

The Necessity of a Strategic Approach to Romanian Tourism

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Abstract

This paper presents a SWOT analysis of the tourism destination Romania, to take advantage of opportunities and transform strengths into competitive advantages, eliminate or improve weaknesses, reduce threats, and establish a defensive plan to eliminate weaknesses and overcome threats. Although it has invaluable tourism resources, Romania lags far behind its European competitors in terms of attracting foreign tourists. The poor infrastructure and the lack of a clear tourism strategy make it more difficult for Romania to compete with more attractive destinations. Romania's tourism policy requires effective strategic management, a long-term integration of research and the intensification of real collaboration between the tourism industry and the Government, in order to maximize the economic potential of the tourism industry. It is about creating a political framework, an efficient infrastructure, attractive facilities for investors, consumer protection, etc., supporting tourism development with tools capable of ensuring its competitiveness in the global economy.

Key words: Romania, tourism, strategy, SWOT analysis

J.E.L. classification: Z30, Z32, L83.

1. Introduction

It is well known that, despite the valuable tourism resources it has, Romania is far behind its European competitors in terms of its ability to attract foreign tourists. The deficient infrastructure and the lack of a clear tourism strategy are the main causes affecting Romania's ability to compete with similar destinations. From 2014 to 2018, tourism's share in GDP increased by one percent, from 1.9% to 2.9%; it is a small figure compared to Croatia (20%) or Greece, countries that rely on tourism. The desire of the tourism authorities is to reach a percentage of 6-7% of the GDP in the coming years, and a series of measures in this sense have already been started, among which we mention the Ecotourism Strategy adopted on May 30, 2019 (aiming at capitalizing the protected areas through quality and sustainable tourism).

Romania's competitive advantages, differentiating it from other tourist destinations in the world, include: unique landscapes and natural parks, regions and cities with historical, architectural and religious vestiges, ethno-cultural heritage and friendly and hospitable people. However, the recipe for a successful and sustainable tourism requires more. Improving the quality of tourism products and services, tourism infrastructure, the professional development of tourism workers are elements that will support and maximize the economic value of the advantages of Romania's tourism resources as a tourism destination.

2. Theoretical background

Tourism must be integrated into the unitary functional system of the economy. In a macroeconomic sense, organizing tourism activity supposes the existence of an adequate framework, a sequence and relation of the components of this field of activity, ensuring the optimal functioning of the system. The peculiarities and heterogeneous content, the dynamism and dependence on other sectors of the economy, the large number of participants in making and marketing holidays, imprint specific features to the organization of tourism (organizational

structures, forms of integration, the role of the state, the distribution chain of tourism products). The organization of tourism activities currently tends towards decentralization, the stakeholders are increasingly involved in tourism policy and tourism development, and concerns regarding competitiveness have become major objectives for the national tourism agencies and strategic objectives for the regional ones (Toma, Mihai & Gross, 2022).

The analysis of the current state of Romanian tourism and the study of its weak points indicate the main actions needed to revive the tourism industry and support it in achieving its objectives and clarifying the vision (Țigu, 2012). These actions could be summarized as follows (Țigu, Andreeva & Nica, 2010):

- the public sector institutions with trained staff and sufficient resources must work in partnership with the private sector entities;
- market research, market segmentation and communication channels;
- an integrated tourism planning will lead to the modernization, development and better promotion of tourism products to meet tourists' expectations and requirements;
- staff education and training in the tourism industry;
- targeted marketing to establish Romania as a preferred tourism destination.

These actions must be applied in all fields of Romanian tourism – products, destinations, services, etc. and include: seaside tourism, city-breaks, circuits and geo-tourism, health tourism, active tourism and youth tourism, business tourism, rural tourism and ecotourism, education and training, animation, transport, tourist information, destination marketing, control quality, planning, environmental protection, legislative framework, investment promotion and consulting services.

The development of the tourism destination Romania requires a marketing approach at the macro-economic, but also the micro-economic level. A marketing plan is able to direct all marketing activities for a tourism destination, including market research, brand development, advertising and promotion, sales opportunities, distribution and cooperation. A marketing plan contains: tourism analysis, definition of goals and objectives, strategies, tactics and actions and the way to implement them (Țigu, 2012).

The lack of implementation of the concept of destination management is visible in the field of tourism management, both at national and local levels. Setting independent and apolitical national authorities operating as Destination Management Organizations (DMOs) was intended to provide expertise in all projects regarding the country brand. Since there was no coherent communication and collaboration between ministries and public and private organizations involved in promoting the image of our country, such authorities (DMOs) could be the solution for collaboration between these institutions and can ensure the tourism development plans (Țigu, 2012).

3. Research methodology

To achieve the general purpose of this study and the proposed objectives, the structural logic was adopted, and the research methodology consisted in the use of several methods of investigation, such as: analysis, observation, deduction, synthesis, classification, comparison, description, the study of representative works in the field and the research of empirical facts. To substantiate the theoretical content, a series of bibliographic sources in the field were studied (works of renowned specialists, normative and legislative acts in the field). Other coherent and information was taken from the web pages of some renowned scientific organizations in the field of tourism and processed into relevant conclusions.

4. Findings

A SWOT analysis of the current situation of tourism in Romania is necessary, viewed as a unitary international tourism destination, which has both weak points and strong points and which operates on a dynamic market, benefiting from opportunities, but also facing the inherent threats of an imperfect market (Nistoreanu, 2005). The SWOT analysis of Romanian tourism is a necessary tool in defining strategies to promote and develop the tourism destination Romania (Țigu, 2012).

The SWOT analysis of the tourism destination Romania provides a clear picture of Romanian tourism. The goal is to take advantage of opportunities and transform strengths into competitive advantages, eliminate or improve weaknesses, reduce threats, and establish a defensive plan to eliminate weaknesses and overcome threats (Table 1).

Table no. 1. The SWOT analysis of Romanian tourism

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • favorable geostrategic position; • natural tourist resources: the diversity of landscapes (proportionality of relief steps: 35% mountains and Subcarpathians, 35% hills and plateaus, 30% plains and meadows), the Carpathian Mountains (virgin forests, flora and fauna, mountain trails, national parks), the coast of the Black Sea, the Danube Delta (natural reserves), favorable climate for various tourist activities, hydrological and spa resources (35% of mineral water reserves in Europe, therapeutic mud), great biodiversity and protected areas; • human resources: historical monuments and archaeological remains (monasteries, Dacian fortresses, fortified churches), folklore traditions, art institutions, folklore, architecture, as well as cultural-artistic events, cultural heritage and UNESCO sites; • Romanian hospitality, authenticity; • accessibility and transport (17 airports with international access, naval port, railway network – the fourth longest in Europe and road network); • increasing investments in the rural environment; • diversification of accommodation capacity and implementation of best practice models in ecotourism; • legal framework: to manage protected areas and environmental protection, harmonized with the European one, the existence of the Master Plan for the Development of National Tourism 2007-2026; • the safety that Romania offers to tourists in the current geopolitical context; • qualified staff with language skills and qualifications above average; • mobile and landline operators with national coverage; • the highest speed of Internet traffic in Europe; • travel agencies and tour operators with expertise in providing tourist services; • participation in national and international circuits, fairs and tourism exhibitions; • diversified promotional packages according to the needs and requirements of tourists and an appropriate distribution of tourist products in the territory; • traditional gastronomy and regional specialties; 	<ul style="list-style-type: none"> • the limited capacity and the low quality standard of the tourist and leisure infrastructure; • small number of hotels with a high degree of comfort and the high prices charged by them; • the state of degradation of some anthropogenic tourist objectives; • the state of advanced degradation of some accommodation units and leisure structures in some resorts; • poor quality and diversification of tourist services and their uncompetitive price/quality ratio; • still limited access for people with disabilities to some tourist attractions; • lack of a European-level tourist infrastructure; • forced urbanization of the rural population, with direct implications in the loss of the existing immaterial/material cultural heritage; • difficulties related to the tourism exploitation of traditional handicrafts; • gap between the training offered by the school and the requirements of the labor market in the field of tourism; • illegal work; • insufficient capitalization of historical monuments through specific architectural arrangements; • non-respect of traditional architecture in the case of new constructions, located in the bordering area of national parks and in tourist villages; • insufficient tourist information (tourist information points, visitor centers, sign boards); • low implementation of the quality management system in the tourism sector; • lack of environmental education of many locals; • poor promotion of cultural objectives and events; • high degree of beach erosion; • inadequate remuneration of tourism staff; • the reduced offer of qualification and training courses in tourism; • insufficient road transport infrastructure; • the crowding of some tourist areas and the poor utilization of others; • weak involvement of the mass media in promoting tourism domestically and abroad;

<ul style="list-style-type: none"> • application of the regulations regarding the reduced rate of VAT in tourism. 	<ul style="list-style-type: none"> • the non-existence of an appropriate legislative package to support the development of investments in tourism and the facilities granted in this regard; • lack of regional institutional structures for the tourism development; • lack of an integrated offer for various forms of tourism and an integrated development of tourism in tourism destinations; • low awareness of the importance of tourism in the economy; • reduced tourist season for the seaside and mountain resorts, seasonal fluctuations motivated by the lack of promotion of the fact that Romania is a tourist destination 365 days; • insufficient incentives and support mechanisms for investors; • the lack of a strong and positive image of Romania as a tourism destination abroad (the lack of involvement of the Ministry of Tourism in promoting Romania on some important European markets and the closure of Romania's tourism promotion offices abroad, in 2017); • a weak collaboration between the public and private sectors in the issue of tourism marketing; • giving up the promotion of Romanian tourist offers by some German tour operators (TUI, Neckerman, Dertour, in 2018).
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • relaunching the international tourism demand after the Covid 19 pandemic, which significantly affected the entire tourism industry; • exchange of expertise (know-how) and experience with partners from abroad; • the adoption of a new national strategy for the development of tourism, starting in 2010; • the possibility of accessing non-reimbursable European funds for the development of tourism infrastructure; • changes in international tourist demand and the decline of traditional destinations; • the appointment of Romania as vice-president of the UNWTO in 2011 and 2017, a fact that contributed to improving the image of our country; • coordinating the Working Group for Tourism in the period 2020-2022, Romania holding the mandate of acting president of the Black Sea Economic Cooperation Organization (OCEMN); • the evolution of online communication channels; • growing interest in business tourism; • favorable geopolitical position on the continent; 	<p>THREATS</p> <ul style="list-style-type: none"> • geographical proximity to the war in Ukraine and the military conflicts in the area; • the still reserved attitude shown by an appreciable part of the tourist market, in the context of the still felt impact of the Covid 19 pandemic that began in 2020, significantly affecting, negatively, tourist demand and the state of the entire tourism industry; • strong international competition, including unfair competition practices; • strong competition from Central-Eastern European countries; • poor inter-institutional communication; • the migration process of qualified tourism employees; • maintaining the non-unitary character of the approaches at the level of this industry; • the gradual dilution of Romanian traditions and customs; • low awareness of the advantages of the country's tourist potential; • excluding tourism from the national priorities; • the degradation of the rural architectural heritage through the depopulation of localities and rural communities; • massive youth migration due to the lack of jobs;

<ul style="list-style-type: none">• the capitalization of funding sources for the development of human resources in the field, at high school, university level and at the level of continuing professional training of adults;• upward trends regarding the evolution of the quality of the tourist offer;• the increase in the number of airlines operating in Romania, resulting in interconnecting of cities in our country with more and more destinations in Europe;• capitalizing on cross-border tourism potential (Bulgaria, Serbia), especially in the context of the Danube Strategy;• the increasing attractiveness of rural tourism;• the desire of all actors in the field to develop a tourism law harmonized with international legislation;• increasing demand for spa and climatic resorts;• the positive evolution of the offers of tourism operators;• growing tourist demand for niche forms of tourism, which Romania may provide;• organizing large-scale events in Romania (Untold festival, etc.).	<ul style="list-style-type: none">• insufficiently well-developed organizational culture of executive and management personnel in the hospitality industry;• failure to adapt to the evolution of the sharing economy concept;• destruction and degradation of the natural environment through continuous pollution;• insufficient tourism promotion budget allocated to the Ministry of Tourism;• frequent changes in tourism development strategies, lack of continuity in fiscal legislation, public administration and environmental regulations;• lack of a unified tourism law.
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Source: processed after Nistoreanu (2005); Mureşan, Chiripuci & Nistoreanu (2017); Țigu (2012) and own contributions

As the SWOT analysis shows, the legislative framework necessary to manage the protected areas and the protection of the human environment is identified as a strong point, an aspect harmonized with the European regulations and included in the Master Plan for the Development of National Tourism 2007-2026. A significant weakness is represented by the lack of the existence of an appropriate legislative package to support the development of investments in tourism and the facilities granted to investors. Among the opportunities is the stakeholders' desire to develop a tourism law harmonized with the international legislation, since its lack is currently a serious threat to Romanian tourism development.

The legislative, organizational and administrative measures represent the institutional support necessary for the development of tourist activities. The organizations or structures involved in tourism belong to the public or private sector, being commercial companies or professional associations with international, national or regional (local) activity. The tourism organization system is made up of three hierarchical levels: the central body (coordinator), regional (local) bodies and sectoral organizations.

The tourism activities in Romania are coordinated by the delegated ministry for tourism, currently called the Ministry of Entrepreneurship and Tourism, through the General Directorate of Tourism, with the following responsibilities: preparing the tourism development strategy, promoting domestic and international tourism, initiating and applying normative acts and specific regulations, representing Romania within international bodies.

The legislation regarding tourist activities in Romania is based on a series of normative and legislative acts aimed at: tourist infrastructure, control and authorization for tourism (classification certificates, tourism licenses and patents, tourist authorization for beaches, tourist guides), tourism promotion, tourism development. Since there are no resources to apply of the legislation, it is not properly implemented. Another major shortcoming is the lack of a unified and comprehensive tourism law in force. Since 2010, the Tourism Law Project continues to be amended and debated.

Other shortcomings are due to: the frequent changes within the delegated ministry for tourism, a fact that did not favor the continuity and coherence of measures, strategies and planning for the development of Romanian tourism; the repeated establishment and dissolution of bodies or institutions such as the National Tourism Authority or the Tourism Authorization and Control Office, the Tourism Promotion Office; a poor collaboration with domestic and foreign specialists in the field in preparing legislative acts regarding tourist resorts, their classification and attestation.

In the last 10 years, the National Tourism Authority and, after its abolition, the Ministry of Tourism have developed new strategies to meet the requirements of the National Tourism Development Master Plan 2007-2026 (made with the support of UNWTO consultants). Thus, in 2010, Romania's national tourism brand was created and promoted at Shanghai World Expo 2010, under the slogan "Romania – Explore the Carpathian Garden" (Ministry of Regional Development and Tourism, 2011). The promise of the brand is deep satisfaction and high level of recognition as an explorer of an intact and new destination, which is not found on the classic routes of Europe. The logo depicts a leaf and a river, symbols of the defining elements of Romanian tourism:

- intact nature and unaltered landscapes: national and natural parks, rare and isolated landscapes, rare flora and fauna elements, valuable ecosystems (Carpathian Mountains, Transylvania, Danube Delta);
- authenticity: traditions, simple rural life, organic food produced by locals, traditional architecture (Transylvania, Maramureş, Bucovina, Dobrogea);
- unique cultural heritage: castles, monasteries, Latino-Byzantine cultural heritage, German cultural heritage, the frescoed monasteries of Bucovina, the old center of Sibiu, the wooden churches of Maramureş.

After successfully creating this tourism brand, the Romanian Government needed an operational marketing plan to promote the new brand and to position its tourism offer on the global market. The Operational Marketing Plan for Romanian Tourism 2011-2015 (made by Hoewath HTL) included a communication strategy and 6 key tourism products and strategies for markets and market segments, aiming at developing all marketing activities on domestic and foreign markets. Then other strategies for the development of health tourism, ecotourism, rural tourism, seaside tourism were implemented. The development of tourism has been done strategically in recent years, implementing coherent action plans of tourism coordination (The Strategic and Operational Plan for Tourist Marketing of Romania 2011-2015, The Strategic and Operational Plan for Tourist Marketing for Bucharest 2011-2015, The Strategy for Creating and Promoting the National Tourism Brand, The National Ecotourism Development Strategy, The National Spa Tourism Development Strategy).

The National Strategy of Romania for Tourism Development for the period 2020-2030, with its two volumes (Report on the Rapid Assessment of the Tourism Sector and Strategy and Action Plan) offers elaborated analyzes and advanced solutions for Romania by a world-renowned body in the field tourism and hospitality. The strategy could become the main working instrument in favor of Romanian tourism's growth and consolidation, therefore it is necessary to expedite the procedures for its approval through a Governmental Decision. This document was created with the input of many professionals and specialists in the field, an ethnic working group of the central authority for tourism, inter-ministerial commissions, experts from the World Bank, opinions and results of consultations of associations and employers' and professional organizations, entrepreneurs, owners and managers.

This ten-year multi-year program for Romanian tourism involves the collaboration of all stakeholders (government structures, employers' and professional associations in the field, locals, tourists, the environment with its defenders, etc.), following a rational, consistent and visionary strategic direction, so that Romania becomes a favorite European tourism destination. The measures that address the issue of Romanian tourism are concrete and have multiple perspectives:

- prioritizing and supporting the tourism sector within the national economy;
- developing sustainable tourism;
- encouraging public and private investments in tourism;
- highlighting Romania's competitive advantages through intelligent promotion;
- digitalizing and supporting new technologies in tourism;
- reducing tax evasion in tourism;

- administrative efficiency.

Romania has been a full member of the World Tourism Organization (UNWTO) even since 1975. UNWTO is the United Nations agency that coordinates the international promotion of responsible, sustainable and accessible tourism. Currently, UNWTO has 159 full member states, 6 associate members and over 500 affiliated members from the private sector, educational institutions, tourism associations and local tourism authorities. In 2017, Romania was elected a full member of the UNWTO governing body, and the position of a member of the UNWTO Executive Council represents an international recognition of the efforts made in the field of tourism and an opportunity to increase the visibility of our country abroad, both as a tourism destination and as an active partner in the field of international tourism. Romania held this quality until 2021.

Also, in the period 2020-2022, Romania coordinates the Working Group for Tourism, holding the mandate of acting president of the Black Sea Economic Cooperation Organization (OCEMN) - Press Release, May 21, 2020.

5. Conclusions

The performance of Romanian tourism should be of prime importance within the national development policies and strategies. The Ministry of Tourism should have an experienced leadership, oriented towards the tourism industry and the priority tourism markets. Its actions include collaboration between national and regional tourism organizations and those from the private sector, with the objective of increasing the number of tourists, their expenses and the number of jobs in tourism. The leadership of the ministry should work closely with the stakeholders and the local public administration authorities to develop the tourism industry, promoting quality standards in tourism and representing the Romanian tourism brand internationally. It is necessary to unify the efforts of the state and investors to create optimal conditions for development.

The national tourism development strategy should be considered a milestone in Romania's tourism policy, a long-term integration of research and collaboration at an unprecedented level between the tourism industry and the Government, in order to maximize the economic potential of the tourism industry. It is about creating a political framework (policies, strategies, regulations), efficient infrastructure (easy accessibility to highways, airports, ports, direct routes to destinations), facilities for investors and, last but not least, consumer protection, to support the development of the tourism industry, with instruments able to ensure its competitiveness in the global economy, especially regarding the opportunities on the European market. This requires consistency, continuity and coherence, in other words, a strategic and effective management.

In recent years, important steps have been taken in developing Romanian tourism: the implementation of the Tourism Investments Masterplan, the inventory and assessment of unfinished investments from European and governmental funds and the provision of funds for the completion of investments for the development of tourism; the adoption of Law no. 277/2017 for the guarantee of tourist service packages, with effect on consumer protection and the encouragement of initiatives in tourism; a new approach to tourist destination management by finalizing the legislative framework for the operation of Destination Management Organizations in tourist resorts and localities; the establishment of the Inter-ministerial Committee for Tourism in order to promote an adequate institutional framework to coordinate public policies and actions with an impact on tourism at the national level, monitoring sectoral developments and formulating strategic directions accompanied by a medium/long-term action plan to improve tourism potential; supporting sustainable tourism through the 2019 Ecotourism Strategy; granting holiday vouchers to employees in the budget sector, to buy holidays in Romania.

Since the tourism resources are practically inexhaustible, tourism represents one of the economic sectors with real prospects for long-term development. The capitalization and complex exploitation of tourist resources, together with an effective promotion strategy on the international market, can constitute significant sources of income in foreign currency for Romania, thus contributing to balancing the external debt (Țigu, 2012).

Tourism must earn its rightful place in Romania's national economy, overcome the moment of crisis caused by the COVID pandemic with as few sequelae as possible. The perception of the state in relation to this industry has improved in recent years, as well as that of the general public, revealing the scope and the major economic, social and image implications that this sector can generate in favor of everyone, both in the short term and, above all, for future generations.

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