



# GUIDE OF THE ENTREPRENEUR ON DOMESTIC TOURISM

*How to attract and serve Bulgarian tourists?*



Sofia

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# **GUIDE OF THE TOURIST BUSINESS**

*How to attract and serve Bulgarian tourists?*

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## FOREWORD

This Guide is elaborated within a project to the Ministry of Economy, Energy and Tourism — “Communication Campaign for Promotion of Domestic Tourism in the Republic of Bulgaria” funded by the Operational Program “Regional Development”.

The project addresses an actual problem that tourist development and tourist policy in Bulgaria face — trend for increasing of tourist travels of Bulgarians abroad. Based on analysis of reasons by that Bulgarians prefer tourist destinations abroad and not in their homeland, the project looks for decision of the problem in two main directions: 1) raising the awareness of potential Bulgarian tourist about the opportunities that Bulgarian tourist destinations offer and 2) raising the awareness and comprehension of the stakeholders in the field of tourist offering about how to stimulate the trips of Bulgarians in their homeland.

The practice in a number of developed countries has shown that especially in crisis periods the tourist industry and tourist policy turn into the national market and take measures for promotion of domestic tourism. Bulgaria is not an exclusion — since 2005-2006 when the impetuous growth of the accommodation basis led to tendency for decrease of employment there, attempts are made for more active attraction of Bulgarian tourists to the domestic market. The current experience and research in the last years in particular the Analysis of reasons for travels of Bulgarians abroad prepared by the State Tourism Agency show that only more and qualitative information about the touristic opportunities in Bulgaria are not enough. A change is needed in the tourist offering meaning change in the behavior of the creators of the tourist product.

Based on the above mentioned, the objective of the Guide is to assist the stakeholders in tourist offering by raising awareness about the state of play and trends of the national market and by offering guidelines for general activities in creation of tourist product and its exposition at the market. The fundamental idea of the Guide is the thinking in the categories “product” and “market” and looking of the best conformity between product and market. It searches for answers of the question “how to create and how to sell Bulgarian tourist products to the Bulgarians”, reviewing some very important topics — current state of play of the national tourist market (Chapter I), market research (Chapter II), creation of tourist product as a whole and for specific types of tourism and ensuring the quality (Chapter III), advertisement and selling the tourist product (Chapter IV), role of the tourist policy actors (Chapter V), opportunities for financing of activities for improvement of the product and its realization.

The Guide is targeted to all stakeholders in the creation of tourist product and its application at the market which are extremely diverse — from hotels and restaurants, tour operators and tourist agencies considered as the core of tourist industry, by the tourist information centers and tourist attractions operators (e.g. museums or national and natural parks) to the tourist policy actors such as the central and local government and tourist associations at national, regional and local level.

Many of tourist enterprises and organizations have professional managers and qualified specialists at their disposal for which a large part of this information will not be something completely new. Part of them, however, particularly smaller or “distanced” from the tourist business (e.g. local governments) have no enough qualified specialists as they are more likely to find any new information in the Guide. Though, everybody concerned it will be useful to have a brief, structured and user friendly tool which is to assist them as in the long term strategic planning as well as in the day-to-day activity.

The Guide provides information, systematic approach and guidelines but does not offers prescriptions and universal decisions. It is a supporting tool for development of own models and practices. Although there are common approaches and principles, each situation is different and depends on a number of factors. By that reason the usage of the Guide is a challenge: each stakeholder in creation and application of the product should adapt proposed approaches and principles and to look for creative and original solutions, in accordance with its specific activity, actual place and market segment.

On the other hand, the Guide does not offer concrete and detailed solutions for the types of stakeholders in the tourist development. As we mentioned above, they are not only numerous, but also extremely diverse as the activity of each group or type has very specific characteristics with a view to technologies, product, customers, regulatory framework, etc. which are to be and are subject of certain Guides, Handbooks and Manuals. The effect and main expected benefit of the Guide is to give the general image, common guidelines and principles with a view to the work with Bulgarian tourists — current and potential, and to assist each stakeholder in tourist development to find its place, to outline its strategy and look for effective interaction with other important for its product and market stakeholders.

## LEGEND



**IMPORTANT**



**DEFINITIONS**



**TIP**



**EXAMPLE**



**BEST PRACTICE**

# I. BULGARIAN TOURISTS: WHAT WE LOSE AND WHAT WE WIN?

## 1. What happened to the domestic tourist market in Bulgaria?



The domestic tourist market (national tourism) includes all tourist travels of the domestic population — domestic tourism (travel within the country) and outgoing or passive international tourism (travels abroad).



Domestic and outgoing tourism are like “interconnected vessels” — they are largely substitutable. In equal other conditions the increase of travels abroad means unreleased travels within the homeland and loss profits for the local tourist business.

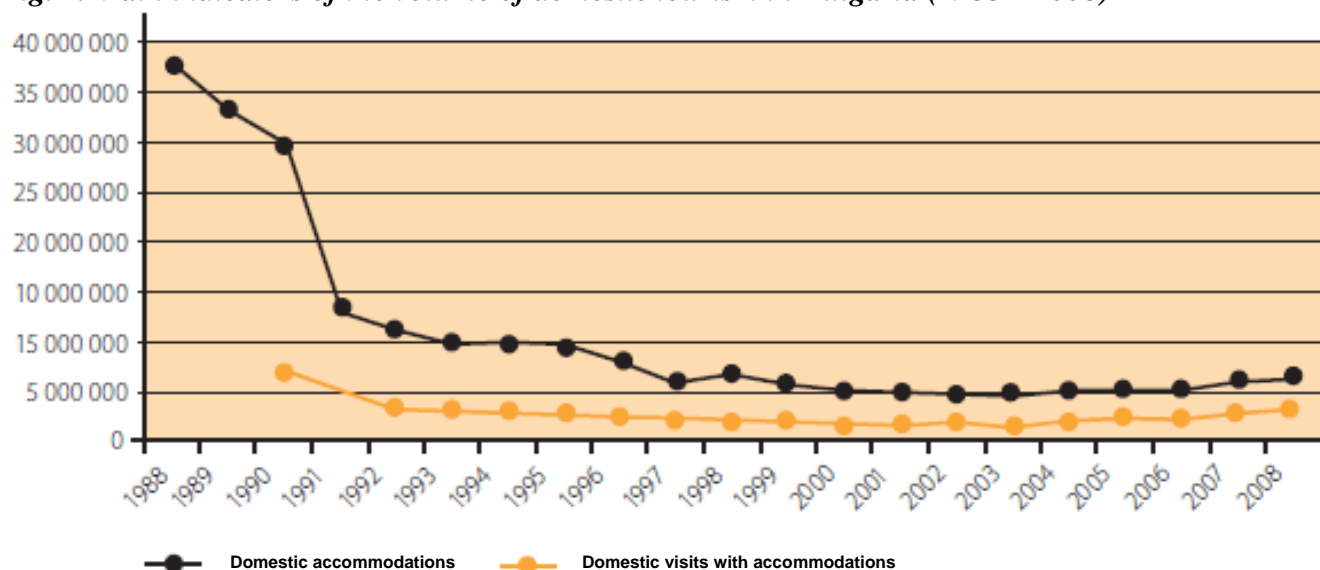
The data about the travels of Bulgarians are incomplete and sometimes contradictory. However, the current tourist statistics allows outlining of long term trends as the last surveys of the National Statistical Institute and State Tourism Agency presented the actual image of the travels of Bulgarians.

The domestic tourist market in Bulgaria suffered serious disturbances in the years of transition to a new type socio-economic development of the country. It has been underestimated for a long time while the efforts of business and national touristic policy focused mainly on occupying positions at the international market. Meanwhile the tourist trips of Bulgarians changed significantly and a large part has been focused on foreign destinations.

### How the volume of domestic tourist consumption in Bulgaria has changed in the last 20 years?

The decreased living standard of a large part of the population in the years of transition combined with the collapse of the old system for social recreation and new opportunities for traveling abroad lead to a rapid drop in the domestic tourist consumption (measured by the number of visits and accommodations) in the beginning of 90s. The trend of decrease continues with certain fluctuations more than a decade and breaks after 2003. (Fig. 1)

*Fig. 1. Main indicators of the volume of domestic tourism in Bulgaria (1988 – 2008)*



Based on the data of national statistics during the year with the lowest volume of domestic tourism (2003) the accommodations of Bulgarians within the country slowly exceed 4.6 million as their number is over 8 times lower than 1988 (approx. 38 million). There is durable but slow improvement of the situation. In comparison with 2003, in 2008 are accommodated about 1 million more Bulgarians with approximately 1.9 million more accommodations. The relative growth of the visits for the period is 57% as for the accommodations – 41% in average annual growth as follows: 9,5% and 6,8%. Despite of the positive development during last years, the number of accommodations from Bulgarians in Bulgaria is still almost 6 times lower than in the end of 80s as the share of domestic market according to this indicator has decreased from 65% to 35%. Meanwhile there is a significant change in the structure of accommodation: if in the end of 80s most of the accommodations are in holiday houses (35% of accommodations) and single rooms (28%) and only 25% for the hotels, in 2008 the hotel accommodations prevail (83%).



**The real volume of domestic tourism is much larger than reported by the official statistics based on the accommodation data. Thus the officially reported accommodations of Bulgarians within the country in 2008 are 6,5 million, while the report of the survey among households made by NSI during the same year shows that the number is 27 million, i.e. 4 times more. The same research indicates that when travelling within the country 2/3 of Bulgarians use accommodation that stays either out of the range of statistics (within relatives or friends, own country house or holiday house) or is reported in limited extent (single rooms).**

### **Do the Bulgarians travel more abroad and does it affect their domestic trips?**

The trips of Bulgarians abroad in 90s show large fluctuations related mainly to the specific for the period “suitcase trade”. After 2000 these trips increase durably and in 2008 their number exceeds 5,7 million (2,5 times more than in 2000, with average annual growth of 16,1%).

The touristic and recreation trips reported since 2001 compose between 25% and 29% of all trips abroad of Bulgarians. Until 2008 their number increased twice (from 800 000 up to 1,6 million) or 12,9% annually. Trips abroad for recreation and excursion increased more rapidly than the total trips: for the period 2003-2005 they have average annual growth of 17% (12% for all trips) as for 2006-2008 – 24% (18% for all trips).

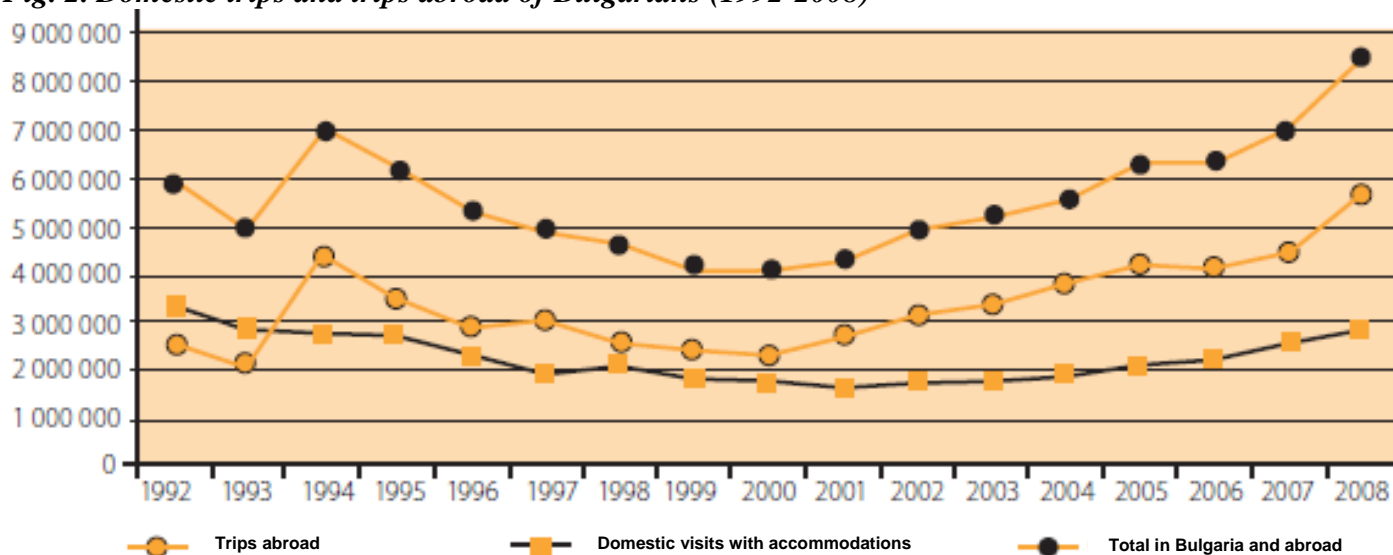
Serious changes are seen not only in the number but in the territorial focus of trips. Particularly in private trips:

- The share of former socialist countries decreases from 58% in 1990 to 27% in 2008.
- Although with fluctuations during certain years the share of neighbor Balkan countries keeps high level (75% in 1990, 79% in 2008).
- The share of Eastern European countries rapidly drops from 11% in 1990 to 2% in 2008 while the share of Western European countries grows from 8% to 16% as in certain years grew up to 25-30%.

In 2008 the leading destinations for Bulgarians as regards private trips are the neighbor countries – Turkey (33,8%), Greece (20,1%), Serbia (10,3%), Macedonia (7,8%) and Romania (7,1%). The second important group of destinations include more distanced European countries – Germany (4,1%), Spain (2,9%), Italy (2,5%), United Kingdom (2%), Austria (1,9%) and France (1%). Out of Europe destinations have insignificant share (total of 2%). Almost the same is the ordination in the recreation trips and excursions as the main difference is the change of positions of Greece (first in line with 25,6% of the travels) and Turkey (second in line with 20,5% of travels). During all the years these two countries competed for the leadership in the preferences of Bulgarians as regards excursions and recreations abroad.

The comparison of data about the volume of domestic and outgoing tourism (*fig. 2*) clearly indicates that in 90s the trips of Bulgarians decrease as a whole as the outgoing tourism is developed in a large extent at the expense of domestic tourism. The situation changed after 2000 and especially after 2003 when Bulgarians began to travel more as abroad as well as within Bulgaria. This coincides with the leaving of turbulent period, stabilization of national economy and improved living standard of the population.

**Fig. 2. Domestic trips and trips abroad of Bulgarians (1992-2008)**



However, in these conditions the domestic tourism increases with significantly slow temps than the outgoing: for the period 2003-2005 the average annual growth of accommodations of Bulgarians within Bulgaria is 9,5% (12% for the travels abroad) as for 2006-2008 is 9,3% (18% for the travels abroad).



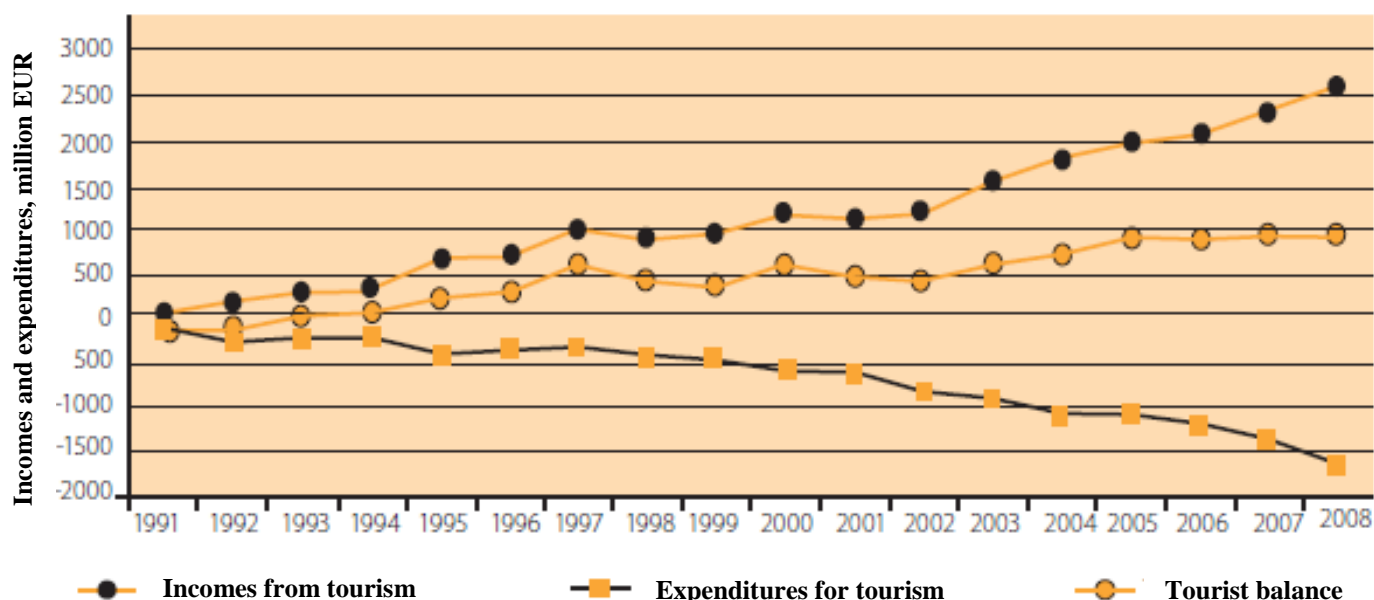
**One of the important effects of the increase of trips abroad is the accumulation of larger touristic experience that leads to a change in criteria and raising the demands as regards the touristic product offered in Bulgaria.**



**The dynamics of trips of Bulgarians abroad affects seriously the balance of incomes and expenditures for international tourism, respectively on the balance of payments of the country. The main problem is that the expenditures for travels abroad increase more rapidly than the incomes thus decreasing the net incomes. According to data of World Tourist Organization Bulgaria now is in the list of 50 countries with largest expenditures for outgoing travels but is not among the top 50 destinations.**

**According to BNB data in 2008 the expenditures for travels abroad are over 1,6 billion EUR representing about 2/3 of incomes from foreigners in Bulgaria. For the period 2006-2008 the annual average growth of expenditures is 21,4% as of incomes – 12,1%. As a result the annual average growth of net incomes from international tourism (tourist balance) is only 1,6% while in the previous period 2003-2005 it has been 27,7% and total for the last 10 years – since 1998 to 2008 – 12,7% (*fig. 3*).**

**Fig. 3. International tourism in the Bulgarian balance of payment**



### What are the current characteristics of the Bulgarians' trips?

The main parameters of the Bulgarians' trips in 2008 according to a representative survey of the National Statistic Institute among households are as follows:

- 1,328 million people carried out 13,417 million of trips with 34,327 million of accommodation.
- Only 214 000 people traveled abroad (16,1%) with 1,244 million (9,3%); due to the longer duration the trips abroad have disproportional share in accommodations – 7,342 million (21,4%).
- Private trips prevail – 85,2% without significant difference between domestic trips (85,4%) and abroad (83,8%). In both cases the private trips are with longer duration (2,7 nights for private vs 1,7 nights for professional) and there is the main share of the accommodations realized – 90,3%, including 91,1% of the domestic accommodations and 87,4 of accommodations abroad. A detailed breakdown of travel causes shows that most of the people travel for recreation and excursion (total 44%: within Bulgaria – 43%, abroad – 52%), followed by trips for family visits (total 33%: within Bulgaria – 34%, abroad – 29%), the third group is of business travelers (total 11%: within Bulgaria – 10%, abroad – 13%). The share of educational trips is insignificant (total 1%: within Bulgaria – 1%, abroad – 0%).
- The expenditures of Bulgarians for travel are BGN 4,545 billion of which 3,156 billion within Bulgaria (69,4%) and 1,389 billion abroad (30,6%). Trips abroad are associated with higher costs – 1116 BGN per trip (compared with BGN 259 for travel within the country). This is due to the longer duration of trips abroad (5,9 nights vs 2,2 nights within Bulgaria) as well as to the higher daily costs – BGN 189 vs BGN 119 for trips in Bulgaria. Average costs per day for business trips significantly exceed the costs for private trips (5,4% higher in Bulgaria and 121% higher abroad).
- The structure of costs of domestic trips and abroad is different. Similar are only the accommodation costs (20% for trips within Bulgaria and 17% for trips abroad). In Bulgaria higher is the relative share of expenses for food (45% vs 28%), as lower is the share of transport costs (19% vs 30%) and other expenditures (16% vs 26%).
- Significant are the differences in the accommodation. When traveling within Bulgaria the share of hotel accommodation is much lower (18% vs 45% for trips abroad) as higher is the share of using own country houses and holiday houses (7% and 8% vs 0%). However, in both cases the most used accommodation is with friends and relatives (over 40%).

- The seasonality is less expressed in domestic trips than abroad. Most of the trips are carried out during the third trimester (29% of all in Bulgaria and 34% of all abroad.). Private trips are characterized with higher seasonality than in business trips. Private trips abroad are concentrated during the third trimester (35%) followed by the second trimester (31%) as the share in the first and fourth trimester is much lower (15% and 19%). In the private trips within Bulgaria the differences are small – leading is also the third trimester, but with 31% of the trips followed by the fourth trimester with 27% as for the first and second trimester the share is 21% each.
- Over 90% of travelers do not benefit from tour operator and tourist agencies' service but there is a large difference between trips within Bulgaria and abroad. When traveling abroad 29% of travelers have used services of tour operators or tourist agency as for domestic trips the share is only 3,2%.
- Compared with similar research in 2006 the number of travelers decreases with 31% (33% in Bulgaria and 21% abroad) but at the same time the number of trips increases 2,7 times (2,5 times in Bulgaria and 6,5 times abroad), the number of accommodations increases 2,2 times (1,4 times in Bulgaria and 1,9 times abroad). Average daily costs also increase about 3 time – faster in domestic trips (3,4 times) than abroad (2,5 times).

Similar quantitative characteristics are reported also by the researches related to the analysis of causes for trips abroad, assigned by the STA in the spring of 2009, but it should be mentioned that the data concern only recreation and holiday trips and only for urban population aged between 18 and 55.

- 29% of the citizens aged between 18 and 55 carried out recreational or holiday trip.
- 80% of them had their holiday only in Bulgaria, as the rest 20% - both in Bulgaria and abroad.
- Trips between 7 and 13 nights prevail (44%) and 4-6 night (26%).
- Average costs for recreation abroad (BGN 1093) are 60% higher than the costs for recreation in Bulgaria (BGN 678).
- 30% of the total costs are for recreation abroad and 70% - for recreation in Bulgaria.
- 47% of travelers abroad and 13% of travelers in Bulgaria have used tour operator or tourist agency services. In both cases the share of Internet users for booking is high – 19% for the travelers abroad and 12% for travelers in Bulgaria.

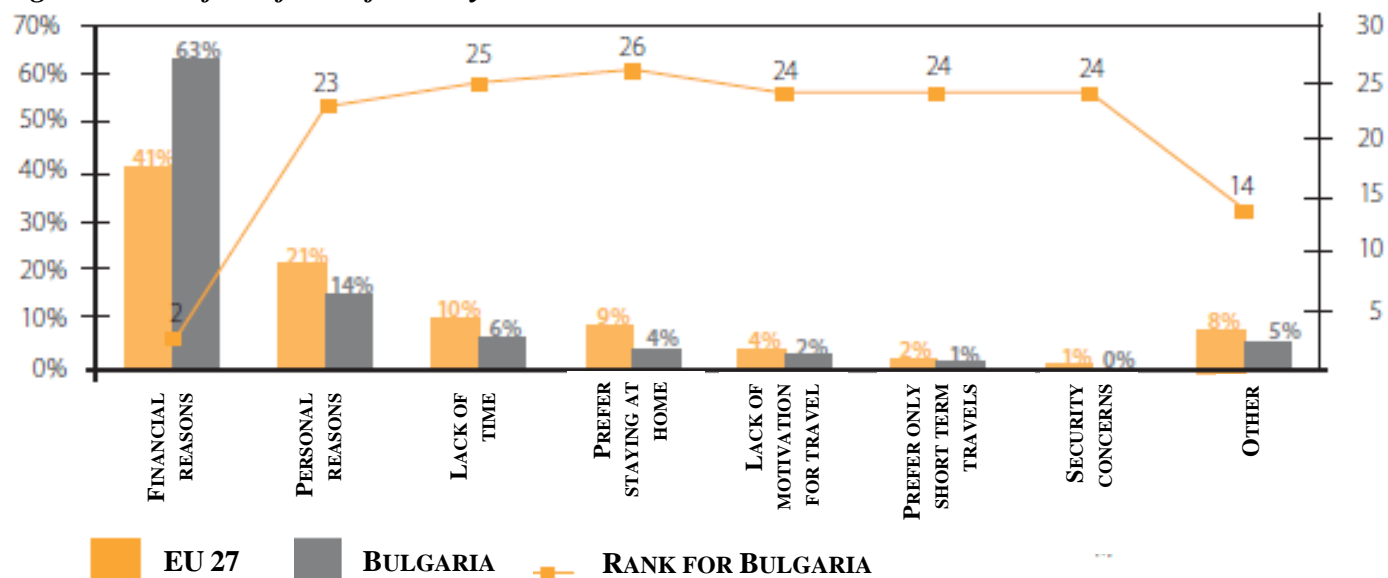


**Only about 20% of the population in active age is tourist active. However, these people travel often – they carry out averagely 10 trips, as abroad – 5,8 trips. There is significant potential demand which does not transform into effective demand mainly due to financial reasons.**

**In middle term aspect there is no outflow of Bulgarian tourists from Bulgarian resorts and tourist centers, but travels abroad and costs related are growing faster than travels within Bulgaria. Travels abroad are only 16% of all trips of Bulgarians but their share is 21% of accommodations and 31% of costs.**

**The biggest competitor of Bulgarian tourism is not traveling abroad or other destinations, but not traveling or staying at home. As the “Eurobarometer” research shows (2009) Bulgaria is substantially different than most of the EU countries with financial reasons leading to non-traveling (63%) which probably will affect the situation in the next years (fig. 4).**

**Fig 4. Reasons for refusal of holiday travel in 2008**



**Business trips and for visits of friends and relatives does not affected by the marketing concerning the choice of destination. Particular interest for the Bulgarian tourist industry are travelers for recreation and excursion – 587 000 people including 476 000 travelling within Bulgaria and 110 000 travelling abroad.**

#### **How current financial and economic crisis affects the trips of Bulgarians?**

The global financial and economic crisis affected seriously Bulgaria since the beginning of 2009 and faced the entrepreneurs in the field of tourism before new challenges related to the rivalry for attraction of customers on the background of serious competition in offering and sharp reduction in the demand. Representatives of business, tourist policy and analysts saw a solution of the critical situation in the development of internal market expecting that the crisis will limit the tourist trips of Bulgarians abroad and redirect them into the domestic resorts.

Indeed, in order to decrease the costs, a number of people disavowed holidays abroad. The data of the border statistics for the first 8 months of 2009 indicate total drop of 32% of trips abroad aimed at recreation and excursion compared with the same period of 2008 (including 60% drop for Turkey and only 2% growth for Greece). At first glance this seems very encouraging for return of Bulgarian tourists in Bulgaria. However, the detailed data show (table 1) that trips to Greece are seriously decreased only during the first trimester and have significant growth in April, May, July and August when people have a lot of holidays or use their annual leave. On the other hand there is a significant growth of trips to recently unpopular for Bulgarians destinations like Romania, as well as Macedonia in June, July and August.

At the same time the statistics collected by the rest houses and hotels in Bulgaria for the first half of 2009 reports a drop of 10% in visits and 6% in accommodations of Bulgarians in Bulgaria. Due to lack of data for the most active holiday months – July and August, currently there is no possibility for correct assessment of crisis impact on the domestic tourist market.

**Table 1. Change (%) in the number of trips abroad of Bulgarians aimed at recreation and excursion in 2009 compared with 2008 for the period January – August**

	I	II	III	IV	V	VI	VII	VIII	Total
<b>All trips</b>	-35%	-50%	-44%	-27%	-90%	-9%	10%	-10%	-32%
<b>Greece</b>	-50%	-24%	-23%	35%	16%	0%	62%	6%	2%
<b>Turkey</b>	-72%	-86%	-84%	-74%	7%	-11%	-15%	-15%	-60%
<b>Romania</b>	25%	23%	12%	70%	52%	9%	11%	3%	22%
<b>Macedonia</b>	-63%	-62%	-74%	-62%	-35%	28%	54%	11%	-40%
<b>Serbia</b>	-13%	-38%	-27%	-28%	-20%	-32%	16%	1%	-19%

The survey among households implemented by NSI shows different data about the first two trimesters of 2009. The data outline following trends:

- Total growth of trips with 27% during the first trimester compared with the same period for 2008.
- Different dynamics of trips depending on the destination: growth of domestic trips (29% during the first trimester and 13% during the second trimester) and decrease in the trips abroad (3% during the first trimester and 13% during the second trimester).
- Different dynamics of trips depending on the objective – private trips increase with 43% in the first and with 29% in the second trimester while business trips decrease with 41% during the first and with 70% during the second trimester. This trend is does not concern only trips abroad during the second trimester when private trips decrease with 16% while business trips increase with 4%.

Based on research of STA on the causes for trips abroad of Bulgarians:

- Financial crisis affects the choice of destination for 60% of the participants in the survey.
- 55% prefer cheaper destination in Bulgaria, 19% - cheaper destination abroad as 26% will not travel anywhere.

A survey conducted by Eurobarometer for the EU member states (March 2009) outlines several important characteristics of the Bulgarians' trips in crisis:

- Worsening of the financial situation of households affects the trips of Bulgarians much stronger than in the rest of EU member states: 60% of Bulgarians will not travel anywhere for holiday (38% for the EU averagely), 20% will decrease their travel costs (34% for the EU) as 14% will decrease the duration of the trip (22% for the EU).
- In order to decrease the holiday costs Bulgarians would disavow firstly winter holiday (66%), followed by short term trips (22%) and finally – summer holiday (11%).



**It could be argued that even in crisis Bulgarians would travel much more in Bulgaria if there is an offer for a product that responds to their demands and effective reaches the target audience. That will not happen if business does not know well Bulgarian customers, and does not respect their attitude, needs and expectations.**

## 2. Profile of Bulgarians having their vacation in Bulgaria

### 2.1 Socio-demographic characteristics

The socio-demographic status of tourists is a main factor which determines the quantitative and qualitative characteristics of the touristic demand and consumption.



**There is no significant difference between tourist activity of women and men. Women have more important role in decisions for traveling and choice of resort as they are more inclined to use intermediation of tourist agencies and participate in cultural-cognitive and adventure trips.**

#### **The typical domestic tourist is:**

- Aged about 38. The largest is the age group between 25 and 34 (31%). Every second domestic tourist in Bulgaria is over 35. With the increasing of age the preferences concerning well-known hotels and resorts are growing while the tourists from the age group 18-30 are “experimenters” in a larger degree.
- 58% of the tourists have secondary education as the tourist having university degree are 33%.
- A citizen of town with population less than 150 000 (53%). Small share have the citizens of Sofia (29%) and larger cities (18%). Increasing of the size of the settlement leads to increase of educational degree and incomes of tourists as well as the intensity of vacation trips.
- Married with children (69%) – much larger share than the single tourists or having holiday with friends (26%). Married tourists are the most mobile part of Bulgarian population.

The domestic tourism includes in its “orbit” almost all segments of the population. A favorable trend is seen in the socio-professional structure of tourist concerning increase of the market share of target groups with high intensity of holiday trips – managers, high officials, entrepreneurs, engineers and technicians, administrative staff, high-qualified employees. The most indifferent segments as regards tourism are employees working in the agriculture and construction, unemployed and retired. The main part of domestic tourists belongs to the middle class.

The average gross monthly income of households of domestic tourists is BGN 980. The most active in domestic tourism is the group with income between BGN 1001 – 1500 (30%). Annually in Bulgaria 1,2 million people do not travel for holidays mainly due to economic reasons (deficit of funds, unemployed, loans) as well as lack of interest (ageing, sickness, family reasons, etc.).

### 2.2 Recreational behavior

The tourist activity of Bulgarian population still has not reached the level of leading Western countries. The intensity of vacation travels in Bulgaria in 2009 was 29% that means this percent of citizens between 18 and 55 has implemented one or more trips with durations over 4 days. In countries like Germany, United Kingdom, France, Sweden this indicator is over 60-70% for the entire population aged between 15 and 65. However, the frequency of vacation travels has similar or equal values: 72% of Bulgarian travelers have made one holiday trip during the year, 20% - two trips and 7% - three or more trips.

Domestic tourism has strongly expressed seasonal concentration. The main part – 58% of holiday trips is implemented during the peak months – July and August. Unlike private trips, business trips are more equally distributed. The recreation travel segment from January to June the share of tourists is gradually growing, during the high season there is a sharp rise and gradual decline in September – December.



**The share of tourists that visited again or made multiple visits of Bulgarian resorts is 60% that is relevant to the best European practices. The tourist prefers this hotel/resort where he is well-known and welcomed as an old friend. Loyal customers are the best advertisement for resorts.**



**The three basic information sources when choosing a place for recreation are graded as follows: 1) recommendation from friends and relatives; 2) positive assessments from personal experience and 3) informal internet forums. The certain resorts/hotels reviews are considered as “an advertisement squared” nevertheless it is positive or negative. Bad impression is commented more often than good. Potential tourists are more likely to accept for right the negative opinion but not a good recommendation. Coincidentally rumors are considered as the most insidious “murder” of a resort or a hotel! During the last years the share of tourists that could recommend our resorts to their relatives and friends is increasing. It is clear that more and more the regional and local identity and brand of hotels and resorts for domestic tourism is affirmed particularly in the offering of so called “green holidays”.**



**The meaning of individual organization of tourist trips, leisure without intermediation of tour operators is growing in the channels for realization. Internet is dominating more and more in processes of planning and booking of holidays. From now on potential tourists will make their own packages, book and pay via direct debit without leaving home. Personal call to the reception will become the most popular way to book a hotel room. This determines the insignificant impact (below 10%) of printed advertising materials (leaflets, brochures, prospects, etc.) as a communication tool in domestic tourism.**

According to the power of its impact the general reasons for holiday travel within the country are: 1) detachment from the daily life; 2) leisure, adventures, emotions (in all age groups!); 3) physical and spiritual recreation; 4) search for social contacts; 5) health; 6) self-expression. The willingness for active repose should not be identified at one side only with sports but to be considered as a complex of activities – physical, mental (education, information), emotional (experiences), creative (hobbies) and social (communication).

Following characteristics could be outlined in the typology of domestic tourists: in tourist trips within the country people use mainly their own vehicle; main destination is the Southern Black Sea coast; average duration of the holiday trips is 12 days; main type of accommodation is single rooms/holiday houses, there is significant potential and preferences for camping/caravans but in unsatisfied demand; relatively weak is the influence of intermediary companies particularly in organizing of short term trips – weekend and holidays; low is the share of early bookings and preliminary booking of hotel/travel tickets. As regards domestic trips following preferred types of tourism could be listed by importance: 1) maritime; 2) mountainous; 3) cultural; 4) sports and leisure; 5) spa. The largest potential for development of rural tourism have the mountains Rhodopa, Rila and Central Balkan.

In 2009 each Bulgarian tourist spent averagely BGN 678 for his/her holiday as the largest amount – BGN 827 has been spent by the citizens of Sofia. Citizens of big towns (over 150 000 inhabitants) are spending averagely BGN 640 as the citizens from small towns – BGN 609. Average daily costs of domestic tourists are 61% lower than these of Bulgarians that have their holidays abroad. The relatively narrow price range of products and services offered by tourist entities is combined with not enough flexible system of price discounts and reductions as well as with unsatisfactory game of various extras to the packages.

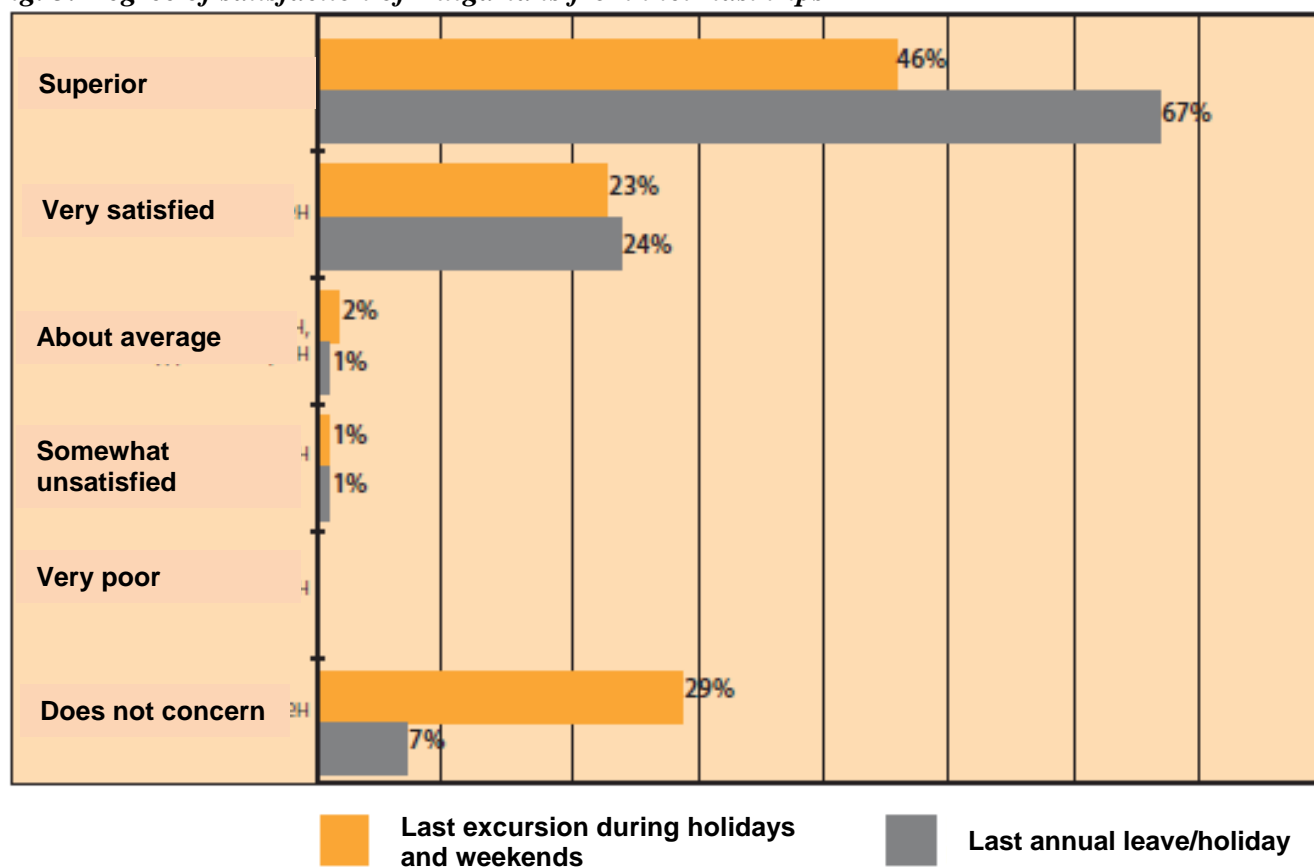


The unequal and disproportional increase of the costs of tourists compared with increase of their incomes means that in our resorts still there are not created the needed conditions for high income groups to spend more money. Strongly expressed inelasticity of expenses compared with increase of incomes is accompanied by lower level of average daily costs in Bulgaria compared with prestige foreign destinations for domestic tourism. In developed touristic countries costs for sports, excursions and leisure are 21% of total tourists' costs as in the domestic tourism in Bulgaria these costs do not exceed 15%. The ratio between basic services and so called additional services is also negative. In Bulgaria it is 58:42 in favor of basic services as in the reputable European resorts it is 50:50.

### 2.3 Satisfaction from the holiday

The results from the polls show that the degree of general satisfaction of domestic tourists from the holiday spent in Bulgaria is growing (*fig. 5*). This concerns the three segments of domestic tourism – mass (maritime, mountainous), alternative and business tourism. The road infrastructure has the most negative assessment (index of satisfaction 45 from 100). The tourist business has no opportunity for direct impact on the improvement of this external factor. The second negative assessed is the quality of tourist servicing (index 60). This is an internal factor completely subservient to the tourist business and management.

*Fig. 5. Degree of satisfaction of Bulgarians from their last trips*



When researching the link between tourists' income – degree of general satisfaction from the holiday it could be mentioned that when increasing the incomes of tourists the general satisfaction decreases. The comparison with the prestigious European resorts shows the contrary – there the tourists with low incomes are less satisfied than these with high incomes.

The degree of satisfaction from the vacation trips is larger than weekend and holiday trips – 57% vs 46% completely satisfied. The basic attributes that shape the satisfaction could be listed based on their importance: 1) status of the accommodation equipment/hotel equipment (cleanliness and order); 2) quality of servicing; 3) prices; 4) accessible location; 5) conditions of beaches/ski tracks.

Domestic tourists assess the hotel services as better than restaurant services and these in the sports and leisure places. The critical notes are related mainly with the noise and cleanliness of resorts, opportunities for choice of attractions when the weather is bad, as well as services for kids. Some “traditional” disadvantages such as rapidity of servicing, temperature of meals and drinks, quality of food especially in low category restaurants, are still not overcome.

## 2.4 National characteristics

Domestic tourism is a projection of the state of the country, its successes and problems. At the same time the roots of some characteristics of tourist behavior should be searched in the peoples' psychology. The Bulgarian tourist wants to express his/her European sufficiency as to him/herself as well as to the others. The tourist trips are a channel for such demonstration.



**Using the imitation effect Bulgarian does not like to be treated as a “second hand” tourist or to be ignored. Bulgarian tourist more and more is acquiring confidence of a welcome guest who wants “coverage” of his/her expectations and money spent.**

Generally, the Bulgarian tourist is not a conflict personality and is not hard to be serviced. The good attitude to the customer and politeness of the service staff could compensate in a high degree the disadvantages of tourist infrastructure. Thus the servicing culture acquires economic sense as it has its impact on the volume and structure of consumption, duration of the stay, etc.

The strong sense of distrust and individualism of Bulgarians is in the base of unpopularity of early bookings, out of season vacations and using of intermediaries. The unsatisfactory tourist culture off the middle class Bulgarian is expressed by the ignorance of rights and responsibilities as regards the excursions, lack of information about what to be expected from the package price paid.



**Domestic tourism is still not considered as a characteristic of quality of life and living style of modern Bulgarian. In this case the difficulties are not in acceptance of new ideas but in overcome of old ones.**

### 3. Why Bulgarians prefer to have their vacations abroad

The explanations of the reasons for increase of the trips of Bulgarians abroad are many, various and – if reviewed separately – always insufficient. The causes on one hand are complex as on the other hand are different for different people and groups. A special research ordered by STA released in March – April 2009 tries to identify and clarify the causes according to various opinions – of tourists and potential tourists, business representatives, media publications, applying as quantitative as well as qualitative methods. Despite some differences and nuances in the results by various sources and methods, the basic reasons are enough clear. It is very important that there are reasons which “repulse” Bulgarians to have their vacation in Bulgaria as well as reasons that attract them to travel abroad.

In summary, the basic reasons for preferences of vacations abroad, respectively for increase of vacation trips of Bulgarians abroad, include:

**The search for variety.** Variety, curiosity, searching for something new, different and unknown, new emotions and new places, contrast and psychological “distancing” from the usual environment are leading reasons for travels abroad. Variety is indicated by 40% of the respondent as a reason for choice of vacation abroad and by 31% — as a reason for preference of vacation abroad instead in Bulgaria. On the other hand, the familiar environment is one of the main reasons for preferred vacation in Bulgaria.

**Table 2. Satisfaction from the vacation of Bulgarian tourists abroad and within the country**

Characteristics	Having vacation abroad	Having vacation in Bulgaria	Difference
Services included with obligatory payment (excursions, spa center, fitness)	82%	36%	46%
Infrastructure (roads, etc.)	81%	46%	35%
Level of servicing	80%	60%	20%
Opportunity for sports (tennis, etc.)	77%	62%	15%
Reliable information about the accommodation/hotel equipment	78%	65%	14%
Conditions of the beaches/ski tracks	72%	62%	10%
Night life (disco clubs, bars)	85%	75%	10%
Package price (including accommodation, food and transport)	56%	50%	6%
Conditions of accommodation/hotel equipment (cleanliness, order)	68%	66%	2%
Cultural-historical and natural sites	70%	70%	0%
Special offers / promotions (early booking, etc.)	61%	63%	-1%
Price per night	66%	68%	-2%
Accessibility of hotels/holiday houses (close to the beaches/ski tracks)	68%	71%	-3%
Remoteness of the hotels/holiday houses from the place of residence	84%	88%	-4%

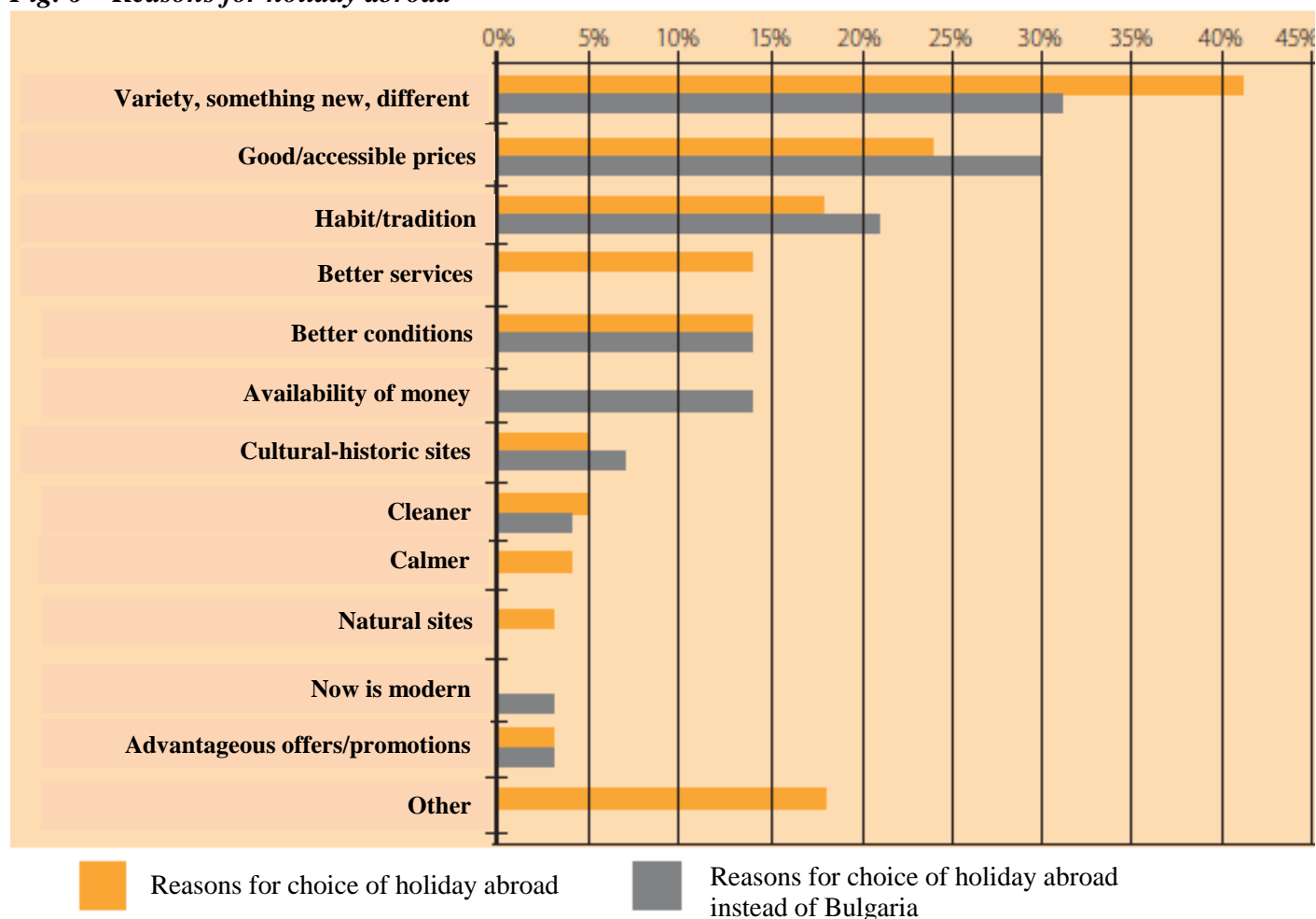
**Poor satisfaction** from the holiday spent in Bulgaria compared with holiday abroad. The share of fully satisfied when having their holiday abroad is 82% vs 57% for these having their holiday in Bulgaria (*see the table above*). In many cases holiday in Bulgaria is accepted as a risk. Particularly people with higher social status who live on “high speed” do not want to risk their most valuable time during the year and spend their holiday in Bulgaria. They prefer to travel abroad as they trust more the leisure there.



**Among the main deficits of tourist offering that repel Bulgarians to have their vacation in Bulgaria and guide them to travel abroad, could be mentioned following (fig. 6 on the page below):**

- *Prices or particularly the ratio “price-quality” (value for money).* Good prices are indicated from 24% of the respondents as a reason for choice of holiday abroad and from 30% of respondents as a reason for preference of holiday abroad instead of Bulgaria (in both cases this is second after searching for variety). Offering that is not worth its price is considered as a main factor for avoiding holiday in Bulgaria and vice versa – good price-quality ratio attracts Bulgarians abroad. At the same time, lower prices are leading factor when choosing holiday in Bulgaria (39%). When discussing prices and costs following two specific aspects should be taken into account encouraging holiday abroad: services included in the price and expansion of the low cost air companies in Bulgaria.

**Fig. 6 – Reasons for holiday abroad**



- *Level of services* – appointed by 14% of respondents as a reason for holiday abroad as the satisfaction of services abroad is with 20 pts. higher than this in Bulgaria. The attitude of servicing staff and particularly components such as responsiveness to the problems of the tourists, politeness, respect, smiling are higher evaluated by these having holiday abroad. According to the opinion of the business the main reason for poor services is the seasonal character in most tourist sites in Bulgaria which decreases the commitment of managers to invest in staff training due to the not guaranteed “paying back” of the investment. More complex explanation is that in Bulgaria the link between interests “owner – manager – servicing staff” is corrupted, respectively these interests are different and multidirectional.

- *Environment in resorts and tourist centers.* Overbuilding, dirty beaches and sea, chaos, lack of space, constructions, misunderstandings with concessioners of beaches and ski zones repel the tourists from Bulgarian resorts as the cleanness of beach/water/resort, less urbanized environment, opportunity for calm holiday – all that attract them abroad.
- *Technical infrastructure.* Roads are very visible for tourists. Satisfaction of infrastructure quality for these having their holiday abroad is with 35 pts. higher than these who had their holiday in Bulgaria.
- *Condition for children, including animation.* This is considered as missing or insufficient in Bulgaria and attractive abroad.

***Insufficient or untrustworthy information about opportunities in Bulgaria*** is one of the important sources for poor satisfaction of tourists. Wide spread is opinion that information is available mainly for large and expensive resorts but not for smaller resorts and cheaper offers. According to representatives of lack of information centers or their ineffective functioning is a problem before ensuring complete information about the tourist site as well as lack of centralized information about tourist opportunities and offering in Bulgaria. The failure in repositioning of Bulgaria and its presentation as destination with various opportunities during the whole year is considered as serious problem – not only at international but also at domestic market. Mass image for Bulgaria as tourist destination at domestic market is bipolar – sea (July-August) and mountain (January-March) and this is one of the explanations for greater interest to travels abroad during the rest of the months (April, May, October).

***Enhancement of the living standard and the “catching-up” effect.*** People having their holidays abroad are 66% more satisfied from their way of life than the average and feel themselves more confident about management of their personal finances. It is more likely 60% of Bulgarians with highest social status (working aged between 35-44 with monthly family income over BGN1500) to prefer holiday abroad. 13% of respondents indicate that prefer holiday abroad than in Bulgaria just because they could allow themselves (“have money”).

The frequency of traveling is also in direct relation with personal wealth. 57% of people having their holiday abroad during the last 12 months have implemented more than one trip for leisure (vs 27% of people had their holiday in Bulgaria) – people who travel more frequently for leisure are more likely to implement their trips abroad.

The “catching-up” effect is also important (compensation of missed) that is forecasted for CEE countries since the beginning of 90<sup>th</sup> of XX century. Trips of several generations of Bulgarians to desirable destinations abroad have been restricted until 1990 – restrictions for travelling abroad particularly in “Western states”, as after 1990 there have been restrictions for entry in other countries, including the same “Western states” (visa requirements) as well as limited personal financial opportunities of large part of population in the years of transition.

***Forming of habit, tradition or stereotype of behavior.*** This is indicated by 18% of respondents as a reason for choice of holiday abroad and from 21% as a reason for preference holiday abroad instead in Bulgaria. At the same time, for 12% of respondents the habit is a reason for choice a holiday in Bulgaria which ranks it on the third place after lower prices and more beautiful nature.



**If tourism in Bulgaria is compared with a PC configuration it seems that the hardware is working properly but the problems are in the software, periphery devices and interface.**

Tourist resources and ground of basic services are not among the main reasons for preference of holiday abroad. Cultural-historic sites are indicated by 5% of respondents as a reason for choice of holiday abroad and by 7% as a reason for choice of holiday abroad instead in Bulgaria, as the natural sites are indicated by 3% of respondents. At the same time the beautiful nature and sites are reason for choice of holiday in Bulgaria by 18% of respondents (second place after accessible prices) as cultural-historic sites – by 7% of respondents. As regards the accommodation facilities that are significantly upgraded during the last years, there are also negative opinions but they are not indicated among the reasons for preference of holiday abroad as the satisfaction from accommodation facilities is practically equal for people having their holidays both abroad and in Bulgaria.



As the STA research shows as well as the number of publications and statements, the opinion of prevailing part of business representatives about the main reasons for travelling abroad and dissatisfaction from holiday in Bulgaria coincides with the opinion of tourists. However, some attitudes are disturbing and risky.

On one hand, part of tourist business representatives rely on “automatism” in the tourist behavior of Bulgarians (“Bulgarian tourists will be filled quickly – within 2-3 years – in foreign resorts and will return back durably to the Bulgarian resorts”).

On the other hand there is a trend for “transfer the ball” – somebody else is guilty for the failures (this is stated also by earlier researches): the state (which has not ensured infrastructure, does not provide financial incentives and underestimates the overall communication of the country as a tourist destination), staff (who work seasonally), tourists (who do not make early bookings), media (which publish too much and too critical for the problems of tourism in Bulgaria, climate (which is one of the main reasons for the high seasonality)). Both attitudes, even having some reasons, could easily bring to “fatalism” and refusal of impact on factors that could be changed with own forces or joining the resources, including impact on the policies at local, regional or national level.

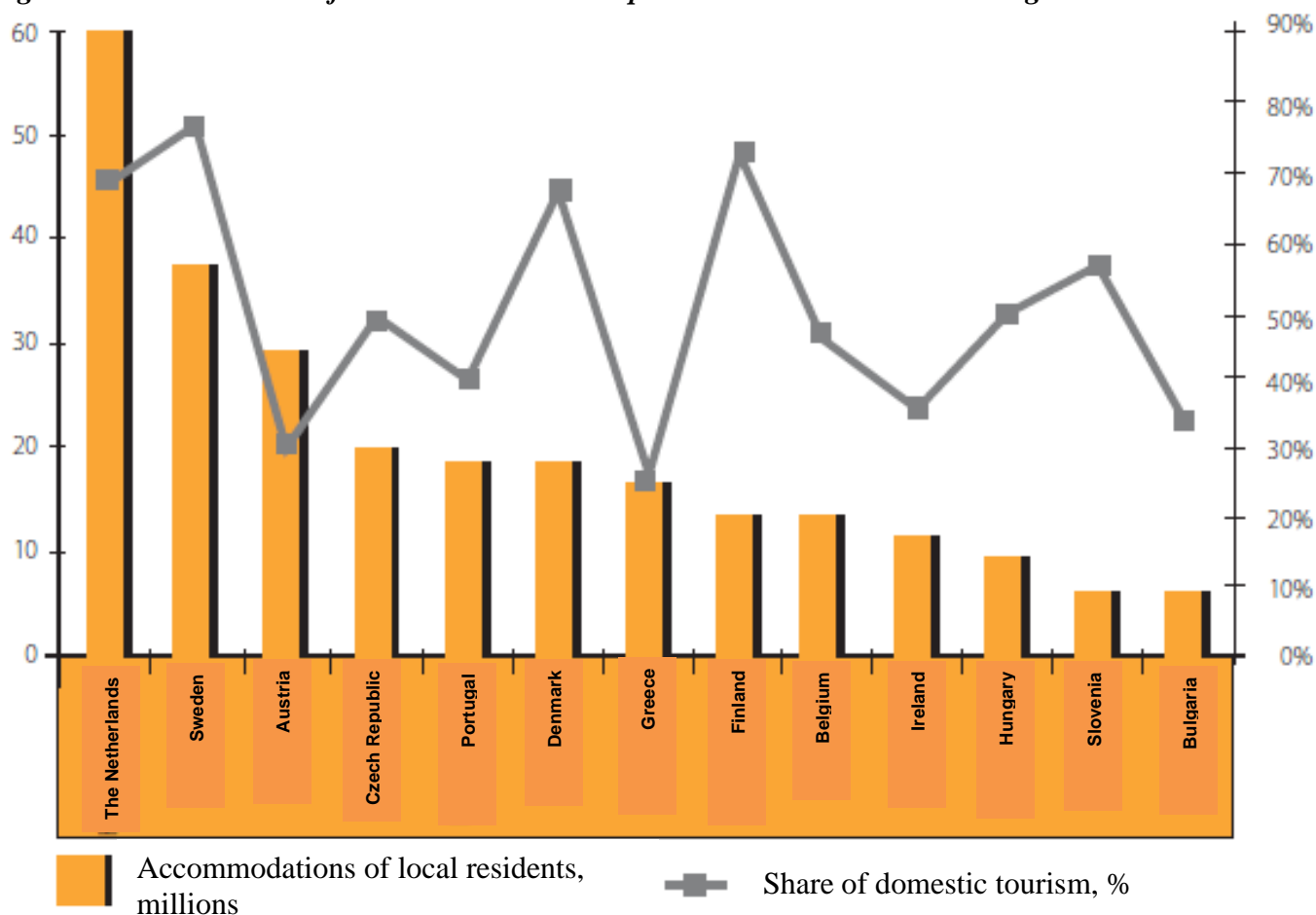


You should impact on that you could; insist before other actors in tourism development to impact on factors that they could change and help them to understand why this is important; accept the factors that hardly could be impacted, as something usual that you should respect, but not accept them as an excuse for your inactivity.

#### **4. Why is important to take back our domestic market and develop it?**

The principle of communicating vessels does not act fully automatically as regards the domestic and outgoing tourism. In conditions of guaranteed freedom of trips even rapid enhancement of tourist offering in the country cannot stop the trips of Bulgarians abroad which are influenced also by other factors. However, it could help: even 1% of the personal trips abroad to be replaced with travels in Bulgaria it will increase the employment in accommodation facilities in Bulgaria with 0.1 percent pts. or with 0.35% and means increase of tourist costs of Bulgarians in Bulgaria with over BGN 7 million or with 0.26%. What will be if we could attract in Bulgaria 10% or 20% of trips abroad?

**Fig. 7 Volume and share of domestic tourism compared with other similar to Bulgaria EU countries**



**Most of the EU countries rely strongly on the domestic tourism. In 2007 it ensured 59% of the registered accommodations in EU countries. In the most populated countries domestic tourism has between 57% and 83% of accommodations with highest values for Germany (83%), Romania (83%) and Poland (80%). Only Spain is exclusion (41%). Countries similar to Bulgaria has highest share than Bulgarian (33%) – from 36% for Ireland and 40% for Portugal up to 77% for Sweden. The only exclusions are Austria (29%) and Greece (27%) which are leading destinations for international tourism. Bulgaria is last in line by volume of domestic tourism compared with other similar states, close only to Slovakia and outrunning only small countries such as Slovenia, Baltic States, Cyprus (see Fig. 7 above).**

After years of underestimating domestic tourism which roots could be found in the Socialist age (older people remember the “second direction revenues” and “blocking of tourist resource for international tourism”), actors in the field of tourist development during the last years are turning again to it. Based on business opinion (according to STA research) Bulgarians are not anymore considered as “second hand tourists” and are welcomed and preferred guests, including the reason they do not use many of the additional paid services (but by these reasons they are not less welcomed and preferred as guests abroad).



An example for changed attitude towards Bulgarian market is the campaign “Paradise for Bulgarians” (2007) organized by business sector and its affiliates and the Communication campaign of the State Tourism Agency (2008) enlarged by this project, as well as the number of measures for encouraging of travels of different groups of Bulgarians from the last 2-3 years.



The main arguments for the need of raised awareness towards Bulgarian market, many of which are stated mostly academically and without serious effect in the most recent and most distant past, are following:

- *Change in the negative trends in the balance of payments* where the costs for tourism reach 60% of incomes during the last years.
- *Easier (and cheaper) marketing* – Bulgarian market is closer, more accessible, more familiar and comprehensible for the actors in offering which is an important prerequisite for more effective transfer of advertisement messages and achieving of desirable marketing impacts.
- *Volume*: Bulgarian market is the biggest national market for Bulgarian tourist industry as regards effective demand. In 2008 Bulgarians have 35.5% of domestic accommodations which is twice more than the leading foreign market (Germany – 16%) and practically equal to the sum of accommodations of the five leading foreign markets (Germany – 16%, Russia – 8.2%, UK – 6.5%, Romania – 3.8%, Poland – 2.2%).
- *Sustainability*: until the end of 80<sup>th</sup> of XX century domestic tourism in Bulgaria always played the role of “balancer” which compensated the frequent and often significant fluctuations in international tourism, and in midterm perspective it could be expected that will continue to perform such a role. A research of the effectiveness of tourist policy of the EU in the beginning of 90<sup>th</sup> indicates absolutely that one of the most important factors for success is attraction of close markets, including because of the raising significance of the second and third holiday and short term trips. It is hardly to find closer market than domestic.
- *Change in spatial and time distribution of tourism in Bulgaria* and more equally distribution of benefits from tourist development:
  - Mitigation of seasonality: despite of high concentration of trips of Bulgarians in July and August, seasonality of domestic tourism as a whole is much lower than of international tourism in Bulgaria – during the last 5-6 years about 50% of accommodations of foreigners in Bulgaria are in July and August (30% – of Bulgarians) as about 80% – in the period June – September (50% – of Bulgarians).
  - Mitigation of territorial disproportions: territorial distribution of travels of Bulgarians in Bulgaria is much equal than in international tourism. In the 9 national resorts are performed 70% of accommodations of foreigners but only 19% of accommodations of Bulgarians. Over 80% of accommodations of foreigners are in our sea resorts as the rest of destinations have insignificant presence at international market. Black Sea is the main attractive center also for Bulgarians but almost 2/3 of accommodations of domestic customers are performed in other destinations, in relatively equal distribution among mountain resorts, large cities and spa centers of Bulgaria. The least but not the last – about 40% of accommodations of Bulgarians are out of strongly utilized tourist areas vs 5% for accommodations of foreigners.
- *Future growth*: recently trips of Bulgarians are limited mainly due to financial reasons. That means in case of positive change of economic situation in the future the market potential of domestic demand will increase significantly as the creation of habit for travelling in Bulgaria is one of the important factors for utilization of this potential.

- *“Pioneer” of tourist utilization:* the global and especially European experience in tourist development indicates that domestic users firstly discover new destinations and help them developing before becoming attractive for foreigners. Domestic tourism is a pathfinder of international tourism, checks the qualities of tourist resources, and ensures economic justification for development of initial infrastructure.



Since the beginning of 60<sup>th</sup> of XX century Germany is a typical emission market of tourism with high share of holiday trips of Germans abroad. In the beginning of 80<sup>th</sup> economic recession determines the need of “holding” Germans in Germany. Central government is involved actively in this process as implements a special campaign including elaboration of guidelines for different actors in tourist development of the country.



In order ascending development of domestic tourism in Bulgaria, the main problems in tourist offering and policy should be addressed which solution depends on different actors and requires the relevant comprehension, knowledge, skills, legislative, technical and financial capacity.

## II. HOW TO RESEARCH THE MARKET?

### 1. Why the market research is important?

*“The best way to make crazy your competitors is to make your customers happy. And for making customers happy you should target your attention to them.” (Kawasaki, 1998)*

In order to have success at the market and take effective decisions (i.e. informed decisions) every tourist enterprise or destination should be familiar with its customers as well as potential customers and choose a way for attracting them to sell its product. There are several reasons for it:

- “Tourism is created for people and not people for tourism.” Tourist industry appears and develops to satisfy people’s needs when they are tourists. Tourists stand at the “entrance” of the system of tourism (with their needs, preferences, expectations and not the last – money) and set their requirements to the rest of the features of the system (attractions, facilities, servicing staff, etc.).
- Tourists are the main factor for the economic success of tourist enterprises and destinations. Tourists also stand at the “exit” of the tourism system – with their satisfaction, intentions for repeating their visit and recommendations to other people (positive or negative). By their presence or absence at certain place or restaurant and by expenditures people make they demonstrate their taste and satisfaction as well as the real attractiveness of tourist product. If they do not receive expected benefit, if their needs and requirements are not satisfied the desired economic indicators will not be achieved.
- The nature of contemporary domestic tourist marketing is market orientation: it is a “market oriented and complied with market” policy of enterprise or destination. That means it is not created a product we further try to sell but the creation of product takes into account the requirements and needs of the market, i.e. created is that could be sold. This approach is of significant importance in conditions of acute competition when offering exceeds demand (this is the situation of tourism in global scale since the beginning of 70<sup>th</sup> as well as in Bulgaria during the last years).
- Demand (tourists) is the most dynamic feature of tourism. They often change their requirements and preferences. Reasons could be various: from changes in security or risk perceptions (e.g. after the terrorist attacks in USA in September 2001 or spreading of “bird flu” in South-Eastern Asia and Oceania) through changes in economic situation ( e.g. financial and economic crisis from 2008-2009) to change in likings or image of destinations. Most of these changes are not unexpected – they could be caught if long term trends are traced (e.g. change in “environmental awareness” or “social responsibility” of tourists). Even in cases of unexpected or hardly predictable events their follow-up effect could be forecasted as thus minimized if the trends in tourist demand and reactions to such events in other time and other place are well known. Late discovering of principle market dimensions is not only dangerous but expensive: it leads to reaction instead of more effective approach of proactive behavior.



**Better awareness on tourist demand in modern world becomes an important competitive advantage of tourist enterprises and destinations. Information and awareness on tourist demand and tourist development are often called in English “tourism intelligence”. Among the meanings of the term “intelligence” are: information or news; sense and intellect; smartness or perceptivity and the least but not the last – intelligence.**

## 2. What we would like to know?

Main questions in tourist market analysis are: “Who buys, how does he buys, where does he buys and why does he buys”. (Kotler)



**Tourist demand could be defined simply as a number of real or potential tourists, i.e of the people who perform or could perform a tourist trip.**

Following categories are outlined:

- Implemented (real) demand related to certain market (e.g. one country, Europe, worldwide or SPA and wellness trips in a country); this demand often is marked as a market volume;
- Possible demand of certain market in the future which includes as the implemented as well as potential and postponed demand (trips that are not performed due to limits of opportunities of tourists or these of offering); often marked as market potential;
- Demand of the product of own enterprise and destination, respectively this part of real demand that is performed in own enterprise or destination; often marked as market share;

In these three aspects the demand by theory should be measured by sales or potential sales, i.e. “in cash”. In practice, due to limited data, often are used substituents: trips, visitors, accommodations.

Analysis of tourist demand includes as existing as well as potential markets.

Research of tourist demand could be performed from different points of view, respectively in different territorial range thus appearing differences in indicators as well as specifications of terminology:

- From point of view of regions and centers of demand accumulation, i.e. place of residence of tourists;
- From point of view of recipient regions and centers (destinations), i.e. places of tourist visits and stay;

Regardless of differences, below are presented main characteristics and indicators that are of interest when analyzing tourist demand.

Depending on the character of information providing, they could be grouped as follows:

- Number of tourists (travelers, visitors);
- Number of accommodations;
- Intensity of travels:
  - Net intensity – share of persons performed at least one trip with certain duration and within certain period (usually 1 year) of population (usually aged more 15+);
  - Gross intensity – ratio between all performed trips trip with certain duration and within certain period vs total number of population (usually also aged 15+);
- Frequency of trips – number of trips within certain period.

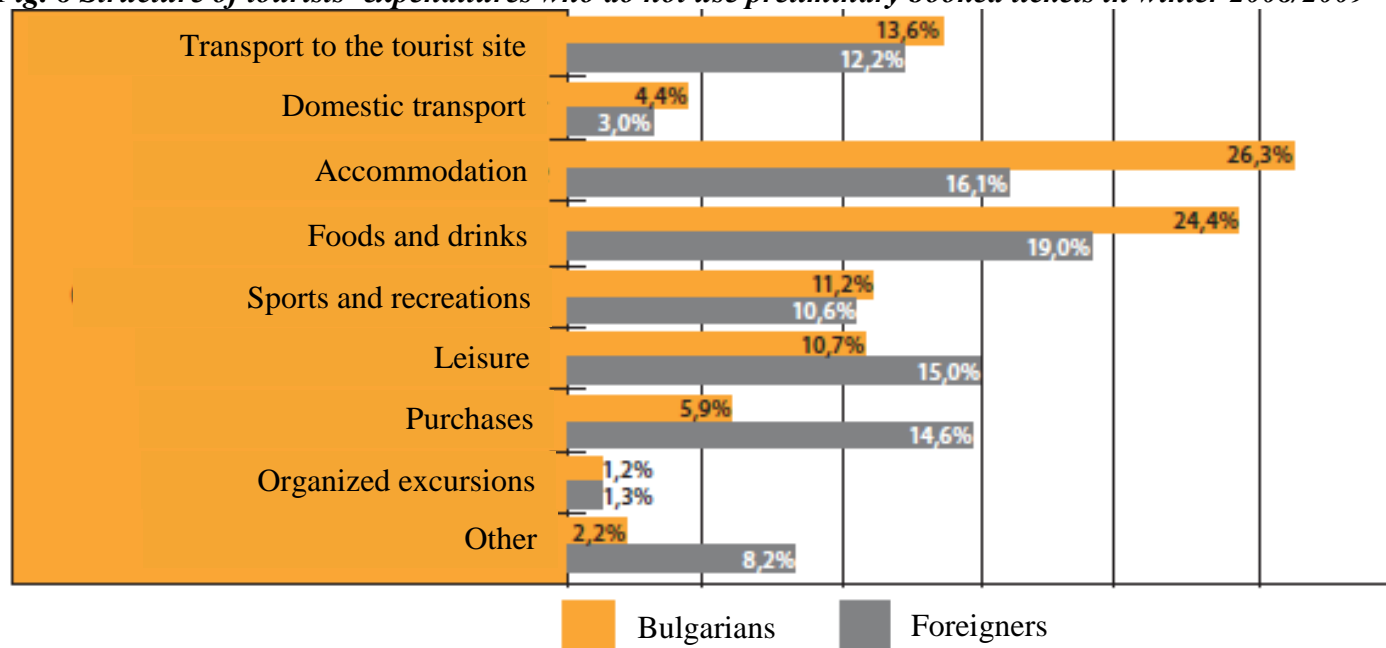


**Based on NSI survey in 2008 the net intensity of personal trips of Bulgarians is 18%, gross intensity is 175% and the frequency of travels – 9.6%.**



**Travels and arrivals are not equal and the same as travelers and visitors. The first case concerns events as the second case concerns their bringers. A person could implement more trips for certain time period.**

**Fig. 8 Structure of tourists' expenditures who do not use preliminary booked tickets in winter 2008/2009**



**Tourist walks** (economic dimension of touristic demand).

- Total volume of costs, costs for a trip (visit), of accommodation or one day stay;
- Structure of costs, measured by the relative share of costs of different groups of services.



According to the data from STA researches for thw 2008/2009 winter (*fig. 8*) Bulgarian tourists have very large share of costs for basic services such as transport, accommodation, food (approx. 70%) especially if compared with foreign tourists during the same period (50%).

**Structure** (structural characteristics): gives the response who and what are the tourists and what are the main groups depending on general characteristics of their behavior. It is presented by the relative share of determined by different criteria groups in all reviewed aggregate. It is needed a demarcation to be made of socio-demographic characteristics of tourists and characteristics related to the tourist behavior (part of them often are considered also as characteristics of trips). More detailed review of structural characteristics of tourist demand is reviewed below (structure of tourist demand).

**Dynamics** (time changes):

- Incremental changes – indicate the trend of development, mostly by years;
- Periodical changes – indicate fluctuations in quantitative parameters of demand for certain time period;
- Seasonality – changes by trimesters or months;
- Fluctuations related to large holidays (e.g. students holiday, Christmas, Easter, St. George's Day), periodical events, etc.;
- Distribution by week days (working days/weekends) – such fluctuations are typical for city hotels e.g. but also for some mountain and spa resorts with prevailing significance for Bulgarian tourists;
- Distribution by daily hours (e.g. how is changed using of certain attractions, servicing facilities or entire areas within the day); very typical for restaurants.

### ***Territorial distribution***

- Distribution of trips from certain demand centers (or entire country) by destinations (visited sites);
- Distribution of arrivals or accommodations by territory, measured within different territorial units (districts, regions, municipalities, settlements).



**The characteristic and indicators of tourist demand mentioned above very often are used in combination, e.g.:**

- **Changes in the number of accommodations, seasonality or in structure of visitors compared with the last year or for the last 3,5,10 years;**
- **Changes in the territorial distribution of accommodations of Bulgarians in the period 1990-2008;**
- **Territorial differences in seasonality, average duration of stay, nationality of tourists, etc.**

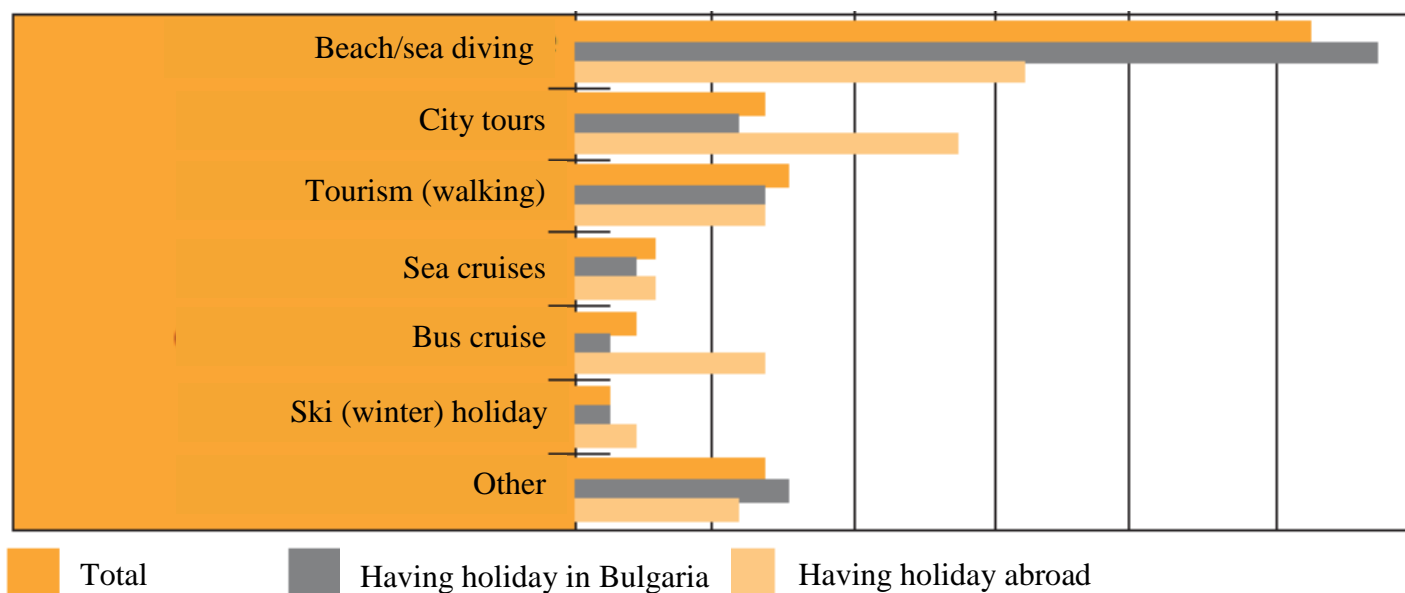
The structure of touristic demand (tourist market) could be reviewed in a number of aspects:

#### ***a. Socio-demographic characteristics***

- Nationality (mostly measured) but also ethnic affiliation, race;
- Place of residence: country, district, settlement, type and size of settlement (large city, town, village); in many cases it is important the concrete settlement to be known (e.g. Sofia or Ruse), including for focusing of advertising activity;
- Gender;
- Age;
- Family status; size of family (household); number and age of the children;
- Furnishing;
- Occupation and profession (including unemployed, retired, students); this indicator impacts significantly on the levels of income, leisure, etc.;
- Income: of great importance is not only the absolute, but also the net income (after paying the compulsory costs), as well as perception for material wealth compared with other people and groups from the same community (poverty and richness are relative!);
- Religion (has strong reflection on the behavior, food requirements, specific religious holidays, etc.);
- Equipment important for tourist behavior or access to services (car, second/holiday home, ski equipment, PC and internet access, etc.);
- Practicing certain activities (e.g. skiing);
- Values and attitudes (importance of the leisure time, environmental attitude, risk perception, etc.).

#### ***b. Characteristics and specifications of behavior before trip***

- Needs and reasons for traveling, expectations from the holiday;
- Objective of the trip (usually is much concrete as for one objective there could be different reasons, e.g. leisure trip, guesting, business);
- Preferred type of holiday, general type of tourism (***fig. 9 below***);
- Information behavior, using of information sources.



Researches in the last 3 years indicate that the most important information sources for Bulgarians when taking decision for holiday travel are: previous personal experience (between 25% and 36% in different years and seasons – as a main source and between 15% and 21% - as additional source) and recommendations by friends (23-33% - as main source and 18-32% as additional source). Internet occupies the second place and growing significance (9-15% as main source and 24-59% as additional source) and direct contacts with tourist agents and tour operators (between 8% and 24% as main source and between 9% and 26% as additional source). The share of advertising brochures, leaflets and catalogues is low (about 4% as main source and 10-15% as additional source) as well as the television (2-4% as main source and 7-12% as additional source). The rest of information sources (newspapers and magazines, roadmaps, business partners, etc.) are with minimum importance mainly as additional sources.

- Preferences for the way of organization of the trip: individual, by tour operator or tour agent (including different requirements to the range of tourist package);
- Planning of trip: decision making moment, moment of purchasing of package or booking;
- Composition of the group: individual, with family (with or without kids), with friends, in organized group;
- Preferences for the types of tourist destinations, factors/reasons for choice of destination in principle or concrete choice;
- Image (vision, view) and expectation from the destination (expected benefits);
- Outgoing tourist experience, including previous visits at the destination and visits of competitive destinations in the past.

**c. Characteristics and specifications of behavior when travelling and staying at the tourist site**

- Duration of the trip or stay in concrete destination;
- Transport used;
- Accommodation facilities used (by type and category);
- Performed activities – most often are assessed by the relative share of different activities practiced but sometimes is important their intensity to be evaluated (frequency, duration or time dedicated);
- Spatial mobility within the destination, visited places;

- Attractions visited (type and concrete sites);
- Facilities used in the tourist site;
- Information needs and behavior during the stay in the tourist site;
- Costs: size and structure (including comparison of real vs planned costs, i.e. whether tourists have spent more or less than the preliminary planned).



**The cost evaluation is hard by a number of reasons (e.g. tourists are hard to remember how much and for what did they spent money). It is important a differentiated evaluation to be made of visitors who use preliminary booked package and of these who pay on spot.**

***d. Characteristics and specifications of behavior after the trip***

- Degree of satisfaction which is an indicator of quality of tourist experience, including:
  - General satisfaction from the trip/holiday;
  - Satisfaction from different features of offering or tourist product;
  - Concrete “critics” and “praises” (from what tourists are most satisfied and what makes them most unsatisfied, what they would like to be changed);
- Intent for repetition of the visit, including:
  - During the same season (next year or later);
  - During other season (e.g. share of visitors of winter resort who would like to visit it in the summer);
- Intent (readiness) for recommendation of the destination to others (relatives, friends, colleagues);
- Changes in the perception for the destination.

In the official statistics and large part of official market researches usually is counted the behavior in the past (already performed behavior). But it is possible questions to be raised as sometimes entire researches interested in intents for the future (e.g. will you travel, where, when, with what budget, etc.)



**In analyzing of tourist demand structural characteristics often are combined with other characteristics of demand in order obtaining better image of specifications and regularities of demand.**

**E.g.:**

- **Net intensity of trips (share of people who performed at least one trip) depending on the size of settlement;**
- **Number of visited sites depending on the duration of the trip;**
- **Reasons for choice of destination by age groups, etc.**

For overall evaluation and comparison of markets (e.g. Bulgarian market compared with other national markets) usually are used also other indicators such as number of population and purchasing power (GDP per capita, average net income, etc.).



**Bulgarian market is characterized as relatively small as regards the population which has steady trend for reduction. GDP per capita measured in parity of purchasing power is the lowest in EU – 10 000 EUR per capita or 40% of average for EU but with trend for significant increase – in 2000 it has been 5300 EUR per capita or 28% of average for recent 27 EU members.<sup>1</sup>**

### **3. How to understand?**

#### **3.1 Market research – sources and methods for collecting information**



**Market research is a tool used by these which provide goods and services in order to be informed about the needs and wishes of people who purchase and use these services and goods. Market research deals with collection, processing, analysis, storing and dissemination of information for facilitating and improvement of decision-making process. Market research is a vital feature of marketing of tourist enterprises and destinations – in order to have effective market strategy you should have effective information base that is created mainly by market researches.**

There are a lot of information sources and methods for obtaining information about tourists and their travels, as every information source has its advantages and disadvantages. They could be divided simply in several groups.

#### **OFFICIAL TOURIST STATISTICS**

Each country with developed tourism maintains and publishes official statistic information about tourism including information about tourist demand. In Bulgaria this activity is implemented by the National Statistical Institute (NSI). Main results are published annually in the statistical handbook “Tourism”. Certain results are published on the web site of NSI every three months (arrivals of foreigners, trips of Bulgarians abroad, main indicators about the shelters and accommodation facilities at national and regional level). An important advantage of official statistical information is the regularly collecting (opportunities for tracking of long term trends based on directly comparable data) as well as the opportunity for making international comparisons (Bulgarian statistics is complied with the EU Directive on Tourist statistics as regards definitions, methodology, etc.).

Two types of tourist statistics could be outlined depending on the way and place of collection of information – border and hotel.

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<sup>1</sup> Data are actual up to the moment of publication of the recent document

- **Border statistics** collects information from passing through borders (by border checkpoints). Monitored are arrivals of foreigners in Bulgaria and trips of Bulgarians abroad. Main indicators are number (of arrivals of foreigners and trips of Bulgarians abroad), distribution by states, by purpose of travel, by months, by transport used. Border statistics gives general picture of international tourism of the country (both incoming and outgoing) and is considered as relatively correct (due to the border control) but has a number of restrictions: it could not provide information about domestic trips (including domestic tourism) as the characteristics reviewed or tourists and trips are strongly limited. Along with that, with facilitating the visa regime the punctuality of border statistics has some doubts by which reason in the EU countries the hotel statistics is preferred for a long time.
- **Hotel statistics** collects information from accommodation facilities. Main indicators of tourist demand reviewed in Bulgaria are accommodations, persons accommodated, incomes from accommodations, distribution of accommodations by months, by types and category, shelters and places for accommodation. They are presented separately for Bulgarians and foreigners as in some cases (at national level) – by country. Data of hotel statistics are published at national level by districts and for the 9 national resorts announced by a Decision of the Council of Ministers. At municipal level data are published in other NSI issue (“Districts, regions and municipalities in the Republic of Bulgaria”).

On the basis of hotel statistics could be obtained a picture of territorial distribution of tourist flows in the country, including domestic tourism as well as about main parameters of tourist development and tourist demand for certain administrative territorial units. It is possible comparisons to be made between different territorial units and trends for long term to be tracked including lower territorial levels.

Disadvantages of this statistics are limited range of indicators monitored (it is impossible to obtain information about basic characteristics of trips and tourists, except their nationality; e.g. the objective of the trips is unknown) and lack of data for certain settlements and resorts (excluding the 9 national resorts). Along with that the hotel statistics monitors only so called collective (public accessible) accommodation facilities and shelters, i.e. it does not accounts in full volume the tourist trips and accommodations performed especially for domestic tourism, including visitors without accommodation. Changes in the methodology could be a problem in tracking of dynamics as well as the range of monitored units and definition of certain indicators. Despite of significant improvements during the last years the accuracy and reliability of hotel statistics often have doubts.



**Terrain researches, including evaluation of quantitative parameters of tourist demand by different methods indicate that in certain places the real volume of tourism is 3-7 times larger than the reported by the official statistics (depending on different indicators).**

For comparison with other states could be used the statistical information of the World Tourism Organization and especially by the EU statistic service – EUROSTAT which maintains a database of accommodations of local residents (as well as of accommodations of foreign tourists) for all EU member states (an example is indicated in Chapter I).

## STATISTICS OF THE PAYMENT BALANCE

Ensures limited by range but important information about the tourist demand of international tourism (for trips of Bulgarians abroad) and incomes from international tourism (costs of foreign visitors in Bulgaria). This statistics is maintained and published by the Bulgarian National Bank. Data is presented by years and months and allow tracking of long term and short term trends (see Chapter I).

## SURVEYS AMONG TOURISTS AND POTENTIAL TOURISTS

Surveys are widely applied in tourism field. Continuous adaptation to the trends in demand supposes to know and update our knowledge periodically about which are our tourists, from where they come, what they search in Bulgaria, from what are satisfied or dissatisfied. Why do not ask the tourists themselves? Usually they are ready to provide us needed information if we ask them properly.

These surveys are indicated also as “sample” which reflects their nature – based on relatively limited but estimated as sufficient numbers of people (sample) evaluations are made and conclusions of quantitative and qualitative parameters of entire combination. Such types of surveys are implemented with the standard questionnaire which provides answers of same questions by a large number of people (in most cases possible answers are preliminary set) on the basis of which could be obtained a quantitative information subject to statistic processing and analysis. The set of questions could be different but generally they provide information as for facts (e.g. social-demographic characteristics of visitors, planning behavior and implementation of the trip), as well as for attitudes, opinions and assessments (e.g. reasons for holiday trip, reasons for destination choice, degree of satisfaction, recommendations for changes in offering, etc.).

Surveys could be implemented by different ways – individual interview, interview by phone (in both cases responses are registered by the surveyor), individual filling the questionnaire distributed by post, by hotel or by other means, in the bus during a cruise trip or transfer (recently more often are used online surveys).

Surveys provide much more detailed qualitative and quantitative characteristic of tourist demand compared with other means and allow a large part of structural characteristic of tourists to be determined as well as their behavior, including such that could not be monitored from outside (motivation, attitudes, image of destinations, satisfaction, future intents, etc.). along with that surveys have a number of disadvantages and restrictions:

- Regardless that in many cases it concerns facts, their subjective interpretation should be taken into account; in some cases the respondents are hard to remember what and how they did (a problem is the evaluation of the structure of costs), in other cases respondents are hard to express their own opinion and in third cases they avoid to provide socially unacceptable answers (rarely could be found answers that certain destination or restaurant is visited for improvement of the status or that the main reason for the trip is looking for sex);
- Shaping and implementation of appropriate sample always is a challenge that requires specific knowledge and skills. It is risky general conclusions to be made based on small sample or a sample that differs from all collection and is not known how much it reflects the general collection (an example for the latter are the short online surveys in e-versions of some newspapers);
- Need of precise formulating of questions so the answers to be adequate. This requires determination of clear and concrete objectives of the research, well knowing of tourist demand as well as experience in similar researches;
- Need of limit of the questions up to the acceptable minimum and complying with the concrete conditions for conduction of the research. People are not “a machine for generating survey answers” especially during tourist trip. Too large questionnaires lead to formal responses or refusal;
- Limited comparability of results from different researches: often implemented by different organizations, with different methods, with differing (even in small details) questions, etc. – opportunities for direct comparisons, including tracking of changes in time, are more limited compared with the official statistic information;
- High costs (funds and efforts) especially in episodic researches. Organizations of surveys, development of methodology and questionnaire, implementation of the research require high qualification, specific knowledge and skills, selection and training of surveyors;
- Concrete interpretation of the results by users requires knowing of the methodology and relevant limitations of the research which are not always known.

With a view to the venue of the survey several types of surveys could be outlined having specific advantages and disadvantages as regards the information provided, way of organization and performance, costs needed and specific knowledge and skills, etc:

- *Researches by place of residence.* Main advantage is that they allow entirely coverage of certain market (or market segment), including people that did not travel for certain time period. Thus a relatively full picture is obtained of the tourist demand and behavior for certain past period (last year, last trimester) or intentions for future period that is not related with concrete destination. If we would like to understand the specifications and trends of Bulgarian market as a whole and not of these tourists who come in Bulgaria, we should target on such type of research. The other advantage is that providing of a sample is not a problem. Main disadvantage is the “forgetting” problem – the research is distanced in time from the trip and the questions concern all trips for relatively long time period. Besides that, such researches do not give an answer about the image of concrete destination, behavior there, satisfaction from its offering, etc.



Since 2006 the National Statistical Institute performs preliminary survey concerning trips of Bulgarians (both domestic and abroad). The main indicators are: number of persons travelled and their trips, duration and purpose of the travels (personal and professional, as in some cases personal travels are divided in leisure and excursion travels, guesting, training, etc.), distribution of persons travelled and/or trips by gender, age, economic activity (employed, unemployed, retired, students), used transport, organization of the trip (individual or by tourist agency/tour operator), accommodation type (including places not monitored by the hotel statistics such as holiday houses, houses of friends and relatives, etc.), grade and structure of costs. Data are published in the statistic guide “Tourism”.



In 2009 STA ordered an analysis of causes of travels of Bulgarians abroad, main part of which is a survey at the place of residence. It ensures information about more characteristics of demand at Bulgarian market (quantitative characteristic of the travelers and travelled in Bulgaria and abroad, including distribution by months and number of accommodations during the last trip, socio-demographic characteristics of the surveyed, motivation and attitudes, main planning and organizational aspects of the holiday, behavior during travel and stay at the tourist sites, including visited destinations, activities, costs, satisfaction, etc.). This research has some disadvantages and restrictions compared with the NSI research: it is episodic (on concrete occasion, once) and concerns only holiday trips and only city population aged between 15 and 54.

- *Researches in tourist destinations* (national, regional, local). These researches provide information only about the real visitors at tourist sites, regions or entire countries up to certain moment (period). The results could not be summarized for the entire market even for national researches (but mostly for local and regional!). However, the information is significantly more specific and important for the destination. Such researches account a significant part of mentioned in item 2 characteristics of tourists and trips, but the special accent is the measuring of satisfaction from destination offering. An important advantage is that the tourists have fresh impressions and there is no factor “forgetting”. The disadvantages are related with the representation of the sample (tourist “population” is strongly changeable than the normal residential situation), need of careful choice of the period and sites for implementation of the research, limited opportunities for obtaining of information about the periods out of the high season or specific periods (e.g. Easter), except special researches are organized for them; lower tendency for participation of surveyed, especially in cases of longer questionnaires (loss of valuable free time); need of selection of tourists that are departing or are in the end of their stay.



Upon order by the state tourist body, in Bulgaria researches of visitors at national level are preformed since 1996 but until 2006 they were irregular. Since 2007 during each regular season (summer and winter) are performed researches about Bulgarian and foreign tourists published on the website [www.tourism.government.org](http://www.tourism.government.org). These researches have similar range (although with certain differences in specific questions) establishing significant number of characteristics of tourists and trips: socio-demographic profile, motivation and planning of the holiday (reasons for choice of destination, planning period, way of organization, etc.), behavior during the trip and stay (practiced type of tourism, duration of the stay, transport type, accommodation, composition of the group, main activities, visited sites), magnitude and structure of costs, satisfaction (common and of certain aspects of offering), etc.

- *Researches in certain facilities and organizations* (hotels, restaurants, attractions, TIC, tourist agencies). Such researches which are ordinary practice in developed tourist countries exist more frequently already in Bulgaria, especially in hotels. Such as researches of destination search, they ensure information only for own customers. Usually questionnaires are much shorter and simple and focused strongly on the satisfaction from the relevant facility or service as well as opportunities for recommendations. Along with obtaining more basic information about the demand this allows rapidly reaction to problems indicated by tourists. Limited number additional questions are included, e.g. purpose of travel, previous visits, etc. The set of questions could vary significantly depending on the type of facility or organization but also for similar facilities. As a rule the results are not public accessible, they serve only the needs of the relevant organization.



Survey questionnaire is not compulsory to be long and complex but responding to the most important information needs. An example of a short survey card printed on the back of business card of Bulgarian restaurant is exposed below (tabl. 3).

Tabl. 3 Survey card

Do you like the kitchen?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Do you like the service?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Are the prices normal?	<input type="checkbox"/> High <input type="checkbox"/> Low <input type="checkbox"/> Normal	
Any recommendations		

Along with the above mentioned surveys possible are other surveys of tourists or potential tourists (for evaluation of tourist exchanges and exhibitions, assessment of advertising and information materials, etc.).

- *Own statistics based on the operational activity.* Most of the tourists enterprises have or could organize own statistic survey about the tourist demand. This is particularly applicable for these who require compulsory registration (hotels), paying of fee for use, respectively purchase of a ticket (museums, ski lifts, aqua parks, etc.), issuing of individual documents for the tourists (vouchers in tourist agencies, restaurant bills), ensuring of fiscal accountancy (tourist taxes in municipal administrations).

The question is the information to be organized in a simple and user friendly database. Modern technologies (PC) facilitate the process as the maintenance of database as well as the extracting of needed references. Such statistic could be organized also not by outside reasons (registration of visits and requests in TIC). Own statistic could provide general quantitative data about the volume of demand of own product and its dynamics (by years, months and often – of needs impose, by days of the week or day hours). With minimum additional efforts in some enterprises and facilities is possible the registration and tracking of structural characteristics: nationality, place of residence, age or specific age groups (in cases of tickets with discounts for children and students), form of organization or the trip, etc.

Data from own statistics are accessible only for the relevant organization especially if it belongs to the private sector. Owners and managers often consider such information as a “company secret”. However, when is necessary collection of general information about the destination (for elaboration of tourist strategy of the municipality), significant part of it could be obtained in summary using other methods (personal interviews or surveys with standard questionnaires for individual filling).



**Useful tool for individualization of tourist servicing is the maintenance of a “file” of regular (frequent) which is appropriate for hotels but could be applied in other enterprises (tourist agencies). It allows addressing by name, preparation of a small present for a birthday, “prediction” of future wishes based on the behavior of customer, as just is registered what the customer requested, approved or criticized during previous visits.**

**The file of customers could include:**

- “Passport” data: name, title (prof., Dr., Eng., Architect, etc.), date of birth, address, phone number, nationality, etc.
- Accompanying persons: husband/wife (name, date of birth), children (name, date of birth), pet (e.g. a dog);
- Previous visits by years and months; here could be added the purpose of the visit as well as estimated evaluation of satisfaction and reasons for high or low dissatisfaction;
- Planned stay for current visit;
- Next visit announced;
- Languages spoken (important for foreign guests!);
- Tour operator/agent which organized the trip;
- Room used during previous visits and specific requirements for the room;
- Preferences for foods and drinks;
- Practiced activities and used facilities.

## RECKONINGS

In some cases, especially in evaluation of offering and planning of development of tourist destinations, there is a need for ascertainment of attendance of free access facilities, where formal registration is impossible (beach line, ski zone, natural site, historical building when seen outside, central square, pedestrian zone, main entrance and transport links to bigger areal, etc.). in this cases is usefully to implement reckonings by preliminary developed methodology. These are places with dominating importance of short term (not having accommodation) visitors. The main information provided is about the number of visitors at certain moment. It is used for determining the workload and attendance of the facility as well as their dynamics (hourly and daily).

The reckonings by themselves do not impose high requirements to the qualification of performers but the development of appropriate methodology is a challenge. More important disadvantages are the provision of limited information (often only the number of visitors), need of at least several reckonings in various moments in order fluctuations to be ascertained and undesired effects to be minimized (bad weather), significant costs when several reckonings are needed, requirements for good knowing the “terrain” and specifications of tourist demand in the relevant site.

## QUALITATIVE METHODS

The sources and methods indicated above provide mostly quantitative information, accent on the description, measuring and opportunities for statistical analysis. Along with these the qualitative methods are also important focusing the attention to explanation and understanding. Qualitative methods are useful mostly in searching the reasons for certain problems, elaboration of new products and concepts, researching of emotional aspects attitudes, motivation, preliminary check of hypotheses that after are examined quantitatively (by surveys with large extracts), explanation of quantitative researches results, etc. Attitudes and opinions could be measured could be measured by quantitative researches and in such cases are considered as “qualitative data” subject to statistical analysis. But if we would like to understand why people are feeling as they feel, qualitative researches are needed.

There are two wide spread methods for qualitative researches: focus groups (group discussions, focused on certain topic) and interviews in depth. The difference between both methods is mainly in the number of participants: interviews in depth are individual; focus groups include more people (6-10). Common is that always there are preliminary marked questions, but no standard questionnaires – questions are formed flexibly, following the course of conversation and reactions of participants, additional questions are asked, new hypotheses are shaped, tracked are as the speeches as well as the non-verbal reactions of participants. These methods are limited by the small extracts (and need of precise selection of interviewed or participants in the group discussion) and high requirements to the professional qualification of interviewers or moderators of the discussions.



**Do not refuse participation in a focus group or group discussion if you are invited. Of course, you will lose some time, but this will provide you at least two opportunities: 1) to express your own opinion (which could not be accepted but there is no chance to be taken into account if you are not participating), and 2) to hear and comment the opinions of other colleagues and stakeholders which could change your own opinion but also will provide opportunity to change their opinion.**

## OBSERVATION AND DIRECT CONTACTS WITH TOURISTS

This is the most accessible method which application is implemented together with the implementation of the enterprise day-to-day activity (however, in some cases the observation could be assigned to an external expert who works generally in the field). The observation allows determining of a number of external characteristics of behavior – e.g. what people do, with whom, where they go together at certain moment, etc. Conversations with tourists allow understanding more about their motivation, preferences, satisfaction from different services and facilities, dissatisfied needs and wishes, recommendations for improvement of offering, etc. here could be added also the formal (written) or informal complaints of customers. Besides they require immediately solution of the problem, if analyzed for a longer time period the claims outline the fields that are “sustainable” problematic.

In order observations and contacts with the tourists to be more effective and useful it is recommendable to determine targets and specific aspects that will be observed (people often see that they would like to see). The main results should be recorded periodically (new impressions could rapidly supplant that we have seen and understand just few days ago). A good idea is also the periodically update of results from observations and contacts of all the staff especially these who are in permanent contact with the tourists. Disadvantage of observations and direct contacts is that they provide only qualitative information that is not a subject to statistic procession and analysis and could not be summarized for all representatives of certain group without significant risk of mistake.

## INDIRECT INFORMATION ABOUT TOURIST DEMAND FROM “KEY INFORMANTS”

As “key informants” are considered people that due to their position and professional experience have more knowledge in certain field (in this case – know the tourist demand). Examples could be hotel managers, tour operators, heads of tourist associations, experts, etc. The information they provide is more likely qualitative (opinions, considerations). However, in many cases it is possible to search also for quantitative information (although more summarized and not so precise than the surveys): number of tourists, structure, trends in quantitative indicators (including forecasts for the future), satisfaction and main reasons for dissatisfaction, etc.

Main advantages of this method are the low costs and rapid obtaining of significant information. The main risk is that in many cases “key informants” have a glimpse only on a part of the market (own customers, geographic markets and segments they work direct with) or estimate the facts and trends in different ways. By that reason more opinions should be collected and compared. Special attention should be paid also to the selection of people considered as “key informants”.

## PUBLICATIONS IN MEDIA

Mass media often publish information about tourism and touristic demand, including the Bulgarian tourist market. Publications could briefly present results from researches, statistical observations, analysis and opinions of specialists, interviews with tourists, etc. They are easy for usage information source that does not demand any specific efforts and costs. The problems are not related to the estimation of reliability of information and mostly to the identification of significant publications.



**Electronic editions are useful for easy identification of appropriate publications. There are a number of sites that contains not only own publications but also present significant publications from other sources: <http://www.infotourism.net> /, <http://www.âxpert.bg/>, [http://money.ibox.bg/section/id\\_21](http://money.ibox.bg/section/id_21), [www.touristmedia.info](http://www.touristmedia.info), etc.**

### 3.2 How to select appropriate sources and methods?

When intent to make a market research, tourist enterprises and destinations usually stand before two main questions: what sources and methods for collecting information to be used; should the research be implemented by them or to be assigned to an external contractor?

- 1) The answer of the first question requires distinguishing of primary and secondary information:
  - Secondary sources of information include data and analysis that are already available – literary sources, official statistic information, published market researches, own statistics, etc. Their main advantages are the low costs and rapid and easy obtaining of information. The disadvantage is that the information is always from “second hand” and not always responds to the specific needs of concrete enterprise or organization. A problem could be also the identification of information already existing.
  - Primary information sources include new information provided by special own research that produce “new”, non-existing recently information. The main advantage is that the information is “by measure”, relevant to the concrete information needs. The disadvantage is that collection of primary information requires much more time and costs and often specific knowledge and skills.



**Firstly identify and study all secondary sources and start your own research only if they are not sufficient for achieving your goals.**

Moreover, as indicated in item 3.1, every information source or method for collection of information has its advantages, disadvantages and limitations. Sometimes different sources and methods could provide different even contradictory results. By that reason it is important the right combination to be selected.



**In research of tourist demand in Bansko Municipality in 1999 following main methods have been used:**

- **Analysis of data from official statistic:** in order to be determined the long-term trends, to be assessed the position of the municipality in Bulgaria and to be compared with similar municipalities;
- **Survey among hotel managers:** in order to be evaluated common quantitative demand parameters (number of visitors and accommodations by months, seasonality, structure by nationality, etc.), as well as indirect evaluation of their satisfaction and problems of the resort considered;
- **Survey among visitors (in winter and summer):** in order to be determined main characteristics of the visitors and their behavior as well as their satisfaction from the stay and basic features of offering;
- **Reckonings in the ski zone:** in order to be determined the workload of “critical resource” and its fluctuations in time.



**The decision for the types and methods to be used is a compromise between desired (necessary) and possible depending on:**

- **The objective and information needs – what we would like to know and what for we will use the results;**
- **Time and budget available;**
- **Comparison between the benefit from the information and costs for its provision.**

2) What is preferred: to make the research by own or to assign it to external contractor?

The perfect decision is the research to be assigned to external contractor or consultant (professional agency, university). The advantages of professional researchers are that they know secondary information sources, have systematic academic knowledge and skills for collection, processing, analysis and presentation of information, know the external environment and easily could perform comparisons with other enterprises or destinations, ensure independent, justified and free of prejudices glimpse (such prejudices often exist on spot without realizing). However, using of professional researchers has its disadvantages: financial costs could be significant, they are not personally engaged with the problems of the enterprise or destination, and often they need more time for introduction to the specific local conditions. The least but not the last, there is a risk to be selected a “low quality” contractor that requires additional efforts in selection as well as elaboration of concrete job task.

The decision again depends on the purpose and complexity of research, requirements for application of desired methods, assessment of the capability to apply by own the methods for collection of information. Many of methods described in item 3.1 are accessible for employees of the enterprise or organization: observation and conversations with tourists, analysis of complaints, collection and processing of own statistic information, performing of simple surveys with own visitors, maintenance of a database of frequent visitors, etc. In many cases the common sense and close personal contact with visitors is an acceptable solution, especially for smaller enterprises.

By its own the investment in research is not a guarantee for success. Regardless whether the research is assigned to external contractor or implemented internally, the manager (or wider leadership) is responsible for the assessment of expected benefit and evaluation of the quality of work.

Tourist demand could be described and analyzed by a large number of signs and indicators, as information needed for them is provided by different by complexity and accessibility sources and methods.

Organizations that need and could monitor regularly all these indicators are few. It is important to choose a limited set of appropriate indicators that are to be monitored regularly depending on specific needs, objectives, opportunities and costs for collection of information.



**It is appropriate for every organization to determine characteristics and indicators of tourist demand that are to be monitored in different periods: daily, weekly, monthly, trimestral and annually.**

**Regardless how and by whom is implemented the market research it is important the information not just to be collected but also analyzed. The results should be used in the practical work: for change of product, disseminated information, advertisement, attitude towards customers.**

## 4. Market segmentation and selection of target groups

There is no “average tourist”. There is no also a Bulgarian “average tourist”. Tourist market is not something integral and homogeneous. It consists of separate users with different needs, motives, purchasing powers and preferences, past experience and other specifications. The variety among people is a fact and it is displayed mostly during leisure time and tourist trips. Many researches and forecasts from the last three decades emphasize the enforcement of market differentiation process and variety of customers. Thus recently in tourism is considered that each development or marketing strategy, should be focused on certain layers of demand (target groups, market segments) in order to be successful and to ensure possibly highest results with minimum costs. It is growing harder to offer “everything for everybody” that is becoming in “something for everybody... and a bit”. Along with that some groups are impossible to be at same place in same time (e.g. “revelers” and families looking for calm leisure).



**Market segmentation is a type of classification where all the integrity of potential or real users is divided by relatively homogenous groups (segments) for which are supposed they have a number of similar characteristics, requirements and behavior.**

However, the work on segmentation does not end with determining of groups (market segments). These groups are further analyzed in order a target group/target market to be selected (i.e. this part of market where the offering of the relevant enterprise or destination will be focused). Market segmentation gives starting points for creation of a product that complies in larger degree to the target market chosen. Actually target groups could be considered as a focus of entire activity on development and marketing of tourist enterprises and destinations.

The target marketing includes:

- Identification of existing and potential target groups within the common market;
- Differentiation of market segments by their volume, growth potential, needs and desires, etc.;
- Creation of products and services responding to the interest and needs of identified market segments;
- Selection of appropriate communication channels and tools allowing to reach the target groups persons;
- Selection of effective channels for distribution of products and services.

### Profitable steps

- 1) Determining of goals;
- 2) Classification of tourists (segmentation); identifying the specifications and behavior of different groups (segments);
- 3) Evaluation the correspondence of existing groups to the objective; determining of preferred groups (these that best correspond to the objective);
- 4) Assessment of correspondence of recent tourist product with the requirements of the target group preferred;
  - When correspondence is good there is a need of maintenance of the product and communication activity for attraction of customers from this group, including change of image if needed;
  - In case of discrepancy there are two options possible: change of product or, if impossible or expensive, looking for another target group to which requirements the product could respond better.

A number of requirements are set for market segments in order to be applicable in practice:

**Differentiation and relative homogeneity** – characteristics of the people in the group should be sufficiently similar and distinguish the group from the other groups; characteristics of the segment should be sufficiently unique in order to justify the development of a special program;

**Volume** – the segment should be large enough to justify the specific marketing activities and ensure good economic results;

**Sustainability** (stability) – the segment should preserve its main characteristics for relatively long time period; it is also preferable the volume of the segment to be maintained for a long time;

**Accessibility** – representatives of the market segment should be reached with acceptable costs by existing advertising tools and dissemination channels;

**Measurability** – segments should be determined so an adequate information about their market behavior to be obtained (characteristics for identification of segment should be measurable on the basis of available data of data which could be obtained with acceptable costs).

Criteria for segmentation or tourist demand are exclusively various due to the different objectives of researches, different opportunities for collection of information as well as especially various structural characteristics of recreation and tourist contingent. All characteristics or the tourists mentioned in item 2 as could be used in practice (separately or combined) as criteria. As regards the segmentation criteria are divided as follows:

**Geographical** (place of residence), including country, district, city or size of the city, degree of urbanization, etc.;

**Demographic and socio-economic**: nationality, gender, age, education, occupation, revenues, etc.

**Psychographic**: type of personality, main values, attitudes, motivation, lifestyle, etc.;

**Behavioral**: goal of the trip, duration of the trip, frequency of traveling, frequency of usage or practicing different activities, form of organization, means of booking, transport used, distance passed, expected benefits (significance of main characteristics of offering), etc.

Psychographic and behavioral criteria give larger opportunities for shaping of segments with similar behavior and requirements where the product to be oriented. However, they are poorer as regards information provided – additional efforts are needed for collection of initial information for identification of segments as well as information about further description and tracking the segments' dynamic. These criteria often require application of complex methods that are accessible only for professional researchers. Thus traditional criteria such as geographic, demographic and socio-economic continue to be widely applied as for most of them there are available data.



**According the place of residence Bulgarian market could be divided into people living in Sofia and other cities with population over 100 000, district centers, smaller towns and villages. Typical example for segmentation based on a variable is division by nationality (Bulgarians, foreigners), objective of the trip (leisure, business, guesting, etc.), practicing certain activities (skiing, etc.).**

In segmentation based on more variables there are more complex groups obtained that are more homogenous as by relevant characteristics as well as by other specifications of behavior and requirements.



**Here are three examples for segmentation by compilation of characteristics (criteria):**

- 1) Life cycle stage: combines indicators such as age, marital status, age of children (e.g. young families with children with smallest child up to 6 years old; elderly families with adult children already separated from family, etc.);**
- 2) Social status: reflects the occupation, education and revenues, in some cases other characteristics;**
- 3) Lifestyle: integrates characteristics such as values, opinions, interests, activities, as well as socio-demographic characteristics, material security, etc. In some researches there are two opposite styles are reviewed – labor-centric (people for whom the field of labor is the main focus, people who “live to work”) and hedonistic (people for whom the leisure time is the main value, people who actively are looking for pleasures and attractions, people who “work to live”).**

Market segments are identified based on one or several characteristics which are not enough for their analysis and comprehension. There is a need of a segments' profile: identified segments should be described on the basis of these and other characteristics which could be as quantitative as well as qualitative (*tabl. 4*). In order the profile to be shorter and foreseeable usually approach is to be recorder only groups depending on the structural characteristics that are predominant for the relevant segment and makes it different from other segments. There is no need for each segment to be presented the structure by age entirely – it is enough to mention that in segment 1 the group aged 15-24 is highly expressed, in segment 2 – the group 25-34 and 35-44, as in segment 3 – group over age 55.

Segmentation is a significant feature of the market strategy at all levels – enterprise, resort, district, country. However, participants at lower level (e.g. particular company or smaller destination) could not ignore market segmentation which is determined and applied at higher levels (e.g. district or country).

**Tabl. 4 Sample scheme for elaboration of market segments' profile**

	Segment 1	Segment 2	Segment 3
Recent share of tourist demand, %			
Development trend up to year..... (growth, stagnation, decline)			
Common characteristics (main values, main specifications of behavior)			
Recreational and touristic behavior			
Travel costs			
Socio-demographic structure			
Expectations from the destination:			
- Accommodation			
- Food			
- Serving			
- Infrastructure			
- Type and shape of the settlement			
- Landscape			
- Transport			
Information sources			
Form of organization			
Perception and susceptibility to advertisements, requirements to the advertisement			
Appropriate offers			
...			

**Tabl. 5 A task for homework!**

Which market segments you would like to attract in your own activity and what should you do?			
Segment/target group	Recent customers	Future customers	Actions needed

### III. HOW TO CREATE BETTER TOURIST PRODUCT FOR BULGARIANS?

#### 1. Tourist product in the eyes of the tourist

A product (commodity or service) in the context of marketing is anything that could be offered at the market in order to draw attention, acquiring, usage or consumption, satisfying a need or necessity.

For the hotel manager the hotel room is a product that is rented for temporary use, as well as the set of services provided to the tourist for the period of his/her stay in the hotel. For the carrier a product are the places in the vehicle and set of services for the time of transportation of the tourist. For the restaurant manager a product are the meals offered as well as the service in the restaurant.

Tourist companies should review following levels when evaluating of use-value of the product or planning of market offer:

**Real benefit from the product:** the main benefit that customer purchases. E.g. the guest in particular accommodation facility buys “rest and sleep”.

**Primary product:** the basic version of the product or material prerequisites for its creation. E.g. the accommodation facility is a building with rooms rented for short term use.

**Expected product:** the conditions that tourists expect and negotiate when purchasing the product. E.g. the guests of each accommodation facility expect clean bed, soap, towels, cupboard and tranquility.

**Additional product:** additional services and benefits that make the offer different than the competitors. E.g. the standard product could be complemented with provision of TV, phone, shampoo, fresh flowers, express servicing, etc.

**Potential product:** transformations which the product could undergo, i.e. its potential development in the future.

#### **The touristic product means different things depending on the point of view:**

For the tourist company it is a labor product with relevant use-value. It is a compilation of commodities and services resulted from manufacturing activity of touristic and other enterprises and for which the tourist pays.

For the tourists these are commodities and services they are interested in and are ready to purchase under certain conditions:

- Transport services;
- Food and accommodation services;
- Services for achieving of the goal of the trip (leisure, education, business activity, etc.);
- Information services;
- Communal and household services;
- Souvenirs and other goods for further use at the tourist site or place of residence.

80% of tourist offering consists of services which characteristics are transferred also to the touristic product and are following:

- Non-materiality/non consciousness: users of the touristic product could not touch it or try it before the purchase. In practice they buy a cat in a bag relying only on the description of the product. Tourist agent and advertising materials should convince the customer in the benefit from the product purchase.

- Integrity/indivisibility: production and consumption of the tourist services coincide in time and place. That means that the service provider could serve simultaneously one customer or limited number of customers as well as there is a need of professional knowledge and skills for the tourist officials in order to guarantee a constant quality of servicing.
- Inequality/variety: there are no two equal services, even by one and the same provider. Moreover, services composing the tourist product are provided by different people. They are hardly to be standardized thus troubling the control over the quality of the products. There are features of the product that could not be controlled such as bad climate conditions.
- Flimsiness: tourist product could not be stored neither used later. Empty hotel room today could not be rented and used tomorrow and means loss from unreleased activity. Efforts in tourism are focused on planning and organization of the activity in such way ensuring no loss profits or the losses to be minimized.
- Inequality in time: demand of tourist services is unequal distributed in time. The seasonality is explained as by climate as well as by social reasons. Improvement of balance between busy and free days is one of the hardest marketing tasks in tourism.

Touristic product is designed to satisfy the wishes and expectations of tourists. Actually tourists buy much more than separate products or tourist and other companies. Tourist consumes other goods that are seemingly free of charge and often are a reason for the tourist trip: air, water, sun, natural, architectural and historical sites. The tourist purchases emotions thus considering the touristic product as a complex set of services and activities from the moment of leaving the place of residence until the return back, including in the tourist destination selected.



**The tourist buys “happiness” as the touristic industry should produce it.**

Touristic product should offer benefits to specific group of tourists with similar needs as well as reasons for the tourist trip. When choosing where to travel or to spend the holiday the tourist considers touristic offers according to the potential benefits for him/herself. They could be expressed in qualitative accommodation and food, acceptable price, unique resources, communication with other people, exciting emotions, sport activities.

#### **Features of the touristic product from tourist's point of view:**

- Touristic resources: natural and anthropogenic, including various events;
- Basic infrastructure: airports, roads, railway network, electric supply, water supply, sewerage, waste water treatment plants, communications, etc.;
- Touristic infrastructure and tourist services (accommodation, food, tourist transport, etc.) as well as ensuring of information;
- Activities which tourists could practice during their stay as well as the sites they could visit;
- Image and other characteristics, related to the degree of development of the tourist site, individual lifestyle of the tourist, social status of the tourist, his/her opinion for him/herself, fashion, imitation, etc.

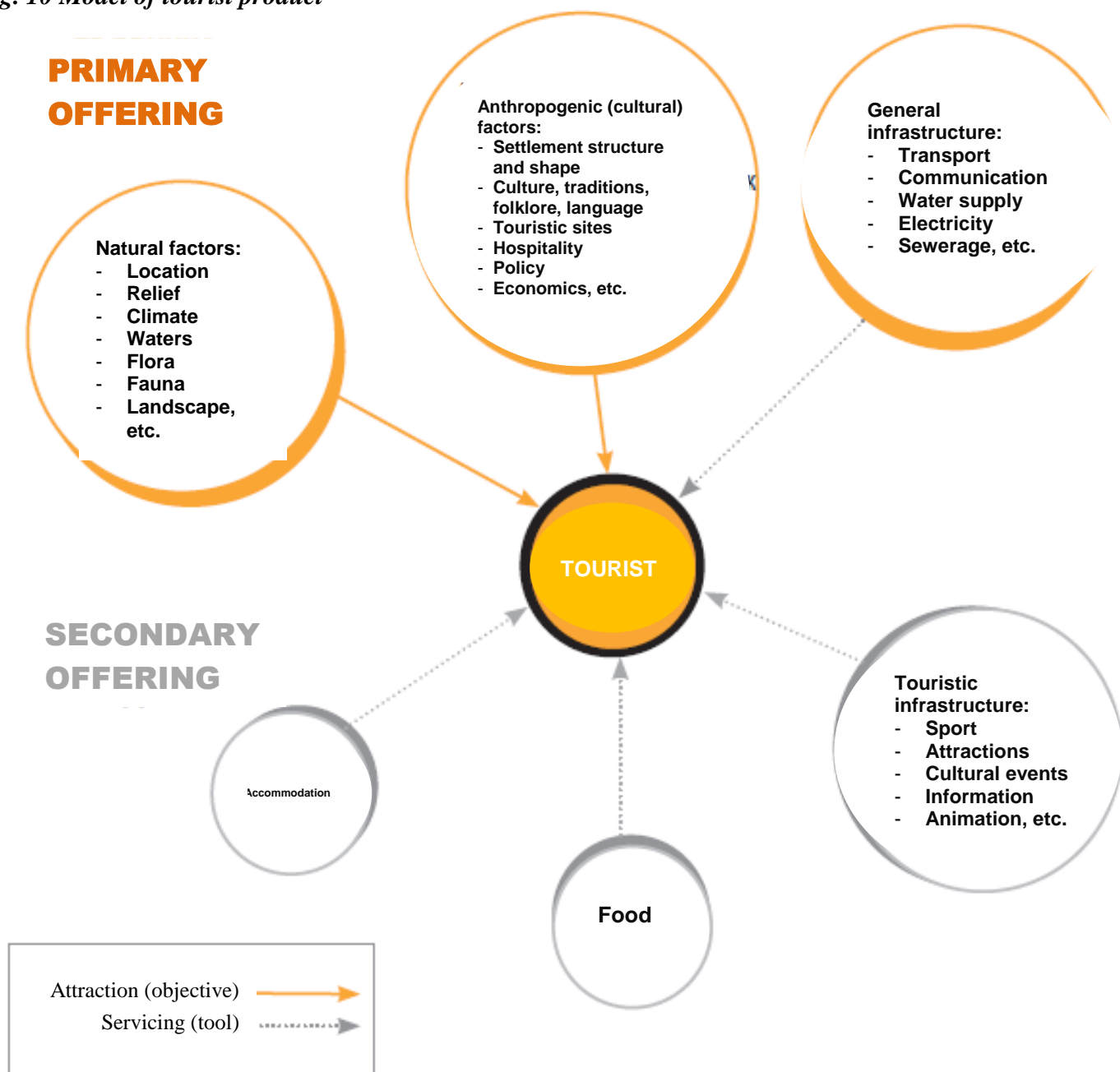
Specific needs and wishes always are related with expected positive impressions and emotions. The way the product impacts physically, psychologically and emotionally to the users ensures the experiences which are in the basis of touristic demand. For the users touristic product is not a mechanic sum of components but an integral experience ensured for certain price. If some of the goods could not be used, the rest of goods also lose their value. The usefulness of touristic product is determined subjectively and different users evaluate it differently.

Touristic product could be presented as a atomic type of structure (*fig. 10*) with relatively constant core built by the primary natural, cultural and other features, and variable periphery - secondary offering uniting tourist facilities, goods and services gravitating around the core. The distant periphery covers all the activities that usually serve the residents (postal, bank, medical, communal-household and other services, retail trade) but also satisfy the needs of tourists.

The primary offering covers all features existing before regardless and out of tourism as an economic activity (nature, social environment, traditional holidays and cultural events, etc.). They have paramount importance for attraction of visitors in certain destination or tourist site. Some of them are granted without human labor, although they could be main reason for the trip.

Secondary offering includes facilities and services created especially for tourist services, i.e. the tourist industry (accommodation, food, organized touristic events, touristic infrastructure, etc.). For the tourist's point of view they are a tool for extraction of expected benefits from the primary offering.

**Fig. 10 Model of tourist product**



Having in mind the complex composition of tourist product, touristic demand is focused not only on certain enterprises (accommodation facilities, attractions) but on tourist sites or areas that offer entire product, which specification is determined mainly by the primary offering. The core is most important but not crucial for the integral character of the product and its image. Not only the uniqueness of local attractions but also the state of play of tourist facilities, quality of services and their pricing level shape the competitiveness of the tourist destination and its image. The efforts of central and local government (by measures for improvement of infrastructure, organization of events, etc.) as well as the activities of tourist organizations and associations created with marketing objective contribute to the development of the product and its market imposing.



**The tourist destination is the spatial purpose of the tourist trip. Geographic location (locality, settlement, district, country) that is selected by the visitor (or visitors' segment) as a purpose of the tourist trip, and have facilities needed for the stay – accommodation, restaurants, attractions and activities and is the real product and competitive unit in tourism that should be managed as a strategic business unit. In that sense, the name “destination” is not related to certain size or territorial scope, but for the practical purposes of management, planning and marketing, the destination should be related to certain size and borders. Considering the fact that destinations could have any size, World Tourist Organization uses the term “local tourist destination” – physical space where the tourist have at least one accommodation including also tourist attractions and services within one day return trip.**

In order to develop an integral, competitive and vital touristic product the relations between the core and periphery should be based on following principles:

- Primary grants are connected with secondary offering – in other case they could not become real tourist attractions, find market implementation and bring economic benefits;
- Development of periphery is complied with the specifications of the core in order not to lose the main “raw material” of the tourist industry – primary attractiveness of resources.

The matter of primary and secondary offering is closely related also to the big problem of benefits and costs concerning the touristic development. Generally, the features of primary offering concern so called public (free of charge) goods, i.e. such that are not paid directly by the tourist. When costs are occurred for their maintenance they are paid by the society as a whole of local community by the tax system. However, economic utilization of these features is done by the secondary offering and main part of benefits are obtained by the people who produce or offer touristic services.



**While benefits are relatively concentrated, costs for tourism development often are paid by the whole community. However, in tourism spreading the economic benefits is strongly expressed also among those indirectly engaged in tourist industry. E.g. improvement of street network and maintenance of hygiene for making certain place more attractive for the tourists, are of benefit for the entire population.**

The touristic product has following specifications:

- Individual and unique product: unique combination of features selected by a tourist.
- Collective product: different companies and organizations participate in its creation and provision to the tourist.
- There is completing between features that makes tourism a “collective manufacture” for creation of an integral product.

- Product of the tourist site or tourist destination: a number of sub products are offered at one place shaped by certain enterprises. Each of them includes not only own services but also services of other enterprises as well as core elements.
- It is created with the participation of the tourist who makes the choice from offered features and shapes the individual touristic product. Tourist becomes a part of the product due to the presence at the place of consumption.
- A complex product: tourist services are not implemented separately and without relation to the landscape as a product core. Satisfaction of the tourist depends on the quality as a whole; poor satisfaction from a feature reflects on the common satisfaction. The final evaluation is based on the satisfied expectations and often depends on features that are out of the tourist sector.

There are several prerequisites for the successful product application:

- To be commercialized: availability of resources does not mean that a tourist flow will be directed to the destination even when information is available. The product should include not only natural grants but also basic and additional services at certain price. Materialized vision of offering is the tourist offer where are described the services, price, validity of the offer, discounts and bonuses. Most often the offer is shaped as a tourist package and combines several services with common price but is not a sum of single prices of the services.
- Promotion: information about the product should reach in appropriate way the potential users.
- To be relevant to the requirements and expectations of the selected market target group.
- To be different from other similar products: its characteristics to be defensive and justified.
- To have high quality of all features (including general and touristic infrastructure) in order to be accessible and not disappointing the tourists.

#### **4 Important answers!**

Who brings together commodities, services and goods designed for usage by tourists at certain price?

1. Every tourist enterprise shapes its own touristic product. It uses entirely or certain parts of primary offering ("core" of the touristic product) developing also specific services related to the secondary offering (standard of accommodation, specific kitchen, additional services). A number of sub products are offered in a settlement and are shaped by enterprises having something common – the core or primary offering.
2. Touristic product is shaped by the tourist who selects the goods and services expecting benefits from. Each tourist links individually different goods and services thus making unique the individual touristic product.
3. Touristic product is made by specific organizations (enterprises) from the intermediary tourist sector. These are the tour operators that combine the product features, making them a package and providing at the market. They know the requirements of tourists and specifications of offering and could present them in the most appropriate way to the most appropriate customer.
4. Tourist product is shaped by the organizations for destinations management. They are directly engaged in creation and marketing of the tourist product and increasingly playing the role of intermediaries connecting tourist services providers and end user – the tourist.

**Table 6: Happiness as a purpose of the touristic product**

<b>Tourist pays for:</b>	<b>Tourist seeks for:</b>
... services: transport, bed, food, beverages, attractions, tourist guide, animation, museums...	... happiness: to see, acts, communicates and lives through a new environment selected by him/her for certain time period and with desire.
<b>Attraction of a customer is not:</b>	<b>Attraction of a customer is:</b>
... within the competences of a tour operator, tour agent, hotel manager, restaurant manager or carrier.	... a result from “collective manufacturing”.* * Parts of a vehicle “Mercedes” are produced at a number of places, by different employees and different enterprises. It becomes a recognizable vehicle only when it is compiled bearing the brand “Mercedes”.
<b>It is not successfully to think:</b>	<b>It is successfully to think:</b>
... only about your own touristic product.	... about the collective product of the tourist destination.
<b>Touristic product and services is not enough to be:</b>	<b>Touristic product and services should be:</b>
... just qualitative, because they are easily replaceable without clear identification.	... not just qualitative but also specific and recognizable among the thousands of destinations and hundreds thousands hotels in the world.
<b>The reason for selection of specific product or destination is not:</b>	<b>The reason for selection of specific product or destination is:</b>
... only the price.	... a complex set of factors including the price.

## 2. How to perform self-assessment?

### 2.1. Why it is necessary and important?

If we want to create a better product for domestic market and offer and purchase it effectively, probably we need to change our current activity. To that end we need a plan/strategy. That not means obligatory a number or hundreds of pages full of unclear or hardly comprehensive terms but pointing the objectives and approaches for their achieving we are to take.

Success is not a product of chance and could be planned at least at certain degree. Lack or unsuccessful planning means a “planned failure”. If we do not plan we will not know what to do. If we do not know what to do how we will achieve that we want? And most important: if we do not know what we want how we will achieve it? Planning of future means good knowing the present state of play and comprehension about where we are and why we are there, what are the potential and development opportunities, what are the problems and their causes, what resources we could and should use...

Typical mistakes when evaluating the state of play:

1. We consider that we know well our organization or destination. Even we are right, we could mention a lot of new shades and obtain new ideas when implementing a systematic review (diagnosis).
2. Limit of evaluation of the state of play of enterprise or destination only to... the enterprise or destination.
3. We are not enough critical, overestimate our own advantages and underestimate the disadvantages. That leads to the wrong consideration: everything is all right, we are the best, we have no problems, but... we have no tourists!

There are a number of participants in tourist offering and the evaluation of each one has its specifications as regards the reported aspects, indicators used, etc. Most significant are the differences between evaluation of enterprises and organizations, on one hand, and destinations, on the other hands. However, there are common principles, approaches, aspects and even indicators that should be applied regardless of the object of evaluation. They are mentioned below. To apply these principles and approaches in specific situation and needs is a matter of individual effort and creativity.

## 2.2.What we evaluate?

Main questions in self-evaluation for diagnosis:

- What we have at our disposal?
- Who comes to us?
- Who we would like to come to us?
- What misses the offering?
- Where we could make improvement?
- What should be the perfect state of play?

In order to reply these questions, we should analyze and evaluate:

- Our own offering of enterprise (organization, destination).
- Demand of our attractions and services.
- Offering and behavior of competitors.
- Common trends in environment, demand and competition that impact on future tourism development.

This evaluation will provide a lot of information that should be summarized and used for shaping of meaningful conclusions as well as for future decisions.

## 2.3.How to understand?

The simple answer is: we should collect the information and analyze it. Said in another way, we should “diagnose” ourselves allowing to pass to adequate “healing”.



**The diagnosis is a rapid analysis (assessment) of the state of play for determining the general opportunities, problems and restrictions. It is expected to give a qualitative and quantitative evaluation of parameters of existing status, to outline the trends, to establish the problems and analyze their causes, to draw conclusions and recommendations for action.**

The diagnosis should be objective and problem oriented: honest, critical, even unsparing. It is not to hide the weaknesses and problems – if so, it will bring to wrong determining the needs, priorities and concrete actions.



**It is not to be forgotten, that analysis (evaluation) is a tool but not a purpose. The situation “paralyze through analysis” is known in practice. That is needed we to be able to say “Enough!”.**

The quality of analysis and conclusions depend on the quality of information therefore – quality of strategies and action plans.

Main principles when collecting information are:

- Information should be appropriate, updated and reliable – a typical mistake is to rely only to available or easy accessible but inappropriate or outdated information.
- Collection of information should be purposefully and selective – information should be necessary and sufficient; a typical mistake is to collect too much information large part of which is not used, or collection of information to take so much time, that when analysis is ready, the situation has already changed.
- Information should be obtained in acceptable ratio between profits and costs. Appropriate choice of methods and information sources is needed, complied with the needs and opportunities; there is a need of estimation of the benefit from information related to the necessary costs, efforts and specific knowledge and skills demanded.
- Utilization of available data before undertaking own researches.
- The information is not only statistics, even less – only official. There is so called soft information that is so valuable such as the factual; opinions and estimations of staff, colleagues, external experts, tourists (including obtained by surveys). The challenge when working with soft data is the clear differentiation between opinions and assumptions, and facts and reporting of a large number of opinions.
- Collection of information should be planned. That means to outline main topics (scope of evaluation) and for each to answer simple questions such as: “What we would like to know?”, “From where we could understand?”, “How to understand?”, “Could we do it and in what time?”, “Who will be responsible?”, “What resources are needed?”, “What is the price?”.
- Collection of information is a process and not a single act. It should be implemented periodically (regularly) and not once taking into account the changing needs of information.



**Depending on the type and size of organization the information needs could differ significantly. Choose the important indicators that will be monitored regularly. Determine what information and how often you would like to obtain (daily, weekly, monthly, by trimester, annually).**



**Information should not just be collected but also analyzed. To analyze the state of play means to describe it and draw adequate conclusions which guide to appropriate actions.**

The main questions in analyzing are:

- What the figures and facts mean? Whether the situation is favorable or unfavorable, good or bad? Is it enough or not? Whether the reviewed aspect is a strength or weakness, thread or opportunity and why? When answering these questions very useful are comparisons – .e.g. with average for the country, region, municipality or other countries with similar destinations or enterprises (competitors).
- Are there any internal differences – between services and departments in an enterprise, between similar enterprises in certain municipality, between municipalities in the region, etc?
- What is the dynamics, what changes are reviewed in time?

In many cases is more important to be understood the direction of changes than to make a precise “picture” of the state of play.

- Whether the situation is going worse or going better? What are the opportunities and possible trends? What is possible to happen with or without intervention (change)? Is this opportunity or a thread? In order to answer these questions there is a need to review data for longer time period (at least 3-4 years).
- What are the lessons learnt from recent activities? What is done up to now for solution of the problems? What was the effect? Is there need for changes? What should be done better?

## **2.4.How to evaluate the main aspects?**

In order to assist the evaluation this section contains sets of evaluation questions. They should not be considered as sufficient and finalized lists but as an example and guideline for individual generation of questions.

### **Own offering**

When evaluating own offering there is no need of different approaches depending on whether certain enterprise or destination is evaluated (tourist center, region, country).

#### ***Important questions when evaluating an enterprise (e.g. hotel):***

- How you evaluate the location of enterprise (to the main attractions, demand, transport connections, etc.)?
- How you estimate the physical characteristics – building (including architecture) and equipment?
- How you evaluate the set and quality of services? In what degree the hotel services respond the needs of guests?
- How you evaluate the staff?
- In what degree you are satisfied from the last financial results (turnover, expenditures, profit, and employment)?
- Are the prices relevant to the quality of services? Are they covering the expenses?
- How you evaluate the advertising activity? Are there more effective ways for advertisement and communication?
- How you estimate the ways for selling? Do you use appropriate intermediaries?
- If you consider the recent state of play – where is your enterprise today?
- What makes your hotel different and preferred?
- What are financial opportunities for implementation of changes (own funds, crediting opportunities)?

**Quantitative indicators of hotel evaluation:**

- Number of beds, structure of rooms by size and equipment, number of places in restaurant, etc.;
- Period of functioning, opportunity for use during different seasons;
- Year of construction, last reconstruction and renovation;
- Parking places (number of places in own or public parking);
- Number and structure of staff (by activities, qualification, by seasons);
- Occupation of beds and/or rooms – in total, by periods (months, week days);
- Incomes – total and by departments/services, expenditures – total, by departments/services, by type (e.g. supplies, staff, etc.), profit;
- Average daily turnover, average turnover of 1 employee, of 1 visitor, of 1 bed or room, etc.

**Questions for evaluation of TIC (Tourist Information Center):**

- Is the center accessible for most of the visitors? Are there guiding signs placed visibly from all approaches to the area? Are these signs or plates comprehensible for the visitors, especially if they have absolutely no information about the area or are foreigners?
- Is the center accessible for disabled people?
- Does the center reflect the uniqueness and originality of the area? Is it well ordered and structured? Is there enough space for exposition of materials? Is that space shaped attractively? Is there appropriate and accessible place for storage of information materials?
- What information the tourist are searching for most often and is the center ready to provide it?
- Are the information and services accessible when visitors need? E.g. does the center work during the weekend, especially during the high season?
- When the center is closed, is the most needed information exposed in visible place? Is another place indicated when information could be provided if necessary?
- Does the training of staff include visit and on-spot introduction to the sites of municipality and neighbor municipality in order people working in the center to provide certain advices and recommendations to the visitors?
- Are advertising materials exchanged with neighbor municipalities and regions? Does the center have exposed materials of neighbor municipalities and regions?
- Is the effectiveness of center's activity evaluated, are the channels for requests traced, is there accountancy? What are the results?

**Questions for evaluation of touristic destinations (resorts, settlements, regions, country):**

- Touristic-geographical location and transport accessibility.
  - What is the location compared to attractive generic areas or markets (internal and external)?
  - What is the transport accessibility (time and costs for traveling), types of transport?
- Tourist resources, attractions and opportunities for actions.
  - What are the main natural and anthropogenic resources? Are there specific attractions such as sport facilities and events, thematic parks, cultural events, etc.?
  - What type of touristic use is appropriate for?
  - What are the eligible limits of loading?
  - What is the recent level of absorption and loading?
  - What are the internal-territorial specifications and differences?
- Tourist industry.
  - What restaurants and facilities the tourist destination has (quantitative data)?
  - What is the set of services provided?
  - Is there appropriate, sufficient and accessible information about the facilities and services?
  - Who is the subject of offering (tourist enterprises)? What are the economic indicators of their activity (incomes, expenditures, profit, etc.)?
  - What is the degree of occupation of restaurants and facilities and what is the average degree of occupation?
  - What is the seasonality? Which are the peak and off-peak periods?

- What is the relation between price and quality?
- What is the level of qualification of the staff and quality of services?
- What is the marketing and advertisement activity of tourist enterprises?
- Socio-economic environment in the destination:
  - What is the attitude of different groups in the destination towards tourism development? Is any resistance possible? What are the reasons?
  - How the development of tourism will reflect on other sectors (environment, economy, society)?
  - What is the state of play of common infrastructure (roads, including access to main attractions, communications, including internet access, electricity, water supply, sewerage, waste water treatment plants, parking lots, green areas, etc.)?
  - Are there enough shops, banks, medical institutions and services, is there enough security (police, etc.)?
  - What is the state of play of local economy, especially if it is able to serve the tourists and tourism?
  - Are there enough free terrains for buildings and other needs? are there territories with limitations for using (protected areas, etc.)?
  - What is the structure of real estate property and opportunity for its purchasing?
  - What is the level of price of land compared with other areas and settlements?
  - Is there enough local labor force for tourism development – in qualitative and quantitative aspect?
- Management and marketing of destination:
  - What is the degree of participation in tourist development of central and local government?
  - Are there local and regional tourist organizations? What are their place and role? What is their capacity (legal, technical, including staff, financial – budget)?
  - What activities implement local/regional tourist organizations and what is their efficiency?
  - What is the marketing and advertising activity for the destination?
  - Are there planning elaborations and clearly shaped intentions for development? What do they foresee?
  - Is there a critical mass of people that have entrepreneurship spirit and attitude?
  - What is the degree of information ensuring of development? Do we know what happens?
- Funding:
  - What is the financial capacity of public authorities for the relevant destination?
  - Are there local investment sources?
  - In what degree the development is determined by external investors and what are their objectives and interests?
  - Is any resistance against non-local investors?
  - Is it possible to attract funds from other sources (e.g. grants)?

Important for the evaluation of tourist destination is the degree of workload and absorption where are important the eligible limits of loading or so called touristic capacity of territory. Development of tourism in Bulgaria, including the last demand researches, shows that significant part of Bulgarian tourists is sensitive to the exceeding of capacity, i.e. to problems such as overbuilding, pollution, spatial planning (structure of the resort), environment protection. The capacity concept is a tool for regulation of tourist development that does not require refusal of touristic absorption, but allows taking of well considered and controlled risks.



**Tourist capacity determines the optimal borders for tourism development in certain region. Touristic capacity is the maximum number of tourists (visitors) that could live simultaneously at certain territory having complete recreation conditions without any serious and irreversible negative impact on the nature and society. Touristic capacity is multidimensional – it has physical, environmental, psychological, social, economic and political dimensions.**

## Demand

### *The main questions regarding the touristic demand are:*

- How much are the visitors of the enterprise or destination and how much accommodations do they have?
- From which countries and regions are they? What is their socio-demographic structure?
- How are distributed by periods?
- What is the duration of the stay?
- How are distributed by accommodation facilities and tourist sites (especially if the destination is larger)?
- What is their main purpose of their travel/stay?
- Why they come to us (reasons for choice of destination, hotel, etc.)?
- What is the share of loyal customers (coming for second time, regular visitors) compared with the total number of visitors?
- What they do (activities)?
- Are they satisfied? What from they are very satisfied and what makes them very dissatisfied?
- What are recent trends in tourist demand at main markets?

The **image of enterprise or destination** is directly related to the touristic demand. Following questions are needed here:

- What is the prominence (fame)?
- What are the expectations of recent visitors? With what the destination (or enterprise) is associated?
- Do the expectations are relevant to the reality?
- What is the perception for the enterprise or destination at potential markets and is it relevant to the reality?

### *If you have no answer to any of the above mentioned questions:*

- Ask your employees (especially these who are in direct contact with tourists).
- Ask the tourists (including surveys).

Along with that you can ask any **additional questions**, which are to show your understanding and capability for observation of the demand, respectively existing deficits that you have to overcome:

- Do I know the markets of most important countries and regions from where my tourists come?
- Am I observing permanently the continuous changing requirements and behavior of my guests?
- Am I collecting important information about the existing demand and do I analyze it purposefully? Did I organize the registering of important information of recent visitors (e.g. by appropriate forms used at the reception desk)?
- Can I estimate how the demand of my hotel or my destination will develop during next years?
- Am I informed about the needs and expectations of the guests that I should respond to?
- Do I know what should disappoint me if I am a guest in my hotel or destination?

## Competitors

### *The main questions regarding the competitors are:*

- Which are our competitors? Which are the enterprises or destination with similar offering that attract the same target groups?
- What is the offering of competitors compared with our offering (here questions could be asked similar to these in the analysis of own offering but usually in more reduced size, not so detailed)?
- How you estimate the quality and prices of your offering compared with the competitors?
- How you estimate your results compared with the competitors (e.g. accommodations, turnover)?



Often observation of the competition is limited to own touristic place or region. This is not enough – there is a need a wider glimpse, comparison with similar enterprises or destinations in other regions and countries. To that end could be used:

- Exchange of experience with colleagues, e.g. within the branch organizations;
- Visits at tourist exchanges and exhibitions (direct glimpse on that competitors sell);
- Own trips to other places – even if they are not organized purposefully – for research of competitors (“a trip with notebook and camera”), they always could provide important impressions;
- Expert evaluations, information published in specific web sites and editions and often in media.



Observation of competitors should not bring to imitation and copying. It is important for the positioning of our company at the market compared with the competitors. Of course, we can use some ideas of competitors, as by the comparison of own and their strengths and weaknesses we will understand where improvements are needed in our offering. The most important is to be different with something specific, unique, i.e. to discover our competitive advantages.

## Trends

The analysis should not be limited to the present and past. It should be future oriented, to take into account and forecast the main trends in development of tourism and factors that impact on it.

**Trends in external environment** are of high importance as they are out of touristic industry and tourism but impact on their future:

- Demand related (e.g. How is developed the ecotourism demand in quantitative aspect? Which destinations are the targets of this demand and why?);
- Political (e.g. What is the possible reflection of the policies of new government?);
- Legal (e.g. What will be the impact of introduction of obligatory and non-obligatory standards for tourist activities at European level? Possible changes in labor conditions regulations, working time, free time?);
- Economic (e.g. What is the impact of global financial and economic crisis in Bulgaria and how this impacts on domestic touristic demand? What is the impact of the EU funds – what they support and finance and what they do not support and finance?);
- Social (e.g. What are the changes in the demographic structure and how this will reflect on touristic demand? What are possible changes in population structure depending on the income? What are possible changes in the labor market and what is their impact?);
- Technological (e.g. What is the degree of introduction of recent information and communication technologies in Bulgaria and what is the impact on preferred information sources, way of booking, sharing of opinions about the satisfaction from the holiday among different social groups?);
- Environmental (e.g. How the environmental awareness is changed and what are the reflections on the touristic demand?).



Forecasting (shaping of trends) is hard to be done. Sometimes it is considered as impossible or similar to the “prediction”. Main principle of forecasting is that “the roots of the future are in the past”. In other words, if we know and follow the recent situation, we could prepare plausible forecasts for the future. Along with that we always could rely on the assumptions (forecasts) of well-known organizations or experts which have shown that could prepare forecasts.

## 2.5. How to make rational conclusions for targeted actions?



Information from the review and evaluation of certain aspects of enterprise or destination should be registered, printed in paper in order to be further analyzed and summarized. To that end a table form is appropriate allowing introduction of quantitative and qualitative information as well as of evaluations (*tabl. 7*).

Basic information about touristic demand	Year			
	20..	20..	20..	20..
Total number of visitors				
Total number of accommodations				
.....				

Average occupation by months		Evaluation of the hotel occupation			
	In the hotel	In the resort	Poor	Satisfactory	High
January					
February					
.....					

Significant characteristics of competitors			
Competitors	Location	Structure of offering	Demand
Competitor 1			
Competitor 2			
.....			

## SWOT analysis

SWOT analysis is a well-known and widely used method for synthesizing the results of evaluation, drawing conclusions and shaping the strategy for action based on analysis of strengths and weaknesses, opportunities and threads.

The advantages of SWOT analysis are:

- It presents in highly condensed form the most important characteristics of the object and directly assists the development of strategy and goals;
- Collects together as the own (domestic) characteristics of destination or enterprise (strengths and weaknesses), as well as determining factors of environment (opportunities and threads);
- Collects together as the characteristics of the present as well as expected trends in the future;
- SWOT analysis is appropriate not only for expert work, but also for group working (ensuring reporting of different opinions and achieving consensus on evaluation).

The outcomes of SWOT analysis usually are presented as a matrix which fields contain brief but meaningful statements (*tabl. 8*). The fields of sample matrix contain also interpretations of relevant fields as well as the main questions that are asked in terms of strategy shaping. Important is that strengths and weaknesses are considered as domestic factors related to the own enterprise or destination (favorable or unfavorable) , as the opportunities and threads – as external factors related to the entire environment, demand and competition (also favorable or unfavorable).

**Tab. 8 SWOT analysis matrix**

<b>Strengths</b>	<b>Weaknesses</b>
<b>Own enterprise / organization / destination (domestic factors)</b>	
<ul style="list-style-type: none"> <li>- Positive things in certain situation, project or activity that work well</li> <li>- Resource or capacity that could be effectively used for achievement of goals</li> <li>- Resource, skill or other advantages that enterprise (destination) has compared with other enterprises (destinations)</li> </ul>	<ul style="list-style-type: none"> <li>- Things that do not work well or that could be done better</li> <li>- Restriction or defect that are obstacle before achieving of goals</li> <li>- Fields where the enterprise (destination) significantly lags far behind compared with other enterprises (destinations)</li> </ul>
<b>Main questions</b> Which are the specific strengths of the enterprise (destination) that should be developed or to be maintained purposefully?	<b>Main question:</b> Which are weaknesses of the enterprise (destination) that are to be overcome purposefully?
<b>Opportunities</b>	<b>Threads</b>
<b>Demand / Competition / Common trends in environment (external factors)</b>	
<ul style="list-style-type: none"> <li>- Most favorable features of external environment</li> <li>- Situations where external benefits are absolutely clear and are very possibly to be implemented if certain actions are taken</li> <li>- Opportunities for upgrade of the basis of strengths or overcoming the weaknesses</li> </ul>	<ul style="list-style-type: none"> <li>- Most unfavorable features of external environment</li> <li>- Situations that lead to potentially harmful external happenings and results if no certain actions are undertaken</li> <li>- Restrictions that decline the opportunities for growth or change</li> </ul>
<b>Main question:</b> Are there specific opportunities that are to be used (utilized)?	<b>Main question:</b> What dangers exist and should be avoided by appropriate measures?

The main questions in each field target to shaping objectives and outlining in general needed actions that in abstract are summarized to: maintenance, development and using the strengths, improvement of weaknesses, utilization of opportunities, and minimization of the thread effect. Along with the above mentioned, it is useful to group the strengths and weaknesses according to the needed and possible actions, e.g.:

- Strengths that are jeopardized and cares are needed for their preservation;
- Weaknesses that are naturally or technically set and could not be changed but could be possibly compensated;
- Changes and improvements that require significant investments;
- Changes and improvements that require more ideas than money;
- Changes and improvements that could be achieved by coordination and partnership.

Another way to present the results is preparation of so called profiles – of strengths and weaknesses (of own enterprise or destination) and opportunities and threads (related to demand, competitors and common trends). In this case quantitative evaluations on certain criteria are presented and for more visibility they are connected with lines (*fig. 11*).

**Fig. 11 Touristic demand (extract from a profile of opportunities and threads)**

Evaluation criteria	Negative	1	2	3	4	5	Positive
Number of accommodations	Small						Large
Average stay	Short						Long
Occupation of beds (rooms)	Low						High
Occupation by months	Variable						Constant
Occupation by week days	Variable						Constant
Distribution of visitors by booking way	Poor						Good
Cancellations	Much						Less
Structure of visitors (total)	Poor						Excellent
By countries / regions	One-sided						Diversified
By purpose of the visit / stay	Poor						Good
By age	One-sided						Diversified
By purchasing power	Low						High
Share of regular visitors	Small						Large
Image of the hotel	Poor						Good

Main requirements when preparing a SWOT analysis are:

- Completeness: not only the object of the analysis (enterprise or destination) should be covered but also its environment. Typical mistake is only strengths and weaknesses of the object to be reviewed and not to take into account the opportunities and threads related to the environment, demand and competition.
- Clear differentiation and correct identification of domestic (strengths and weaknesses) and external factors (opportunities and threads). This is related also to the clear determination of the object of analysis – certain enterprise or destination with various scope: that for the destination is domestic factor (strengths or weakness) for the enterprise could be a part of external environment (opportunity or thread). Typical mistakes are: equal treating of strengths and opportunities; weaknesses and threads; threads with problems; and often opportunities and desires or development goals. E.g. in the field “Opportunities” often could be found statements such as “development of cultural tourism”. However, this is not an opportunity, but goal; relevant opportunity could be “Increasing demand of cultural tourism at Bulgarian market”.
- Clear and concrete goal. E.g. concrete content of SWOT analysis related to cultural tourism will be different than this of SPA tourism SWOT analysis.

- Need of summarizing, accent on the most important, filtering of information. Typical mistake is the SWOT analysis to be large and unclear losing its main advantage – systematization of conclusions in a way that assists planning of activities. In most cases it is possible to set limits of no more than 7-8 statements in each field. Risk of “dilution” is significant for opportunities and threats – focus on these that are most probable and have the largest impact.
- Justification of statements. Typical weakness is the lack of objectivity, realism and criticism and often using of “tags” (in many analysis examples could be geographical location, touristic resources, and human resources).
- Clear and concrete shaping of statements so they are to be comprehensible. In some analysis the term “road network” could be mentioned as among strengths as well as among weaknesses. More precise formulation in the case could be “well developed main roads network” (strengths) and “abandoned and rehabilitation needed municipal roads” (weakness).
- Using the results for shaping goals and action planning.

Typical mistake is the SWOT analysis to be considered as a “decoration” or self-purposed exercise that is done because it is modern or required and not as a tool for summarizing of conclusions and planning of future activity.

## Analysis of problems

The analysis of problems is used in addition to the SWOT analysis or independently, identifying and describing the main problems. It is important the cause and effect relationships to be analyzed: the problem should not only be found, but also its causes, impact or consequences. Otherwise there is a risk to heal symptoms or attention to be focused on minor problems.

Reasonable questions in this case are: Why it is so? How it came? Whether causes indicated are sufficient for problem description or there are others? What is the impact of this problem?

One of the effective methods for clarification of cause and effect relationships is the constructions of a tree of problems. Although this could be made by individual experts, the method is most appropriate for working in group.



- **Identify the most important problems, shape them correctly and concrete: what is the problem?**
- **Evaluate the seriousness of the problem, including who is affected and in what degree;**
- **Evaluate the consequences of non-solution of the problem (situation of non-intervention): how urgent is the need of intervention;**
- **Analyze the reasons for the problem: search for the real causes and not excuses;**
- **Think about actions that remove or decline the impact of causes: check how the problem is solved successfully in other enterprises at other places;**
- **Check whether possible solutions could create new (more significant) problems.**

## Assessment of development opportunities

The results of objective and critical evaluation are not always encouraging. The critical diagnosis could show that weaknesses are too much; opportunities are limited as the risks – large and hard to be overcome. It is useful to ask ourselves questions such as: “Does this touristic product is designed for us?”, “Is this target group ours?” as well as more basic: “Is the tourism our business?”. If the answer is negative, most probably alternative opportunities should be searched. Such approach allows being avoided “wrong” investments and future disappointments.



**When evaluating a destination, it is important to take into account possible tourism impacts (economic, social, and environmental). Economically efficient tourism is not made by everybody and everywhere. Tourism has not only positive but also negative impacts.**

### 3 useful questions!

1. Could we develop economically vital tourism, i.e. obtain significant economic benefits?
2. What is the price (development of tourism could be economically desired, but brings environmental and social risks)? Isn't the environmental and social price higher than the economic benefits?
3. How benefits and expenditures are distributed? Who wins and who loses?



**If we took positive decision about the tourism development or development of concrete touristic product, following is the key question about each strategy: “What we want – more from the same or something different?”.**

## 3. What we should propose to Bulgarians?

### 3.1. Holiday at the seaside

According to the researches of Bulgarian tourists from the last three years most of Bulgarians are venerators of sea tourism. For them the main holiday is the “sea” – about 70% of Bulgarians having their holidays in Bulgaria are going to the sea resorts during their annual leave. Sea recreation is practiced also during weekends/national holidays from about 14% of the people. It is related mostly to beaches, swimming in a pool/river and passive rest, but also reviewing natural and other sites.

## **Who are the Bulgarian users of the product?**

Bulgarians having their holidays at the Black Sea coast are mostly young people up to age 35. The youngest users of the product (aged between 18 and 24) absolutely differ from elderly: their main goal is the “party”. This determined in large degree as the choice of destination as well as the accommodation facility. The youngest people go to Sunny Beach/Cacao Beach, Nesebar, Golden Sands, because they consider these places as the “most joyful”. The equipment is not very important as these people spend very few moments in the hotel room: “I am coming in the room only to sleep 4-5 hours and that’s all”. It is interesting to be mentioned that although Sunny Beach is not highly rated as a resort, the atmosphere of the place, the party, friends, are sufficiently strong argument of youngest to accept poor hygiene and overbuilding.

However, for all other age groups most important are the quality of accommodation, food and servicing in resorts, clarity of beaches and opportunity for calm rest. Special requirements are set concerning the safety and attractions for children as the seaside holiday is the most character way for spending the vacation, namely with families with children.

Of course, the price is also important – seaside vacation is practiced by wide ranges of society as many of the people have limited purchasing power. In most cases they choose Bulgarian resorts because the travel abroad is most expensive pleasure. For holiday in Bulgaria in 2008 about 2/3 of the people have spent less than BGN 700.

Another characteristic of domestic market of sea tourism is that most of the people organize their holiday individually. Only 1/3 of Bulgarians search for services of intermediary companies when having their vacation in Bulgaria. Individual tourists are accommodated mainly in private houses, rest stations and bungalows, rented villas and apartments. These who use packages are accommodated in hotels as they are distributed almost equally according their preferences for “full board” (all included in price), half-board and bed and breakfast, as the full board has small advantage.

## **What from are Bulgarians satisfied and dissatisfied?**

Bulgarians who have chosen their holiday to be in Bulgaria, are satisfied from the lower price, familiar environment and opportunity for spontaneous travel – there are no need of preliminary preparation, no strict program, people are free to take decisions at the moment and change them. For younger people the party and attractions are determining as for elderly – determining is the habit.

However, Bulgarian sea tourism product does not responding to a number of important requirements of the customers. People are dissatisfied from overbuilding and chaos in the resorts, full and dirty beaches, rough attitude of staff and bad services in tourist facilities. Also serious reasons for discontentment give the conditions of infrastructure (waste water treatment facilities, roads, parking places, and lawns), lack of appropriate conditions for children and low quality of food. Bulgarians are disturbed by the fact that holiday in good hotels is much cheaper for foreign tourists using the services of large tour operators while the prices for domestic customers are higher, moreover, even on higher price their booking in most cases could not be guaranteed until the last moment.

The general conclusion in the customers’ eyes is that Bulgarian seaside does not provide opportunity for quiet and calm vacation and the quality offered does not worth its price. This is the main reason Bulgarians (especially these with higher social status) prefer to spend their holiday abroad.

## What should be changed in order the product be more attractive for Bulgarians?

Bulgarians would choose their holiday at Bulgarian seaside if they feel that are desired guests and are convinced that in Bulgaria they will find what they look for. Offering of a better product of sea tourism requires targeted efforts for improvement of the environment in settlements and resorts as well as improvement of quality of services. Along with that an active marketing policy is needed to stimulate domestic demand of sea vacations and usage of more basic and additional services during the vacation.

Measures in following directions should be taken particularly:

- Damages from overbuilding and impression for overloading are hardly to be overcome but our sea resorts will become more attractive if there are to be separated areas specialized in servicing of different market segments (for example for young people looking for a party, families with children, people who prefer tranquility and silence, etc.).
- Servicing could be improved significantly only if entrepreneurs, managers and service staff takes clearly into account that Bulgarian is a “good customer” they are to fight for. It is also necessary to invest more in human resources and special programs to be applied for training of staff (including seasonal workers).
- Most of the Bulgarians should have their vacation at the Bulgarian seaside if the hotel offers and intermediary companies allow them to pay less by planning and booking their holiday at early stage such as the offers at international market.
- Bulgarians are mostly individual tourists and by that reason it is very important more information to be provided orienting them what else they could do during the vacation besides the traditional going to the beach, restaurants and passive recreation.

### Strategies and measures for maintenance and increase of touristic demand

Such as every product, tourist destinations also have their living cycle passing through the stages of nascency, market positioning, maturity and revival and fall. This absolutely concerns tourist resorts. In order to be able to maintain and increase the tourist demand, Bulgarian sea resorts could apply following measures from the global practice:

#### **Hard measures**

- Control over the socio-economic capacity;
- Zoning and new planning;
- Research and including of new resources;
- Creation of new attractions;
- Renewal and upgrade of the equipment;
- Improvement of infrastructure and transport communications.

#### **Soft measures**

- Application of pricing strategies;
- Application of advertising and communication strategies;
- Improvement of services;
- Improvement and renewal of communication channels;
- Using the new technologies in marketing;
- Product diversification;
- Improvement of image and reputation;
- Quality control.

Application of hard and soft measures helps to decrease the fluctuations in development and increase the demand. Moreover, of significant importance is the coordination and cooperation between local tourist destinations by joint using the resources and avoiding doubling in development thus preventing confrontation and making tourist enterprises and organizations strategic partners that each benefit from the development.

### 3.2.Mountain tourism

Mountain tourism involves wide range of recreational, cognitional and sport activities in mountainous and semi-mountainous environment. Main resource for its development is the various reliefs, healthy climate and preserved biodiversity in Bulgarian mountains that cover territories with altitude over 600 m up to 2925 m and occupy 28% of the territory of Bulgaria. An important role plays also the availability of a dense network of mountain settlements that have valuable cultural-historic resources and offer touristic services and attractions.

Modern mountainous tourism in Bulgaria is developed in 58 mountain resorts and at least 100 more settlements and areas that do not have official statute as resorts. There could be added about 130 acting tourist cabins and over 150 monasteries located in attractive upland environment. Most of the centers of mountain tourism are small settlements with high summer season serving mainly Bulgarians. Only several resorts clearly oriented to winter sports have positions at international market but they also rely on domestic customers.

Mountain tourism always has been targeted mostly to Bulgarians. In the past offering and demand in large degree have been determined by the system of social recreation, with typical low level of accommodation, facilities and services with relevant low prices. Today the situation is radically changed – mountain tourism is developed in conditions of market competition and could attract Bulgarian customers only if it offers high quality and various emotions for reasonable price.

#### **Mountain tourism at domestic market in figures by official statistics data:**

- About 20% of visits with accommodation of Bulgarians in Bulgaria;
- About 17% of all accommodations of Bulgarians in Bulgaria;
- About 14% from incomes from accommodations of Bulgarians in Bulgaria;

The demand of Bulgarians is focused to large number of mountain tourist centers, but the three largest resorts (Bansko, Pamporovo and Borovets) obtain 55% of the incomes from accommodations. **Mountain tourism in the attitudes of Bulgarians for travels and holidays:**

- Occupies third place (after vacation at the seaside and cultural tourism) as a way for spending the holiday – it is practiced by 29% of Bulgarians but only 6% point it as the first place. Ski tourism has 2% of the vacation market share;
- Decisively holds the top in short term trips – it is practiced by 43% of Bulgarians as 25% point it at first place;
- In the weekend and official holidays trips over 2/3 of Bulgarians practice hiking with visit of natural sites as 3% practice winter sports.

Mountain tourism is practiced during the whole year during weekends and official holidays (1-3 nights) and as a second holiday (5-7 nights) within the annual leave during summer or winter. Most popular at domestic market are the stationary mountain recreation, hiking tourism and winter sports. Each of these products has its characteristic and is targeted to concrete market segments that have different expectations and requirements to offering.

#### **Stationary upland tourism**

Holiday at the mountain is characterized with shorter or longer stay in preserved environment with healthy climate and often is combined with elements of rural, eco, cultural and SPA tourism. As an accommodation tool are used mostly upland hotels and recreational bases as well as family hotels, guest houses and private houses.

### ***Who are the users of the product and what are their key requirements?***

A leading importance has the market of individual tourists – mostly families with children and groups of friends looking for tranquility and opportunities for combining the passive rest with visits of natural and cultural sites, sport and recreational activities and culinary emotions. An important segment is also the organized school groups for so called green and white schools that are implemented during the low season and focus on educational and learning elements in tourist experience.

Users of this type of tourism set relatively high requirements to the accommodation facilities and additional services but not looking for lux. Of great importance for them is availability of tourist information, conveniences and entertainments for children as well as alternatives in case of bad weather conditions. In most cases are preferred better conditions even if the price is higher.

### ***What from are the customers satisfied and dissatisfied?***

Bulgarian customers are most satisfied by natural resources and cultural and historic sites, opportunities for promenades and contact with local inhabitants. They evaluate the improved comfort of the base for stationary upland tourism after the transformation of most of the recreational houses in hotels and appearance of small restaurants with specific atmosphere. At the same time, customers often are dissatisfied by the hygiene and maintenance of accommodation facilities, quality and variety of foods and beverages and relatively limited offering of additional facilities and services in the objects and tourist centers as a whole. Most sharp deficits of the product are established regarding tourist information, condition of infrastructure (especially roads and road signs), entertainments for children and alternatives in case of bad weather.

### ***What should be changed?***

Overcoming of most disadvantages requires not so much finances as initiative and better organization of services. The most effective way for attraction of domestic market is information provided person by person, especially when it concerns smaller, not well known tourist places and objects. By that reason of great importance is firstly to ensure the satisfaction of current customers. Thus they will be motivated to stay longer, to come again and recommend the place/object to their friends and relatives.



- **Have a personal attitude to your guests but do not forget that most Bulgarians would like to be independent and individual.**
- **Ensure to the tourists possibly most full information what they could see and do not only in the concrete resort but in the entire area.**
- **Do not rely only to requests by customers but offer them to use various additional services – transport (or accompanying person) to objects that are hardly accessible, degustation of local meals, excursions, picnics and fishing.**
- **Organize active entertainments for the children – indoor and outdoor games and competitions, introduction to the wild nature, lessons for survival in mountain, etc.**

## Upland hiking

Hiking involves marches with different duration and degree of difficulty in relatively wild upland territories with existing networks of marked tracks. It is very typical for national and natural parks. Most used shelter facilities are tourist cabins. In the forming of product are involved also highland settlements and settlements located in the foots of mountains that are starting and ending point of hiking traces and offer basic and additional tourist services.

### *Who are the product users and what are their key requirements?*

The market is dividing almost equally to organized and individual in growing importance of individual tourists and informal groups that are not following centrally prepared itineraries. Large part of users has higher than the average incomes and is ready to pay more for better quality. Many are also the people with limited financial opportunities who choose the mountain as a cheaper alternative for rest. Regardless of the difference in living standard people that practice hiking are similar with their willingness for adventures, great interest and concern about the nature and consider as most significant the emotions than material benefits.

Demand is characterized with high intensity of trips, frequent change of places for accommodation and short stay in the accommodation bases. Relatively high usage of public transport is also distinctive. Tourists are not fastidious to the accommodation conditions and additional services but look for basic utilities, hygiene and availability of reliable information. Most important for them is the touch with nature and opportunity for full detachment of daily life. Key importance has cleanliness, silence and safety in the mountain.

### *What from customers are satisfied and dissatisfied?*

Among the features of the product, absolutely most evaluated are the natural resources. In certain cases users share satisfaction from conditions and welcome in the cabins but as a whole the opinion is that they are fully abandoned. Many tourists even avoid the cabins preferring one day transitions without accommodation or sleep in tents. Another serious source of dissatisfaction is the poor condition of tourist marking and lack of reliable information about the length of itineraries, services available and working objects and facilities. The access to starting points to the mountain (which often are very distanced from settlements) also is a problem due to the lack of organized transport and parking places.

### *What should be changed?*

Creation of a better product for hiking requires not just offering of more conveniences to the users, but also ensuring of more valuable emotions, more safety and better conditions for protection of the wild nature. To that end is needed close cooperation between entrepreneurs and local governments, units of the Mountain Rescue Service, Bulgarian Tourist Union and tourist associations in all the country.



- **Offer to the domestic users more packages or certain services in the field of hiking relying to experienced tourist guides.**
- **Do not try to make hotels from the cabins, but offer the tourists basic household conveniences, cozy environment and hospitality.**
- **Cooperate for maintenance of tourist marking and development of more thematic and familiarizing itineraries.**
- **Guide the tourists to the opportunities for using basic and additional services in surrounding settlements.**
- **Ensure more information about the natural richness and environmental behavior in the mountain.**
- **Promote the safety rules in the mountain, need of mountain insurance and ways for help in case of emergency.**



## **Transformation of the cabin “Echo” in an example for “green” and hospitable upland cabin**

Cabin “Echo” is located at 1675 m above sea level in the heart of “Central Balkan” National Park. In 2008 has been born the idea for partnership for its modernization and management between the owner (STA “Academic” – City of Ruse) and tour operator company for mountain and learning tourism “Odyssey-in”. In the beginning of 2009 has been established an association named “For Echo” which objective is to assist the cabins in Bulgaria, welcoming in uplands and proper behavior in the nature. The initiative is targeted to making the cabin “Echo”:

- A hospitable and cozy mountain cabin complied to the global standards;
- An example for environmental Bulgarian cabin;
- A place for meetings, events, researches and mountain culture.

After less than year work of the association first concrete results appeared: after careful selection new managers of the cabin are recruited; several campaigns were held for cleaning of waste collected for years; grant has been obtained for creation of a long term strategy and gradually reconstruction of the cabin with a view to the sustainable use of natural resources, energy efficiency and waste management; a pilot compost WC has been built followed by installation of solar panels in the future; recently the cabin has internet connection and its own website with up-to-date information in Bulgarian and English.

Many other activities are foreseen for improvement of the conditions in the cabin, as well as elaboration of additional services, maintenance of mountain tracks, dissemination of information to the customers and implementation of trainings related to environmental protection, adequate behavior in the mountain, etc. The association hires volunteers for implementation of forthcoming activities and looks for additional ways for funding such as sales of calendar-notebook with pictures from Bulgaria, 50% of which price will provided for development of the cabin “Echo”.

Source: <http://www.ehoto.org>

### ***Ski tourism***

Ski tourism is a desired option for tourist development of many mountain resorts and settlements in Bulgaria, but in most of the cases opportunities for creation of competitive product are obviously limited due to the high requirements to the basic resources and secondary offering and need of large scale investments in specific equipment and professional servicing. Offering of winter sports is highly concentrated in few large resorts that passed through dynamic development during the last years and attract the main part of domestic market. Except these resorts there are many small and less developed ski centers that have no chance to impress the “avid” skiers and snowboarders but ensure opportunities for rest and sports during the winter for more unassuming mainly regional customers.

### ***Who are the product users and what key requirements they have to the offering?***

Bulgarians who practice intensively winter sports are mainly young people and people in active age traveling with friends or family. They have averagely high living standard and are not eager to make any compromises neither with the accommodation and food conditions nor the quality of facilities and level of services. For these people most important are opportunities for skiing (especially access to the ski zone, condition of the tracks and facilities, prices of ski services), but also many other features of the product have great importance, including common conditions in resorts and opportunities for dining and restaurants.

### ***What from customers are satisfied and dissatisfied?***

Users evaluate as good the conditions in hotels but don't like the environment in resorts and are dissatisfied from the ratio between price and quality for almost all services. The sharpest critics are targeted to transport to ski zones and lack of parking places, long waiting for lifts and ski-lifts, high prices of cards for usage of facilities, unsatisfactory condition of the tracks, expensive food and problems related to the cleanliness and maintenance of tourist centers. As a whole the opinion is that prices in leading Bulgarian ski resorts are slightly lower than abroad but the product is with much poor quality. That is the main reason for increased demand for ski vacations in the Alps by solvent customers during the last 2-3 years.

### ***What should be changed?***

Domestic market of our winter resorts could be held and enlarged if service providers, intermediary sector and managing authorities join efforts for overcoming (or compensating) the weaknesses of offering with good organization, kindly serving and more flexible product and pricing policy as regards Bulgarians.



- **Offer more touristic packages for Bulgarians with profitable financial offers for basic and additional services, including special packages for families with children and beginner skiers.**
- **Use more actively the price discounts and free extras as a tool for attraction of organized and individual users.**
- **Do not forget that potential customers are not only skiers and snowboarders. About 10% of Bulgarian tourists have their holiday in winter, but only 2-3% are practicing winter sports. Offer more options out of the ski zone. From these options will benefit also the skiers especially in case of bad weather.**



**Monopoly structures hosting the ski zones in the three main resorts usually underestimate the domestic market. The prices of lift-cards and ski-equipment that are sold to foreigners by voucher usually are known from the end of previous season and are much cheaper than these sold on the cash desks. However, Bulgarians cannot use ski services by voucher and buy lift cards and hire equipment on spot only. Despite the discounts, cash prices are 20-30% higher than voucher ones. At the same time in the three resorts the prices are announced just when the ski season is opened. Regardless the domestic market is usually last minute that impedes the tour operators working with Bulgarians and restricts the customers who cannot plan at earlier stage a large item of their expenditures for winter holiday.**

**A good practice stimulating domestic demand of ski tourism is offering of lift cards with about 40% discount for Bulgarians during the weekend but it is applied only in one of the largest resorts in Bulgaria.**



### **How more profitable offers are achieved and seasonality in Italian ski resorts is decreased?**

**Association SKIRAMA DOLOMITI is established in the end of 90<sup>th</sup> and unites all enterprises hosting the ski facilities in 8 alpine resorts with total of 150 lifts and ski-lifts in Trentino Region, North Italy. The association applies the wide spread practice in alpine resorts for access to all facilities in the region with one single card as there also is a special policy for attraction of visitors out of the high ski season.**

**So for example if the tourist purchases an annual card (with discounts for different age groups) customers could use unlimitedly over 25 lifts that work during the whole year. Thus domestic users skiing in winter are stimulated as during the other seasons visit the region for hiking and viewing. Along with the above mentioned, SKIRAMA DOLOMITI maintains close cooperation with accommodation facilities and local tourist organizations in the eight resorts by which at the market are offered packages with common price for accommodation, food and using the facilities.**

*Source: <http://www.skirama.it>*



### **Price discounts and care for children in the ski resorts in Canada**

**According a rating of users in 2008 the Sun Peaks resort in British Columbia is among the ten best ski resorts in North America and is evaluated as the resort with the best conditions for ski holidays of families with children. It obtained a lot of customers by providing free cards for ski facilities for children up to age 5. An additional service is provided for facilitation of parents – daily, half-day or hourly childcare for children from 18 months up to 5 years. Child center is located near one of the lift stations and provides the children games and outdoor and indoor entertainments every day from 08.00 to 16.00. The price of all day program includes lunch, breakfast and drinks and only breakfast and drinks for the half-day program.**

*Source: <http://www.sunpeaksresort.com>*



### Ski resorts for non-skiers

Most of the significant winter resorts in the world pay special attention to the offering for non-skiers during the high season because they are sure that so they could attract a wider range of customers. The interest of potential users to offering for non-skiers in winter resorts is growing. This is proved by the fact that **ShermansTravel.com** – one of the large tourist sites that makes ratings of different types of tourist destinations and sends monthly e-bulletin to approximately 3.5 million of addressees in the world, prepares a special rating of leading ski resorts for non-skiers (Ski resorts for non-skiers). In the top 10 in this category for 2009/2010 season are time-tested resorts in Austria, France, Switzerland, Spain, USA and Canada that in large degree rely on cultural and cognitive activities, SPA services, culinary and wine degustations, adventure tourism and opportunities for entertainment.

Source: <http://www.shermanstravel.com>

### 3.3.Rural Tourism



**Rural tourism is travel for holiday in rural areas and the use of specialized for the purpose farmhouses and other characteristic of this type of environment resources for shelter and accommodation. According to this idea of the rural tourism main features are: silence unspoiled, beautiful landscapes, hospitable people, preserved rural life and culture, personal contact with the local people.**

#### *How to create a better product for the Bulgarian tourists?*

Manufacturers and Operators rural tourism will be able to answer this question if you can with clarity and ease to answer the question, being asked tourists, namely: " Why rest in the village?"

The responses are linked to a large degree with the changed lifestyle Bulgarians during the transition: powerful migration flows from rural and smaller settlements to larger cities increased interest to healthy recreation to sports activities to search some peaceful places other than the busy tourist complexes, and last but not place - the desire to visitor feels special.

What Bulgarians seeking and expecting to receive from the rest of the village is:

- Contact with nature and silence – agriculture environment is often synonymous with natural and requires particular attention the greenery and landscaping – as in rural backyards and in urban and where rural environment;
- Rural life as a background element of leisure, recreation dashed connection between the " new citizens " and native rural locations of many Bulgarian families. The combination of past and present a powerful psychological factor, influencing the decision on where and how to rest;
- Natural sights – wealth and their diversity has more motivate people to choose a place to rest. An essential feature and advantage of the Bulgarian village is a combination of natural attractions a distinctive culture in different regions of Bulgaria;
- Cultural and historical sites and events - the Bulgarian village has preserved many of the material and spiritual culture and traditions of different historical times. In this sense, many experts associated with rural tourism and cultural tourism. The two types of tourism overlap to a large extent mutually to stimulate;

- Practical experience - the Bulgarian looking for more active recreation not only opportunity for exercise, but also with the possibility of self-realization – this is achieved through the participation in activities acquisition of specific skills - Especially those related to artistic art ( pottery, weaving, etc.).The pursuit of self-realization has over the past years an important meaningful element of recreation. What more appropriate out of Bulgarian village to acquire such practical tourist experience through participation in social and cultural life of the host village.
- Hospitality - to feel away even more - as a friend why not a family member is another important element of rural tourism. The user wants to leave the anonymity of tourist in the big tourist complex. The role of the guest is transformed from observer to participant rural life. He wants to be allowed to the "kitchen" of the visited place, thereby becomes implicated the life of the village and it becomes a constant visitor in someone who returns to the known location.
- Cheaper getaway – for possibility to choose among more shelter, including and relatively cheap rural houses, small family hotels, private rooms and others.

### ***What is rural tourism product?***

If you offer : picturesque natural landscape monitoring and inspiration; interesting activities of rural life in the village, your guests can participate and gain skills, be sure that you are and provide "an unforgettable holiday experience".

Like any tourist product rural includes important components such as:

- Transport to reach the tourist easy, enjoyable and relatively quick to chosen resting place and be mobile during their stay;
- Comfortable accommodation facilities - except that is typical Bulgarian village, it must offer all amenities to satisfy the usual sanitary hygiene and nutrition needs; Maintain order and cleanliness. Restore the too old and unsuitable housing farmhouses, newly built. It is better to match the typical for the local architecture. Recreate by interior characteristic rural life of your geographic region.
- Tourist attractions - not enough have natural, cultural and historical landmarks. Think how the visitor will communicate with them. This is done by specialize in the tourist infrastructure – technical equipment, by means of which will present the natural and cultural heritage. For example, the old building of the community center with refurbished theater, stage, library and other space can be converted into place for different activities – performances, art workshops, etc.

The specificity of the rural tourism is that service of the personnel in most cases is represented by the family members. They are not educated and trained to serve visitors. Their strongest feature is the hospitality and desire to meet in their homes and local people from other parts of country.

### ***How to produce quality product and sell it successfully?***



- **Improve the esthetic of the house and yard – unpleasant impression on tourists make the neglected appearance of the buildings, messy yard, unpainted buildings, stairs and balconies without railing and fence worst property. It is recommendable to keep natural conditions, such as forms of terrain, vegetation, trees, water areas, to plant native species plants that will be in harmony with the surrounding landscape. In the shaping garden use natural building materials - stone, wood, etc.**
- **Clean daily all common areas and those intended exclusively for tourists, especially kitchen, bathroom and toilet.**
- **Pay more attention to the internal - chairs and decorative elements must be in the same style, do not use damaged furniture.**
- **Try to ensure individual bathroom for tourists. If use the same bathroom, your personal belongings must be kept in separate shelves, so as not to mix with those of guests.**

- Provide access to the tourists for diverse and quality kitchen inventory. From a hygienic point of view it is necessary that the utensils of the hosts be separated from that of the guests.
- Provide a place where children your guests will play in safety, while their parents relax.
- Offer your guests a variety of opportunities for cognitive, entertainment, sports and other activities during their stay such can be performances, demonstrations traditional crafts and other activities closely related to the specifics your area.
- Seek cooperation with local government, NGOs and cultural institutions to enrich your product.
- Regularly provide information for your proposed service to the tourist information centers and tourist agencies, to make sure, that more potential users will learn for you. •



### **Recovery of the ethnographic buildings**

#### ***Background to the project***

The city Veiga, Spain, is characterized with picturesque scenery and cultural heritage, but with immature economy relies mainly on agriculture support of the project for restoration cultural buildings to create cultural networking and development tourism supply in the area.

Registered is a great interest in the local people - received over 50 applications for restoration potential objects. Are chosen three mills, the bridge and various technical devices, as sewing machines and agricultural machines. The objects, that are privately owned, are delivered for management to the Board, as part of the cultural network. After restoration council assigns responsibility to the local volunteers to present this cultural heritage. They hold the keys to the restored objects and stories along with local culture demonstrate to the visitors the typical production of the technologies, such as the use of traditional ovens.

The project is implemented by May 2003 to October 2004.

#### ***Why this project is considered a good practice?***

The project is a classic example of the added value provided by the focus LEADER + (in European programs for Rural Development) on methods and processes for the development of rural areas. It is made by the council of the city of A Veiga and is considered good practice in application of innovative approach to developing of cultural and historical attractions.

This approach is associated with:

- The participation of the local population, which is organized by the local council in a large-scale consultative process for the selection of buildings for restoration, and their inclusion in the collection of cultural sites;
- Presentation cultures heritage of local residents

So the original design of the project creates a "living museum", integrating the local people with cultural resources region.

#### ***Achievements and results:***

- Restored are objects of cultural heritage;
- Significantly increase the number of visitors - the tourists and the school groups with an interest in architecture and rural life;
- A social capital and provoke interest among local to cultural heritage of the area of A Veiga;
- Add value to tourism experience;
- Individual items or entire concept can be used as model for application in other areas.

Source: <http://ec.europa.eu/leaderplus>

### 3.4.Ecotourism



The ecotourism is responsible the trip to the relatively preserved natural complexes for the purpose of pleasure and perception of nature and all its attendant cultural sites, contributing to the conservation of nature, have a minimal negative impact and providing cost effective social Economic Development the local population.

So defined by the World Conservation Union Conservation of Nature (IUCN, 1996), the ecotourism is not associated only with stored nature as a medium for recreation and tourism, but contains several important characteristics:

- Responsible travel, which is a two- way process of environmentally friendly :
  - recreational - visitor behavior;
  - tourist production, required by the tourists;
- Conservation function - one of the targets of the ecotourism is the protection of biodiversity and natural complexes as whole;
- Educational component - to achieve responsible behavior is necessary nature conservation and education;
- Interpretation of natural and cultural heritage - it is connected to the need to achieve high degree of perception of nature and the accompanying cultural features;
- Small scale of production and consumption - results from the afore mentioned specificities and therefore develops mainly as a small business, related to the domestic entrepreneurial initiatives;
- Sustainability of development - the combination of these elements leads objectively to sustainable forms of development. The lack of one of these elements makes it limiting its own development.

#### *Who are the users of the product?*

The opportunities for diversified offer ecotourism products in Bulgaria are mostly related to the network of protected areas and protected areas to the European network NATURA 2,000. With the importance of tourism are national and natural parks performing two equivalent functions - conservation and tourism. The researches of the internal market Bulgaria in the last 2-3 years show that approximately the same percent of Bulgarians - 30% traveling in holidays and week-end days, as and during annual vacations prefer recreational activities environment. Most practiced recreation activities are associated with the visit of the landmarks and hikes in natural areas.

#### **Profile of the eco-tourist in Bulgaria:**

- 24-40 years of age;
- Minimum income BGN 600
- Higher education;
- Residents of Sofia;
- Married, no children;
- Regular exercise sports.

There are four main market segments of the ecotourism:

- 1) Those who seek peace and quiet nature and prefer passive recreation, such as Nights / in natural environment;
- 2) Students under the "green schools" with an emphasis on the educational element ecotourism;
- 3) Seeking a more active outdoor recreation excursion through a form of recreation is important for them to interpretation natural and cultural heritage;
- 4) Those who have a specific interest greater depth perception of natural heritage sites, such as the interested in the ornithology tourism.

The tour operators and travel agencies are offering these products in large degree specializing supply according to their market segments.

***Which are the basic requirements of Bulgarian tourists to the ecotourism? How to create a better product?***

The responsible behavior in the ecotourism is more characteristic of Bulgarians, which take a trip on the basis of preliminary information on the environmental state of the recreation environment - cleanliness and eco –touristic constructed image, especially on the web. The criteria ensure that requirement is called eco-label, who is testified as clean environment, e.g. the Blue flag, by which the beaches are nominated, as well as clean and the environmental production technologies of accommodation establishments as a “green hotel”. The tourist accommodation base is one of the 21 product groups designated by the European Commission, who can get “eco-label”.



**In the production of eco tourist product do not forget about the destination image /product. For this purpose, the efforts to get to the eco-label /labels and - they will provide competitive advantage on the market! Also is developed a code of ethics behavior with tour operators and travel that sell your products! Keep the Web page that have like accents biodiversity in your area and green aspects in your business!**

Ecotourism must observe certain basic rules:

- Interpretation of the natural and heritage. Provision of good interpretation is of a key importance to the quality of the supply, satisfaction of tourists and the formation of concern environment. However, this is difficult task that requires careful planning and well trained staff, who is able to offer the necessary information in an appropriate manner. Especially important role play to visitor centers, which are generally located at the entrances of national parks and are equipped with specialized tourist infrastructure to provide various services.
- The safety of tourists – built facilities (for example passes) requires a constant maintenance, which is requiring the clarification of the status and ownership, and clear division of their responsibilities and management.
- The need for effective partnership - with the local authorities, public institutions, tourism, NGOs organizations and local population in:
  - participation in policy-making for the development of the ecotourism in your area;
  - explanatory work among local population for socio-economic benefits of ecotourism;
  - Implementation of educational programs for ecotourism in the schools – in this way the young can more easily be involved in activities that will contribute to the development of the ecotourism product.



### **Informing tourists and care for the environment Swansea Valley Holiday Cottages, Wales**

**This is a farm with four separate holiday houses in rural Wales. The owners make customers efforts to receive and receive targeted minute information about the local nature and culture, as well as the manner in which farm activities are organized in coherence with the principles of the sustainable development. The Guests highly appreciate this and therefore many of them exactly come back again. The owner of the house says:**

**"If we want people to love the country Wales, we must help them to understand it. By offering "green" tourism, we give people more reasons to decide visit us".**

**The farm provides detailed information for biodiversity in its website, with the ability to perform online monitoring of plants and animals and thereof the publication of the results. This is extremely interesting option for people with special interests, through which they learn about farm, even without seeking tourist information. As a result the visits had increased by 30%.**

**At the place of the tourists have well-formed and classified materials for the nature, historical and cultural tours in the area. They can participate in the fifteen programs, prepared by owners, each of which is considered carefully from the point of view of content and duration. In this way is obtained thus additional impact- the visitors understand how much can be seen and done in the area, and they return again and again. This is the main cause because of which 25% of visitors to the farm are regular customers.**

*Source: <http://cymru.gov.uk>*



### **Cooperation for development of the ecotourism in Kalofer**

**The ecotourism association "Central Balkan " - Kalofer, was established in 2002 by the representatives of the local business, local authorities and the National Park "Central Balkan" to activate and coordinate the activities of the ecotourism and promote preservation and promotion of local natural and cultural resources.**

**The Association maintains a useful web site of information for planning travel of tourists in Kalofer and the region. The organization leads and manages tourism information center in the city center, which provides variety of services for visitors place and supports the development of the complete packages for the area. The center realizes place reservations, mediates in the recruitment of guides, objects of local artisans, develop specialized cognitive and adventure programs, organized for children and adults, rents furnished conference room for small events.**

**The result of cooperation between the Association Ecotourism Kalofer Directorate National Park "Central Balkan" and Bulgarian Association for Rural and Ecological Tourism (BARET), are several attractions, mountains that provide exciting opportunities to explore the wild Nature trail and camp "White River", eco-center for survival in nature "Djendema", camp "St.Kirik".**

**As a result of the efforts Kalofer, established itself as a destination for ecotourism and won two prestigious International Awards "Ecotourism U.S". The magazine "Conde Nast Traveler "2004 received the Ecotourism Award in the category Skal in the class "Towns-villages" for 2005 year. The local business is growing and is already creating jobs for the people outside the family. Kalofer attracts more visitors, with about 10% of nights are carried out by the intermediary of TIC. The available attractions and the additional services, extended visitors stay and motivated many of them to return again.**

*Source: <http://www.kalofer.com>*

### 3.5.SPA tourism

The general term “SPA tourism” is used in this country to denote several similar forms of tourism: Medical, SPA and Wellness. Is approved the perception that the medical tourism is that is characterized by effective treatment and rehabilitation, performed under medical supervision, while the spa and wellness are associated with procedures of relax and achievement of comfort of the body and the soul, based on different natural resources: mineral water, essential oils, mud, stones, etc.

The accommodations places, to which are working centers, offering relatively distinct treatments in these three areas, are relatively well defined in the existing legislation base. The health tourism suggests existence of a spa center, featuring with specialized equipment rooms, halls and rooms, designed to affect the prophylaxis, treatment and rehabilitation of tourists, qualified medical and non-medical staff.

The spa tourism center should offer a variety of water and beauty procedures, as well as sports, by implementing environmentally friendly forms and methods of relaxation, physical and esthetic maintenance of the body and parts of it, consulted and implemented by qualified staff.

The offering on wellness tourism includes a variety of services, procedures, therapies and programs as well as sports, cultural, leisure and hobby activities for relaxation, psycho-physical restoration and maintenance of health and creativity of the tourist. More explicitly definition of the different types of Spa centers on the base of range of offer and used resources, as well as the available treatments, it is necessary to eliminate the possibility of even the combination of fitness center and sauna to be called “SPA”. At the moment the entrepreneurs in the field of Spa tourism have difficulties with accurate identification of their product and its presentation on the national and international market.

#### ***What are the Bulgarian users of spa products?***

In the recent years there has been increased the interest to spa vacations among Bulgarians, as opposed to the classic vacations, these are mainly week-ends with nature. Is indicative the fact, that among the objectives of the rest 6% of respondents, indicated Bulgarian SPA procedures, and 7% for other primary goal is fitness and practicing sports (no skiing). Bulgarian tourists are half of the visitors in Spas in the country, indicating the importance the development of this product on the national market. This justifies the need for planning and implementation of marketing programs and campaigns, aimed at Bulgarian consumers.

Over 70% of visitors come from the large cities, mainly in Sofia, Plovdiv, Varna, Burgas, Veliko Tarnovo, etc., as one third of them are from the capital city. This means that the marketing efforts should to focus on urban centers through participation in tourism fairs or negotiating with tour operators, which have a network of agencies in the larger cities.

The Bulgarian SPA tourists are mainly people of working age, and nearly 50% are in the age group of 30 to 45 years, followed by the group of 18-29 years. Half of the tourists, visiting the spa centers are accompanied by their children, even with children less than one year. The families with children could be shared subsets of specific requirements, depending on the age of children. These requirements must be covered and both the development of the product itself and the determining of the price and the preparation of offers must be taken into account.

Of great importance is the fact that both internationally and at home, 70% of users of spa services are women.

A very large proportion (42%) is the group of people with their own business and those of management people and those of management positions that form social group with a standard of living above the national average. Is indicative the fact that 40% of visitors regularly visit the space in the country or abroad. Among the Bulgarian spa resorts most popular are Velingrad, Hisar, Devin and Sandanski.

Bulgarian tourists seeking information spa resorts and spa centers through the Internet (more than 50%), but really heavily on what that be shared with them by their friends and relatives. Around one third of spa tourists use the services of a travel agency. The television, the newspapers and the magazines are not mentioned as an important source of information.

For this reason, such tourist agencies should offer easily accessible, relevant and reliable information on the Internet, and to provide such information to the tourist agencies. It is essential also, that the provided services to be of high level, because of the advertising by word to mouth results to be an important tool for attracting new customers.

### ***Key customer requirements:***

Among the factors that determine the choice to visit a spa, except that information should be

- the natural environment in which it is located in the center;
- traditions in the health therapy and availability of specific procedures;
- Diversity of activities can be practiced on the spot;
- Price is only relevant for about 30% of visitors which means that the selection is based on a much larger extent of the available facilities and services than at the price level.

Behavior of tourists during their stay preferences shows to unwind and restore power: about 40% of the wellness procedures, practicing fitness or other sports, much visited natural and cultural sites, but only 15% use spa/medical procedures.

### ***What were satisfied and dissatisfied Bulgarian tourists?***

Regardless of the celebration of the existing problems, generally Bulgarian tourists are satisfied with the SPA. The product as expected is 96%. Visitors are more or less achieved. Almost all tend to visit the corresponding spa again, 74% declare that they will make surely. The Bulgarian tourists appreciate highest:

- The existing and proposed facilities and procedures (60%);
- Personnel, involved in procedures, which is regarded as a competent and friendly (more than 60%);
- Hygiene facilities (70%);

Problems, identified in the other elements of the supply of spa products and in particular:

- Offer trips and visits the objects (museums) on the spot;
- service in restaurants and bars;
- Hiring of equipment, transportation of the vehicles, etc.;
- entertainment;
- Transport services.

### **What needs to be changed?**



To overcome these problems, the efforts must to focus generally the improvement of the information and the insurance of the SPA resorts and the centers, as well diversify the supply and the improvements of the coordination in the delivery of the Services.



- Provide possible the most detailed information for everything that can be seen and done in the destination during the spa vacation;
- Improving the qualifications of staff;
- Apply an adequate pricing policy to make the spa products available for more Bulgarians.



### **Best Quality Brand - Health Austria (BHA) for SPA tourism in Austria**

Before the creation of the brand, the quality of the Best Health Austria is clearly defined in the country. Quality Best Health Austria is the country, clearly defined by the health therapy, spa and wellness tourism. Consistently are implemented the following steps:

- 2001-2002 - creating a company Limited liability for any business, developed a detailed business plan, including major projects, structuring organization and attracting members and associates;
- 2002 - Development of brand concept and certification scheme;
- 2003 – Launch of System for certification.

In the organization as partners participate in the tourist boards of the municipalities, tourism organizations, regions and destinations, separate companies and network of specialized offers.

The main objectives of Best Health Austria are:

- quality management in spa tourism and brand recognition within the European Union;
- Promotion of the spa product in Austria on the international market by improvement of the distribution channels, cooperation with the Austrian tourist board and the existing networks and targeting to three selected markets-Germany, Central Europe and UAE.

The criteria by which is made any evaluation of trademarks are divided into 10 categories, as the highlights are the management and governance strategies, attitudes toward guests and staff, supply chain and used resources.

Quality Brand Best Health Austria for the years of its existence has become a brand “umbrella” for the health tourism and received its recognition in Europe. In some spa destinations the domestic tourists represent about 60% of the visitors.

The mark may be awarded as individual companies-sites of accommodation, space, health centers and resorts, rehabilitation of the centers and destinations, where at least 25% of the bed in the destination are objects that are already certified and carry brand. Over 50 sites and organizations have been already awarded marks in one of the three varieties-Bronze, Silver and Gold, as they are objected to annual monitoring of compliance with the criteria for use of the mark.

*Source: [www.besthealthaustria.com](http://www.besthealthaustria.com)*

### **3.6.Cultural tourism**



**Cultural tourism includes trips, whose principal or secondary objective is to visit historical, artistic veins, scientific or cultural heritage and events. An important feature cultural tourism as this definition is the assumption that the visit to the cultural sites and events is not necessarily main motive for travel.**



**The culture transforms itself in an important motive for travel.**

From the comparative studies abroad, it was found that by early 80s to early 90s the travels, whose main motive is visiting cultural, historical or archaeological sites have increased from 27% to 50%. The role of these objects in tourist trips as a minor motive has increased from 48% to 88%. Case studies of Bulgarian market in the last 2-3 years also show interest in activities during the vacations connected with the cultural consumption, especially trips to natural and historical sites-more than 40%.

### ***How to convert cultural and events into tourist product?***

The product of cultural tourism is extremely diverse and heterogeneous - it includes the offering, based on three groups of resources, that can be successfully combined: cultural institutions, heritage, events and forms of the performing arts.

Of course, not every museum or historical place can play the role of an important tourist attraction, and it is not necessary. Therefore, they must be measured in terms of their ability to become tourist attraction, depending on whether enough to attract the tourists and to what extent are adapted for tourist visits.



**To evaluate the attractiveness of the potential sites, the cultural tourism around use the checklist with the following criteria:**

- **Cognitive value of the site;**
- **Awareness of the product (reputation and popularity);**
- **Availability of permanent and not temporary interest;**
- **Degree of perceived product as a special or unique;**
- **Condition and readiness of the site for exposure;**
- **Location and accessibility;**
- **Support from the local community;**
- **Management will and local capacity development.**

The development of the cultural tourism is closely related to the spatial solutions to the two main types environment: settlement and rural. In both cases you need targeted measures to protect the site negative external effects (buffer zone) and generating a corresponding at the environmental and / or social environment, which enhances tourism perception of the object.

Resources for the development of cultural Tourism in Bulgaria include archaeological, architectural, ethnological, religious sites, historical monuments, and cultural institutions -museums, galleries, libraries and cultural events of different nature. Great part of them (over 40 000) have the status of cultural of international, national and local importance.

### ***What are the basic requirements of Bulgarian tourist product to the cultural tourism?***

The profile of Bulgarian tourists, seeking for the product of cultural tourism, approaches greatly to this international tourist, namely:

- Wealthier and giving greater costs on the spot;
- Spending more time in a tourist place;
- He stayed more often in the hotel;
- Better educated than the average tourist;
- A slight majority of women in relation to men;
- Slight predominance of older - over 35 years.



**The tourism consumption is at all related with the grade of experience. It is especially the case of the cultural tourism that is why his product must be subject to interpretation.**

The interpretation centers are immutable product of the cultural tourism. Impact on the interpretation has fashion, tastes of ideology and individual preferences of the tourists. The changes in the tourism demand updating of the interpretation. It is necessary to pay particular attention interpretation for professionals and people with special interests.

The experiences from the visit of cultural and tourist attractions must contain the following five elements:

- new emotion - source of unusual experience ;
- inspiration - provocative and stimulating impact;
- Emotion - provoking range of different emotions;
- Understanding - the nature of the object / event and its environment;
- Quality – service oriented to the user.

***Because of what are unsatisfied the Bulgarian tourists and what should be changed to meet the needs of them?***

Research in the field of cultural tourism shows, that the greatest dissatisfaction with the lack of one or more of the above -mentioned five elements. They are closely related to the construction of specialized technical infrastructure. In many cases it either is missing or facilities are morally obsolete, are offered single services, and the information is limited or insufficiently attractive.

**It is necessary!**

- carefully to select sites, where to invest in order to develop as a tourist site;
- to develop a product concept , based on thematic interpretational approaches;
- to equip installations with corresponding to the concept modern interactive facilities,
- With which to produce a set of diverse services;
- To promote cultural individual attractions among Bulgarian users and make efforts to include them in cultural and historical routes by intermediary companies;
- To ensure active participation of the stakeholder groups in the public and private sector management and management of the cultural attractions.



## **Lighthouse "Father ours "(Pater Noster)**

### *The background of the project*

The territory of the local action group ( under the " Leader " Program ) Carpe Mare is located on the west coast of Sweden in an area which the fishing is declining, but the tradition and memories of bygone days are the most characteristic features of the cultural heritage of the area.

The lighthouses are one of the material aspects of the local heritage. Therefore, the restoration of the best-known lighthouses - "Father ours "(Pater Noster), is considered to be consistent to the overall strategy development of the region, based on the concept of "best use of the natural and cultural resources."

The project is in realizing process more than 5 years - from March 2003 until the end of 2007.

### *Why is this project a good practice?*

The project is an example of a phased performance, ensuring its sustainability in the future. The popularity of the project among the local population contributes to:

- building of the partnership between the voluntary association " Friends of Pater Noster ", Museum Bohuslen (Bohuslan), National Department of Heritage, the Swedish Maritime Association, the local authorities of Västra Götaland (Vastra Gotaland) and Municipality Tyorn (Tjorn);
- development of the partnership with involvement of other stakeholders of companies and interested organizations;
- work in an international network;
- Financial support from local companies.

The broad partnership is an innovation process for the development, unifying the local community through a common goal.

### *Concrete outputs and results:*

- significantly increased membership of the Association " Friends of Pater Noster "( 400% );
- A registered trademark ("Pater Noster");
- Build an international network covering 20 organizations;
- Full restoration of the lighthouse;
- Restoration of the buildings on the island, where is located the lighthouse;
- Is developed a regional tourist center.

Source: <http://ec.europa.eu/leaderplus>



### **The development of tourism in Zlatograd starts from the cultural attractions.**

Zlatograd is an interesting example of a destination, that begins to develop cultural tourism "from scratch" in the late 90s years after the removal of the strict border control over frontier territory and in the conditions, which the acute economic crisis, caused by the sharp contraction of the traditional mining in the region. Then is conceived the idea, that the existing architectural and ethnographic heritage can become the basis for the development of the tourist attractions, to attract visitors and generate demand for various tourist services. In 2001 on the initiative of a local entrepreneur and with the support of the municipality, was found the first in Bulgaria Private Ethnographic Area complex. It covers several streets restored houses monuments of culture, the majority of which is constantly occupied and are aged 100-130 years. The complex presents "Live" exposure of the Rhodope Renaissance architecture and crafts.

With private investment and financing PHARE and SAPARD stages create a variety of attractions and services - ethnographic museum nine craft workshops, mill to mill and fulling mill, Old Town Café and two inns. In order to supplement supply and increasing revenue since 2003 in the complex opened several hotel facilities in Renaissance style, but with all modern facilities.

Along with this active marketing, we present Zlatograd, in all region of the east Rhodopes as a destination for cultural tourism. In addition to an active relies on the PR campaigns, involving some of the most popular public figures of Bulgaria.

An important step to attract Bulgarians (including students and families with children) is the inclusion of ethnographic Area Complex in the list of the 100 Tourist Sites in 2004.

The ethnographic area complex is giving strong boost to the tourism in Zlatograd . Under its influence in the recent years has been created a wide network of restaurants, appeared new accommodations, are developed other attractions too.

The city has already attracted over 10,000 visitors annually, relying mainly on the domestic market.

According to NSI data for the period 2003-2008 the visits of the Bulgarians in nights had increased by 124% and the made nights - 75 %.

Source : <http://www.eac-bg.com>

### **3.7.Event tourism**



**Event tourism includes travel of people, linked to the visit or participation in some kind of event.**

Unlike the larger and large events as congresses, conferences, competitions and the like, in which the trip is usually planned in advance and organized, and the number of visitors is known, in the events of a smaller scale ( local holidays, festivals, crafts, small seminars, etc.). , with a more pronounced regional or local character is more difficult to predict exactly what and how many visitors will arrive, as most of them are unorganized and decide to attend the event at the last moment.

The main users of this type of tourism people are mostly primarily related organizational or emotionally with event, visitors from the region, associated by birth or other traditions with the region, and quite often families with children looking for a way to spend their free time in entertaining way outside their permanent residence.

EVENT tourism is very important for the development of the domestic tourism in any country or destination. Thus, for example in Great Britain almost every weekend in the smaller villages are organized various events - from flower exhibitions to competitions for best local choir, that attract many tourists and help the economic prosperity of the settlement. In prominent tourist countries with well-expressed seasonality of tourism trips such events are organized usually to extend the tourist season, as well as to have better use of available base of beds and already established and functioning system of services

In Bulgaria, in the recent years, also is observed growth of the events of a smaller scale, which are organized in different villages and regions of the country. While the large events (international Ballet Competition - Varna, jazz fests in Bansko and Smolyan, etc.), are organized precisely to enlarge the duration of the season, using available facilities and receiving economic benefits, so in many small communities organize local events aiming to promote the destination to show tourists and subsequently to attract regular visitors therein, thereby activating the local economy. Such are the mummers dancing in a number of settlements, Rose holidays in many villages in Karlovo and Kazanlak, local festivals and singing competitions, the Terlik Festival of the Rhodopes and others.

This type of tourism is still not enough developed in the country, but there is a huge potential to provide complete rest for Bulgarian tourist and also for the extraction of economically and social benefits for the local population.

### ***What awaits the tourist and what are his requirements? What should be changed?***

There are still not enough depth and comprehensive studies on this type of tourism, which is only now gaining momentum in Bulgaria. But the main issue, as in all types of tourism is the attraction and its quality. In this case it exists and is emphasized explicitly and the tourist goes directly to it. The question is what additional elements are needed to ensure full spending time and satisfaction of the tourists, and how to use the reason for their arrival, to offer them as much as possible options for the use of the basic and additional services, in a particular place for a visit and the surroundings.



**If the event lasts only one day, the desire of the promoters and the local people should be directed towards adding and creating additional attractions to keep tourists more than one day at the destination. Can be offered, for example a visit to interesting museum collections, participation in tastings of local dishes and drinks, or interesting tourist attraction routes in the area. Of course, in order to stay the tourists longer, is necessary to have appropriate facilities for shelter and food. If the event lasts more than one day (maximum 2-3 days), then is essential the existence precisely of establishments providing accommodation and meals and services, provided by them, their quality and diversity. Since a large part of the events are organized in small villages without traditions in tourist services, greatest attention should be should be paid to the hygiene of the establishments. It is not necessary they have to be of very high category, but must be clean and comfortable. It is better to wear to the local spirit and traditions - this is also part of the attraction.**

All this is related to the more general question of the quality of the tourism communication and the information must be complete, comprehensive and reliable, to accompany tourists as before the event and during their stay in the destination. The visitor should be informed about the different features that are optional, through a variety of means and in a variety of ways.

Another major milestone in the development of event tourism inside is the country's transport accessibility. Cannot and must not organize an event if the road to the village is not good, in case of the absence of directional and road signs if there is no organized transport or enough parking spaces.

Most often, the grievances related to this type of tourism result from the large overcrowding, of the gathering of many people in one location for a very short time.



**How can you overcome this? Use tactics of spreading. Create or deploy additional attractions in some larger distance from the main event, distribute them evenly in time, so as to do not overlap, and provide information for each visitor when and where what to watch or what to participate in. It is also necessary to provide sufficient number of clean toilets, especially for events lasting only one day at which most of the visitors are bringing their picnic lunch or buy one from canteens and cafeterias without a toilet.**

**To consider for children too - usually visitors to this type of events are families, which are looking for entertainment in the weekends. Is recommended to arrange entertainments for children. Very often the parents make a choice of one or the other destination, based on the level of satisfaction of their children from it.**

The main purpose of organizing such events is to encourage the tourists to revisit this place, to recommend or bring to the other people with them to it. Therefore it is essential that the general impression, with which the visitors leave after the event. And it can be beneficial only if is completed the couple of several simple rules:

- Better organization of the event;
- Convenient transportation access;
- Diverse tourist information;
- Hospitality, courtesy, professionalism in service;
- Purity (at all levels and in all locations);
- Avoid overcrowding and clusters;
- Additional entertainment;
- Entertainment for children.



### **Pumpkin Holiday in Sevlievo**

**Feast of the pumpkin is an event that for the fourth year is organized in October in the town in Sevlievo. At it are invited guests from around the country as well as the twin towns of Poland, Macedonia and Switzerland. The municipality relies heavily on the development and promotion of this festival, as the idea is to make it internationally known, like the famous German Oktoberfest beer festivals. Therefore had been taken a number of steps:**

**The brand "Sevlievska pumpkin" is already patented formally and intellectual property the municipality of Sevlievo, which only can use it as a trademark. Also the municipality chose to present itself with the Feast of pumpkin on the International tourist fair "Holiday & Spa Expo 2009" NDK-Sofia. It was shown a short promotional film from the last festival, held in 2008. Girl, dressed in sham suit of pumpkin welcomed the visitors of the exhibition and she treated them with pumpkin and pumpkin treacle. Prepared was a special brochure that provides additional information about the unique celebration.**

**The celebration lasts three days and includes many interesting and curious funny entertainments and events-pumpkin show exhibitions "Pumpkin fantasies", "Pumpkin best-best-...", "In the world of the pumpkin",- culinary show "Quick, fast and pumpkin-seed "and the culinary exhibition "Pumpkin temptations" (the longer pumpkin in 2009 was 216 m.) Are organized many concerts and entertainment programs. The attention is paid to the producers of pumpkins, which compete in different categories. In 2009, awards were given for the biggest pumpkin (with circumference of 195 cm), for the longest pumpkin (138 cm), for the smallest and for the strangest pumpkin, etc.**

**If until now the pumpkin was not popular, the pumpkin will surely become known around the holiday. Sevlievo relies on something new and fresh, which certainly will attract many visitors in the town – in the last year more than 5,000 guests from the municipality and country visited the event.**

*Source: [www.sevlievo.net/bg/news](http://www.sevlievo.net/bg/news)*

## **4. How to provide quality tourism service?**

### **4.1. The importance of the quality for the creation of content and loyal customers**

The meaning of term of quality is monitored in two ways:

- The characteristics of the product or service, which are based on their capabilities to meet the established or supposed needs;
- Product or service without defects.

The quality of a product or service reflects to the extent to which the product or service, meet the expectations of the customer. Contemporary point of view on quality is that it is completely determined by the customer or end user and the assessment is based on the client experience with the product or service. The client experience is the sum of all points of contact that the customers have with the product or service, and by definition is the combination of all of them.

That is why the efforts of the tourism to achieve the quality represent a continuously process to achieve everything, which leads to an overall satisfaction needs, requirements and the expectations of the tourists. One of the main ways to differentiate a travel agency or destination on the tourism market is to provide content services, with higher quality than that of competitors.

The key to this is to satisfy or exceed customer expectations for the quality of the service. Their expectations are formed on the basis of experience in past, rumor, advertising on the product of the company and others. The customers choose company or destination on this basis, and after receiving the service compare the provided (perceived) service with the expected service. If adopted service level falls below the expectations, customers lose interest in company. If the perceived service matches or exceeds their expectations, they tend to use the service again the company or to target return to the destination, thus converting themselves in loyal customers.

The management of the process of increasing the quality of tourist products and services carry the following benefits for tourism businesses and destinations:

- The quality of an advantage over competitors;
- Quality services are presented and sell easier to tour operators, as well as to tourists ;
- Quality products won loyal customers;
- Higher quality brings greater profits;
- Quality management leads to sustainable development of tourism and conservation jobs ;
- Improving the quality leads to a higher standard of life of the local population;
- A high quality product gives better opportunities for funding;
- Tracking the progress towards higher quality allows avoiding costs for one and the same mistakes;
- Targeted collection and analysis of information enables making correct management decisions, concerning the quality of tourist products and services;
- Monitoring the process of rising of the quality encourages active management of tourist companies and destinations.

#### **4.2. Quality of facilities and services**

The term quality is often confused with offering a variety of services (quantity) or offering luxury services. In fact, the quality means adhering to certain standards relevant to the price and benefit to the individual buyer.

As can be seen in several aspects:

- Quality as a range of provided services in accordance with certain regulatory requirements - for example, 24 - hour service, room service, ticket delivery on the spot, passport and visa services and more.
- Quality as consistency in service, meaning actions of the employees in similar situations to stay unchanged over time. For maintaining that quality is essential development of procedures and staff training.

For example, can a dish, with which boasts a restaurant, cannot be cooked by only one chef and when he is not on duty, customers receive quite another service, this means quite other dishes. This causes discontent and frustration and leads to failure of customers to visit the restaurant. The outcome is that all chefs have to be trained to prepare the meal identically.

- The quality is matching provided services and expectations of the customer. This imposes periodically to analyze the process of providing of the services to identify the reason for which is not enough to meet the needs of the customer, in such cases , and to identify changes that would increase competitiveness supply.

As pointed out by Philip Kotler, the client is assessing the quality of service not only by its technical quality (ie if the reservation is made in a hotel or airline ticket, whether the room has been cleaned) but by its functional quality (eg, sales agents showed concern breathed you trust, or to what extent is cleaned room, what is covered bed Have placed flowers, etc.). On the other standpoint, there are characteristics of the service, which the buyer can assess before purchase (quality of demand), features, which the tourists can evaluate after purchase and realization of the trip (quality of experience). There are characteristics that the client difficultly could assess and after the consumption (quality of trust). All this suggests that consumers purchase travel services with more risk, which leads to several effects:

- Users of tourist services usually rely more on personal contact rather than advertising when choose a travel agency or tourist enterprise;
- They rely to assess quality service at a price, on the officials in the company and in the physical environment, in which the service is implemented;
- They are extremely loyal to their provider's services when they are satisfied.

Regardless of the various aspects determining the quality of services and facilities in tourism are known several competing criteria for achieving the quality of service:

- Accessibility: 24- hours service (for example room service);
- Convenient location: easy transport and / or pedestrian access;
- Individuality of service (e.g. to greet the regular clients of the hotel by name, the client to feel that especially for him - according to his individual requirements and needs is performed / provided one or other services) ;
- Price: reflecting the change ( elasticity ) on demand depending on the price ;
- Reputation: degree of confidence in a manufacturer of services;
- Security and safety: the life and health of the tourists are often in the hands of the manufacturer of the service, thus tourists should feel secure and protected from any kind of mishaps and failures or hazards;
- Promptness of service: time for the service provision as a function needs and how to provide the service .



**Quality is not an attribute of the service itself or tourists' customs facility which is always constant and exists regardless of tourists – their user. The quality is an attribute that occurs only in the process of the evaluation of the service by user. It is highly subjective - for some visitors to the hotel room may be very small, for others it is cozy and cute, some visitors could prefer noisy and lavish entertainment and restaurants, and others prefer quiet secluded walks on the beach. Or, in other words, the quality is highly dependent on the relationship between the expected service and perceived service.**

Essential to practice is: how can we measure the quality the service? There are two main ways:

- Obtaining feedback from customer. This is most often accomplished by the dissemination, collection and processing specialized surveys among users of different tourist facilities and services;
- on the base of the practices of leading in the brunch companies - " good practice ", i.e. taking the best and identify the weaknesses and gaps that need to do some work in order to remedy them. For this purpose it is necessary to be found and adopted really the good practices that our institution can be measured against.

When characterizing certain service or evaluate the quality, we should bear in mind its different components and build our overall assessment based on the concrete ratings for each one of them:

- Contents of the service;
- The process of granting or performing the service ( how many and what employees are engaged in provision of services) ;
- Structure of the service (and how what components is made and there service personnel absolute control on each of them) ;
- Result of the performed service ;
- Impact on quality of service over the ultimate tourist product and overall satisfaction of tourists .

To achieve quality tourism companies should implement targeted policy, which includes:

- Strategic concept of quality - based on a good knowledge of market segment of customers and their needs;

- Long-term commitment to quality by senior managers - pursue not only good financial results but also good service;
- Establish high standards - performance without defects as above 96% of customers to evaluate service as good or excellent and more.
- Observation of performance services - both on their own and competitors. For this purpose,
- Using various means: "secret customer ", survey of consumer, forms for suggestions and complaints, inspection team and others.;
- Systems to meet the complainants of the clients – compensation for delay in providing the service etc.;
- Encouraging and motivating employees - Compensation for good carrying out the service.

### 4.3. Systems for the Management of the Quality in Tourism

In tourism, due unachievable, the character of the tourism product and the inability of it can be put in advance; communicating its quality to the end user is done primarily through symbols. They are associated by end-user achieved a level of standards that largely eliminate the risk of purchase, and consumption of poor service. Those symbols fall into four groups, which are mutually complementary and parallel form system providing a more complete tourist guaranteed quality. These four groups of symbols are:

- Symbols category of tourist sites as part of the system of categorization. However, that practice shows the award of a category of the object does not automatically achieving the appropriate quality. Sometimes the category gives rise to some expectations that do cannot actually can be met. But in most cases the categorical system is objective and orient tourists in their optionally.
- Brands and Trademarks - in some cases they can replace categorical system, especially if they wear some quality attributes. More often associated with a particular service or level of quality - for example brands of the world famous hotel chains Hilton, Sheraton and others.
- Quality Mark - in many countries already have established systems for award the national seal of quality tourism products and services, developed quality parameters and corresponding indicators.
- International Certification standards ISO. In essence, they create procedures and are related to the practices of the government, requiring higher quality; in that sense they help the creating of a quality product, ensure it full.



**The certification is a process, proved by documents, that a product, service or organization covers previously certain standards. It is a guarantee by an independent third party that the activity of the product or service is covered the defined criteria for obtaining the relevant certificate. The certificate can be used for marketing targets for the benefit of those sites and companies that have met certification standards.**

In the tourism sector certification circuits often include:

- compliance with safety and health requirements as standards and specifications related quality and food safety (ISO 9001:2000, HACCP, ISO 22000:2005);
- quality of accommodation and accommodation – compliance objectively measurable level supply subjective assessments when testing the service;
- Quality management in which assessed the entire management process (ISO 9001:2000);
- Social conditions relating to the selection and attitudes towards staff training and others., as management of conditions labor (OHSAS 18001:2002);
- Management of the natural environment - (ISO 14001:2004), the scheme EMAS, the European eco-label for accommodation establishments;
- Sustainability of development in the three ` aspects - natural, economic and social.

Historically, first have been developed the quality schemes of accommodation base (e.g. categorical system), which is applied in many countries, although that in different countries different organizations are certifying authority. In recent years, are increasing the number of schemes, that are relevant to environment and to the award of an eco-labels. It is important to note, that in the criteria for eco-labels often has social criteria, although the above-mentioned schemes are primarily aimed at effects of an activity on the natural environment.

Therefore, one can distinguish two types of certification schemes:

- Schemes „process," which prove that an activity has a system with relevant documents to improve the quality and the impacts on the environment. From them is not required the indication of a specific results, but compliance with the set of the firm or organization objectives as well as with existing legislation;
- Schemes 'implementation', demonstrating that in carrying out is reached some specific, measurable results comparable with the standards for the individual scheme elements.

There are examples when certification schemes of the second group are included requirements for obtaining a certificate of the first group (eg category the tourist site certificate ISO or EMAS, as in requirements of PAN Parks). In their development it should be borne in mind the following important point - Remove criteria should be different (higher) from the input with the legal system and / or carry additional benefit of potential users of the products and services. These international standards are voluntary, unlike categorical systems that have mandatory character.

The system of quality management based on the standard ISO 9001:2000, which is applicable in the field of tourism services is built by creating internal organizational documentation quality management, using administrative, technical and human resources that determine the quality of an organization. The standard does not guarantee the quality of the production. The purpose of ISO 9001:2000 is to bring reconciliation and objectivity of the actions of the control system the quality of the partner companies. It is assumed that the quality of the standard will be used in the relationship between companies' consumers and companies suppliers. It helps to formalize system for process control of the inspection of the quality and compliance of the production.

The standard ISO 14001:2004 specifies requirements a control system for the conservation of the environment, so that organization have to develop and implement objectives and policies that take into account the legal and other requirements to which the organization subscribes. It applies to those environmental aspects environment that the organization identifies as controllable on able to act. Not stated specific environmental performance criteria.

Scheme Environmental Management environment and audit - EMAS, is a voluntary instrument for environmental management. The scheme promotes rational use of resources and minimizes the pollution. EMAS aims to make environmental management an ongoing process through the implementation of an effective management environmental system with the appropriate control methods and procedures. The process must be monitored and audited at regular intervals whether to determine the requirements of the scheme and how to achieve environmental objectives identified house.

EU eco-label - European flower helping European consumers distinguish "green", eco-friendly high quality products on the market (except the foods and the medicines). All products bearing the "Flower" are verified by independent authorities and comply with strict criteria for environmental and efficiency.

Although voluntary, these certification schemes stimulate the companies to improve the quality of their services and help to identify the best of them. The winners of the character/ symbol of the certification can expect strong marketing effect due to the facilitated communication with the partners and the end customers. Moreover, usually the products with more high quality are sold at a higher price, which means that winning a sign of quality products and services will be with higher "Added value".



**Bulgaria is significantly lagging from her competitors in the fight for the gaining of loyal customers through quality of the services and the sustainable development of the tourism. Currently at home is not existing Bulgarian Hotel with awarded European eco-label. In mid-2009 only 3 % of the funds for the shelter are certified quality tourism services, including by ISO: 9001 certified 61 sites, a system of Management and Food Safety ISO: 22000-13 sites; HACCP ("Analysis Hazards and Critical Control points ") - 19 sites.**



**Attempts certification of the specific tourist services in the country are made by the late 90s years. The most earlier is the National Quality Charter accommodation in guest houses and Family Hotels "Bulgarian house" is developed in 1998 by Bulgarian Association for Alternative Tourism (BAAT).**

**This initiative continues in 2008 through the implementation of pilot "Green House" Voluntary certification, based on criteria European Centre for Ecological and Agricultural Tourism (ECEAT) that include requirements for quality accommodation facilities and requirements, efficient use of the resources offering bio products, contribution to the local economy and culture, safeguarding of the environment. The project is consulted and evaluated in 27 sites, of which 15 receive a certificate, and 8 – nominations "Green House".**

**In 2009 BAAT announced a new campaign for the award of the certificates and nominations of accommodation establishments, which are characterized by an authentic atmosphere, hospitality and care of the nature. Meanwhile, with the support of USIAD since 2000 is being developed brand quality "Authentic Bulgaria " and now close 70 shelters and accommodations have been awarded a bronze, silver or gold sign, stating appropriate level of the proposed quality.**



**Examples of the tourist certification of the most large range of services are initiatives "Friends of PAN Parks, aimed at the hospitality industry tours and the attractions in the adjacent areas of the national Park "Central Balkan" and "Rila" and the recently created eco-labels "Strandja" and "Vratsa Balkan ", awarded to the suppliers, basic and additional travel services in the area of both natural parks that meet the specific quality standards and sustainability of the tourism offering.**

But so far in Bulgaria does not apply comprehensive policy management of the quality and sustainability tourism. Individual initiatives are very heterogeneous in terms of scope, criteria and procedures are applied isolated from each other and are very popular as entrepreneurs, and among potential users. The number of certified projects is very limited. The systems relate primarily for the institutional accommodation until certification additional services and facilities is underdeveloped.

The Bulgarian tourism business there is a little willingness to participate in a voluntary certification. Among the main reasons for this is the insufficient knowledge of the existing voluntary schemes and practices developed tourist countries and insufficient understanding of the potential benefits of participation in voluntary certification. The persuasion companies have to engage in such projects and require extensive persuasion and awareness the benefits.

The promotion of these systems and the stimulation of the Bulgarian tourist businesses join them is an important tool to increase quality of tourist services country.



## Quality programs in tourism

- *France*

Plan " Quality Tourism" was launched in 2003 and aims to unify criteria and measures, applied for improving the quality of in tourism services.

All sites included in the brand "Quality Tourism", subject to control, which is carried out by specialized external, non-object authorities. In order to acquire a enterprise brand quality" The quality of the tourism“ must meet 100 national benchmarks quality .

- *Switzerland*

The "Swiss Quality tourism" can be regarded as strategy for development of tourism, which by all major tourism associations in the country. Its aim is to promote the improvement of quality and safety of services in the Swiss resort services. Quality Mark developed three levels, which are awarded to tourist sites depending meet the criteria of:

First level - presented in proven continuous provision of quality services;

Second level - and the quality of management and is awarded after evaluation by external inspectors;

Third level - to provide companies and associations that have implemented and successfully implement international recognized management system of quality - ISO, EFQM etc.

Source: [www.qualite-tourisme.gouv.fr](http://www.qualite-tourisme.gouv.fr); [www.quality-our-passion.ch](http://www.quality-our-passion.ch)

### 4.4.Management and training of staff

One of the main problems of the Bulgarian Tourism is the shortage of the qualified and motivated staff. At higher extent this affected the seasonal and small tourism enterprises and sites (family hotels, guest houses, restaurants hotels and low category). They are characterized with greater mobility of staff, reconciliation of work functions, weak the adherence to the company in which they work, making investments in training to much risk. The problems also come of the employment of the unskilled staff, because the seasonality repels the graduates of the colleges and universities and many of them are working abroad and in other sectors of the economy.

The management training and qualifications staff is increasingly established as an important part of the management of the company. Our country is a broad network of educational and training schools and centers that you or your teams can use to improve the qualification.

According to NSI in school 2008/2009 , in our country there were 14 senior schools, training students in tourism and leisure, hotels, restaurants and catering, 8 college training students educational qualification degree of "professional bachelor", 21 college programs acquisition of IV degree of professional qualification. In our work and over 400 vocational training centers and schools teaching various tourist specialties. Total students and trainees over 20 000 people.

We live in the information society where the innovations come in all spheres of human activity, and tourism began to dominate new products and technologies. The market of educational services have the following trends :

- Globalization of tourism education;
- Harmonization of the educational process and create a unified European educational space ;
- Use of international standards education with use of information communication technologies ;
- Individualization of the educational process and opportunities for self- retraining ;

- Creating mechanisms for interaction with employers and use PPP financing of education;
- Go to the paradigm "Training lifelong learning" as a basis for "Operation lifelong learning";
- Educational establishments become educational, research and innovation centers;
- The faster innovative electronic (Internet) education rises in priority with public policy.

Is foreseen in Europe in 2020 students and trainers to be 60% of the population, such as the students combine training with work. Expected to occur new tourism jobs and strong growth receive distance learning ( new educational sites and portals CD-and DVD- discs , electronic textbooks, reference materials and other electronic educational editions) .The modernization of the current education system of the tourism will be achieved, using multimedia systems that integrate text, sound and image. Various forms of distance learning are particularly suitable for small and medium businesses.



**The prosperity of any company, whatever services offers depends primarily staff .Nobody can make you rich unless people that work for you!**



**One of the best practices in work of international hotel chains is continuous NATO training process job, usually newly appointed to interview and trial. After this trial period made a special certificate form with the following parameters:**

- appearance;
- conduct and manners;
- phrasing;
- knowledge of foreign languages ;
- options for responding to unusual situations;
- Professional experience and others.

**Newcomers are given detailed explanations of mandatory standards internal rules and instructions acquainted with the history of the hotel and his place on the tourist market.**

**The main objective of the introductory training to convey them that their personal efforts and skills are essential for overall appearance of the hotel, respectively hotel chain. Everyone should be proud to be an integral part of our team hotel that his work is equally important and prestige.**

Typical of the corporate culture elite hotels delegation is large rights of middle management (manager's hotels, restaurants, hotel household chefs). In the tourism as service sector the managers medium and low decide that the rights and obligations in the areas of material production is a priority of top managers. It middle managers hold interviews with applicants work, which they consider to be appointed, they perform self- management procedures in accordance with its status and functions. Democracy in the management rests on the great confidence in middle management. In our most cases the figure of middle managers is depersonalized and he does not feel like part of the hotel management.

The secret of the managerial duties is to be able to listen, to listen to the opinion of others. Principle in the management of elite hotels is to leave the initiative of middle management personnel. The General manager intervened only in the availability and the inconsistency in proposals. This does not mean that it imposes its dictatorial opinion. Usually managers who lack confidence dictatorial act, as" kill" beneficial initiatives and responsibility of others.

Best international practices show that a manager in tourism must spend their office hours maximum. One manager must be seen by guests and staff - that is also a major principle in the work of contemporary hotelier. In tourism management has more will reduce the role and importance regulation by companies and government policy. Proceed from the principle of total control to the principles of sole control in the self.



**What do managers when you are not happy? The top command often find, that this is unacceptable. In the tourism the people (the team) are critical. If it is not help-they threat, accord to high standards of corporate culture. If you want to confirm that your hotel is the best, must to do so, the staff first to believe that this is true. In medium term, one of the main challenges for Bulgarian tourism is to impose the european standards and certificates in the chain of the tourist services.**

#### **4.5.Customer Care**

One of the main goals of any tourist enterprise is to attract more guests, thereby increasing its turnover and profit. In tourism is not enough to build a luxury and good looking hotels and restaurants to create attractive tourist packages and choose the right type of promotion and distribution of our products. It is also important to attract enough number and type of visitors such as we prefer. For this purpose, we must pay particular attention to the quality and level service to visitors.

Leading to the level and quality of service and professionalism have experience, but no less important are the attitudes to the guests and the healthcare. The satisfied guest will boast of its 2-3 known, the dissatisfied - will complain of as many people as possible.



**It should not be forgotten that the guest is the most important figure in holiday tours. From him are depending the state of the restaurant, the employment, the logistic of the hotel, the places of work and the salaries of the officials. That must be very good understood by the part of the staff. He has work and salary thanks to the clients, and not vice-versa.**



**In the standards for the workers in “Sheraton Sofia-hotel Balkan” is written:”The guest is the more important person, which is coming in our hotel. He is a real VIP and is convenient to offer him the most brilliant service, because he is buying our food, the rooms and the services, which we offer. He gives the money for our expenses, including the salaries, he is the motive for our possibility to work here”.**

### **The guest!**

- He is not interfering with our work, he is its purpose. We are not doing him a favor, when we serve him - he makes to us a service, enabling us to make thereof.
- He is not a name of the statistics, it is a person with feelings and emotions like we, with his sympathies and antipathies, preferences and prejudices.
- He is not someone with whom to argue and to whom to laugh. You cannot win an argument with a guest. If you win - still lose because he does not want to prove that he is not right, or to put into question the accuracy of what says.
- The client is always right, according to their worldview, and while he was our guest better to be on his side, making look at you to our services. Then we can see things in a different light.
- The good opinion of our guests, related to the hotel is the biggest advantage for us. It cannot be bought, it must be won brilliantly against service.

Each client represents a separate personality of which to a large dependent behavior. The relationships "Employee - guest" must be built on mutual respect and courtesy. The helpful service staff must be trained and be able to provide the attitude and behavior of the guest to assess his character and is ready to respond adequately, appropriately for appropriate way.

In no case should be allowed conflict situations, the more their complexity, the guest may be left go away dissatisfied with the service offended and disappointed by the establishment and reluctant to visit him again. In the event of a conflict situation should make efforts for it to be determined in friendly way.

Peculiarities in the nature of customer largely dictate behavior service personnel. Therefore, the service should be endeavoring to make a kind of „psychological analysis” guest, whom have to contact. The behavior of the guests must be observed and make continuous attempts to identify the main features of their character, to predict the behavior and their responses (**Table 9**).

To be able to take care of our clients properly and serve them according to their requirements and expectations, need to know them, to clarify who and what exactly they are, what it is led them to visit because of the many institutions have chosen precisely ours regular customers there are, what interests they have, what are their expectations, we will visit you again. The better you know his guest, the better will understand his desires and satisfy his needs.

How can you obtain information about the customer? In the hotel part of the information is given further registering guests through their personal data and how is made the reservation. In most cases, however, the easiest and harmless way is to obtain the information without intrusive guests are observational listening (not tapping), delicately asking questions.

**Tabl. 9 Attitude of the staff to different types of guests**

<b>TYPES OF GUEST</b>	<b>CONDUCT OF STAFF</b>
<b>Confident guests</b> High self-esteem;; Determined walk free movements;. First salute; Ask questions; Advice; Like to make observations; Confidently place their orders.	Be careful; Be restrained; To serve quickly and efficiently
<b>Nervous, excited guests</b> Tense and restless movements; Sharp and quick questions and answers; Unnecessary gestures; Impatient; Intemperate; Ruffle; They tend to create conflict situations.	Be careful; Be restrained; To service quickly and efficiently; To communicate calmly; Do not succumb to provocation; To avoid creating conflict situations.
<b>Polite and talkative guests (bores)</b> Too sociable; They love to talk, without complying commitments, the desire and interests their listeners; Start a conversation, and in many cases interfere with the staff to see their work.	Be mindful; Tactfully depart unnecessary conversations.
<b>Indecisive and timid guests</b> Contact timidly; Trouble is easy; Difficult to choose, if any choices.	Be considerate and courteous; Be willing to help with advice on difficulties in choosing a hotel.
<b>Distrustful guests</b> Show distrust to the staff; They doubt made proposals recommended their service account.	Be careful; Be courteous; Be composed, speaking in a calm and convincing tone ; Avoid any prerequisites would create distrust in the guest.
<b>Capricious guests</b> Motivated to exhibit the desired staff associated with the type of the room, the food , the mode of operation, terms of personnel , etc.; Increasingly dissatisfied and sometimes express discontent in impolite and rude form.	Be careful; Be courteous; Be restrained; To use more tact and skill.

In order not to cause irritation or boredom, setting in with the client issues and to provide a respond quickly and appropriately to its needs must observe the following rules:

- To be familiar with the proposed product and any additional services including their prices and offer to the visitors.
- To ensure high quality of the additional service, if it is found search for one that does not place suggests that efforts be made to provide and / or to be informed management.
- To offer more services, but aggression and annoyance.
- Offering additional services be given to the guests an idea of how it could to save time, to provide convenience or avoid trouble.
- The disadvantage of a service has to become an advantage to the guest. For example the room without a view to the sea becomes a "quiet room" and set close the pool is noisier, but "more accessible" if the guest is planning to swim.
- To "dress" and mitigating the price of the service with descriptive expressed as: "Spacious Room 200 Leva overlooking the park" or "exotic dish seafood in ancient Chinese recipe 50 leva".
- To gain the trust of the guests by to anticipate their needs and provide services and support employee at his disposal.
- Even if the employer is not directly related with the sales of tourist services goods or not implemented in this. If the sale should not be forgotten that can always be "sold" customer reputation of tourism institution and the idea that it be visited again.

In recent years, it appears that almost the only way to successful competitive fighting and winning customer's service quality. This in turn depends exclusively from the work of staff in the restaurant, of the management team and his ability to motivate employees in the best possible and effective manner.

In order to fulfill these high requirements the staff must have that combines:

- Diplomacy: cumbersome and in critical situations staff must be diplomatic, not to take sides in a dispute between two clients, and try to leave impression that both sides are made;
- Awareness: any in tourist development should feel part of it and be familiar with the various units, services, historical landmarks, cultural events, shops, transport opportunities and more, or at least know who of his colleagues may be useful to guests;
- Intelligence: Working in Tourism must have the necessary education for the position they occupy, and have broad general knowledge, to has historical, geographical, cultural, ethnographic, economic knowledge of the region and the country, to be able to maintain conversation and be intelligent interlocutor not intrude opinions and only give the searched from him information;
- Sense of communication: the possession of sense of the people and some basic knowledge in psychology extremely help in customer relationship and are always welcome to workers in tourism. At better understanding of what the guest expects, he will satisfy more fully his needs by providing the necessary services and achieve a high level of satisfaction for both the customer and the employer;
- Commercial acumen: any possibility of market and sell services should be used. Regardless of the occupied from him position, working in the tourism undertaking must not forget to work in a team and more services buy and use guests as better financial results will be reported now and the better will be the salary of each employer, including its. Therefore, it is necessary excellent knowledge of the overall offering now – as quantity and quality, regardless than that in which sector employee works and in which sector offered other services;
- Actors' skills: working in tourism is like playing on a stage in front of a continuous removable audience, customers and guests. Like the actors, the audience should always be first. So the actor get affected of the repeatedly role and the service personnel should be affected in their work. The personal life must remain behind the scenes while performing official duties, for visitors interested in and expects it to be serviced always second to none.

Whatever the role of the employer – primary or secondary, should not be forgotten that the customer always appears in the role of the primary partner should be played smart, appropriate and competent. Each pretense or replay will be felt by guests and will adversely affect relationship visitor - employee.

#### **What awaits guests of the staff?**

- knowing the workplace;
- is always ready to oblige and give advice or information;
- to provide him personal attention ;
- providing it required services;
- demonstrate courtesy ;
- be give him sufficient time.

The guest is not interested in personal personnel problems, of how much is tired or indisposed at the moment.

The employee should know their professional duties and responsibilities, and the nature of the working colleagues, what services are offered in place, what is its policy and what rules should be followed.

The client has the right to request the most detailed and diverse information For transport, cinemas, theaters and other entertainment venues, public places feeding or shelter, medical facilities - hospitals and pharmacies, bookstores and other outlets for sports events and facilities, tourist attractions and landmarks, churches and other religious sites and cultural monuments. Even if you cannot give immediately and directly answers to the inquiry services, must know where to find the relevant information - with colleagues in the Bureau of Tourist information, in reference journals in the library. Everything has be subject to the idea of achieving of the highest quality of the service.



**The most important is the first impression, which the worker in the tourist facility makes to the client. This is in that way, because he has an unique, unrepeatable chance to create it in a way, necessary for the company. It may be formed in the client before you noticed him in conspiracy. The first impression is created primarily by the appearance service personnel.**

The appearance of working in the tourism industry is determined by:

- personal hygiene: clean and well-shaped hair, beard and mustache at men , open and clean face, good mouth breath, absence of sweat and bad sweating smell, clean and neat and hands and nails, clean and ironed uniform, without spots or damage discreet and unobtrusive makeup;
- personal habits and habits: harmful habits are: handled by the person on hair, looking at the clock, playing jewels or buttons, tapping foot, tapping a pencil or drumming on the table during a call, nail biting, Berkeley mouth, ears or nose, repairing clothes, makeup, nails or hairstyle in the workplace, chewing gum, reading books and newspapers drinking coffee and smoking cigarettes at work, whistling and shaking to the music, yawning and sprawl, etc.;
- health: the best for the employees may not work if they are ill. There can be transmitted an infection to some customers and creates discomfort in others. Unpleasant represent the official views of bandages or patches on the visible parts of the person with bandaged arm or leg. In the presence of a chronic disease must be notified the employer;
- gestures (body language ): no is important only what is said but how says. Sometimes the employee may to be understood and appreciated without saying a single word. The allocated and bored porter leaning and crestfallen administrator frowning waiter or travel agent creates a bad first impression not only for myself personally, but and the establishment in which they work. Not allowed bending over the table, leaning, abutment, crossed arms and / or doing other irritating gestures. You should always work right and stand upright. The course should be head up - it shows confidence and inspires confidence while bent head and shoulders are tight expression of shyness and feelings of inferiority. The gesticulations (the body language): is important not only what is said, but also the

way in which is said. Sometimes the employer could be understood and evaluated without saying any word. The relaxed and bored door-keeper, the leaned on an elbow and headed administrator, the gloomy waiter or tour-operator create bad first impression not only about themselves, but also about the facility, where they work. Is not allowed bowing through the table, elbowing, supporting, crossing and/or the made of another annoying gestures. It is necessary to work always in a straight position and walk upright. The walking have to be with upright head-this indicates confidence and inspires confidence, meanwhile the downed head and the crouched arms are expression of no value. The body language is very easy to understand-it can be understood only by one shake of the head or lifting of the brows. Must be very careful with touch customers – sometimes that can act very calming, but most people can perceive it as an attack on their personal space. The expression of the person is also very important – are not allowed personal sympathies or antipathies to emerge and to repel the guest. When is current the conversation, people should to look in the eyes - it also creates confidence and peace of mind. In all cases, the best is the polite and friendly behavior.



### **Along with the appearance laid longer to the impression of customers tourism is setting the behavior of the staff.**

The behavior is determined by many personal and professional characteristics the individual, but there are some general rules with good intentions can be easily learned and applied to all guests:

- guests must be addressed as soon as he appeared, because any delay tease him and makes him feels contempt, insignificant, neglected. Soon to be expressed readiness to help, but without be wary to the customers and be forced to rush in making decisions because it also angers them. We must not forget that they pay for time they are removed.
- Each employer must smile when he sees the visitors without panders, showing how happy is that sees them in the club. A smile costs nothing but creates many is the key to success any business, including tourism, because it is the right and good expression friendship and hospitality that makes guests feel welcome – she should not be as artificial mask on the face of staff and to have to be warm and friendly.
- It is the employee to pay the guests with their names on them that means that are important for him. Nothing is more pleasant for a man that the sound of his own name. When the names of the guests are not known to address it is "sir", "madam".
- Personal problems should be obscure, not to discuss business and personal problems, and not to comment the company, the colleagues or other guests of the hotel. Employers should not excuse or blame the others. Are not allowed phrases like "I'm not guilty", "insufficient staff", "my colleague is new and does not know". Each employer is part of the team in place. Guest complaints should not be taken personally.
- Avoid asking closed issues that require response "Yes" or "No" - for example, instead issue "Can I help you?" better to use "How can I help you?" – this will enable the guest to expose the problems and create a connection between the employer and it creates a impression of the competence of the employer to assist him in all cases.
- The attitude must not be tempered. They must be served as people, not as statistical units. So will to better understanding and better will understand their desires and needs and thus better be able to be served. The approach to the customers should be friendly, professional, with respect and concern that will provide them a good impression and they will feel satisfied from the service.
- Relationships "employee - guest" must be built on mutual respect, based on this respect is politeness. When talking to clients, the expression must be precise and clear. It is important to listen and the courtesy to use literary language. Is desirable to avoid the use of everyday speech that is permitted on the street or between friends, do not use jargon dialectal, street or obscene language. Should not be set too personal issues, to argue with the guest to make jokes concerning his personality, his family or associates.

- Do not scream, but you do not talk too quiet.
- At work and in their official clothing employees should not attend and enjoy catering and entertainment complex of tourist enterprise. Smoking, eating and drinking soft drinks is allowed only on holidays for appropriate areas. After the completion of the shift employers must quickly and imperceptible leave his job place. Is not recommended that the personal make or receive phone calls with private visitors at the work place.
- Attention to the elderly, children and disabled! In service to those guests require more patience and understanding. It takes into account the specific needs of this type of guests, but require a great deal tact. Should not be emphasized too much attention to people with disabilities because they may not want to be seen helpless and feel proud that with certain activities and certain situations can handle alone.

Regardless of compliance with all mentioned above rules are sometimes need to be addressed and handled so called conflict guests. Without them judge or teach, the employee must first review the behavior there, in the event that it is the cause of such respect and adopt the emerging situation rather as a challenge to his ability to serve customers than as unpleasant incident, concerning him personally. Visitors, which conflict - these are primarily guests demonstrating rudeness, arrogance and a sense of superiority over staff. They often exhibit kink and irritation and make complaints.



**Complaints must always be accepted calmly and not as a personal insult.**

Shall be exercised diplomacy, if it comes to a colleague or another client - never an employee to pounce on them before the guest. Complaint should not be discussions to other guests or seek justification and support from their hand, because it will inevitably affect their attitude. The best decision is the excuse!

It is recommended that the employee be concentrate on the essence of the problem, and not on who is to blame that take notes - thus indicating that the complaint is taken seriously, even if there is no objective reason or reason for it. It is good to thank client that helps the employee to put things in place of them. It is appropriate to discuss with him the possible remedies. The problem must be requested and received consent for actions should be taken.

You should never promise anything which cannot be fulfilled or is inconsistent with the policy and rules of the company. Employees should not exceed their powers .is good to be a period in which the problem would be solved. Any complaint should be recorded in the special book to avoid the repetition of the problem.

Good manners do not mean that employees should sacrifice the honesty and the dignity and pride during the work. Is unacceptable the consist with offensive comments for the tourist facility where you are working. If customers want for them something unreasonable or unlawful, should not hesitate to be politely but hard in the refusal. Courtesy should be present even in the event of need for removal of nuisances and malaperts.

In any case, employees do not need to degrade to the level of rough and aggressive person. In cases when necessary, and the employee cannot do it alone, you to apologize and to report direct supervisor.



**The tourism enterprises sell services to their customers, therefore the services of the staff and guests are in continuous relationship. From the type of the relationships and the result of communication depends largely the mood of the guests, the political and the emotional, and even his physical condition, is formed the assessment of the client for the establishment and his decision to visit it again or not. •**

#### **4.6. Corporate Social Responsibility in Tourism**

Corporate Social Responsibility (CSR) is a continuous commitment business to behave ethically and contribute for economic development at the same time improving the living standard of employees and their families and the local community and society as a whole.

Social dimension of CSR, according to Green Paper on the European Commission has two aspects: internal and external.

##### ***Internal aspect:***

- Human Resource Management - Investment in human capital company, fair pay and distribution of benefits ;
- Health and safety work for employees;
- Change management - how staff was treated during growth diversification or reduction.

##### ***Exterior aspect:***

- Links with the local community - the place where the company is located and where comes workforce;
- Human rights - Prohibition of child and forced labor;
- Links to external stakeholders parties - suppliers, subcontractors, etc.;
- Tourism is a sector that is based permanent on the relationships with the people.

The applying of the concept of CSR both in everyday life and in the strategic management in tourism companies have a great potential. Only healthy environment and loyal, dedicated, highly qualified, motivated in their work employers can provide quality services to satisfy their customers.

Tourism companies succeed thanks the good image and more the roll CSR oriented sustainable policies.

There is some number of dysfunctional labor issues affect the tourism industry. These include: temporary employment fair wages, long working day requirements for qualification and skills employees. It is useful to have uniform minimum standards adopted of all, and an independent external monitoring which together help to provide greater commitment by the employers and greater confidence in the company. Tourists can be confident you buy from a company that is demonstrating social responsibility.

The environmental dimension of CSR (hereinafter more Cleaner Production) is associated with the application of preventative Strategy for the improvement of processes, products and services, aimed at increase their efficiency and reduces the risks to people and environment by:

- Limiting the consumption of energy, water, raw materials;
- Limiting waste and reduce emissions;
- Promote the use of renewable resources and of hazardous substances, environmental and human health;
- Continuous efforts to increase the environmental awareness and consciousness employers and guests of the hotel.

Tourism businesses - hotels, restaurants, travel agencies and others, which apply the principles of CSR can reap the following benefits:

- More satisfied customers;
- New value-added of the business - social and environmental responsibility to the staff, community and business partners;
- Loyal, motivated and skilled workers, safer workplaces and safe environment for the customers.

These benefits will become their competitive advantage in the long perspective and practice immediately will create a better image and reputation.



### **The corporate social responsibility of the tour operators**

The system was introduced TRAVELIFE in 2007 as a result of realized EU project to integrate the idea of eco-label and strategy tour chain management Supply of tourist services. Currently the system members more than 450 tour operators, who are members in various associations of tour operators in the Netherlands, UK, Germany, Belgium and others. Including the world's leading tour operators and Europe : TUI, KUONI, Thomas Cook and others.

The TRAVELIFE assist its members for socially and environmentally according to market behavior the following tools:

- Management system: provides international standard for managing the sustainable functioning of tour operators;
- Training: advanced courses including a Lucas tourism practices;
- Planning activities: development and monitoring of business plans;
- Evaluation of suppliers: evaluation environmental and social aspect of providers tourist development services standards through the " Sustainability tourism ";
- Guidance on the market: supply and sharing information among tour for a Lucas providers and initiatives around the world.

Source: <http://www.travelife.eu>

## IV. HOW TO PROMOTE AND SELL BETTER TOURISM PRODUCT OF THE BULGARIANS?

### 1. Image, brand and brand tourism



**The image of a company or organization is defined such notions for them, which is reflected in associations emerging in the minds consumer and largely depends on the manner in which products and Services are positioned on the market. The established positive image represents asset for every company and organization, because it affects perceptions tourists for quality, value, satisfaction.**

Giving the brand a product is a useful way to differentiate this product from the others and is tool for adding visible (tangible) value. That reflected on the price, at which it sells the product, and on the profit margins for each sold unit of this product.



**The brand can be defined such as name, sign, symbol or any combination of them, designed to establish the identity of the product and the differentiation from the products of the competitors. This name, symbol or combination is called a "Logotype" or for shorter - "Logo". The design of the Logo may be registered as a trade mark, in this way it is legally protected his rights of exclusive use at home and abroad (reserved brand). Registration also puts barrier in front of the competitors to make a similar mark, because it would be hardly to be registered - the design must to be sufficiently different from the already existing brands.**

The benefits of creating a brand are limited to:

- The brand allows you to identify product and to distinguish it from the competitors;
- The brand is associated with a certain benefits from the product. He speaks to the buyers, what quality they can expect. If this brand is known for a certain set of products, with some new product it will be created certain expectations about standards and quality (therefore it is necessary very strict quality control by the company);
- In the cases when there is no tangible form product, as in tourism, purchase of a branded product helps to avoid the risk. If the users are satisfied with the products brand, they begin to buy them by instinct, by habit and become "loyal to the brand."

Examples of this in the tourism practice are many - almost all major tour operators depend from the loyalty to their brand. Moreover, because of the big diversity of their supply and their desire is to cover different segments of the market, they sell travels under a variety of brands, targeted to specific groups of users of tourist packages and services. For example, TUI operates with over 200 marks - among the tour operator marks they are: Thompson, First Choice, Fritidsresor, Finnmatkat, Star Tour, Dr. Togges, Airtours, etc.



**The Brand is also a concept of marketing, usually associated with a different scope of territory - village or part of it (including attraction and even some event), municipality, a big side, whole country, which in the tourism is known as Destination. According to various definitions, the brand represents a unique combination of perceptions of some destination and the type of vacation that she offers. These perceptions can be both emotional and rational. They make it distinct from the competitive destinations as more adequate of target market segments.**

To reach this favorable set of perceptions of the destination, must first be answered in long term the following important questions:

- What distinguish the destination, with what she stands in front of the others offers of the competitors?
- What would seek and expect potential visitors to the destination?
- What changes in demand and attitudes may occur and how proactive the destination must be adapted to them?



**Therefore, the brand is something much more advanced than the visual elements – the logo on it, the colors, the design, etc. They are only a memory aid for the destination, although closely related with the brand.**

The goal in the development of a brand is to impose concrete destination by use its unique qualities and individuality. Best brand relies not only to USP (unique Selling Proposition) and not only a USP. The brand can be presented shaped as a complex character with large number traits. It is the identity destination in its diversity. The successful branding the tourist market requires the use of its various attributes.

Until recently, the brand also followed the familiar versions of the life cycle, but modern society of diversity of media and the Internet, cheap transport, great choices, increased wealth, increased expectations, varied interests and commitment on various issues attitudes towards different destinations and expectations of tourists change very quickly. Therefore the destinations must constantly adapt their products to changing conditions, but also to adapt their image and positioning in the minds both potential and loyal customers. It would be monitor trends and changing opportunities and threats in order to respond faster.

In the branding the modern stage must rely on the concept of sustainable tourism, responsible tourism, ethical tourism, tourism, oriented in the local community. The changed attitude to the world of the majority of tourists and their commitment to environmental and social problems of the planet are a factor which forces many destinations to reorient its product and communication policy, laying in their basis the above concepts which in no way reduce the opportunities to achieve good economic results.

In developing the brand destination is necessary to answer the series of questions related to the individual process steps:

- What is and how it is perceived destination ( assessment stage ) ?
- What will be known destination in the future and how it will be positioned at market (analysis and removal of the main advantages)?
- How will the brand be linked to activities within the destination (development the idea of the brand ) ?
- How can you express the most accurate and brief idea of the brand (creating sign and the message of the brand ) ?
- How to give life to the brand (development communication strategy)?
- How to ensure the adoption and support branding of all interested countries (create partnership in the branding) ?
- How to keep up to date brand market (update with changes demand)?

## 2. Prices and pricing. Discounts and reductions



According to the analysis of the causes of the travel, the Bulgarian tourists abroad are generally sensitive to the price: for travel abroad the package is the third place in importance among all the factors choice of destination index 78 (from maximum of 100 ) and the price of one night - fourth - index 66; leisure in Bulgaria the cost of one night 's third place with 76 index and the price of the package-in the fifth place with index 60. Despite the higher averages cost of holiday abroad, "Best prices" are the second among the reasons for the preferred on holiday abroad rather than in Bulgaria (30 %), and second only to searching of diversity, something new different (31% ).

The price is among the most important elements, which determine the market share and the profits of the company. In determining the price, first need is to specify the range, which may be positioned a particular price. Company expenses for the production of the product establish a lower limit - "below" of the price and demand (the highest price that customers are willing to pay) sets the price "ceiling", which the company can ask about your product . The company determine the price that must cover costs of production, distribution and sale of the product, including labor and risk.

To calculate the correct cost of the product, it is important to have given that the cost of the company are constant (fixed overhead) and variables. Fixed costs are those that do not vary with the production or income from sales. For example, every company must pay monthly bills for rent, for heating, interest, salaries, etc. , regardless what and how many products produced and how they are marketed. These include expenses that are previously agreed to certain period, the cost of insurance, maintenance of equipment, etc. To the fixed costs are assigned and the cost of advertising, sales promotion, training staff, market research and etc., because their size is pre-scheduled for consideration period.

The variable costs are very directly depending on the level of the production, usually increase with increasing the amount of and selling the products and services (nights spent, number of sold packages or make reservations) or depending on the number of serviced customers. In Travel Agencies such as the cost of implementation reservations, delivery airline tickets for communications and others.

The common costs are the sum of the permanent and the variable costs for a production of level. The guide of the company wants to determine the price to at least cover the total production costs at a given level production. Therefore is necessary to determine the need of the actual cost per unit of production - accommodation, food, travel, etc. In the process of determining the price of a particular travel is appropriate the division of the general divided costs (total for a given group of tourists) and individual (expenses per person). The sample structure costs under this classification is presented in **Table.10**.

Costs, prices and possible price competitors' reactions could help the company examine how to determine the actual prices. The company must be a basis for comparison of their costs with those of competitors, and to monitor the cost and quality of competing tenders, for the most frequently practice and serve as a starting point in determining the final price.

### Pricing:

Known methods of pricing include:

- *Through margin or cost plus profit*. This is the simplest method of pricing in which cost to add certain margin. This method is appropriate to apply when the price is not the determining factor to make a purchase of tourist services.
- *Based on target returns*. according to this method, the company sets the price , that will bring the desired it rate of return on investment and the minimum sales volume , which will guarantee the costs incurred.

- *According to the perceived value.* In this method at the base of the estimate stand no cost, perceptions purchaser for value of a product. The price level is determined and depends on how much the purchaser thinks it's worth the product. The basis of this method is the philosophy that it must represent an exceptional deal for the buyer. This in no way does not mean that necessarily must be determined at a lower price than that of its competitors, because in the mind consumers higher rate is usually associated with a better the quality of the product that they offered.
- *Based on an existing price.* In this method the company formed its price for competitors' prices, as little in their costs and demand. This method is quite popular. It is a good solution when costs are hard to measure. It is believed that the competitive price reflects the collective wisdom” of the industry and therefore is a price that brings good profit. This method is widely used in the tourism.

**Tab. 10 Structure of costs in determining the price of a package holiday**

General divisible costs:	Individual costs:
1. Transportation to the tourist site back or transport within the tourist destination;	1. Accommodation and meals;
2 . Transfers:	2. Tourist tax;
3 . Border, travel and more fees;	3. Entrance fees to museums and other tourist objects;
4 . Guide services group during the journey;	4. Insurances;
5. Talks guides in museums and other tourist sites;	5. Attractions, where the price is a tourist - tastings, traditional dinners, etc. ;
6 . General tourist attractions – performances, shows and more.	8. Representative’s allowances;
7 . Other general expenses	7. Advertising costs.

Strong monopolization of tourism supply, especially on the organized tourism, leading to the variations in this method, like the so called alignment of the leader - using the same or mostly slightly lower prices than the leading competitors.

### **Types of prices in tourism**

In tourism, as in other sectors the economy, using some common types of prices. The specificity of the tourist product and its market determine the presence of multiple rates, only the intrinsic sphere, while some of the common types of rates do not apply. The explanation lies in the fact that no good goes to the client, and tourist travel to the place of consumption of goods and services.

On the other hand, the tourism market most companies rarely use only solid and sticky prices determined by the described methods. The value of tourist resources, their fame and prestige specific conditions of demand and supply take have a huge impact on the appearance different prices for similar, and sometimes seemingly identical services, offered to the tourist market.

The factual prices of the tourist market, which is carried out the contracts and sales are also known as current prices. For statistical purposes, to evaluate of the situation in a market analysis the dynamics of price competition level and others are used and averaged prices. Many widely applied in tourism differentiated prices which different price levels depend on many criteria: location of the travel object (eg distance from the beach line), type of the settlement, origin the tourist, tourist season, etc.

It is important to pay attention to the types of prices according to the objectives of tourism company goals. They are:

- *Incentive or incentive rates*, aimed to increase tourist flow, to assist in solving of one or another specific problem. From this perspective, the welcome value is often used as element of the marketing of the firm.
- *Promotional prices or stimulating prices*, with which is persecuted the goal of the tourist flow, to cooperate for the resolution of one or another specific problem. From that point of view the stimulating price is often used like an element of the marketing of the firm.
- *Prices of the advertising or for the introduction of the product*. This is a special offering price (under the medial price for similar services, confirmed in the market) for the promotion of a new product or the introducing of new object, and as the penetrating of new, not used till the moment market. The prices of the advertising are acting for a concrete date, and after that are changed with the usual or even with higher prices.
- Seasonal prices. With them is stimulated the tourist searching in the weaker periods.

In the process of selling of concrete goods and single services of organized tourists are used single small prices. Wide use in the tourism have the travels with a common price or with a packet price (inclusive tour, package price), which are formed from a tour operator. That is a contracted price, which includes a determined packet of a basic and additional touristic services, which reaches till the named packet with all included in the price-all inclusive. All kind of the packet price is lower than the sum of the single prices of the contained in it goods and services, because the enterprise has contracted for the included services lower, tour operator prices( because of the bigger turnovers), but also because of the reaching of lower costs. Much of the tour operators are selling their products on catalog-on the essence the price of the catalog represent a firm for the end user piece, used in direct sales, independently of the fact if is made with the participation of a mediator or not.



**The practice of different prices according the nationality of the tourists is assumed like a policy of discrimination toward the tourists, which have an origin from a different countries, but in our country was imposed the practice along decades and in the recent past to the creation of a tourist preserves, fluxional method and difference in the service of the Bulgarian and foreign guests. In the moment in the tourist legislation are introduced concretes requests, related with the prices, on which are offered the touristic services. According to the normative base the persons, which are representing the touristic services in touristic objects (tourist agencies, means for refuge and places for a installation), are engaged to announce their prices in an identical size toward all clients, while is not allowed a different treatment of the tourist or turning in most unfavorable position of part of them toward the another part. These requests are practiced also in the cases, when the announced prices of the tourist advertisings are indicated in the internet, in advertising and commercial brochures and editions, and also in television emissions. Moreover, the legislation is obligating the tourist agencies and hoteliers to announce their final prices with tax added value.**

### **Price discounts and reductions**

Most companies change their basic price in order to improve their selling or to stimulate their customers to pay immediately, to buy larger amounts or out of season.

The distribution channel is characterized with functional discounts. They are known also as commercial discounts and are offered by the producer (hotel, restaurant, attraction, etc.) of tour operators or tour agents that are mediating in the product and service sales to the end users. These discounts (commission) form the main part of tour agents incomes.

The largest part of the discounts are directed toward the end users. The discounts are made in the process of paying in cash. They represent discount for the buyers, which pay the favor immediately. That kind of discount is often seen near the firms, which give cars under rent.

Very often are proposed discounts from the contract price and payment of a largest quantity. The goal of that discounts is to stimulate higher sells and bigger search of the tourist product. In some cases the prices, which are offered by concrete hotelier, are related with the realized from the respect tour operator volume sells in two variants: the lower prices become actual from the moment of the reaching of determined level of the sales or are becoming actual with a back date, e.g., they are related with all realized sells.

In interconnection with the realized number of nights in the hotels are also the discounts near different programs, the most popular of which are:

- City break program - is practiced near minimally two tourists with minimum three consecutive nights or three tourists with minimum two nights, written in common order;
- Weekend program – is practiced near realized nights in the interval of the week-end (Friday, Saturday, and/or Sunday);
- Long stay (Long stay) program – is practiced near realized minimum five consecutive nights from one tourist.



**More often are practiced the discounts for tourists. Usually is accepted that the tourist group is composed from a minimum 6 people, but some hotels practice group prices near the installation in minimum 6 rooms of the hotel.**

In their bids the hotels often provide free or at a lower rate accommodation and food for driver guide and accompanying tourist group. Furthermore, it is imposed practice of service groups that hotels give free nights. For example, every 20 adults travelers a free night, 40 tourists - 2 free nights, etc. The question of discount cannot be used to increase profit agency to provide Partner Company or the group leader. Some organizers of bus tours provide a place for free for a group of 15 tourists.

Tenders of accommodation and tour catalogs invariably present discounts for children. In the majority of cases, children up to 2 years use services and stay free children 2 to 12 years old on regular bed -50% discount of the bed, and an additional bed discount is up to 75 % of the adult. Discounts are made for third adult on extra bed (most often pay 75% of the regular price). In some offers of tour operators provide specific discounts for students.

Regarding the seasonal dynamics of tourism demand widely used are seasonal discounts. These are reductions upon purchase of the product or service out of the season. Are similar in nature and concessions aim to step up sales specific time zones or individual days the week. For example, in the dead hours of dining outlets and entertainment (happy hour) or through a common weak Saturdays and Sundays in most categories of urban hotels.

The fight for customers of the travel market, especially in the policies by tourist company to earn loyal customers, based on special discounts and discounts for regular customers. With these concessions seller seeks to permanently joined to itself customers and business partners. For example for tourists who have already used tour operator or have been guests hotel, that the company discount estimate by 3 to 5 %.

Very strong factor in choosing a holiday destination for families are the discounts for families with children. In some cases even the children under 12 years stay and meal without paying. Similar example similar discount tour bid proposal for families with children under 18, while 3 people discount 3%, and is increased by one additional rate for additional family member participating in the trip.

In some cases discounts to accumulate, but mostly customer may benefit from only one discount of your choice. Unlike concessions reductions (including promotion) are temporary discounts price for a specified period. They are aims to attract large number of buyers of a product in the period when reduction is in force.

Itself by lowering prices discounts is done in the form of a specific absolute value (e.g. 20 leva) or percentage of the final price (for example 10%). Seasonal rates are presented in the form rocks or schedules that show periods of validity and appropriate price level.

Price discounts in tourism are an important tool for attracting the clientele and can have a huge impact on the pattern of tourist consumption. Through the use of different prices comparison can provide greater search (including in low seasons) to increase the length of the tourist stay, to stimulate early booking and use of more basic and additional services. But this tool is not used enough actively from the Bulgarian tourist companies for the development of the international market. Moreover, major hotels and resorts apply active pricing policy to attract internal users only in periods of crisis on foreign markets.



**Vicious practice of the big hotels in our principal resorts is the giving of prices of the contingent and the low pricing of the Bulgarian market. The prices for the Bulgarians usually are with a percent of discount from the prices on the reception (10-15%), they appear very late-before the beginning of the season, and they are more expensive with at least 20% than the prices of the contingents. The packages of the Bulgarians were formed in the last time, when it is difficult to react and to make something significant-because the information comes difficultly to the end customer, the period is not convenient or the conditions of rest are not appropriate. Smaller hotels conditions in crisis are rather more flexible. Are famous not one and two instances where such hotels with initially high prices remain empty and seek interaction tour operators to attract the internal market? By the reasonable dialogue and achieved adequate price levels they enjoy good occupancy of Bulgarians already convinced that Bulgarian tourist is not negligible at all.**

While the lower price must be the only competitive advantage of companies and destinations. Moreover, in an unreasonable reduction prices (in crisis) both individual entrepreneurs and purposes destinations dare not vicious circle " low prices - poor quality - Even lower prices, "which ultimately bill will "throw " from the market instead to their expected benefits .

The price is one marketing tool which quickly act on the market, but the country is still not sufficiently effective. The most common pricing errors, which have to be overcome at the Bulgarian market, are:

- Pricing comply too many costs without factoring in sufficient demand;
- Price not reviewed enough frequently to comply with changes the market;
- Pricing is independent of other elements of the marketing mix rather than an integral part of the strategy for market positioning;
- Price does not vary sufficiently for different types of products, market segments and occasions for purchase.

### **3. Technology for sale and use and work with individual tourists**

The foundation of a successful sale stands better communication and effective ways of transmitting information. The sales process includes several stages:

- Preconditioning down potential customers and ways to reach them , and the acquisition of knowledge and skills of staff on products and services company with their distinctive characteristics and rules for communication with the main types of customers;
- Uncover customer needs ;
- Presentation of the proposed purchase;
- Negotiating and dealing with the objections of the client;
- Successfully closing the sale.

The technologies for meeting between supply and demand can be divided into several groups, depending on which it is the active, whether both parties are physically present at the negotiation and other factors. The different technologies are equally applicable to both bargaining between providers and services and intermediaries in tourism and when selling to customers.

### **Direct sales**

There one of the parties is active seeks the clients or partners, transaction is immediately. This form is not very popular when in the process of the selling to the customers in the country, with some exceptions - as the sale of tickets for the theater and other performances. The direct sales take place, however, between individual units in the distribution of the channels (between a tourist service and agent or between intermediaries), with the particularity that the payout is delayed in time and depends of actual real sales retailers.

### **Sales in areas with temporary character**

This is a very characteristic shape tourism on participation in tourism fairs and exchanges where negotiations are made between tourism enterprises, but many cases are realized and sales of the end users of tourist trips.

### **Sales in permanent positions**

This happens in the very tourist sites and at the offices of tour operators and travel agents, i.e., this form is the most common. The more active part is the client that based on preliminary targeted information, visit the object to make a choice and makes a purchase of tourist package or a separate service. Depending of the degree of involvement of the customer in the sale process are distinguished three subspecies of sales:

- Assisted consultant – agent sales helps customers choose any of the previously identified travel deals;
- Personal - when all offer shall be made by your request taking into account their specific needs and specific set of parameters the journey;
- Self-Service - for online purchases of packages and individual services in self-service restaurants, and more.

### **Remote sales**

When the seller and the buyer are not situated together in one place. A typical example are the sales from catalog, but this can refer and contracts between tourist companies, achieved through correspondence.

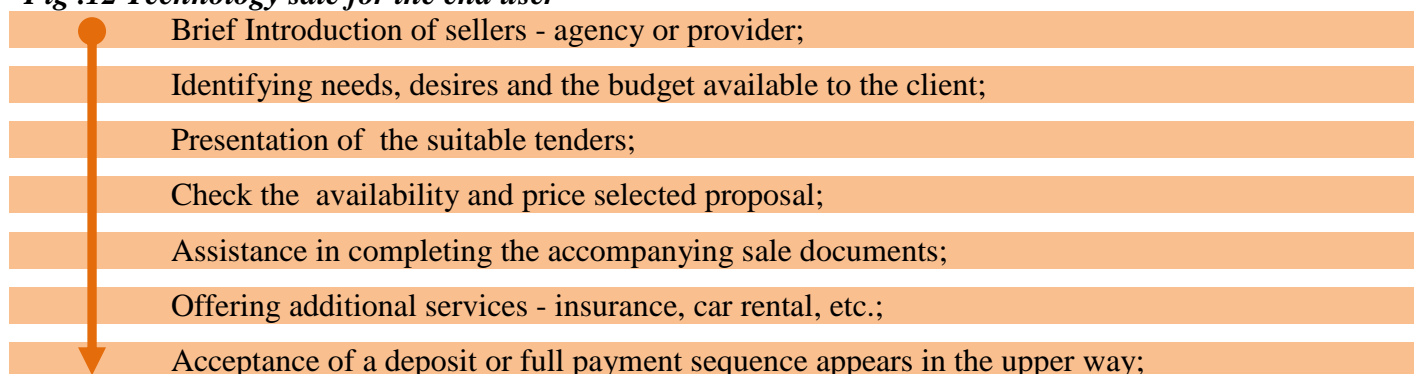


**In most cases of work with customers the personal sales are still not realized. For be successful be the personal sales should start from a careful examination the way in which the client make purchase decisions. At the first place, the potential customer learns about the tourism product or service from different media, advertising materials and other sources of information. Follow the stage, in which he seeks for additional information. After her source, the potential client compares various alternatives, based their own experience, relying on the advice relatives and friends or recommendations from the travel agent or service. A decision to purchase it reports for such significant issues, such as duration and cost of the trip. The process ends with the response to the client after the buying and the consumption of the product or service, based on the pleasure and seamless journey shared experiences with family and friends, and implement communication with the seller after returning.**

In practice, providers of tourist services and intermediaries in tourism can play an essential role each one of the process steps discussed making a purchase decision. Firstly, the advertisements may be informed about new proposals for the trips. In the offices of tourism the agencies may obtain information and to provide a technical assistance in comparison with the conditions of various travel, assuming that agency employees are impartial in its recommendations, compared suppliers who would recommend their service. It is very important and maintaining a relationship customer after completion of purchase - notification of changes respond to complaints and developing relations in the long term. This resulted in the formation of a good image of the agency and the construction confidence in it.

The sequence of actions in sales to customers should be consistent with making decision by the client. The model diagram (*fig. 12*) illustrates that sequence, looks at this mode.

**Fig .12 Technology sale for the end user**



This scheme can hardly be observed in service to all customers as it is a process that involved itself buyer. Depending on the customer's this sequence can be amended.



**In a travel agency the time which it is given to a customer supposes the realization Because of this the customers entering the agency must be assessed in terms of how long and what efforts are devoted to their service. At the first place is good to ask the client to give his name, which would send away the people without serious purchase intentions. If the customers seek more general information you can just give them the brochure without any of the agents for sales to be committed for more time.**

If are discussed more complex, from the organizational perspective trips, are required several meetings with the client, to optimize the route and ensure availability. In this case must be discussed previously such an important issues for the agency such as: when and how will be done the payment and what will be the conditions for refusal of the trip. In all cases, in realized efforts and paid significant time, the agency should ensure the return of invested labor and money.

Sales agents can apply two approaches when working with the customer: reference type ( informational), more oriented to the sale, and expertise, based on the personal knowledge and experience and to a large extent, customer-oriented. In the first approach the attitude is friendly, the agent seeks to identify and determine with the client what type of travel to offer him and directed him to a particular offer. The second approach is based on the knowledge and experience of sell and suitable in case of travel with more risk and complexity, related with the advice of the agent, based on a better understanding of the services are of primary importance for the selection. Most often, however, sales are carried out with the use of combination of the two, which is more effective in terms of the realized sales.



**To be successful a tourist company, the act of selling should be considered as the end of the relationship with the client, but rather as a start in building of long duration relationship with him. Only in this way could rely on a repurchase from the same client, winning it as a regular client for the company.**

**The maintenance of the existing clients frequently is better strategy than the strategy attract new ones. According to Philip Kotler, attracting new user costs five times more than the satisfaction and retention of the existing user.**

The communicating with customers after the sale is beneficial for other reasons:

- It helps to get feedback about the customer's satisfaction received from a journey, if problems and grievances had appeared - to clarify the causes and to make possible to consider some kind of compensation;
- Helps to examine the quality of services, provided by suppliers and the weaknesses to be removed promptly in order to avoid or prevent troubles for the other customers;
- Helps to establish future plans for the travel of the client, proceeding the rule that satisfied client most easier can be led to a new purchase;
- It helps to see how the needs of the client in time change. This will direct the agent to making such offers to respond to the new needs and desires of the client;
- The inclusion of the name of the client in the database of the travel agency will provide its periodic information on new programs and products the company develops and offers market.

#### **4. Role of intermediary sector in the internal market**

The brokerage in tourism of extremely great importance –proof of this is the existence of the numerous intermediary enterprises operating the tourist. Despite that the Bulgarians traditionally travel alone in the country, they are increasingly looking for services of intermediaries in the selection of holiday or short rest. The objective preconditions for the existence mediate in the tourism are several :

- Spatial isolation and remoteness between tourism demand and tourism. The greater part of the intermediary firms are located in areas of increased tourist demand - where are the potential tourists are. Wide dispersion and fragmentation of tourism demand leads to the necessity of a large number of firms the opportunity to reach it.
- Temporal isolation between tourism demand and tourism offer. Much of the tourist products and services are purchased in advance and not at the time of consumption .
- The predominant share of services in the total volume of tourist supply and the offer of the tourism product. The tourists buy services that are undetectable, that cannot be seen or touched , they are at a greater distance from them and most importantly - many of them are not yet produced. Is really needed good broker to convince us to buy them in the in all these conventionalities.
- Lack of time, opportunities, desire or experience of the potential tourists to organize the trip.
- In general, the intermediary in tourism may be defined as: " Entity, which carries out directly and / or indirectly mediation between demand and supply in tourism through the creation and realization of their own and / or sale of foreign products. "



### **The intermediaries in tourism:**

- **Stimulate and facilitate meeting between demand and supply, offer the liaison between key market players .**
- **Transform goods and services, which the buyers are not wishing to acquire into a product that they would want buying.**
- **Produce benefits as for the suppliers or producers of tourist goods and services, as well as for the consumers and also for the destinations. •**

### **What benefit providers in tourism?**

- Reduce the risk. The providers ( hoteliers, restaurateurs , transportation companies and other manufacturers tourist services,) are selling in advance beds and places in large packages to the intermediary, and thus providing that their product is already sold .
- The selling price is lower than that they would receive in direct sale to the customer during the peak season, but in doing so they transfer large part of the risk to the final realization product on the intermediary. The mediator is in charge to resell services already purchased to the final client.
- Reduce of the costs. Providers reduce costs for promotion and advertising to the expense of travel agencies. After they have sold their services, there is no need to invest money and effort in their advertising. That is the task of the intermediary, which aims advantageous to pre-sell the purchased services.
- Improving market access. Through the intermediary the supplier has the chance to take a wider market, to reach a larger number and more advantageous for him tourists. Many of the providers have no funds and other opportunities to participate in tourism fairs or exhibitions or to issue costly brochures and Internet sites where to advertise. For the vast majority the work with intermediaries is almost their only opportunity to attract the desired clientele.

### **Benefits for the tourists**

- Saves time and money to search information and concluding the deal.
- Significantly reduce uncertainty and uncertainty in travel.
- Benefit from specialized knowledge and competence of the staff in intermediary companies
- Buy travel products and services at lower prices - this is the most significant benefit to tourists, especially of mass travel.

### **Types of intermediary**

At the tourist market operates two main types of intermediaries: tour operators (producers of tourist products and organizers of tourist travel) and travel agents (sellers of tourism products packages and services). It should be noted, that in the Bulgarian market the same intermediary can be both tour operator and travel agent.

Tour operators have two main functions:

- **Production :** linked to the establishment of complete tourist products with a total price and with taking financial risks by the tour operator. He not only combines the different travel services, but reshapes them and gives them a new content, assuming the responsibility for them to tourists. Once the customers had purchased the corresponding product, they direct their claims to the tour operator and not to the individual sellers of tourism services.
- **Organizational:** the tour operator is committed conduct the tour travel and synchronization of the services in time and space in the phase of consumption of tourism product.

The travel agent has primarily commercial function:

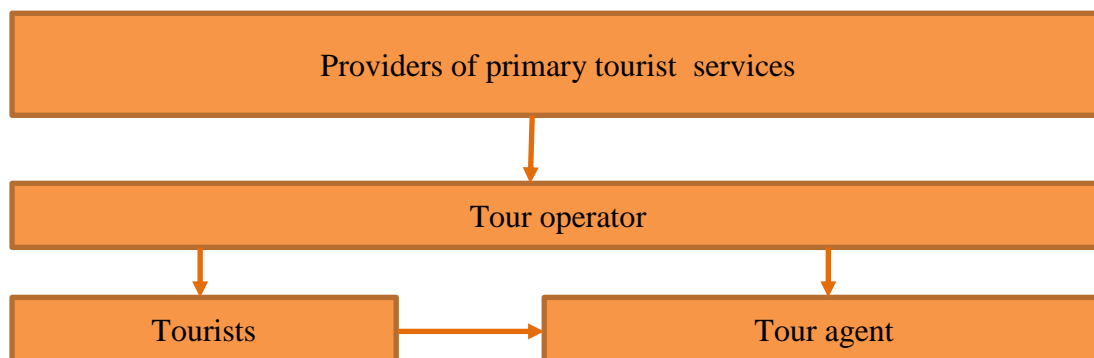
- Provides to others fee travel, one or more individual services, associated with travel and temporary residence outside permanent residence;
- Acts with foreign name and on costs of others, and commissions are his main source of income;
- Sometimes manufactures and sells his own individual services.

Mediation can be directly and indirect ( **Fig. 13**).

In direct mediation has only one firm, and this is the tour operator, which contacts directly between tourism supply (suppliers) and tourism demand (tourists).

In the indirect mediation mediators are two - the tour operator plays the role of a wholesaler, who reaches the direct user through " Retailers" or tourist agents.

**Fig . 13 Realization of the products of the tour operator**



When it comes to product for whole areas ( village, municipality, area), a growing commitment for its formation, promotion and marketing organization have the organizations for management ( marketing) of destinations. Their activities should be directed to unite the efforts of individual entrepreneurs to develop local and regional tourist products, conducting large-scale advertising campaigns and campaigns, supporting tour in the development of tourist packages, selling tourist services and events and events to attract tourists to the destination. This can be of great benefit to the development of the internal market, as the Bulgarian tourists badly need more information, especially for less known and less developed tourist places.

For the moment such functions are performed in implementation of the Law for tourism regional tourism associations and local tourist associations. Their activity is still unclearly regulated and inefficient due to their limited financial resources and lack of understanding of their role in market development by the local authorities and individual entrepreneurs.

The role of intermediaries between tourism offer in the destination and the demand (mainly domestic ) also play the tourist information centers(TICs), most of which are of the community, but some are functioning as part of local and regional tourism organizations. Traditionally they serve the visitors on place, providing them with free of charge information about the variety of services in the area, but they can also sell tourist products and services, if they are registered as tour operator or travel agent. While they have the potential to attract visitors to the destination through various marketing activities. The local business can have big benefits their activities and should assist it, as responsibly and regularly provide the necessary information.



## Destination Management "Swiss Riviera" and its marketing activity

The area of Lake of Geneva is one of the 12 tourist regions of Switzerland, driven by the tourism organization of the canton of Vaud. Part of this area is the destination Montreux-Vevey on the lake of Geneva, imposed on the market as the "Swiss Riviera".

The destination covers 23 villages with total population of 120 thousand people and is managed by a tourist organization with 40 employees, 6 information offices and a budget of 6 million Swiss francs. The destination has 4500 beds. At an average tourists stay of 2.7 days and annual employment of 65%, the realized nights are about 1.1 million. From the tourists 38% are generally Swiss, 31% in total are coming from Britain, Germany and France, and the rest - are from other countries of Europe and the world. The organization is funded at 70% of on the base of the business, membership fees and taxes and 30 % from subsidies(public funding ) given by those communities in area , which are included. In 2008 the organization has made 46 promotional events (trade exhibitions, workshops, fairs, presentations "on wheels " , etc. ).

In 2007, are organized 142 travelings for journalists and 139 expedient ski tails, being served 1341 people - representatives of the media and tourism companies from 30 countries.

Tourist information centers are located in 6 cities and have 19 employees, which serve per year:

- 120,000 visitors;6
- 65,000 calls;
- 35,000 documents;
- 25,000 e-mails;
- 3,500 booking records.

The tourist organization issues 15 booklets with a total circulation of 600 000, which are distributed in the information centers, posted by the post office, during the promotion of sales through partners and others.

The map "Riviera" is provided free of charge to each client, staying at least for one night in a hotel, nursing home , school or apartment in the area and provides :

- Free public transport;
- 50% reduction in the fee for museums, private trains, ships and parks for recreation.

Source: [www.swiss-riviera.com/](http://www.swiss-riviera.com/)

The implemented in 2009 studies of habits of Bulgarian tourists when organizing their holiday show, that their main sources of information are primarily informal - from relatives and friends, from their own experience or internet forums. The main formal sources are Internet websites of hotels and flyers. The Bulgarians are more inclined to use services of travel agencies or when traveling abroad (46 % have used travel agencies) or when their vacation is over 4 nights (29 %). Of tourists in Bulgaria, only 17 % have used services of travel agencies, and by travel for less than 4 nights - 9%. The holidays are to plan the most (70 % of respondents ) 2-3 weeks up to 2-3 months before the trip. Preliminary reservations are not made by 20% of the guests, and 45% made their reservation 2-3 up to 1 month in advance. Bulgarian tourists do not make early bookings, so they buy the product at higher prices than foreign visitors who do reservations much earlier.

From what the Bulgarian tourists are unhappy, regarding the mediation and the recreation services in Bulgaria?

- In travel agencies do not have enough information about the proposals in the country. There are offers only for large and expensive resorts, but there are no offers for smaller and cheaper destinations and hotels ;
- There is no comprehensive information on tourism supply in the country ;
- In many places there are no tourist information centers, that provide information on what can be seen and to do the in certain place.

What have the intermediaries in tourism to improve in the supply of trips in Bulgaria for Bulgarians?

- To escape from an uniform supply of holidays in Bulgaria by developing various offers compliant to the individual market segments of the internal market;
- Do not underestimate the smaller and cheaper tourist destinations and sites in the country - the Bulgarians are very interest and if the intermediaries include them in their offers will gain customers who will use their and others services;
- To develop and implement targeted promotional and advertising campaigns for the Bulgarian consumers with the purpose of increasing the share of early booking with lower prices, with which the buyers will be satisfied ;
- As intermediaries in tourism TIC and organizations of destinations must also be active - regularly to collect and provide information about the developments in supply, to organize the trips and events to represent the area and available services in the media, to tour operators and potential users.

Tourism providers should not forget that maintaining good communication with intermediaries plays an important role in the overall process of advertising and marketing of their tourism product.

## 5. Promotion and advertising



**The communication policy (promotion) in tourism is a complex of activities, which stimulate the advertising and are directed primarily at the consumers of the tourism product, in order to promote the awareness of the product, its testing and re-use and to gain loyal customers. •**

Most important tasks of the communication policy:

- To inform!
- To push for purchase!
- To remind the target audience about the product!

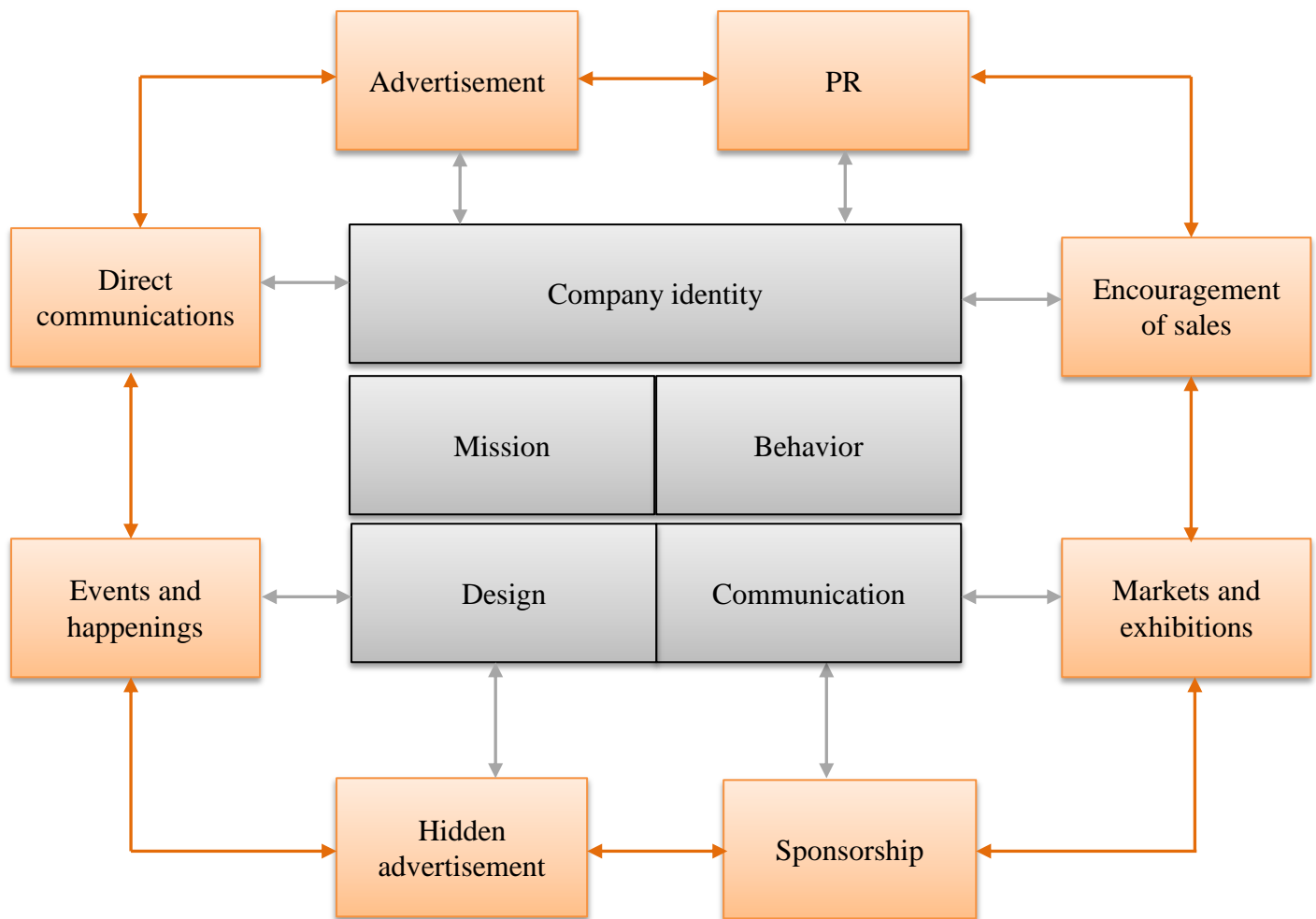
Each of these tasks is characteristic for the various stages of the tourist product.

### Tools for impact on the potential users

There are various means for promotion and the imposition of the product, for the periodic reminder about it and for the stimulation of sales, that are presented at the model of integrated communications in the Tourism (*Fig. 14*). Top tools to influence potential users are:

- advertising;
- public relations;
- promotion of sales;
- personal selling;
- direct marketing ;
- participation in tourism fairs and exchanges.

**Fig .14 Integrated communications in Tourism**



**Very rarely the use of only one of these tools can achieve the desired purposes. Usually the communication strategy includes a combination of two or more activities, which stimulate the advertising.**

The above mentioned instruments have different efficiency in the different stages: From the moment of learning about and knowledge of the product before the moment of realization of the consumption. For example, advertising proved to be most effective during the first two stage, when the product is presented and to be known, although it is useful in the following stages. PR are very effective in the first phase, promoting sales exchanges and when is need to reach a level of awareness of tourism product, and also to help preference towards formation of the product. Many organizations create positive attitude among potential customers by sponsoring events and public programs meaningful goals.

In the planning and allocation of budget for communication activities, the tourism companies and organizations usually face two main problems, namely: what should be the size the budget and how to allocate it in between the activities communication instruments. As a general rule must be greater where tourists have difficulties in distinguishing of marketing tourism product, when the tourist product is clearly distinguished from that of the direct competition, when the market displays the new product when potential users have previous experience in purchasing a product. The manner in which will be distributed budget depends on many factors, the most important of which are:

- The location of the target market (distance between the potential users ) ;
- development phase, in which the particular product (whether the product is known on the market ) ;
- The existence of communication problems ( is there any difficulty reaching product information to potential tourists and of what nature ).

## **Advertising of the tourism product**

The advertising is transmitting information to sell goods or services - this is its most simple definition. The purpose of advertising is to persuade people to buy. Advertising will fail if its message is not accepted. If it is exaggerated, people will become suspicious, if it is inaccurate – they will not believe. This is especially major force in tourism, because of the intangible nature of the tourism product the tourists buy it "on trust." The advertising is a paid form of impact, so that the communication takes place only if the client paid for it place or time in the media. However, he has the right to control during the communication process, the orientation, the mode of transmission and to determine alone, and he only the content of the advertising message.

The great advantage and role of advertising is that it brings your message to a wide range of people, which the advertiser do not know or cannot meet, because they are dispersed in the city, in the region, in the country and even over the world. Advertising costs are function of the achieved results. If for advertising purposes are spent several thousand of levas and results are calculated in hundreds of thousands, obviously the advertising is cheap and results as a profitable investment. If such a result is not achieved, it no doubt is an expensive, even more - there is a waste of money. Therefore, it is unacceptable to declare that a promotional tool is expensive, starting only from his high fare. The tourism advertising uses the following basic resources:

- print and broadcast advertising;
- Internet advertising ;
- advertising films ;
- brochures and leaflets ;
- posters and leaflets ;
- handbooks;
- billboards ;
- object advertising ;
- promotional stands.

In the advertising process there are four sides (subjects), and its success depends on their good interaction.

- Advertisers: they need advertising and to send creative activities. The advertising message is directed as to end users and also to the tourist intermediaries. Thus they inform, guide and influence on consumers.
- Addressed: to them is addressed the advertising message. These are individuals, households or organized consumers.
- Advertising agencies and media shops: they are contractors and agents of advertising process. The advertising agencies generate ideas, create implemented projects and control the advertising on behalf of the advertiser and media shops buy marketing of advertising time and space of wholesale.
- Media: Advertising Media is a conductor (or channel) to be selected for transmission of the creative types of advertising.

## **Types of advertising**

There are several criteria by which we classify the types of advertising communications:

- According to the stage of development of the tourism product advertising are introducing, supporting and reminding.

- Depending on the nature of the communication channel and used promotional tools - the advertising in tourism does not differ from advertising of other goods and services, but the most frequently are used the addressed direct advertising, the outdoor advertising, the advertising in the press, radio and television, advertising and directory advertising. Especially major role among these advertising have the communications in the electronic media (including the Internet) and print, but widely used and brochures, leaflets and catalogs, as well as the specific media such as cards, street maps places stickers (stickers) for luggage, menus, cup holders, key chains and some other promotional gifts.
- According its coverage the advertising can be local, regional, national and international, according to this which is targeted geographic markets.
- According to that, who advertises – distinguish independently conducted advertising and common (shared) advertising. From its side the common advertising is divided in collective or group.

### **Collective advertising**

Is performed by several advertisers simultaneously in favor of a product of their common interest and not particular brand. It is frequently found in tourism – for example the European Tourism Commission was established to attract tourists to Europe from America, Australia and Japan. It covers various institutions and enterprises at various levels of production and marketing of the tourist product. Often, is institutionalized through the creation an overall coordinating body, uses centrally recruited advertising funds and others.

These collective communications are preceding and accompanying background against which companies advertise their individual tourist product and its marks ( brands ).

### **Group advertising**

The group advertising is performed by a group of advertisers as all or part of the tourist companies and commercial sites territory of the resort Sunny Beach advertising complex as a whole usually apply to goods and services do not compete, but complement each other, or when advertisers have common interest at a time - for example, attract more tourists to a event or at certain times (school holidays, public holidays etc.).

### **How to plan an advertising campaign or campaign?**

Planning advertising campaigns and campaigns after we determine which our audience (target market) and what media use it comprises the following stages:

*1 ) Determination of the advertising purposes.* They need to develop gradually and start the first level of awareness, to pass through increasing level of knowledge of the addressees to lead to their conviction that they have need of a product or service, after to motivate their decision to purchase. It should be borne in mind that advertising impact is limited in scope (is addressed to advance target group) and continues over in a limited time interval.

Therefore, the advertising objective is a specific result which is to be achieved to a particular audience for a period of time the advertising objectives can be classified depending on whether the task they inform , persuade or to remind .

Informative advertising is used most in the first stage of development product where the aim is to build initial search. Informative objectives include: reporting the presence new product on the market; informing of price change; description of available services, building of image of the destination.

Persuasive advertising is an important stage competition, wherein the target is to build selective demand for a specific tourism product or mark (brand). Possible targets for persuasive advertising are: building preference to the destination or mark; persuade buyers to buy immediately and others.

Reminder advertising is extremely important for products in the mature stage of development. It seeks not to inform or persuade, but to remind people to buy the product, including to remind customers how to buy, to maintain the thought of the product during inactive seasons and to keep the constant awareness of it.

2) *Establishing of the responsibilities* In conducting the advertisement of a certain organization can use its own internal resources as well as external agency. On the market are functioning two types of advertising agencies: agencies for full service and agencies with limited scope and thematic cycle (specialized agencies for fairs and exhibitions, for outdoor advertising, for web design and Internet marketing, etc.).

3) *Determination of the advertising budget.* The most common mistake is to allocate a minimum amount of financial means in advertising. But this leads to waste of money, because it is known the principle "Better no means for advertising than not enough." With other words, must be set aside funds for advertising, as much as are necessary for realization of the purposes.

4) *Selection of Advertising channels and means.* This is generally a complex process, using a variety of quantitative and qualitative selection criteria. In this case it is important to answer a series of questions:

- What is the capacity of the communication channel to carry elements ( shape, color, sound, movement, image) of the advertising message? If we want to convey movement, in that case, first we choose the TV, if we to transmit data - better press and not the radio.
- How the established contact with the addressee affects the manner in which the perceived the message of the advertising?
- What is the impact of advertising the place or time of its conduct?
- What is the geographical coverage of the corresponding advertising agent for advertising alone and in combination with other promotional tools?
- What is the frequency of contacts we can establish with the audience by the given advertising agent? For example on the radio can broadcast several times a day, in the daily press – only once a day and weeklies - once weekly.
- How many and what is the socio- demographic structure of the audience for advertising of the corresponding advertising agent? From there - what is unit price of contacts with a reader, viewer, visitor?
- What technical and other obstacles must be overcome, are existing legal and other restrictions on use of an advertising channel (for example prohibition of direct advertising alcohol and cigarettes)?

Consequently it must be taken a series of decisions concerning the desired range frequency and impact of advertising; regarding the basic and the specific media, for media distribution time; the geographical location the media.

5) *Create the advertisement message.* This is a creative process that requires good professionalism and therefore is performed by professionals – authors of texts, photographers, cameramen, artists, graphic designers, prepress and others. The message should convey the main benefit from consuming the tourism product - physical and psychological recovery and strengthening, positive emotions, pleasant experience. The impact of the message depends not only on what is said, but and how it is said. In preparation of the advertising campaign advertising agent usually prepare formulation of the strategy of the advertising text, describing the purpose, the content, the tons of desired advertising. This is a kind of task. Creators must find the style, tone, words and form of the delivery of the message. All these elements should provide single perception of the message. Since few people read texts of the advertisement, the picture and the title should summarize the offer.

6) *Determination of the time and intensity campaign.* It should be fixed optimal schedule for the frequency, strength and duration of advertising impact.

7) *Analysis of the results of the campaign.* Different methodologies are used for determining the effectiveness of advertising campaign, but it sometimes is difficult to achieve, because on economic performance of a destination or individual tourism company can affect both large number of factors (rather than the advertisement ), and normally results from advertising do not come immediately, but are deferred in time .

## What are the needs of tourists from information in the destination?

Tourists need information not only before making their choice, but also in the very tourist place. Tourist practice shows that the needs information on site is as follows:

- what could be seen and to do on the place, so that tourists can do their own program of their stay, according to their personal interests;
- maps, charts and signs, to direct them how to get to the attractions and how to move from one landmark to another, as well as guides with the guidance and information self- transition on designated routes;
- If there are restrictions or rules when visiting a site, such rules must be clearly explained and justified;
- when it comes to reserve, can be indicated what purpose was created, the link of the reserve with the territory, which surrounds, the place of the reserve in the site reserve system of protected areas and others;
- indicate the tourists an opportunity to back again - some typical seasonal events, local festivals, harvesting harvest, etc.;
- Seek feedback from tourists - this applies to the proposals and complaints on their part, voluntary help with time or resources, commitment with environmental movements, etc. . • The information must be concise, important, update, written in accessible language and presented in an interesting way.

These indicated needs justify the disclosure tourist information centers and stations and visitor centers in the destinations to implement information supply of the tourists who, have already chosen to visit us.

The quality of the information and advertising material in content and embodiment is of great importance, but also is more important to reach potential users of the tourist packages and services in order to achieve identified objectives, related to the increase of the sales, using in a more integrated manner the most appropriate tools of communication for the individual companies and / or Tourist organization.

## 6. New information technologies

Internet has evolved a lot over the past years, revolutionize changing the demand for information for tourist travel. Therefore in the sphere of tourism we are witnessing large number of web based marketing campaigns and successful internet solutions. Since long time has been imposed the view, that the internet environment allows successful realization on the market of tourism operators (hotels, tour operators, agencies, etc.). Multimedia events on the internet lead to high financial performance in the real e-commerce in corporate websites ([www.travelocity.com](http://www.travelocity.com), [www.orbitz.com](http://www.orbitz.com), etc.). Separately, online advertising various tourism products with good returns for most countries and travel agencies worldwide.

The number of Internet users in mid-2009, nearly 1.7 billion people which represents approximately 25% of population world. These are people with a good education and relatively high standard of life, which are the main potential consumers of tourist services. The expectations by 2013, are that the users of the global network will reach 2.2 billion people or 45 % of the world population. This is a prerequisite for more widespread use online sales and web advertising by economic subjects, including hotels, tour operators and travel agencies, organizations of the destinations.

### **Advantages of the Internet:**

- Lower initial costs and working capital costs, including and commercial staff. Meanwhile the company's products are available for viewing and sale 24 hours a day.
- Easier can be identified the needs and desires of the customers by monitoring their actions on the website.
- Ability of the small and medium business to access to domestic and international market at relatively lower costs as well as service specific market niches.
- Rapid flow of information to customers and partners and opportunity for feedback.
- Ability to quickly update and change of the information, including sending specific information regarding new promotions, products , services and prices to interested customers at low average cost per user.

According to the European tourism Commission only users in Europe Internet in mid- 2009 are over 400 mil., which represents 50 % of its population. Leading markets, in terms of the use of the internet in the tourism industry, are of the UK and of Germany. In 2008, these two markets realized 48 % of sales of travel in real time Europe on worth of 58.4 billion euro.

In Germany, 76% of all users of internet are buying online. At planning of tourism trips over 30 million Germans seek information in the network, with particular interest they are following materials in tourist forums. In 2009, about 8.6 million people hotel booking made through internet, taking into account the significant increase hotel reservations and sale of airline tickets on the web based environment. Leading reservation platforms for hotel reservations in Germany are: HRS.com, Booking.com and Hotel.info.

The British market in 2009 despite the crisis, due to demand of top deals, is expected online market to grow by 10%. UK maintained its leading position online tourism market in Europe with 30% share. Travelers when have to choose their tourist trip turn to Web sites, based on the net travel agencies such as Opodo and Airline Network. At the same time, the researches in these markets are putting forward the importance of the brand, as in the search for information the consumers navigate to the website of specific tourist operator. Internet is a major source of tourist information for 77% of French travelers. While online tourist market in France in 2008 increased by 23%. The expectations for 2009 are for increase by 10 % to turnover of 7 billion euros, so that 10 million French are buying packages or individual travel services in Internet.



**More and more people are benefiting the advantages of internet in Bulgaria also, as from 2004 to 2007 the number of users of the web doubled - from 16 to 31%. Along with , from 2004 to 2008, has tripled the number of households with internet connection their share reaches 25%.**

In Bulgaria the network is mainly used of young people. In 2008, people between the ages of 16 and 24 are almost continuously online, and 27% of representatives the age group 25-34 years use Internet daily.

Regardless of the dynamic development Internet technologies in Bulgaria, the country is almost at the last place in Europe in electronic trading. Every second of internet users in 2007 was looking for information about goods and services, but only about 8 % of them have made purchase electronically in 2008. 5% of people aged 16 to 74 years used the Internet to purchase travel and payment services for accommodation. While the results of the studies travel to Bulgaria show, that the internet and especially forums of exchange of views and experiences are one of the main sources of information and largely determine the decision choice of destination or tourist product, both abroad, as well as in the country. This means that the presence on the Internet environment is an obligatory precondition for the success of tourism businesses – not only on the international, but also on the domestic market.

In the global network have been established two concepts to reach potential customers - dealing respectively with end users and intermediaries for sales.

*B2C (Business To Client)* is generally first concept, that has evolved on the Internet in various forms, aimed exclusively to the final customer (target group in a given market) . Usually these are sites with less content, with less navigation, using lighter software. They often meet *Macromedia Flash* and other forms of animation with buttons, navigation diagrams, tables, as well as bold color decision, experiments with the navigation etc. Everything is lead to a good communication, customer feedback, marketing and sales statistics and realization of the sales as a whole.

Usually in B2C systems the work is towards one client – personal offer to him ( in most modern sites ) - one price – payment online customer - delivery ( direct or otherwise) by the trader ( behind the site ) to the client in a known manner ( direct door to door, with cash in post, by courier).

*B2B (Business To Business)* systems are a kind of wholesale shops, markets and auctions and developed in the direction of merchant producer ( manufacturer or wholesale ) - other merchant- contractor ( operator ) end client. B2B site is usually working platform and because of this is characterized by good and lightweight navigation interface, simple colors and everything, which lies in the term "user friendly" (friendly) interface. Here we put sites type Market Place, that represent the types of goods and services of a number of companies to promote of the companies or certain industries, as well as thematic specialized portals, concerning a branch and the relatives directly to it. These are [www.business.bg](http://www.business.bg) ( business ), [www.lex.bg](http://www.lex.bg) ( to the right )[www.travel.bg](http://www.travel.bg) ( tourism ), etc. As it is known, in each port is set thematic arrangement of the information and search engine securing search keyword.



**In modern society of the Information Technologies, in order to be to a competitor in the market, tourism company must develop own website and register email address. Page may be a " brochure " type and to resemble an ordinary printed material or use any design and technological achievements to be attractive, which makes it more expensive. The objective in creating the website it is to impress, to provide information and make consumers to buy the proposed tourism product. •**

#### **The benefits from website of a tourist company**

- Provides useful information and advertising to current and potential customers of the company;
- An opportunity for immediate access to the products and / or catalogs of the company and other company information;
- Lower costs of printing, printing and postage;
- Requests are generated quickly;
- Confidence in the company increases;
- Can be conducted online marketing researches.

The pages of the most tour operators and travel agencies provide users the option to purchase or ready holiday package or alone to plan every detail of the holiday through interactive electronic travel agency. Customer himself can choose first the desired destination, and then to book in certain hotel, to buy plane ticket and even program for sightseeing. To the potential tourists is provided complete information about the destination, as well as possible ways for payment - credit card at the moment or later by check or cash. Most of the Bulgarian tourist sites of tourist agencies are now feeble attempt for interactive communication Consumers and their quality is not required level.

After successfully building a website comes his promotion in the global Internet network. This is a step not inferior in importance to building of the site. There is no successful site or is uncommon the existence of such one, for which does not has been held timely web marketing. Internet Marketing should accompany the site during the entire his life, but is advisable to pass through the following series of steps:

- Registration and site optimization in search engines (gates);
- Manipulations associated with increased site traffic to increase his rank in the gate;
- Statistics of visits and reading them by an expert;
- Presentation of the site in specialized portals of the branch;
- Conducting e-mail marketing is under different forms - mailing lists (mailing lists), regular, usually weekly newsletter (newsletter), discussion groups, tell a friend, send to a friend.

A major shortcoming in the e-mail marketing are undesirable messages (spam).

Email is preferred communication and promotional tool. The main requirement, that must be observed is that the advertising letters must be directed to certain persons, as personalization of messages is the main advantage, helping to build loyal customers. It is difficult to apply this to end customers of tour operators and travel agencies, that offer mass tourism, but in case of more specific vacations, hobby travels and others could be a very useful tool.

In the practice are known a number of promotional models in the web pages that used by tourism companies – small announcements, banners, buttons, sponsored links and chats or advertising chats, advertorials in tourist guides some of the largest websites, exchange of banners or links and more.

The presence of tourism companies in the online environment changes drastically the promotion, as well as the distribution the tourist product. As can be seen to the above mentioned examples, the electronic marketing of the tourism market takes increasing share of the total realized sales of travel, and the opportunities that arise in tourism industry as a result of e-commerce, are enormous.



**The main effect of electronic - commerce is to enable participants is in a single transaction from one workplace (public or private) to perform all procedures related the deal. In the field of tourism to e-trade is still making it easier, because it is not necessary maintenance of the stocks, should not be delivered the ordered product and to organize service network.**

### **Required elements of electronic - commerce in tourism**

- Online store - website of the company, with the ability customers to view tourist catalog and perform procurement;
- payment system – payments can be made by credit card real-time bank transfer, via e-pay, applicable in Bulgaria and others;
- System for market research and advertising - even in small and medium-sized travel agencies it is necessary to form a unit web marketing to examine conditions the virtual and the real market and organized promotion offered products and services.

Model for e-commerce in tourism successfully developed and implemented not only by the CRS (computer reservation systems) and GDS ( global distribution systems) that provide direct access and reservation and purchase, but also a number of online travel agencies, of which the largest are Travelocity and Expedia. Described here reflects the classic approach to web marketing, based on the platform Web 1.0. Modern tools, based on Web 2.0 technologies, include social networks, mobiles, RSS and more.

### **WEB 2.0 in the tourism industry.**

The content and information generated by users of Web 2.0 technology influence significantly not only over the profile, the expectations and behavior in decision-making by internet users, but also on e-business model. The tourist industry is not an exception to these trends. The Web 2.0 technologies have impact on both tourism demand, and on supply. The main Web 2.0 applications are:

## **RSS (Really Simple Syndication)**

RSS allows subscription for electronic news, blogs or other information. Thus it is not necessary to visit each website, that is of interest, as RSS supports all new updated information and collect information for the consumers to prepared profile with a unified message.

### ***Impact on tourism search:***

RSS saves time searching for information.

### ***Impact on tourism offering:***

Many companies and vendors have incorporated the RSS into their websites to maintain communication with their clients by sending messages news ( newsletters ), and to optimize the function in search. RSS helps in searching and links to company websites, may also be used to enhance demand with new content of the page.

## **Blogs**

Blogs are a form of electronic journal or diary, published on website and normally distributed by RSS or technologies to return, which inform the creator of comments someone answered or connected. In blogging the information is like in a newspaper, arranged chronologically and covers both the mass and the specific topics. There are many examples of blogs aimed specifically at tourism as: tripadvisor.com, hotelchatter.com, ingougo.com, gazettters.com. Anyone can create blog, using free software and to publish text, pictures, links other blogs, etc.

### ***Impact on the demand***

The Blogs are becoming increasingly popular with tourists search tourist advise and proposals. Looking at the responses consumers on blogs it is clear that the content that is generated thereof, has a similar effect as in paid advertisements. The blogs attract attention, create interest and develop desire to visit a destination or to buy a product and encourage action – booking hotel or holiday. It should be noted however, that the power of blogging can be a negative - for example, distribution bad experience to millions of tourist users.

### ***Impact on the supply***

Tourism providers and organizations increasingly focusing on online blogs, to use their effects of electronic transmission from mouth to mouth, to study the preferences and the profile of tourists, and to maintain informal communication

## ***Podcasting ( rodcasting ) and online videos***

Podcasting is upload video and audio files websites. The most popular this website is youtube.com.

### ***Impact on demand***

It is difficult to achieve a high degree of trust before the tourist destination to visit alone or hotel. Podcasting helps consumers to make better decisions through visualization and sharing of experience. Audio and video files of hotels and destinations is perceived more as an advertising product, which aims to introduce the product the best way to the consumer

### ***Impact on the supply***

Many travel providers use podcasting as a marketing and / or communication tool . Thus, for example Orbitz.com allows for podcasting many places , with users can download the files to their MP3 players and use them as guides visiting the destination.

## ***Tags (Tagging)***

Tags are a new way of categorize the information. The users combine audio, photo, word meaning ( word or phrase ) and this information is arranged in categories based on this difference. The tags have greater effect on the identification of key words in the search engines.

### ***Impact on demand***

According to some, the tags created the so called Semantic Web 3.0, where content and demand are directly related to the importance (meaning) to consumers.

### ***Impact on the supply***

For example, the website of Thompson maintains Link to delicious.com, so users can arranged and sorted information on this site, using this technology.

### **Trends in the international tourism marketing and distribution via the Internet**

- In the last few years we have witness the incredible growth of the tourism online market. In 2009, 40% of all travel bookings for rest and 35% of those with a business purpose are expected to be made online. In 2010, over 50% of tourist reservations for rest will be done in real time.
- The shift from indirect to direct online sales will continue to be the major trend in next few years. Starts to be operated by a smaller number of third parties as intermediaries and using drastically lower margins (for example 15% -18%).
- Continues to grow the importance and the popularity of user-generated media (Consumer Generated Media-CGM). Discussion forums, blogs, social networks such as MySpace and LinkedIn, page views users by Trip Advisor and specific blogs about hotels like HotelChatter.com dominate the Internet today, becoming an integral part of planning of tourism trips.
- E-commerce and the marketing in the Internet are consumer-oriented and the creation of interactive relations with them on the basis of understanding the needs of consumers and creating consumer loyalty by sending personalized messages to improve services for users online study phases /planning / of booking, presence at each stage (planning, purchasing, consumption of the service and then stay ), as well as providing unique value of the offer.
- Sending marketing communications with the mobile technology is becoming more importance in the field of tourism service. Opportunities for mobile mapping ( to establish the place map ), mobile search and mobile advertising are just some of the areas in which the growth was observed . Airlines already using this technology, but the hoteliers should monitor this trend and provide mobile hotel reservations and providing services to its guests.



**It is important to consider how these trends could affect your efforts in the marketing and the creation of online channel. •**



**Here are some recommendations that you can apply to practice immediately:**

- **Make sure that the descriptions your website are short and allow quick overview , providing the necessary users information so that they can compare prices and offered comforts to make their choice, while considering photos on the spot or of the destination ;**
- **Specify what makes you different and what experiences await the tourists, if the user will stay with you;**
- **Create a section on your site, in which the user can read true stories or eyewitness or post articles on local attractions and plans for pleasure trips during the rest to intrigue the visitor and he was to return to the site;**
- **Consider creating a place, where future and the former guests can exchange views in a forum for communications . This could be blog or Facebook group, in a word, something that causes your "fans" to connect with each other and talk. Remember, that the said word by witnesses continue to be one of most effective forms of advertising;**
- **Use pictures with people in support narrative you for your destination hotel or attraction. Provide opportunity for your guests to share pictures of a particular place in your site ;**
- **Use also use and analytical tools ( statistics on visits your site ) to see where they go visit your page the Internet, where they spent most of their time and when they get out of it. Improve and reinforce the places, that are operating effectively , and update those that do not arise interest, based on actual behavior of consumers, and take your decisions regarding the online marketing according to how your customers make their studies and reservations ;**
- **Make sure to attend the as many online channels, including search engines ( like in free space search and in places of paid advertising spots ) with a targeted Advertising - Banner Website destination or just links and special offers targeted tourist sites, which can be constant t specific target groups and not so expensive advertising .**

## V. HOW PUBLIC AUTHORITIES AND NGO SECTOR INVOLVED IN DEVELOPMENT OF THE INTERNAL MARKET?

A number of countries in the world have created special state regulation and organization to stimulate domestic tourism travel and recreation of its citizens, especially of the younger generation and students (France, UK, Germany, Scandinavia, Japan, Russia, etc.). From late autumn to early next summer German cities (municipalities) have traditionally held tourist fairs (markets) where together with cultural and recreational programs are advertised the possibilities for individual provinces of Germany for supply and participation of the population in the internal itinerate travel and rest in their own country. Such initiatives are taken many from countries especially at the stage of the global financial crisis (after 2007).



**In Japan, the state has created organization and financial incentive for the younger generation for travels and studying the cultural and historical, natural and socio-economic sights of individual cities and towns. Thus, for example to 8 years old children should be familiar with his city, to 12 years – with province in which they live; 14 years with sights of all country.**

To promote travel and recreation people in their own countries have been created special government financial funds, as well as funds of target associations, foundations, etc. In this endeavor successfully include the private business, especially large corporations, as these costs are reducing partially their taxation with tax on the profit. Examples of this direction are: Germany - state cash fund and private funds such as the "Siemens"; in France - state fund and private Funds - "Reno", in Russia - state funds for young people who are studying, private funds of "Gazprom" and almost all Russian banks. In Bulgaria to 1991 employees of the former State Committee for Tourism were resting in bases of "Balkanturist" without paying in hotel facilities and only 45 % off food during their vacations.

### 1. Municipalities

The place and role of municipalities and town councils in Europe and worldwide is determined by the adopted Code of Ethics World Tourism Organization and by the Strategy for the development of the Tourism by 2010 ( adopted by the General Conference the WTO in 2004 in Beijing) and by the directives, adopted by the Council and the European Commission. In these documents is imposed the right and the obligation of the local authorities for the prospective development of tourism, socio-economic development of tourist settlements, recovery and preservation of cultural and historical heritage, traditions and customs of the local population, etc.

The Law on Tourism in Bulgaria and the annexes to him, as well as the laws related to regional development and the local administration, are obliging the local administrations to be the key drivers tourism at the local level in accordance with national priorities and principles of sustainable use of local tourism resources, as well as with the needs of tourists and the population of individual settlements.



**What the legislation says about Tourism ( Art. 1010 and Art. 16) ?**

***The Municipal Council*** adopts the program for the development of tourism in the respective municipality in accordance with the priorities of the national strategy and in compliance local tourism resources and needs.

**The Program for tourism development provides measures for :**

- construction and maintenance of infrastructure serving tourism within the municipality, including local roads, connecting the resort with airports, railway stations and bus stations, as well as with cultural monuments;
- preservation, maintenance and development of green areas;
- construction of tourist information centers and organization of information services for the tourists ;
- advertising in the country and abroad the tourist sites located on within the municipality.

***The mayor of the municipality:***

- establishes and manages the advisory Council on Tourism ;
- establishes a municipal expert committee for categorization of tourist sites, of which half members are representatives of tourist associations operating on the municipality, if any;
- determines the category of tourist objects of art.52, p. 1 on the base of the proposal of the Municipal Committee of Experts for categorization ;
- establishes and maintains a register of the categorized tourist sites according to art. 52, paragraph 1 on the territory of the municipality;
- certifies the registers of residing tourists at persons carrying tourist hotel operators on territory of the municipality;
- assist in the promotion of tourism product of the municipality;
- organizes information services for tourists, including through tourist information centers or offices ;
- contributes to the maintenance and preservation natural and cultural sites in the municipality;
- performs control on the functions, stipulated by this law;
- assists the public authorities in policy in tourism and to monitor the quality of the tourism product within the municipality;

**At municipal-level, the funds for the development of tourism are raised by a decision of Municipal Council for:**

- tourist tax, set by the Law on Local Taxes and Fees collected in the municipality, paid for spending the night in shelter or accommodation place;
- imposed by the mayor fines and sanctions in implementation of that law;
- fees for categorization of tourist objects in application of art. 55, paragraph 4;
- resources available to carry targeted programs and projects;
- donations and aid funds from international programs and agreements, when they are not due to do the state budget;
- Interest payments;
- other sources.

**The funds are spent only for the activities of the Annual Development Program of tourism. •**

For the development of domestic tourism market (domestic travel, leisure and Entertainment population) in Bulgaria essential importance has the creation of a system for management and control of tourism in the following areas:

- Preparation of working and bound to funds Strategy for prospective and Sustainable Tourism Development of Municipalities for period - 5, 10, 15 years, as well as program (business plan, action plan) for shorter periods - one year, six months, etc. This working strategy must determine accurately the main aim and the goals for implementation, the priorities for creating specific packages of services in various destinations, positioning the internal market by regions in the country, professional needs, age (price policy). Over 200 municipalities in Bulgaria have developed strategies, but they are hardly tied to the money, is missing also the relationship between various agencies in the process of building of the engineer and the tourism infrastructure.
- It is essential to organize marketing activities for research of the market, market segmentation, advertising, sales promotion through incentives for travel agents and targeted pricing policies to attract different segments of the population - children, students, adults, seniors.

The strategy of the municipalities must be bounded by the existing or developed in parallel strategies for building regional engineer and public tourist infrastructure for the protection of cultural and historical heritage and nature specificity and quality of service, training and qualification of the local population. Each municipal development strategy for sustainable tourism should be bounded with the professional qualification of tourism staff and education of the local population in "tourist hospitality" and good feeling to the tourists and tourism development ("Tourist culture").

- Is extremely important for the development domestic travel to a domestic tourist destination (settlements, municipalities) the organization and the work of the Municipal advisory. Council expert committee on the classification tourist facilities and maintaining records of the categorized sites of the municipality. The Advisory board should adopt the number of documents to attract the tourists from the country, to identify the key and especially the additional services which will be offered to the local population and guests from the country.

It is not the mayor who must determine the development of various forms of tourism in an area. This activity should be performed by the advisory tourism councils to municipality or specialized organizations necessary experience in tourism (consulting firms, universities) on basis of well-prepared materials and after extensive discussion with local population, taking into account the specifics individual destinations.

- Partnership between the state and local administration, NGOs associations and private business.

For the development of domestic tourism market in the future, municipalities should create conditions and real possibilities for operational and strategic cooperation between state associations and private businesses. This allows and gives real chances for:

- Effective regulation of building tourism based on the foundation the principles of sustainability;
- Development of local engineer and other technical infrastructure in line with the adopted strategy, programs and plans of the municipality, as well as established international standards for tourism;
- Effective development of tourism objects in dependence on the needs domestic and European market categories for facilities (1-5 stars) and aims to attract tourists (family hotels, guest houses, apartments, etc.);
- Creation of new procedures (services) and rational design of tourism destination of the municipality, according to domestic and international market;
- Appropriate use of natural cultural and historical resources and the traditions and customs of the local population. Obviously the municipalities should be transformed into real regulators for effective and sustainable use of natural and cultural landmarks. On the public-private partnership falls the task of creating conditions for traditional fairs, games, entertainment in different municipalities to attract people from other areas the country.
- Education and training of workers of tourism, especially staff in museums, exhibition centers and other cultural and historical sites (guides, curators of museums, mountain guides etc.).
- Mobilization of local resources and partnerships for optimal attraction and effective and efficient use of cash funds of the European Union for tourism development in accordance with their strategic guidance requirements and rules.



**A number of municipalities from Pirin mountain and Stara Planina region, from the region of Plovdiv, Smolian and others turned and better use of cash funds the European Union to improve its engineering and tourism infrastructure.**

**Particularly positive is the practice in a number of municipalities to create attractive tourist attractions through recovery and reconstruction of cultural heritage and the ability to show and to be perceived by the Bulgarian population especially by young people.**

- Encouraging the involvement of Bulgarian tourists and promoting local population to work with the internal market.

At the beginning of this section was not coincidentally mentioned the role of municipalities in Switzerland, Germany and Austria to organize annual events (fairs, festivals), which offered recently the local tourist products. This practice is perceived by the Bulgarian municipalities annually organizing meetings - fairs, festivals and other events in an effort to attract as guests from the population of the neighboring municipalities and from the remaining part of the country .

To be successful the organization of such activity must be correctly combined the interests of local administration, various associations and the business. Some ways for making this are the enhanced advertisement, creation of joint companies, encouragement under different forms the owners of tourist facilities and companies, that would increase the revenue municipalities through taxes collected and fees.

## **2. Non-governmental organizations (NGOs)**

The non-governmental organizations (NGOs) ( associations ) in the developed tourist countries - Germany, Britain, U.S. and Japan, have extremely important role for the enhancement of competitiveness, quality and monitoring services, training of the personnel, marketing and advertising, to provide specific methodological assistance and advice in the development individual firms, and especially the development small and medium business tourism.

Tourism industry everywhere in Europe and around the world is almost entirely private property. Therefore, the so-called self tourist activities are carried out by governmental associations, which practically better and more effectively coordinate and regulate the complex processes organization, management and control of tourism activities in Greece, Spain, Germany, UK, etc.



**In the Republic of Bulgaria, in accordance with adopted laws (Law on Legal non-profit and Tourism Act ) are created legal entities with non-profit character for public benefit activities and legal entities operating with profit for the benefit of personal interests of its members or certain persons. In the tourist industry associations (legal entities) with non-profit aim are created under territorial and professional principals and can be: national, regional and local associations; industry and product groups.**

### ***National branch and product associations***

National industry and product associations are involved in tourism sustainable development strategy for tourism development in the country, in preparation laws and regulations acts relating to tourism business. Particularly important are the place and role of non-governmental organizations to stimulate domestic travel and recreation the Bulgarian population. Concretely this activity could be achieved in the following areas:

- Active involvement and participation of ( expression the views of key stakeholders ) a nationally representative branch organizations in various committees of the National Assembly, where are discussed issues, related to tourism industry. The participation in the Trilateral Commission – state, employers and trade unions, where are discussed the socio-economic problems of firms and workers tourism. The right for voting in the National Tourism Council permits the participation in the preparation and conduct of competition, public procurement and other related to spending of budget resources and absorb European funds for projects tourism;
- The Product national associations should be at the basis of the preparation of laws and regulations, acts relating to strategies of the development of specialized types of tourism and the basis for them - cultural and historical routes and programs, hunting tourism, wellness and spa tourism hobby and adventure tourism, etc. In parallel to this the national sector organizations (tour operators, hoteliers, etc.) may offer the solution of important business problems – visa regimes, different types of taxes and fees nationwide, particularly support of small and medium business, use of the EU funds and national infrastructure development and attractions in the separate tourist destinations;
- It is very important the place of national industry and product associations providing the marketing and advertising development of the domestic tourism market. Obviously, on the national level should be made serious studies of the internal market, the segmentation of tourists by regions, professions and consumer search. It is their role to promote the image of the local tourism population, because the internal market often contributes to the development of international tourist market. Therefore the organization of national markets for the promoting of the established and especially of the new destinations in the country and the new forms of tourism for the internal market, as well as hard work with media, give positive results for tourism;
- An important part of the work of national branch and product Associations takes the giving consultations and advice to their members in preparation business programs and strategies for development of various shapes and objects. This is particularly true for the emerging business and small and medium-sized tourism enterprises as a whole. They should be helped to take position in the domestic tourist market with original ideas and quality of the small hotels, restaurants and other tourist sites. Is positive also, when with these associations work trained professionals (including ' Veterans ' and seniors with long experience), that in place to help for the correct functional organization of the activity of individual tourism objects and restaurants;
- Education and training of local staff is also among the important tasks of these organizations. They have to participate in development of the training programs of the schools, colleges and universities and in extend to be responsible for the training, internships of school youth (especially in summer) and to assist to organize on national level the training of teachers in tourism disciplines;
- National industry and product associations in tourism must be " advisers " for the loans, that are granted by banks on the tourism sector. This, of course, is a complex market process, but should be used world experience in the crediting the tourism and especially the hotel and restaurant management by loans for longer period (10 years), with two years of grace period to start the principal payments .

### ***Regional and local tourism associations***

Creation and development of oriented to the internal market tourist destinations is largely in the responsibility of regional and local tourism associations. Such practices exist abroad - Austria, Switzerland, Spain, Italy, Greece, Turkey, etc., as well as in some Bulgarian regions and municipalities (the greater part of the functioning regional and local tourism associations are listed in National Tourism Register.

[http://www.tourism.government.bg/files/info.tour/file\\_256\\_bg.xls](http://www.tourism.government.bg/files/info.tour/file_256_bg.xls)).

The work of regional and local tourism associations is aimed at following specific activities:

- Realizing exchanges, meetings, discussions in the region to promote individual tourist destinations and specific forms of domestic tourism and the tourist market;

- Participation in the preparation and implementation strategies and action plans of the region and their focus on internal market;
- Establishment of working information and reservation (visitor) centers for the development of destinations ;
- Establishment of new specific forms of tourism, which cause the interests of the internal market. Such can be club tourism, hobby tourism, extreme tourism, agriculture and ecotourism. The club forms have been approved in all the developed tourist countries and are suitable to meet the specific needs of the group of tourists of professionals, training, qualifications, etc.



**Several studies in Bulgaria, recognize the contribution regional and local tourism organizations for the marketing of the destinations, outline their shortcomings: they are relatively new (young), small, with limited financial and human resources and experience, including to attract and use external resources and in providing influence on the political decisions at the local, regional or national level. In response to these weaknesses the Operational Program regional development emphasizes on "the need to use the existing capacity and expand and strengthen the tourism organizations, based on partnership (especially regional ) to develop the product together and to carry out marketing activities to their destinations . " Therefore, it provides actions to "strengthen organizations and network, based on partnership, including the activities of creating the capacity of building in tourism associations and communities, promoting establishment of regional and national networks and others.**

### **3. Social tourism and resort treatment**

The social tourism and resort treatment (medical tourism) are an important function of each country, associations and enterprises for socio-economic helping people with health care and their recreation.

Many countries according to their budget possibilities allocate resources under the social fund for medical treatment of humans, recovery of their performance in the various forms of medical, spa and spa services. Simultaneously to this, the financially sound companies also allocate certain funds in social tourism and recreation therapy their workers. Of course, this largely depends on the economic mechanisms (regulators), that the state should encourage (especially through the tax system) through the allocation of such funds from individual businesses.

#### **Mainly the cash funds for the social tourism and resort treatment are formed by:**

- The State;
- Community organizations and non-governmental foundations and associations through sponsorship by private capital and entrepreneurs;
- State-owned enterprises and associations (for example the Bulgarian railroad company);
- Private companies and enterprises ;
- Grants from international organizations, special funds of individual countries and private corporations.

In Bulgaria, the activities and the functions for development of the domestic tourism market towards social tourism and recreation treatment is organized, financed and primarily controlled by the Ministry of Labour and Social Policy, as the cash Funds are concentrated in the National Social Security Institute (NSSI) and in the state-owned company "Prevention, Rehabilitation and recreation" Ltd., which has with 12 bases for the prevention, rehabilitation and recreation.

Along with this, in the Ministry of Health was established Sanatorium recreation management department, which has more specific functions, goals and objectives for treatment and rehabilitation of sick people. The Social tourism as a function of the state policy has an importance for the increase of tourism revenues and for more investments for innovation in tourist villages and resorts. The established by the state incentives lead to positive outcomes for the development of the internal market.

Such incentives are:

- creation of special funds for the support of the recreation of children, students, the unemployed and the elderly people;
- recognition of the cost of relaxation to reduce taxes for individuals and legal persons;
- reduce fees and taxes for the stay of domestic consumers and others;
- Funding for social tourism may be complete ( the full cost of package of services ) and partial (payment of bundled services, such as transport ) .
- social tourism can have following forms of tourism :
  - vacations at sea, mountain, village, etc.;
  - route- trips in the country for students, children and adults;
  - visit - specific historical and cultural villages and sites;
  - combining recreation with medical, spa and spa services ;
  - study tours ;
  - sports and entertainment - tourism - cycling, hiking ;
  - Participation in sports and leisure events.

The social tourism usually uses the accommodation facilities of rest homes, private hotels and holiday settlements. Almost all the hotels are categorized 3 to 5 stars and are equipped with equipment for spa services, hydrotherapy, sports facilities. In this regard, successfully are combines the quiet of the people by hosting various animations and cultural events, sports and other ancillary services.

The medical tourism as a part of the domestic tourist market have some specifics, associated with the health and disease in human beings and opportunities for their medical treatment.

The basic facilities for carrying social tourism are:

- objects Sanatorium Management at the Ministry of Health, where people are treated after serious illnesses, operations, etc. in a division of specialized hospitals and GPs;
- The objects of "Prevention, Rehabilitation and recreation " Ltd., which are treating people with minor ailments and mainly rehabilitation after illness;
- Private hospitals for specialized rehabilitation ("Health" EAD - Bankia ) ;
- Specialized restaurants and hotels.

Object of the specialized treatment rehabilitation hospitals are diseases nervous system, the cardiovascular system, musculoskeletal system, and metabolism. To perform these medical procedures contributes the construction and function of specialized cabinets for different types of diseases.

The therapeutic and prophylactic procedures are associated with the use of mineral water for spa and hydrotherapy, physiotherapy, physical therapy, use of fitness center, etc.

Bulgaria has over 650 mineral springs with healing ability is known since ancient times and it benefited wealthy Byzantines, Romans and Greeks. Therefore the development of internal market in the field of medical Tourism contributes to the development of inbound tourism and its direction to already established Bulgarian resort settlements - Sandanski, Hissar, Devin, Velingrad, Kyustendil, etc.

## 4. Students and youth tourism

Students, youth and student tourism is supported by a number of European and international organizations create financial incentives to encourage and tourism development among young generation. Among them are: significant discounts for rail airline tickets, youth and student hostel (youth hostels) and school resorts, which are used a number of incentives for accommodation, food and arranging tours and holidays for young people.

The development of student and youth tourism in the Republic of Bulgaria requires:

- Establishment of national and regional student and youth travel associations and the inclusion of their business in the strategies for sustainable development of the tourism ;
- Creation of specialized state funds to alleviate youth and student trips by age groups (children, students , youth ) ;
- Active use of marketing tools to attract such tourists and especially for participation in cognitive routes, presenting cultural and historical and sites in the country.



**Development of domestic tourism market in direction to school, student and youth tourism can be performed by the organization of the following actions :**

- **Develop and implement shuttle programs ( excursions) for acquaintance of the young generation with cultural heritage, natural attractions, traditions and customs of the local population of the regions and the country. The programs of these excursions should match the capabilities of young people to perceive the corresponding objects and phenomena and to form in the minds their own ideas ( understanding) from the experienced. Therefore, they must be consistent with the age the participants. Particularly important in this respect is the role of tour guide (leader) of the group.**
- **It is good, that these excursions are organized with corresponding reductions of the prices, to be held on the following types of groups:**
  - **children to 8 years to be acquainted with cultural heritage and natural attractions their city or region;**
  - **children to 12 years to be familiar with the cultural heritage and sites their district ( area);**
  - **children to 14 years to be familiar with the cultural heritage, natural attractions and socio-economic development of the entire country.**
- **Purposeful organization of recreation, rest and entertainment by forms of student and youth tourism.**

The forms and means for conducting recreation and entertainment of students and young people are diverse, but specifically, the case for strengthening health of young people. Therefore, the duties of the public administration and the numerous foundations and associations are directed to use various monetary and other funds for appropriate organization and control of this activity.

Most widespread practices in this respect are:

- a) Organization of rest and relaxation children and young people during their summer, spring and winter vacation. Usually this is done in specialized facilities for recreation - camps, holiday villages, hotels, hostels, etc. The vacationing is combined with the implementation of educational and recreational activities - games, competitions. It is necessary to propose activities corresponding to the age group and interests of children and young people - sports games, interactive training, survival in the wild nature and others.

The animation in children's school camps and holiday villages is a major element of their holiday. It naturally depends on the professionalism of the animators, infrastructure and equipment of the halls and places of animation, from concept to conduct animation programs.

The children and school animation is special kind of tourism product, aimed to fun games, that make children and youth make the dreams and fantasies reality. Young people should be able to experiment in games, to step up their talents, accumulate experience through any form game, they would love to communicate and have fun.

Can be identified the following types of animation during vacations and recreation adolescents and young adults :

- Cultural and cognitive animation, which develops an interest in cultural and historical values of our people;
  - Sports and entertainment animation - with elements of the games, it provides movement that releases the stress and has a beneficial psychological effect , and also produces physical abilities. By the games they develop valuable qualities and skills such as speed, strength, endurance, agility, coordination of movements, orientation, imagination, communication capabilities and more.
  - Fun and "show animation "which are also the type of game and motion are particularly suitable for young people. As a product of tourism they appeared and had been renowned in the U.S. but currently are practiced worldwide. Each animation should be carefully prepared and organized, then its conduction has to be made analysis of the achieved results of which can be used to improve the product.
- b) Organization of short term green schools, ski schools, etc. important events.  
they ( at the end of the week ) (**Table 11**).This is one forgotten tradition of the Bulgarian schools, especially for the medium school – organization of young people to participate in a different, getting old- fashioned Bulgarian tradition of our school – green – schools, ski-schools etc. In this direction is essential to answer the necessities of young people in participation in different type games, contests, surveys of our nature, entertainment to create habit ( tradition ) for their future and development.

**Tab. 11 Scheme for organizing children and youth holidays**

<b>Example of animation with children and students in holiday camps and bases at the Sea:</b>	<b>Example of animation during of winter recreation:</b>
<i>Morning</i> - sport animation on the beach;	<i>Morning</i> - ski training under the guidance ski teacher ;
<i>Afternoon</i> - fun on the beach;	<i>Evening</i> - Fun exhibitors from training for skiing , racing, competitions.
<i>Evening</i> – cultural and cognitive animation.	

## VI. WHERE FROM TO GET THE MONEY?

The previous sections show the need changes in Bulgarian tourism offering, in order to be more attractive for Bulgarian tourists. A large part of these changes are "Soft" and require things like change of approaches, new ideas, new organization of the work, new partnerships. Many of the changes, however involve investment technical equipment, equipment or human resources (training). This means that it takes money. Scarcity of financial resources can easily lead to "fatalism", to refuse from the action and "thinking". The alternative is to think, to develop new ideas, to analyze the possible funding sources and work active mobilization of financial resources.

Further are shown the principal sources of financing the projects for development and change with particular focus on the opportunities, created by the programs, co-financed by the Funds the European Union. Along with them should not be forgotten a powerful tool, that is particularly important in tourism - the partnership. It involves not only sharing common goals, but sharing and pooling the resources to achieve them.



**It is particularly important to articulate two types of projects. On the one hand, there are projects that are internal for the organization and financed by its own means. This ensures maximum freedom in their preparation and execution - The organization has full control over resources and can make them used according to their values and purposes.**

**On the other hand are the projects funded external sources. This can be as credits, provided by banks. In this case to the project are put serious requirements that must convince the Bank over its economic vitality and return on of the invested means.**

**Most often, the term project is associated with awarding of public funds. In this case focus is on solving problems that are important to society or to achieve public benefits. The rules and the requirements, however, are no less strict and even bureaucratic. The reason for this is the transparency and control when using public means.**

### 1. Own resources

Relatively low employment hotel facilities restricts the possibilities for effectively increase of the turnover, incl. by offering discounts and price reduction. The travel companies have difficulties in the provision of working capital and pay higher interest rates on investment loans. Small, medium and start-ups have most serious financial difficulties implementation of the investment intentions.

Compulsory requirement for funding from European funds potential recipients of aid (beneficiaries) - municipalities, physical persons, ET, Ltd., cooperatives, community local, regional and national associations and associations have their own cash resources into cash for the implementation of the projects. This money is needed to carry out feasibility studies -preparation of working projects, architectural photographer, total costs associated with consultations fees, etc. Only after completion of project beneficiaries receive the final amount of the grant EU financial assistance.

## 2. Bank financing

Under these conditions, the commercial banks are appearing as the main guarantor of absorption of EU funds by providing resources in the form targeted investment loans. They launched a specialized bank products with simplified procedure profitable parameters and adapted to the specificities participation in European programs. The Commercial banks continuously enriched lowed package of specialized products, offering complete solutions for the participation in EU projects. Potential beneficiaries can use so called bridge loans (to the extent of grant, which are to be paid immediately after the company received grant. Another product is gaining long-term investment credit, intended to cover the portion of the value of project, which is not covered by the subsidy EU. Are provided Grant and loans under eased collateral requirements (up to 85 % of the loan amount ) to cover VAT payable on projects insurance, credit feasibility activities, such as its size can be up to 100 % of the cost. Along with the supply of credits, the banks provide consultation and participation in all stages of the project cycle - preparation of project documentation, management and monitoring of projects. For the financing of micro, SMEs use some public, commercial and NGOs, that are operating as a guarantee or microcredit funds.

## 3. Funding European funds

Sustainable development of Bulgarian Tourism is assisted in one way or another level of all operational programs financed by funds European Union. The greatest resource direct support of the tourism business and tourism development are: Programme for Rural areas the 2007 - 2013 (RDP ) <http://www.mzh.government.bg/> and OP "Regional Development" (OPRD) priority ax 3, <http://bg.regio.eu/>.

### **Measures of the Programme for Rural Development:**

One of the main priorities of RDP 2007 - 2013 is to diversify rural economy and in an accelerated way to develop integrated rural tourism through implementation of the measures:

- Measure 3.1.1 "Diversification into non-agricultural activities "
- Measure 3.1.2 " Support for the creation and development of micro enterprises "
- Measure 3.1.3 " Encouragement of tourism activities "

Measures 3.1.1 and 3.1.2 are mirrored (same ) in the sense of the support activities, but they are oriented to different groups of beneficiaries.

Under measure 3.1.1 for support can apply for sole traders or legal entities registered under the Commercial Act or the Cooperatives Act. These prospective beneficiaries must registered farmers whose income from farming over 50 % of their total income.

Under Measure 3.1.2 can apply individuals, sole traders and legal persons registered under the Commerce Act, Cooperatives Act or crafts which are micro (up to 10 employees ).

For these two measures beneficiaries must have a registered office or branch located, or permanent physical address persons on the territory of 178 municipalities located outside the so-called agglomeration areas. Of financial support are excluded Sofia and other regional cities and areas with developed mass (sea and mountain ) tourism. The grant financial assistance in the amount 70% of approved project costs but not more than the equivalent 200 000 euro. The minimum free of charge support in Bulgarian leva is the equivalent of 3500 euros. For these two measures the eligible investment costs include wide range of non-agricultural activities incl. development of local crafts and services production of energy from renewable energy (RES) to 1 megawatt, etc..

The eligible costs for the development of integrated rural tourism development include new and / or reconstruction and repairs (but not ordinary replacement!) of family hotels, guest houses, restaurants, purchase of vehicles and horses for non-agricultural activities and other. It is not provided financial assistance for construction and modernization of tourist objects with more than 20 rooms for accommodation.



**If you are eligible and you decide to apply – for example, for € 150,000 financial assistance for construction family hotel, you must have available own funds in size of the equivalent of 64 € 200 or 30% of total costs project which are € 214,290.**

Measure 3.1.3 focuses on targeting tourism activities in 103 rural municipalities with populations of less than 10,000 people. It supports the construction or renovation of facilities for visitors - small-scale attractions indoors and outdoors, art centers and crafts, hiking and cycling trails, infrastructure and facilities for rafting, hiking, mountain tourism, other sports, information points, information boards for tourist places and routes, shelters etc. It fosters the development of tourism marketing strategies, information materials and electronic reservation systems locally. When beneficiaries are municipalities, they are funded at 100% of the total eligible costs up to the equivalent of € 200,000.

The deadline for implementation of the projects measures 3.1.1, 3.1.2 and 3.1.3 is 24 months.

The other two measures 3.2.1 and 3.2.2 axis H of JDP 2007 - 2013, have no direct connection to the tourism activities. But they can support the renovation and development of a resort environment in the municipalities by investing in municipal roads water supply and sewerage systems in facilities, infrastructure providing cultural, sports and social services (Unit 3.2.1.) reconstruction and repair of buildings of local historical, cultural and religious importance, street network, landscaping and others. (Measure 3.2.2) .



**OP " Regional Development" is only one of the six euro programs in which tourism is as separate priority axis 3. The activities which are supported are structured in three operations. The first two operations are directed to improve tourist attractions and the related infrastructure and to develop regional tourism products and the destinations marketing. Potential beneficiaries are municipalities, associations municipal, local, regional and national tourism associations and others. Particular attention is paid to the restoration of cultural monuments with national importance. In operation 3.3 . specific beneficiary is Ministry of Economy, Energy and tourism. The main priorities are the increased efficiency national tourism marketing and promotion of Bulgarian of tourism at national and international level.**

**The rest of the operational programs could be used to support sustainable tourism development in the following areas:**

- OP " Competitiveness" gives opportunity for tourism businesses to meet international recognized standards , to introduce integrated management systems series "ISO - standards " and then get relevant euro certificates;
- OP " Environmental Protection " is aimed at improving the technical infrastructure and tourist resorts settlements by building /reconstruction of water treatment plants, waste water and sewage networks with priority in the Black Sea tourist area ;
- OP "Human Resources " promotes creation of new jobs, support improvement of the professional training and retraining tourism staff , develops vocational training system for unemployed ;
- OP "Transport" develop rail and road infrastructure along the Trans-European and major national transport routes through the construction of highways, rehabilitation and modernization existing roads national and European importance;
- OP " Administrative Capacity" has the main task to develop the skills and effectiveness of the state administration, the judiciary system and the structures of the civil society.

Significant opportunities to support tourism development can be found in the Cross-Border cooperation programmes with neighboring countries, applicable to the limit areas (such are the greater part of the areas in Bulgaria), as well as the programs for transnational cooperation (<http://www.bgregio.eu/>).



**Grants from external sources has undeniable benefits and advantages -it gives a chance to solve problems by compensating restrictions own resources. At the same time it presents a number of disadvantages and risks:**

- **Necessity of larger efforts**
  - **the project proposal must convince funding organization to approve, "to buy " its results (public benefits ) ;**
  - **Quite often, it competes with other proposals and must demonstrate, that gives better benefits ratio costs.**
- **Inconvenience of waiting**
  - **External funding does not respond to an urgent problem: the possible funding of the winning project takes months, and often a year or more.**
- **Limited control over their own objectives and priorities.**
  - **Possibly, these of the donor could replace or changed them.**
- **Depending on the availability of own funds –**
  - **Even with 100% grant, often the payments formula requires temporarily using their own funds.**
- **Imposition of unexpectedly high requirements**
  - **the "Bureaucratic rules and procedures " are the main complain of the beneficiaries;**
  - **High reporting requirements and reporting, implementation, compliance of specific rules.**

#### **4. Preparation of business plan and project proposal**

If you are eligible for measures 3.1.1 and 3.1.2 of the RDP 2007-2013, and have the opportunity to build a family hotel , it is necessary to present in the corresponding regional payment agency of the State Fund "Agriculture " an application support business plan template and to apply a set of accompanying documents. The business plan must demonstrate economic viability the investment for a period of 5 years and case of construction works - 10 years.

In the first section of the business plan is made a brief description of the project and of the expected results after his completion. The second section gives description of the applicant and brief information for it performed activities, incl. staff structure and assets. Are described the realized feasibility studies, the competitive advantages of applicant, are compared the prices and are offered ways to increase market share and competitiveness, is analyzed the market environment , how it will develop in future local and tourist market, and under which factors will be influenced .

In the third section are filled two group's tables. The first set of tables characterize the state of the company - the subject of the investment, sources financing, stages of implementation investment project , current and future suppliers and customers. The second group tables includes estimation of income from operating , the average occupancy of the hotel , the cost of raw materials, materials and external services, salaries and social insurance , depreciation , Interest and others.

Finally, is made a 10 - year forecast for the net cash flows from project and are calculated four indicators for the effectiveness of the investment: 1) The net present value, 2 )IRR , 3)index of profitability 4 ) the period of payback .

In many cases, in order to obtain free funding is necessary develop and present a comprehensive project proposal in the form of application form and the required applications to it. Although requirements and the application forms of the various funding programs and schemes are different and sometimes they seem too complex, bureaucratic and confusing, there number of common and simple principles, whose compliance ensures success.

Key issues to be responded by the best project:

- Why this project ( what problem is solved , what need is satisfied ) ?
- What is needed to be achieved / provided (purpose, outputs, outcomes) ?
- Who - who benefits from the project, who receives its benefits (target group /groups)?
- How - what activities are necessary (for providing products and results) and who will implement them
- When will the activities be carried out?
- How much does it cost? What resources are needed and what is their monetary expression (budget)?
- How will you manage and monitor the implementation the project?

For a project to be successful (and that is to be approved and funded then be carried out in accordance the proposed plan ), it has meet a number common to all project requirements (regardless of the characteristics the program or scheme financing) :

- to correspond to the scheme or the measure - with regard to target problems results, outputs and objectives;
- to have a clear target group (people, companies or organizations that will benefit the project, and those, that will "own" its results ) and a realistic assessment of likely search of the activities of project and its outcomes ;
- to have clear , achievable , realistic purposes;
- to have clear outcomes (benefits ) for the target group;
- to indicate, that the results are achievable on time and within the available resources;
- to have acceptable / permissible initiators ( candidates) ;
- to have acceptable / permissible activities which are necessary and sufficient to provide output;
- to have acceptable / eligible costs which are necessary and sufficient to fulfill activities ;
- to have a mechanism for implementation that is realistic and effectively provided with resources (project team , responsibilities partners and others. )
- to have a strong and effective leadership.



### **10 principles development a successful project:**

- 1. The projects are not written, they are developed. This requires effort and time, purposeful and hard work, organized and structured process and the most important - thinking. Writing is only at the end.**
- 2. Do not follow the money (funding opportunities), think about the problems and the needs that you have to answer, and about your priorities !**
- 3. Do not expect the programs to " Say" to you what projects to propose for funding. The programs are as menu in the restaurant - offer many opportunities, but require a choice: none not ordered the entire menu .It is necessary the prioritization in accordance to the needs , but also to the possibilities!**
- 4. Do not wait for the opportunity for financing to appear ("open" scheme or measure ) to in order to begin developing a project - then it may be too late! It is enough to know that there is a general opportunity for funding. At least 50% of work can be done before are clear the specific details of the scheme.**
- 5. Start from the end! Think of what are the target groups and what benefits they get from the project!**
- 6. Consult: with the potential target groups, with other stakeholders, with experts. But do not expect from external experts (consultants) to determine your needs, problems and priorities.**
- 7. Test your project ideas, before to go to their detailed development – dismissal timely ideas, that are inappropriate, unfeasible or with no chance to find financing in the near future.**
- 8. Once you have clarified and prioritized needs and problems and you have found the right solution - read carefully the invitations (and programs). "Enter into the" skin " of the managers of programs - what they want to obtained from your project and why they will finance just it? Clarify all the requirements and comply with them!**
- 9. "Writing " is the last, but it is also important to know: it is not sufficient to produce a good project should be written good project proposal. Write comprehensively (corresponding to all issues that acquire a response) but shortly, clearly and understandably! Be sure to check the criteria, under which will be evaluated your project!**
- 10. From the very beginning, think about the performance! The project must not only be approved and funded , it must be implemented and reported . •**

## VII. ANNEXES

### 1. Dictionary of terms used

**Brand (tourist brand)** - unique combination of perceptions of a destination and type of vacation that she offers. These perceptions can be both emotional and rational. They make it distinct from competing destinations and make it the " most appropriate " for target market segments.

**Domestic tourism** – tourist tours of the country's population (permanent residents in the country) in its territory without passing the national border.

**Destination (destination)**- the spatial target of the tourist trip. The geographical space (place, area, region , country ) which is selected by the relevant visitor ( or a segment of visitors) as an objective of the tourist travel, has the necessary shelter to stay, accommodation and restaurants dining and entertainment, and is the real product, and competitive unit in the tourism, which must be managed as a strategic business unit. In this notion the destination is not associated with a certain size or territorial range, but for practical purposes management, planning and marketing, the destination must be connected with specific size and borders. Considering the fact that the destination may be by any scale, the World Tourism organization uses the concept of local destination – physical space in which the tourist realized at least one night and that includes tourism attractions and services within one-day round trip.

**Ecotourism** - responsible travel to relatively undisturbed natural complexes in order to adopt a pleasure from the nature and from the accompanying cultural sites, contributing to conservation, have minimal negative impacts and providing profitable socio-economic development of the local population.

**Stakeholder** - anyone having interest in what is going on. Individual, group or organization, who have a vested interest in a particular policy, strategy, program, or project, as they are influencing over relevant decisions and actions, or are influenced by them - positively or negatively. The interested sides may be as supporters, so opponents to this policy, program or project. The term makes us think about who will be affected, who controls the necessary information, the money and the skills, who takes the decisions, who can help and who can disturb, etc.

**Sample** – a number of elements (people, places, etc.) from greater aggregation, which are studied in detail and on this basis draw conclusions for the whole entity.

**Outbound tourism** – tourist trips of the population abroad, outside its territory. Often is designated as a passive international tourism.

**Image (tourist image)** – individual or collective ideas, images or perceptions of tourism product (destination, hotel, travel , etc.) aggregate of all objective knowledge, impressions, prejudices and emotions, which the individual or the group have towards certain object or place. The created positive image represents asset for every company and organization, because is affecting on the perceptions of tourists for the quality, value, satisfaction.

**Image of a tourist destination** - The general idea of the destination which is multidimensional and includes the exclusiveness of the destination, landmarks , views, quality of the environment, security, level of service, attitude of people, the price level, and others.

**Intensity (intensity) of tourist trips** – the relative share of population, that takes a tourist trip during specified period. More precise is the term net intensity of trips, which shows the proportion of people of all the population, that are undertaking at least one travel for a year (in difference to the gross intensity, that takes into account only the number of the trips per the whole population). In most of the European countries the intensity of travel is calculated for all tourist travels, and in particular for holiday trips (with 4 and more nights), and usually are reported trips of the population at age over 15 years (see Ch. II. item 1 ) .

**Quality (tourism)** - it is considered in two aspects: 1 ) to cover certain standards, relevant to the price and benefit for the individual buyer, and 2 ) the extent, in which the product or service covered customer expectations. The modern perception for the quality is, that is determined entirely by the client or by the end user, and is based on the assessments after the consumption of the product or service.

**Communication policy (promotion) in the tourism** - a complex of activities that are promoting the advertisement, targeting mainly to the consumers of tourism product in order to raise the awareness towards the product, to promote its testing and new use and to gain loyal customers.

**Corporate Social Responsibility (CSR)** - a continuous commitment business to behave ethically and contribute to the economic development, while in the same time is improving living standards of employees and their families, and of the local community and society as a whole. It means that the companies are working not only compelled by law, but voluntarily to achieve social and environmental goals during their daily business activities.

**Cultural Tourism** - Travel, whose main or secondary goal is visit historical, artistic, scientific, related to the lifestyle / the heritage objects and phenomena. An important feature cultural tourism, according to this definition is the assumption, that the visit of cultural sites and events can be both main and additional motive to take a tour trip.

**Brand** - name, sign, symbol or combination of them, aimed at establishing identity of the product and differentiation from the competitors' products .

**National tourism** - all tourist trips to the population of country, including domestic tourism (travel within the country) and international tourism or passive international tourism (travel abroad).

**Balance of payments** - the difference between money coming into the country and money coming out of it for a certain period. In general, it shows the difference between import and export of goods, services (including travel) and financial capital, and the financial transfers.

**Positioning** - creating the desired image of the product for consumers, distinguish it from the competition, imposition of the product on the market as best satisfying the needs and preferences of the users on the targeted market. The position of the product is the place of the product, that occupies in the minds of consumers regarding certain features that may be visible or intangible.

**Mediator in tourism** - economic entity which carries out directly and / or indirectly mediation between interest and offer in tourism through the creation and realization of their own and / or sale foreign products.

**Potential demand** – demand, that is expected to appear in the market in the future tourist demand, that is not realized due to the reduction of the opportunities (individual resources) of the potential tourists.

**Postponed (hidden, latent) demand** - (tourist) demand that is not realized due to the limitations of the (travel) offering.

**Product (good or service)** - in the context marketing is everything that can be offered on the market to attract attention, acquisition, use or consumption satisfying desire or need.

**Segment (market segment)** – group people, who are similar in certain criteria (in particular, needs , requirements, consumer behavior ) and differ from other groups which may be considered as a potential target market and which are supposed to react similarly to marketing impacts.

**Market segmentation** - type classification, where the totality of potential or actual users are divided into relatively homogeneous groups (segments), for which is supposed, that they have many similar characteristics, requirements and behavior. Segmentation is seen from one side as statistical method, which allows the whole entity to be divided into homogeneous groups, and on the other - as a marketing policy, which is expressed in the division of the market into homogeneous segments, each of which has its own channels of distribution, different motivations etc., in order to be selected appropriate target market.

**Rural tourism** - a wide range of activities during recreation in rural areas and use of special purpose farmhouses and other characteristics of this type of environment conditions for shelter and accommodation. According to this idea of the rural tourism, its main features are: silence, unspoiled nature, beautiful landscapes, hospitable people, preserved rural life and culture, personal contact with local people.

**Spa tourism** – in our country is used to refer to several similar forms of tourism: thermal mineral water tourism, spa and wellness. Is dominating the perception that the thermal mineral water tourism is characterized by an effective treatment and rehabilitation, carried out under medical control, while spa and wellness are associated with procedures for relaxing and for achieving comfort of the body and the soul, based on various natural resources: mineral water, essential oils, healing mud, stones, etc..

**Event tourism** – travel people outside their residence, related to a visit ( monitoring ) or participating in any kind of event .

**Travel agency activities** – carrying mediation in: sales organized trips with a total price, organized by tour operators, travel air, water, rail and carriage; reservation, visa, guiding and other additional tourist services and insurance related to tourism trip.

**Tourist animation** - an element of the tourism product aimed at activating of tourists to meet the need for physical activity, game, adventure, for new skills and habits enrichment knowledge of the world, communication and creative activities through participation in specially prepared programs. Connects with notions of active holiday, filled with pleasant experiences and different attraction, cultural activities and spiritual enrichment.

**Tourist offer** - concrete expression of tourism. Usually in writing and reflects the desire of the travel agency to sell tourism products in these it conditions – characteristics tourism product and its quality, the price at which it is offered time and place of delivery (consumption ) etc. .

**Travel agent** –physical or legal person, which periodically or in systematic manner provides for others against payment tourist travel, one or more individual services connected to the travel and temporary stay outside the permanent residence. The tourist agent performs its activity against commission payment, which is its main source of income. Sometimes he can produce and sells its own stand-alone services. This is the retailer in the tourism distribution chain.

**Tourist Attractions** –accepted realities (natural environment, customs, manners, human activity , etc. . ) and events determine the choice for the ultimate goal of tourism travel and are a major reason to visit the place in which they localized.

**Tourism capacity (capacity complex)** - shows the optimal limits in which the tourism can develop in a given territory. Is defined as: the maximum number of tourists (visitors), that can reside simultaneously in a territory under full conditions for leisure, without causing serious and irreversible negative impacts on the natural and social environment. The tourist capacity is multidimensional - it has physical, environmental, psychological, social, economic and political dimensions.

**Tourist package** - a combination of two or more services, so as for buyer this combination is more advantageous i comparison with the purchase of individual services. The individual components of tourism travel - transport, accommodation, dining, attractions, entertainment, can to be put together in overall experience for tourists, which is combined with more attractive price and ease of purchase.

**Tourist product** – complex range of services and activities from the moment of leaving from the permanent residence until the return, including in the chosen destination, which the tourist perceive as complete experience. The elements of the tourism product observed through the eyes of a tourist include tourism resources, the general and the tourism infrastructure, the image and other characteristics, associated to the degree of development of tourism place.

**Tourist resources** - objects and phenomena (natural or anthropogenic) that are attractive for tourists, due to which they are prerequisites for performing tourist travel.

**Tourist services** – separate entity activities and technology processes, providing tourist facilities and commodities to the tourists for the purchase and consumption of goods and services during the journey and their residence outside their constant residence .

**Tourist enterprise** –consolidated production entity , that produces, sells or participates in the realization of the tourist products to meet tourist needs of consumers in accordance the requirements of the tourism market, in order to obtain profit.

**Tourism demand** - the number of actual or potential tourists i.e. people who make or could realize tourist travel ( for more details see Ch. II. 1 ) .

**Tour operator** - an undertaking, which operates in separate organizational framework to meet tourism and related needs by tying the foreign service a sort of combination and supply on the market in its own name and for its own account. This is a wholesaler in the tourism distribution chain.

**Tour operator activity**- the organization a group or individual travel a total price sale travels directly and / or via travel agent contract and voucher of end user.

**Use (degree of use)** - the ratio of current level of development of tourism in a territory and its tourist capacity; indicates the presence or absence of reserves for increasing tourism especially the growth of accommodation base.

**Target market (target group)** – this part of the market (segment) to which will focus on offering relevant establishment or destination.

**Clean production** - connects with a prevention strategy for continuous improvement processes, products and services aimed at increasing their efficiency and reduce risks to humans and the environment.

## 2. Used abbreviations

**BAAT** - Bulgarian Association for Alternative Tourism  
**BARET** - Bulgarian Association for Rural and Ecological Tourism  
**GDP** - Gross Domestic Product  
**BDZ** - Bulgarian State Railways  
**BNB** - Bulgarian National Bank  
**BTS** - Bulgarian Tourist Union  
**RES** - Renewable Energy  
**STA** - State Agency for Tourism  
**DF - a state fund**  
**ETC** - European Tourism Commission  
**EU - European Union**  
**CSR** - Corporate Social Responsibility  
**MEET** - Ministry of Economy , Energy and Tourism  
**NGO** - NGO / organization and / and  
**NSI** - National Statistical Institute  
**OP** – Operational Programme  
**OPRD** - Operational Programme "Regional Development"  
**JDP** - Programme for Rural Development  
**JLS** - Mountain Rescue Service  
**WTO**- World Tourism Organization  
**SPA** - from SPA ( Latin ) Sanus per Aqua - health through water  
**Spam** - of SPAM ( English) unsolicited e-mail  
**TIC** - Tourist Information Centre  
**B2B** - Business to Business ( in English " business to business " )  
**B2C** - Business to Client ( English " business customer " )  
**CGM** - Consumer Generated Media ( in English "The media generated by the user " )  
**CRS** - Computer Reservations System ( English "Computer Reservation System" )  
**ECEAT** - European Center for Ecological and Agrarian Tourism ( in English "European ecological and rural tourism " )  
**EFQM** - European Foundation for Quality Management ( in English " European Foundation for Management quality " )  
**EMAS** - Eco-Management and Audit Scheme (English" Eco- management and audit scheme")  
**GDS** - Global Distribution System ( English "Global distribution system " )  
**HACCP** - Hazard Analysis and Critical Control Point ( in English " Hazard Analysis and Control of critical points " )  
**ISO** - International Organisation for Standardisation ( in English " International Organization for standardization " )  
**IUCN** - International Union for Conservation of Nature ( in English "International Union for Conservation of nature " )  
**OHSAS** - Occupational Health & Safety Advisory Services ( in English " Office of hygiene and Security " )  
**RSS** - Really Simple Syndication ( English "protocol RSS")  
**USAID** - United States Agency for International Development ( in English , " U.S. Agency for International Development " )  
**USP** - Unique Selling Proposition ( English " unique selling proposal" )  
**VIP** - Very Important Person ( English " VIPs " )

### 3. Links to regulations

National and regional strategies	
1. National Strategy for Sustainable development of tourism in the Republic of Bulgaria 2009-2013	<a href="http://www.tourism.government.bg/files/politics/file_235_bg.pdf">http://www.tourism.government.bg/files/politics/file_235_bg.pdf</a>
2 . Regional strategies	<a href="http://www.tourism.government.bg/bg/tourism_politic.php?menuid=51&amp;id=57">http://www.tourism.government.bg/bg/tourism_politic.php?menuid=51&amp;id=57</a>
State policy in the field of tourism	
1. Tourism Act	<a href="http://lex.bg/laws/ldoc/2135454211">http://lex.bg/laws/ldoc/2135454211</a> <a href="http://www.tourism.government.bg/bg/tourism_politic.php?menuid=51&amp;id=28">http://www.tourism.government.bg/bg/tourism_politic.php?menuid=51&amp;id=28</a> <a href="http://www.bcnl.org/doc.php?DID=56">http://www.bcnl.org/doc.php?DID=56</a>
2 . Law on Consumer Protection	<a href="http://www.bcnl.org/doc.php?DID=61">http://www.bcnl.org/doc.php?DID=61</a>
3 . Law on Administrative Violations and Penalties :	<a href="http://www.dkh.minfin.bg/images_content/zann.pdf">http://www.dkh.minfin.bg/images_content/zann.pdf</a>
4 . Education Act	<a href="http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prosveta.pdf">http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prosveta.pdf</a>
5 . Law Level of Education	<a href="http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/lawzkn_obr_minimun.pdf">http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/lawzkn_obr_minimun.pdf</a>
6 . Administrative Code :	<a href="http://lex.bg/laws/ldoc/2135521015">http://lex.bg/laws/ldoc/2135521015</a>
7 . Rules of Organization and activities of the NTC approved the Minister of Economy , Energy and Tourism	<a href="http://www.mee.government.bg/">http://www.mee.government.bg/</a>
8 . Rules of procedure Ministry of Economy, Energy and Tourism	<a href="http://www.mee.government.bg/norm/prav.html?id=174992">http://www.mee.government.bg/norm/prav.html?id=174992</a>
9. Rules of procedure Commission for Consumer Protection the Minister of Economy and Energy and its Administration ( promulgated, SG . 49 2006 amend. No. . 95 of 2007, amended . No. . 33 of 2008):	<a href="http://www.mee.government.bg/norm/prav.html?id=218973">http://www.mee.government.bg/norm/prav.html?id=218973</a>
10 . Ordinance on the staff , tour operator or travel agents to face performing management functions tour operator or travel agent activity and to premises for tour operator or tourist agency	<a href="http://www.tourism.government.bg/files/politics/file_196_bg.doc">http://www.tourism.government.bg/files/politics/file_196_bg.doc</a> <a href="http://www.vct-bg.org/dokumenti/2008-12-22/Kategoriziraneplajove.doc">http://www.vct-bg.org/dokumenti/2008-12-22/Kategoriziraneplajove.doc</a>
11 . Ordinance for categorization of beaches :	<a href="http://www.tourism.government.bg/files/reg_cat/file_15_bg.doc">www.tourism.government.bg/files/reg_cat/file_15_bg.doc</a>
12. Ordinance for categorization of ski slopes :	<a href="http://www.tourism.government.bg/files/politics/file_199_bg.doc">http://www.tourism.government.bg/files/politics/file_199_bg.doc</a>
13. Ordinance for categorization of means of shelter locations accommodation and catering and entertainment :	<a href="http://www.infotourism.net/documents/Naredba%20za%20kategorizacia.doc">http://www.infotourism.net/documents/Naredba%20za%20kategorizacia.doc</a>
14. Ordinance № 1 2007 categorization of tourist lodges and adjoining dining nutrition :	<a href="http://www.tourism.government.bg/files/politics/file_195_bg.rtf">http://www.tourism.government.bg/files/politics/file_195_bg.rtf</a>
15 . Ordinance on the organization of the Unified Tourist Information System :	<a href="http://www.vct-bg.org/dokumenti/2008-12-22/Organizaciqedinna-info-sistema.doc">http://www.vct-bg.org/dokumenti/2008-12-22/Organizaciqedinna-info-sistema.doc</a>
16. Ordinance on the terms and conditions for conclusion of the compulsory insurance covering the liability of the tour operator :	<a href="http://www.mee.government.bg/norm/nar.html?id=216807">http://www.mee.government.bg/norm/nar.html?id=216807</a>
17. Ordinance to acquire Vocations "Technology production and services in catering " :	<a href="http://www.mon.bg/opencms/export/sites/mon/top_menu/vocational/doi/811060-doi.pdf">http://www.mon.bg/opencms/export/sites/mon/top_menu/vocational/doi/811060-doi.pdf</a>

18. Ordinance № 7 of the 2006 acquisition of professional qualifications "Waiter - Bartender "	<a href="http://www.epi.bg/sel_vna.php?fldr=28015">http://www.epi.bg/sel_vna.php?fldr=28015</a>
19. Ordinance № 8 2006 acquisition of professional qualifications " Mountain Guide "	<a href="http://www.epi.bg/sel_vna.php?fldr=28015">http://www.epi.bg/sel_vna.php?fldr=28015</a>
20. Ordinance № 13 of 2004 qualification in profession " Steward" :	<a href="http://www.epi.bg/sel_vna.php?fldr=28015">http://www.epi.bg/sel_vna.php?fldr=28015</a>
21. Ordinance № 15 of the 2004 acquisition of professional qualifications "Cook ":	<a href="http://www.epi.bg/sel_vna.php?fldr=28015">http://www.epi.bg/sel_vna.php?fldr=28015</a>
22. Ordinance № 17 of 2003 qualification in profession "Hotel Manager"	<a href="http://www.epi.bg/sel_vna.php?fldr=28015">http://www.epi.bg/sel_vna.php?fldr=28015</a>
23. Ordinance № 19 of 2003 qualification in profession " Administrator in hotel" :	<a href="http://www.minedu.government.bg/opencms/export/sites/mon/top_menu/vocational/doi/811020-doi.pdf">http://www.minedu.government.bg/opencms/export/sites/mon/top_menu/vocational/doi/811020-doi.pdf</a>
24. Regulations of section 17 to section 24 defines state educational requirements for qualification in professions , according to the vocational education and training:	<a href="http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prof_obucenieEU.pdf">http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prof_obucenieEU.pdf</a>
25. Instruction № 1 for the functions organization and operation of services Commercial and economic issues diplomatic and consular of the Republic of Bulgaria :	<a href="http://www.ekspertis.net/start/main.php?rootid=8&amp;itemid=77">http://www.ekspertis.net/start/main.php?rootid=8&amp;itemid=77</a>
26. The Vocational education and training:	<a href="http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prof_obucenieEU.pdf">http://www.mon.bg/opencms/export/sites/mon/left_menu/documents/law/zkn_prof_obucenieEU.pdf</a>
<b>Non-profit organizations and interaction with state and municipal governments</b>	
1. Non-Profit Organizations Legal Act :	<a href="http://www.bcnl.org/doc.php?DID=2">http://www.bcnl.org/doc.php?DID=2</a>
2 . VAT Legal Act :	<a href="http://lex.bg/laws/ldoc/2135533201">http://lex.bg/laws/ldoc/2135533201</a>
3 . Local Taxes and Fees Act:	<a href="http://www.bcnl.org/doc.php?DID=242">http://www.bcnl.org/doc.php?DID=242</a>
4 . Commercial law :	<a href="http://www.kontoconsult.com/index.php?option=com_content&amp;view=article&amp;id=84:comersialact&amp;catid=31:laws&amp;Itemid=90">http://www.kontoconsult.com/index.php?option=com_content&amp;view=article&amp;id=84:comersialact&amp;catid=31:laws&amp;Itemid=90</a>
5 . Local Government Act and Local Administration:	<a href="http://www.bcnl.org/doc.php?DID=14">http://www.bcnl.org/doc.php?DID=14</a>
6 . Law on Employment Promotion :	<a href="http://www.mlsp.government.bg/bg/law/law/ZNZ.doc">http://www.mlsp.government.bg/bg/law/law/ZNZ.doc</a>
7 . Public Procurement Act :	<a href="http://www.aop.bg/fckedit2/user/File/bg/Normativna%20baza/zop.pdf">http://www.aop.bg/fckedit2/user/File/bg/Normativna%20baza/zop.pdf</a>
8 . Law to limit administrative regulation and administrative control over business :	<a href="http://im.cablebg.net/clients/zoarsd03.htm">http://im.cablebg.net/clients/zoarsd03.htm</a>
9. Administrative Code :	<a href="http://lex.bg/laws/ldoc/2135521015">http://lex.bg/laws/ldoc/2135521015</a>
10 . Law on Consumer Protection :	<a href="http://www.bcnl.org/doc.php?DID=61">http://www.bcnl.org/doc.php?DID=61</a>
11 . Health Law :	<a href="http://lex.bg/laws/ldoc/2135489147">http://lex.bg/laws/ldoc/2135489147</a>
12. Regional Development Act :	<a href="http://www.bcnl.org/doc.php?DID=53">http://www.bcnl.org/doc.php?DID=53</a>
13. Law on Spatial Planning :	<a href="http://lex.bg/laws/ldoc/2135489147">http://lex.bg/laws/ldoc/2135489147</a>
14. Law on the Structure of Black Sea Coast :	<a href="http://www.mrrb.government.bg/index.php?lang=bg&amp;do=law&amp;type=5&amp;id=31">http://www.mrrb.government.bg/index.php?lang=bg&amp;do=law&amp;type=5&amp;id=31</a>
15 . Food Law :	<a href="http://lex.bg/laws/ldoc/2134685185">http://lex.bg/laws/ldoc/2134685185</a>
16. Rules of Organization and the National Council on tourism :	<a href="http://www.mee.government.bg/norm/prav.html?id=81961">http://www.mee.government.bg/norm/prav.html?id=81961</a>
17. Rules of Organization work , composition and activity of Expert Committee on categorization of tourist sites:	<a href="http://www.tourism.government.bg/files/politics/file_214_bg.doc">http://www.tourism.government.bg/files/politics/file_214_bg.doc</a>

18. Rules of Organization work , composition and activity of Expert Commission for registration tour operators and travel agents :	<a href="http://www.tourism.government.bg/files/politics/file_215_bg.doc">http://www.tourism.government.bg/files/politics/file_215_bg.doc</a>
<b>Protection of natural and cultural attractions heritage</b>	
1. Law on Environmental Protection :	<a href="http://www.moew.government.bg/recent_doc/legislation/ZOOS%20Final.pdf">http://www.moew.government.bg/recent_doc/legislation/ZOOS%20Final.pdf</a>
2 . Cultural Heritage Act :	<a href="http://mc.government.bg/files/635_ZKN.doc">http://mc.government.bg/files/635_ZKN.doc</a>
3 . Law on Copyright and Related Rights :	<a href="http://lex.bg/laws/ldoc/2133094401">http://lex.bg/laws/ldoc/2133094401</a>
4 . Water Act :	<a href="http://www.moew.government.bg/recent_doc/legislation/water/bg/zvodite_bg.doc">http://www.moew.government.bg/recent_doc/legislation/water/bg/zvodite_bg.doc</a>
5 . Forestry Act :	<a href="http://www.lex.bg/laws/ldoc/2134178816">http://www.lex.bg/laws/ldoc/2134178816</a>
6 . Law on Protection and Development of Culture :	<a href="http://lex.bg/laws/ldoc/2134664704">http://lex.bg/laws/ldoc/2134664704</a>
7 . Protected Areas Act :	<a href="http://www.moew.government.bg/recent_doc/legislation/natural_prot/bg/ZZTAct.doc">http://www.moew.government.bg/recent_doc/legislation/natural_prot/bg/ZZTAct.doc</a>
8 . Concessions Act :	<a href="http://lex.bg/laws/ldoc/2135523562">http://lex.bg/laws/ldoc/2135523562</a>
9. The Wildlife Protection and Hunting Act	<a href="http://www.bcnl.org/doc.php?DID=71">http://www.bcnl.org/doc.php?DID=71</a>

# **ENTREPRENEUR'S MANUAL INTERNAL TOURISM**

How to attract and serve Bulgarian tourists?

Bulgarian , First Edition

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