin: Vadea d.o.o.