

Innovative Marketing Strategies for the Development of Tourism in Romania

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Abstract

The development and implementation of a strategic plan can be seen as the most important activities undertaken in any business or by any public or private sector organization. Strategic decisions are the key decisions that must be made by any organization; and a number of more detailed operational decisions can be made from the strategic decisions that set the framework. Implementing the established strategies will determine the eventual long-term success or failure of the organization.

In every service sector, every organization needs to look at ways to attract consumers to buy the services they offer. This is also applied in the tourism industry where every organization should be creative in its marketing approaches and be more innovative in all its actions. Technological progress has permitted access on the market to many autonomous suppliers and is allowing consumers to make purchasing decisions based on the total experience of a destination, therefore tourism marketing has become increasingly difficult over the past few years. In this article, our aim is to highlight the importance of using innovative marketing strategies as a way to attract customers (in this case, represented by tourists) and develop the tourism sector in Romania.

Key words: tourism, marketing, innovation

J.E.L. classification: Z3

1. Introduction

Tourism is the most important social, economic and cultural phenomenon in the world, being one of the most profitable sectors of the world economy. Romania is trying as much as possible to pay more attention to the development of tourism, In this sense, tourism development strategies and policies in Romania were created, tourism development programs, as well as other actions aimed at the development and innovation of tourism, in order to create or enhance a positive image of the destination brand. The objectives of the tourism development strategies in Romania include creating a competitive tourist product, which should rise to the level of the actual and potential values (historical, cultural, and otherwise), as well as our country’s natural resources which can be exploited at their maximum potential. In this context, Romania needs innovative marketing activities, as part of their strategic development plan, in order to create a promising brand destination, by promoting its tourism attractions, as well as services, on domestic and international markets. Also, a significant contribution, aside from the marketing strategies, can be brought by correctly implementing programs destined to promote the Romanian tourist brand.

As mentioned before, there is a great potential for the development of tourism in Romania. International tourist routes operating in the country are mainly ecological routes, which include elements of historical heritage and tourism is present in many forms (cultural, religious, recreational, health/balneary, etc.). This article aims to highlight the existing tourism potential and expose innovative marketing strategies in order to develop tourism. The existence of extraordinary natural

resources must motivate the development of innovative activities, in order to promote, so that tourism occupies its well-deserved place in the country's economy.

2. Literature review

2.1. Strategy and Innovation

As defined by Alfred D. Chandler, strategy is "the determination of a company's core long-term goals and objectives, as well as the adoption of courses of action and the allocation of resources to achieve those objectives" (Chandler, 1962, p. 21). Porter defined the term of "strategy" as "a broad formula, which guides a business's approach to compete on the market, defines its goals and establishes policies that will be needed to fulfill those goals" (Porter M., 1980, p. 62). In a different approach, strategy is "the framework that guides those choices that determine the nature and direction of an organization" (Tregoe, 1980, p. 142).

Innovation is a concept of interest in all fields of activity and has often been associated with human evolution. According to Schumpeter, innovation is the introduction of new elements in a field of activity (Schumpeter, 1930, p. 8). According to Mohr, innovation means "a new use of existing products or a new market for products or even a new method of marketing." (Mohr, 1969, p. 35) According to Romanian authors, Ioan L.Gheorge P. and Monica B. (2010) innovation is described as "the introduction or modification of a new idea, product or service". (John L.Gheorge P. and Monica B., 2010, p. 12).

2.2. Tourism Marketing

Marketing is "the development of all activities necessary to ascertain the needs and demands of the market, scheduling product availability, transferring ownership of goods, their physical distribution and facilitating the entire research process related to these issues." (McCarthy E., 1964, p. 3). In the opinion of other authors, marketing is "the economic and social process by which individuals and organizations meet their needs and desires through the creation, supply and exchange with stakeholders (customers) of valuable products and services" (Ph. Kotler et al. 2006, p. 6).

Tourism marketing can be defined as a managerial process through which tourism organizations identify the actual and potential dimensions of tourism demand, communicate with demand carriers (tourists) in order to acknowledge and assess their touristic needs and stimulate their desires, motivations and preferences in order to design and adapt the offer (tourism products and services) with the purpose of optimizing and satisfying their requirements and exigencies, maximizing organizational objectives at the same time (Balaure et al., 2005).

2.3. Innovative Marketing

Andrews and Smith (1996) consider innovative marketing as a significant process that differentiates and helps the organization achieve a specific goal. (Andrews J., Smith D.C., 1996, p. 14). On the other hand, Clemmer (1998) explained that marketing innovation and creativity are the main elements that provide the key to success in an organization's business environment. (Clemmer J., 1998, p. 8). Haddad and Algadeer (2004) believe that marketing innovation reflects the firm's ability to continuously improve its products and services, which in turn helps to achieve major benefits for customers because their products and services will meet their needs in a unique way. (Haddad, Algadeer, 2004, p. 82).

3. Innovative marketing strategies in the Romanian tourism sector

Tourism services are a category of leading products that must be promoted and distributed in consumer markets through a variety of methods and using different electronic platforms and ideologies. By using different ways and platforms, tourism organizations are allowed to innovatively approach marketing strategies, in order to attract as many customers as possible. However, in many respects, the marketing challenges faced by tourism businesses are exceptional, due to the fact that

some touristic products cannot be promoted in isolation from their competing and complementary products (Middleton and Clarke, 2001, p. 238). In addition to this challenge comes the fact that the tourism industry is part of the services sector, and the tourism product is mainly a range of services. Moreover, although tourism businesses are considered to be users of new technologies, there is still an under-utilization and under-exploitation of innovative technologies as strategic marketing tools.

The innovation of marketing strategies in Romanian tourism involves the introduction and use of new, modern concepts, adapted to the new digital era, so that tourist destinations become as visible and visited as possible. Innovating tourism marketing must be aimed at improving, modernizing, changing and adapting production methods, transport, changes in hospitality services, opening new market segments, etc. Tourism marketing innovation strategies focus mainly on the use of new technologies, materials, methods and energy sources in order to develop the tourism sector and increase its profitability.

In order to develop marketing strategies for the development of tourism in Romania, as complex and efficient as possible, it is necessary to use innovation as a tool for obtaining and applying the results of scientific thinking. From this point of view, tourism is an extremely vast field for innovation as a complex transversal socio-economic system. Tourism not only creates a new product or service, but also uses innovations introduced in other areas of management. For example, hotels, travel agencies, transport companies are widely used in the field of information technology development. Creating a tourist product, tourist services, booking plane and train tickets - all these processes have reached a new level with the introduction of the latest developments in information technology.

The main strategic factors of innovation that influence the development of tourism refer to the level of scientific and technological development, economic and political stability, the availability of the relevant legislative framework and other external factors. It also implies the availability of the necessary volume of natural and financial resources, as well as the level of development of the tourist infrastructure. In order to develop tourism in Romania, the developed tourism market and the degree and type of competition must be taken into account. Quality is another important factor for innovation and attracting tourists, as well as the availability of highly qualified staff in all areas of tourism. (Verma, R., 2008, p. 4).

In the tourism marketing sector, certain specific characteristics are identified, such as the fact that tourists are temporary, being exposed to an area of goods and services for shorter periods and they must immediately feel well, the difference between daily life and "escape from everyday life". Tourists seek relaxation, to be left with beautiful memories, which is why a marketing strategy that uses innovation should consider strategies that appeal to emotions. (Chron, 2019). Also, tourism marketing innovation strategies can establish promotion mechanisms and create more development opportunities by cooperating with the organizers of local festive and cultural events, horizontal alliances and integration of resources, etc. (Yeh, et al., 2019, p.23). The inclusion of innovation strategies in tourism marketing involves following current, modern market trends. Tourism marketing must keep pace with the dynamic developments of the industry, relating to the diversity of marketing in modern organizations.

Through marketing innovation strategies it is desired to achieve the proposed objectives in the most innovative and modern ways; the complexity of tourist services and the importance of intermediaries in the distribution of tourism products must be taken into account, as well as the criteria for choosing tourist services by consumers.

Innovation in marketing policy in the field of tourism must be based on efforts at a national level and requires a coherent set of action practices, based on specific programs. Any innovation-based marketing strategy must take into account identifying its target audience, attracting new customers by understanding the behavior of the consumer of tourist services, providing high quality services and using effective promotion tactics locally and globally. (Bizfluent, 2019, p. 3).

4. Marketing tools and techniques related to new technologies

The tourism industry was among the top five economic industries that took advantage of the opportunities offered by new technologies. Since 1980, advances in technology along with globalization, has led to the emergence of the concept of e-tourism, an important segment of e-commerce which involves the application of information and communication technologies in the

tourism industry; it is considered to be the future of the tourism industry.

Digital marketing is a term that encompasses all marketing processes that take place through a variety of digital channels and gadgets in order to promote the products or services of a business. The term actually means implementing marketing ideas through the use of resources such as computers, laptops, tablets, smartphones, digital panels, game consoles, mobile phones, digital magazines, catalogs or other digital media.

Online marketing (also known as Internet marketing or e-marketing), on the other hand, is defined as a subset of digital marketing. Online marketing involves the use of resources that require a direct connection to the World Wide Web (more specifically, the Internet) to promote a business's products and services.

The difference from online marketing is that digital marketing uses all digital platforms, digital channels and digital devices, whether online or not (including mobile marketing, video marketing, web television, etc.). In other words, digital marketing is not limited to using the Internet. Most digital marketing activities revolve around the use of the Internet. Due to the fact that Internet access can be achieved from any type of device, we can therefore define online marketing as a component of digital marketing.

Today, in the modern world of digital business, communication between individuals and companies takes place, mostly, in the online environment, through a series of online tools and techniques. Among the most commonly used online tools are: websites, social networks, e-mail and blog, and in terms of online techniques, those that have the highest efficiency are: online advertising, online PR, online sales promotion, search engine optimization (SEO), social media marketing (SMM), e-mail marketing (via newsletter) mobile marketing (ex: through specific apps), viral marketing ("buzz" marketing or e-WOM), and online branding.

The accelerated interaction and the strong relationship between technology and tourism makes the use of information and communication technologies suitable for the target group to increase the competitiveness between organizations, between tourist destinations, but also changes the way individuals interact with the organization.

The Internet is an important marketing tool that offers tourism organizations competitive advantages, such as reducing costs, increasing revenue, conducting marketing research necessary for the development of the organization, or, in the other case, for national development, in order to identify present trends, make predictions and directing marketing and management efforts in an optimal manner.

The continuous development of information and communication technology applications makes e-tourism focus on consumer-centered technologies. Also, the adoption of new technologies makes tourism service providers more efficient towards their customers, gaining the opportunity to quickly restructure their communication strategy.

5. Research methodology

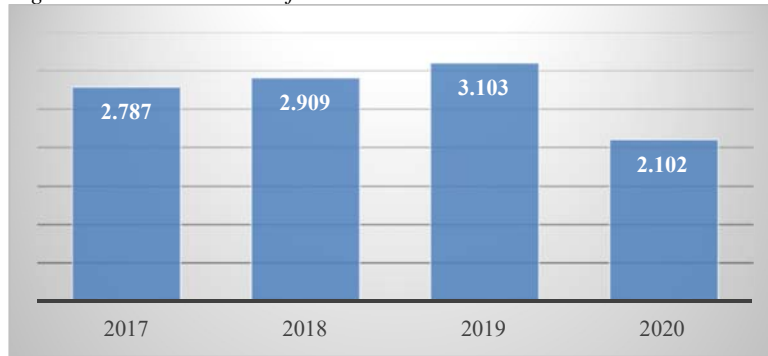
The present research is based on the identification and analysis of the existing problems of tourism marketing in Romania and the proposal of marketing innovation strategies in order to develop tourism in the country. To do so, we examined statistical data and reports. Firstly, we identified the following indices as being relevant for the analysis: the contribution of tourism to the national economy; the tendency of arrivals and receptions of foreign tourists; classification of the top ten destinations in Romania; competitiveness index for the tourism sector in Romania.

Based on these analyses, some existing gaps in the marketing of Romanian tourism were identified and strategic proposals based on innovation were formulated for the development of tourism and attracting and retaining tourists, especially foreign ones. Based on the idea that Romania has a very rich natural and cultural heritage that can be promoted by using innovating marketing strategies at national and international level, we proposed as main strategies online-marketing, through social media and destination branding, given their novelty.

6. Results

Data on the direct contribution of the tourism and travel sector to GDP, according to the Tourism Satellite Account (CST) in Romania, suggest that the indicator reached 2.102 billion, representing 0.84% of GDP in 2020. Even though we saw a decrease in 2020, this is most likely attributed to the Covid-19 pandemic; in the proceeding years, the trend was ascendant, indicating a growth of the share of tourism in GDP.

Figure no. 1 Contribution of tourism to the Romanian GDP



Source: INSSE

Most of the foreign tourists arriving in Romania are citizens of the Republic of Moldova, being closely followed by those of Bulgaria, Hungary and Ukraine. At a greater distance from them are the arrivals of tourists from Serbia, Germany and Italy. With a rather small percentage, there are also arrivals of tourists from the United Kingdom on the territory of our country (Table 1.1.). This ranking indicates an underdeveloped tourism for foreign markets and a weak marketing of tourist areas in Romania. The number of foreign tourists is small and the variety of their nationalities is very weak.

Table no. 1 Arrival of foreign tourists in Romania

Country	2017	2018	2019	2020
Republic of Moldova	2052	2330	2523	827
Bulgaria	1603	1600	1857	1267
Hungary	1457	1491	1529	481
Ukraine	1208	1466	1755	663
Serbia	507	543	576	195
Germany	479	489	521	143
Italy	460	468	477	121
United Kingdom	213	216	244	67

Source: INSSE

In order to identify the weaknesses in the Romanian tourism marketing, an analysis of the number of tourists, both Romanian and foreign, was performed, depending on the types of tourist destinations in Romania. A small number of foreign tourists can be observed compared to the number of Romanian tourists. The capital and the big cities of the country receive a higher number of foreign tourists than the balneary resorts and the Romanian sea coast; the Danube Delta registers the lowest number of foreign tourists.

Table no. 2 The number of tourists according to different types of destinations

Touristic destinations	Types of tourists	2017	2018	2019	2020
Balneary resorts	Total	945257	1018721	1133359	601326
	Romanian	896515	979243	1098706	595762
	Foreign	48742	39478	34653	5564
Sea Coast resorts	Total	1049970	1111389	1153682	905266
	Romanian	1016287	1076044	1119401	899104
	Foreign	33683	35345	34281	6162
Mountain resorts	Total	2019142	2217110	2305517	1295105
	Romanian	1800140	1997812	2109378	1269109
	Foreign	219002	219298	196139	25996
Danube Delta	Total	100423	165431	166411	118325
	Romanian	76281	140077	146006	116797
	Foreign	24142	25354	20405	1528
Bucharest and county seat cities	Total	5992403	6178665	6275835	2359090
	Romanian	3860026	4030901	4209530	1994058
	Foreign	2132377	2147764	2066305	365032
Other locations and tourist routes	Total	2036151	2213815	2340139	1119530
	Romanian	1734017	1884432	2008174	1069945
	Foreign	302134	329383	331965	49585

Source: INSSE

The highest total number of tourists, as shown in figure 1.2., was as registered in the last 4 years in Bucharest and the county seat cities, while the lowest number of tourists was registered in the Danube Delta area. It is observed that the resorts in the mountain area are preferred by both Romanian and foreign tourists, to the detriment of those in the coastal area. However, such a low number of tourists in the Danube Delta should be a problem for the marketing of Romanian tourism, because this area offers incredible landscapes and natural resources, which must be capitalized and promoted at least in Europe.

Figure no. 2 The number of tourists according to different types of destinations in Romania



Source: Personal interpretation of the authors

The key indicators of Romania's competitiveness in world tourism show the share of earnings in Romanian tourism in relation to the world economy. Thus, table 1.3. provides information on the arrivals of international tourists and receipts for international tourists, recording average receipts on arrival of 432.93 Euro. The share of the tourism and travel industry in the world GDP and the share of jobs in the field of tourism and travel in the world GDP are also specified.

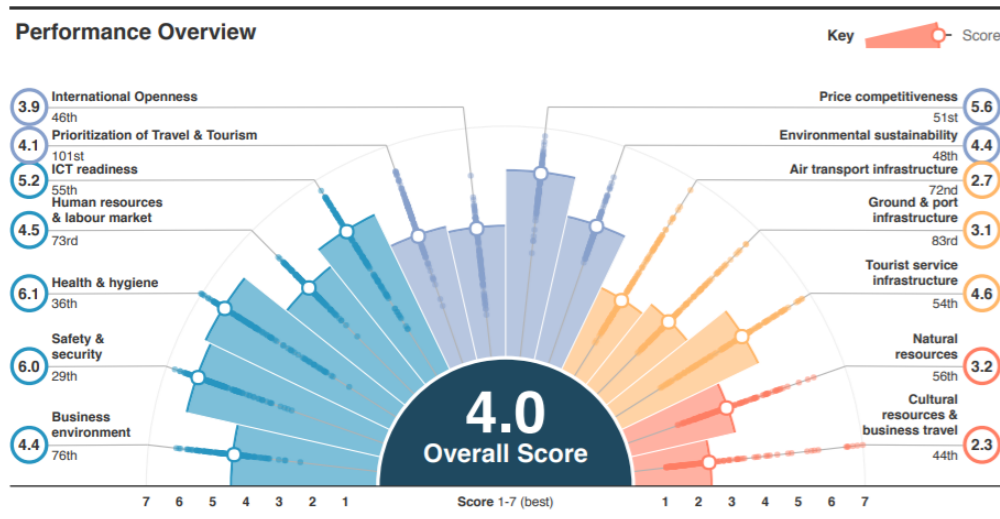
Table no. 3. Key indicators of Romania's competitiveness in world

International tourist arrivals	2.760.100
International tourism inbound receipts	21,817.59 million Euros
Average receipts per arrival	432.93 Euros
T&T industry GDP (% of total)	3,183.54 Euros
T&T industry Share of GDP (%GDP)	1,5
T&T industry employment (% of total)	222,500 jobs
T&T industry Share of Employment (% of total employments)	2,6%

Source: The Travel & Tourism Competitiveness Report 2019

According to the competitiveness index for tourism and travel, Romania ranks 56th out of 140 countries in terms of tourism, with a total score of 4. This score was obtained by analyzing different indicators presented in Figure 1.3. Thus, in terms of international openness, Romania is on the 46th place with a score of 3.9. In the field of travel and tourism prioritization, Romania is only on the 101st place, with a performance score of 4.1. For the availability of ICT, Romania ranks 55th, and for human resources and the labor market, 73rd in the world. In terms of health & hygiene and safety and security, Romania occupies places closer to the first part of the top, number 36, respectively number 29. According to the index of competitiveness in the business environment, our country occupies a distant place, 76. And yet price competitiveness is not very low, occupying the 51st place, with a score of 5.6. For environmental sustainability, Romania ranks 48th and for ground & port infrastructure 72. Romania is not very well situated in the infrastructure of tourist services, ranking 56th, as well as in terms of tourist resources. Cultural resources and business travel are rated with a better score, placing Romania on the 44th place.

Figure no. 3 Competitiveness index for tourism and travel in Romania



Source: The Travel & Tourism Competitiveness Report 2019

Within the prioritization of tourism and travel in Romania, the following indices were analyzed, such as: government prioritization for the tourism industry; the effectiveness of marketing and branding to attract tourists and the evaluation of the country's brand strategy, which obtained low scores compared to other countries. Also, for the present analysis, we consider of high importance to point out that the indicators within the infrastructure and services also obtained low scores for the quality and density of the roads, for the quality of the railways and for the hotel rooms.

Very low scores were also obtained in the sustainability index for forest and fish heritage. In the index of natural resources for the number of natural sites in the world heritage and for the digital demand of natural tourism, low scores were also obtained. Within cultural resources, there are

problems with sports stadiums, as well as the digital demand for cultural and entertainment tourism.

Thus, although Romania obtained an average score on most indicators, it ranked last in terms of government prioritization regarding development of the tourism and travel industry and the efficiency of marketing and branding to attract tourists. In both indicators, our country occupies the same place: 131 out of 136. The quality of the tourism infrastructure also falls behind, ranking 129th.

This analysis of the competitiveness index for tourism and travel of Romania reveals that the marketing strategies in the field of tourism in our country are not suitable and adapted to the needs and expectations on a global level. Severe shortages in certain areas of activity hinder the development of national tourism and therefore it is necessary to take measures in this regard and by innovative marketing and branding strategies in order to attract tourists.

7. Conclusions and recommendations

Both the share of tourism in Romania's GDP and the arrivals of foreign tourists indicate that tourism is poorly developed. The number of tourists from European countries is very small, which shows that the marketing and promotion of the Romanian tourism product needs improvements and adaptation to the new trends of the European tourism market. The fact that destinations in Romania with a great tourist potential in terms of natural resources receive a very small number of foreign and Romanian tourists, shows a lack of interest in promoting them.

Romania ranks 56th out of 140 countries in terms of competitiveness, with large gaps in infrastructure, accommodation services, and marketing effectiveness and branding to attract tourists. Thus, we can say that Romania occupies a good position compared to some countries in South-Eastern Europe, having natural riches and tourist attractions, but the existing problems in the marketing of the tourist product do not help enough to promote them. Improvements are possible in this regard to increase the online demand for natural tourism and the online demand for cultural and leisure tourism.

In order to bring improvements that would raise the low indices of tourism in Romania, it is recommended to use innovative marketing strategies. One of these strategies can be aimed at digital marketing to make the tourist areas of the country visible to as many international tourists as possible. Being as visible as possible in the online environment, travel agencies can implement various activities to make them known, reach a lot of people around the world and expose them to exclusive offers. Also, posting ads that reach as many people as possible can cause them to want to visit the places that Romania has to offer. The influence of digital marketing transcends borders and can allow the travel industry to attract people from around the world and turn unique places in the country into popular tourist destinations.

Social media platforms play a crucial role in tourism marketing because they have become a powerful tool for online communications, allowing tourists to interact and share their opinions, collaborate and contribute to the development, extension, evaluation of tourism experiences. The way social media channels are used has become an innovative phenomenon that is changing the way consumers plan and buy travel products. That is why the marketing strategies of Romanian tourism must find innovative and creative ways to enter the market through the online environment. This strategy should be seen as a way to facilitate the promotion of Romanian tourism products on the world market, which should be used as much as possible.

Branding is another innovation strategy for Romanian tourism marketing. Although, the branding process is not a new concept, it is very popular among today's tourist brands. Thus, through a flexible and innovative approach, determined by the expansion of media options, branding can contribute to the development of Romanian tourism.

Integrating mobile apps in order to increase awareness and visibility of tourist destinations and attractions, as well as accommodation structures and as a means of communicating with customers (notifications regarding price alerts, events around the area, things to do, facilities, services) is a widely-used technique in the tourism industry, which also allows organizations to gain relevant insights of their customers' experience, based on reviews and opinions, revealing where they should focus their management and marketing efforts.

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