

## PECULIARITIES OF DEVELOPING THE COMPLEX OF MARKETING COMMUNICATIONS IN TOURISM ORGANIZATIONS

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### Korzhenko K. A. Peculiarities of Developing the Complex of Marketing Communications in Tourism Organizations

The article is aimed at development of the effective marketing communications complex, based on identifying and substantiating peculiarities of the tourism industry sector. Trends in the functioning of contemporary tourism have been considered, the problems impeding its development have been determined. The main problems are: high degree of uncertainty in the market, domestic and international political instability, seasonal fluctuations in the demand for tourism services, increased competition and a steady trend of alignment in terms of qualitative indicators of services, limited financial, material, human and managerial resources. The special role of marketing communications in ensuring efficient functioning and strengthening of competitive positions of tourism organizations in current conditions of society globalization, both at the domestic and international markets, have been determined. The process of development of the complex of marketing communications has been examined. A two-tier model of communication impact by tourism organizations has been considered. The model of communication process has been improved, taking account of the specificity of tourism service. The basic principles for the process of improving the complex of marketing communications in tourism organizations have been systematized.

**Keywords:** tourism organizations, complex of marketing communications, marketing communications, model of communication, tourism, peculiarities.

**Fig.:** 2. **Bibl.:** 9.

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### Корженко К. А. Особливості формування комплексу маркетингових комунікацій в туристичних організаціях

Метою статті є формування дієвого комплексу маркетингових комунікацій, що базується на встановленні та обґрунтуванні особливостей туристичної галузі. Розглянуто тенденції функціонування сучасного туризму та визначено проблеми, які гальмують процес його розвитку. Головними з них є: високий ступінь невизначеності ринкової ситуації, внутрішня та міжнародна політична нестабільність, сезонні коливання попиту на туристичні послуги, посилення конкуренції та стійкі тенденції вирівнювання якісних показників послуг, обмеженість фінансових, матеріальних, людських та управлінських ресурсів. Визначено особливу роль маркетингових комунікацій у забезпеченні ефективності функціонування та зміцненні конкурентних позицій туристичних організацій у сучасних умовах глобалізації суспільства і як на внутрішньому, так і на міжнародному ринку. Досліджено процес формування комплексу маркетингових комунікацій. Розглянуто дворівневу модель комунікаційного впливу туристичних організацій. Удосконалено модель комунікаційного процесу з урахуванням специфіки туристичної послуги. Систематизовано основні принципи, на яких має будуватися процес удосконалення комплексу маркетингових комунікацій туристичних організацій.

**Ключові слова:** туристичні організації, комплекс маркетингових комунікацій, маркетингові комунікації, модель комунікації, туризм, особливості.

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### Корженко Е. А. Особенности формирования комплекса маркетинговых коммуникаций в туристических организациях

Целью статьи является формирование действенного комплекса маркетинговых коммуникаций, основанного на установлении и обосновании особенностей туристической отрасли. Рассмотрены тенденции функционирования современного туризма и определены проблемы, тормозящие процесс его развития. Главными из них являются: высокая степень неопределенности рыночной ситуации, внутренняя и международная политическая нестабильность, сезонные колебания спроса на туристические услуги, усиление конкуренции и устойчивые тенденции выравнивания качественных показателей услуг, ограниченность финансовых, материальных, человеческих и управленческих ресурсов. Определена особая роль маркетинговых коммуникаций в обеспечении эффективности функционирования и укреплении конкурентных позиций туристических организаций в современных условиях глобализации общества как на внутреннем, так и на международном рынке. Исследован процесс формирования комплекса маркетинговых коммуникаций. Рассмотрена двухуровневая модель коммуникационного воздействия туристических организаций. Усовершенствована модель коммуникационного процесса с учетом специфики туристической услуги. Систематизированы основные принципы, на которых должен строиться процесс совершенствования комплекса маркетинговых коммуникаций туристических организаций.

**Ключевые слова:** туристические организации, комплекс маркетинговых коммуникаций, маркетинговые коммуникации, модель коммуникации, туризм, особенности.

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In the age of society globalization tourism has become one of the predominant areas of economy. Tourism has the most significant effect on the development of political, economical, social and cultural relations and personal contacts on the global scale and is becoming the meaning and style of life for millions of people worldwide.

Regarding domestic tourism, its development faces lots of challenges, the greatest being high uncertainty of

the market situation, domestic and international politics instability, seasonal tourist demand fluctuations, increasing competition and steady trend of service quality factors adjustment, limited financial, physical, human and managerial resources. Under such conditions, domestic tourism companies and scientists are actively searching for solutions which will help to promote the tourist product as quickly as possi-

ble and create effective communication models influencing the target segment and managing customer demand.

In the conditions of rapid globalization development an effective marketing communication system becomes the key factor ensuring the competitiveness of tourist companies both in the domestic and international markets. Such system is a complex dynamic process involving increased usage of various communication means and the improvement of their quality as well as the implementation of new information influence tools.

Therefore, market success of any tourism company is guaranteed by its ability to optimize the interaction of the elements of such system, determine the most efficient types of marketing communication and manage them in an effective way. Thus, the main goal of this research is creation of an efficient marketing communication system based on the identification and argumentation of the tourism industry specifics.

The marketing communication system is the subject of research by lots of foreign and national authors, such as W. Wells, J. Burnett, S. Moriarty, John. R. Rossiter, Ph. Kotler, Ch. Sendidzh, James M. Lahiff, John M. Penrose, G. L. Bagiev, V. M. Tarasevich, H. Anne, D. Doty, E. Golubkova, O. Feofanov, A. Zvyerintsev, A. P. Durovych and many others. These matters attracted the attention of Ukrainian scientists, such as A. Voychak, T. Lukyanets, G. Pocheptsov, E. Romat, V. Sakharov, T. Primak who researched in this area as well. However, despite the significant scientific heritage and accomplishments of the above-mentioned authors, today the matter of using various elements of the marketing communication system and taking into account their specifics in the tourism industry has not received its due attention.

Therefore, at this stage of the domestic tourism industry development the main problem and the primary challenge for the research is the marketing communication system creation in view of the specifics of the tourism sector and promotional tools.

**N**owadays tourism is considered one of the prospective areas of economy. Tourism grows rapidly and brings profit worth millions to many countries. It is an integral part of the global economy and is one of the leading industries by the size of operation and profits. According to the recent data presented by the World Tourism Organization (UNWTO), the number of international tourist visits increased by 4.4% and reached the number of 1,8 billion people. The General Secretary of UNWTO, Taleb Rifai, stated that international tourism reached a new peak in 2015. High performance rate in the tourism sector positively influences the economic growth and job creation in different regions over the world. Thus, it is of utmost importance that countries promote the policy supporting the growth of the tourism industry which includes travel facilitation, development of human resources and steady progress [1].

Thus, there is reason and solid logic behind the fact that Ukrainian tourism is becoming one of the few industries which are rapidly growing and generating interest of Ukrainian businessmen. This is due to certain special possibilities and specific characteristics of this industry. Let us analyze the main ones.

First, tourism can essentially be regarded as an intermediary activity, thus, it requires no significant initial investment. Second, the tourism market can easily support productive relations between large, medium and small businesses. Third, tourism is a prospective industry, as it serves the Ukrainian people's ever-growing demand for quality vacations in the popular tourist and recreational complexes and displays a steady upward trend.

Ukraine has a tremendous tourist and recreational potential and all prerequisites for becoming one of the world leaders in the tourism industry. Recently, we have observed rapid saturation of the tourism market, adjustment of service quality factors of domestic tourism companies and, consequently, intensification of non-price competition. For example, in 2015 the number of Ukrainians traveling abroad increased almost by 50 million as compared to 2014 [2].

Particularly, these processes caused the expansion of the role of marketing communications in the effective operation of tourism companies. After all, they help the customer to obtain the necessary information about tourist services and new knowledge about the existing tourist resources and vacation types as well as describe their experience of a certain tourist product.

**M**arketing communications play an important role in the competition on the travel market. They are especially important in the conditions of total informatization of the society. Marketing communications become the key marketing tool, as they establish, maintain and develop communications between tourism companies, on one side, and customers, agents, tourist service producers, public, and government organizations, on the other side. Marketing communication maintain market "feedback" allowing to monitor and adjust the tourist services promotion, create a positive image of the company, influence the customers' belief in the advantages of a certain tourist product and promptly adjust own sales.

The creation and implementation of the marketing communication system is largely influenced by the specifics of the travel industry as such. This fact should be taken into account both in scientific research of this matter and in the practical operation of tourism companies.

Study, analysis and compilation of different scientific approaches to the specifics of the travel industry has allowed determining the main industrial factors to be taken into account in the creation of marketing communications in tourism companies.

For example, according to A.P. Durovych, tourism is not essentially different in its basic characteristics from other forms of economic activity. Therefore, all existing rules of today's marketing (including marketing communications) may be applied to tourism. At the same time, tourism has its special features making it different not only from goods but also from other services [3].

The first special feature of tourism as an economic sector is the fact that the main result of the company operation is a service rather than tangible product. Philip Kotler points out the following specific characteristics of the services sector product: service imperceptibility or intangibi-

lity; service inseparability from its source and object; variability of service quality; impossibility of storage [4].

According to A. P. Durovych, such characteristics of the service can be classified as general. Besides, the tourist product has additional specifics inherent only to such product. A. P. Durovych includes the following characteristics into the specifics of the tourist service:

- ✦ the demand for tourist service is especially elastic as to the level of income and price but is also influenced by the political and social situation;
- ✦ the seasonal nature of the demand creates the saturation phenomenon;
- ✦ the tourist service supply is characterized by its inflexible production. It cannot adapt to demand fluctuations in time and space
- ✦ the tourist product is a joint effort of many companies each with its own operation methods, specific requirements and different commercial goals;
- ✦ high quality of tourist service cannot be achieved with minor faults, as it is little things which matter in the tourist service [5].

Scientists V. S. Yankevich and N. L. Bezrukavaya have an interesting view of the specifics of tourist services. In addition to those listed above, they include the necessity of direct contact between service producer and consumer among the general characteristics of the tourist industry.

They suggest that the following characteristics be included in the service specifics:

- ✦ the need to overcome the customer's fear of risk;
- ✦ the need to take into account the multiple levels of communication between the customer and service personnel;
- ✦ the mandatory implementation of proper organizational culture among the personnel of the company;
- ✦ the development of internal marketing concept [6].

As we can see, the above-mentioned specifics were studied in more depth by Philip Kotler, however, he classifies them as strategic management characteristics in service companies rather than the specifics of the travel industry.

**W**e accept the different authors' approach to the necessity of distinguishing between general and specific characteristics of the travel service and suggest that the following be included in the general characteristics of the service:

1. The imperceptibility or intangibility of services.
2. The impossibility of storage – the service cannot be “preserved” for further use, it can be provided only once. When used again, it is already another service.
3. The impossibility of preserving the service quality. Each new service is provided in new conditions – the customer's mood, the level of fatigue of the customer or the service person and other things may influence the service quality.
4. The impossibility of separating the production from the consumption.

We do not find it appropriate to distinguish such characteristics as the necessity of direct contact or inseparability from the source or object of service because it du-

plicates the impossibility of separating the production from the consumption.

As for the specific characteristics of the tourist service, their determination requires deeper theoretical analysis. Therefore, we will study in greater detail the tourist service characteristics directly influencing the communication content and determining the specifics of the marketing communication system of a company. Additionally, we will attempt to demonstrate the way such characteristics influence the creation of marketing communications in tourism companies.

**T**he common characteristics of all services –intangibility– manifests itself in the tourist service in a special way: not only the consumer but the producer cannot estimate the consumer properties of the service useful effect in advance. The useful effect as such is determined as the level of satisfaction with the service, for example, exotic nature, food quality, availability of additional services, etc., while the consumer's demand of the level of such services is influenced by his or her social standing, education, habits, etc.

The consumer can give only a relative evaluation of the service quality using their own analogies, and can form their perceptions on the basis of other consumers' impressions or from promotional samples. This is a convincing argument for the need to actively use visual advertisement (video and photo materials, leaflets, booklets, etc.) which should describe the advertised tourist facilities as fully and powerfully as possible.

Such characteristics as “impossibility of storage, accumulation and stocking” is defined by the difficulty of tourism company adaptation to demand fluctuations over time and space. The impossibility of tourist product accumulation requires informing the consumer about tourist services in a special, rather prompt, way.

In respect of the simultaneous service production and consumption, we have to note that not only the consumer but the producer cannot estimate the consumer properties of the service useful effect in advance. Tour operators and travel agents sell dreams and imaginations depending on the tourist's or traveler's mood. The tourist has to buy a tour and actually take the vacation to be able to evaluate the service quality. Therefore, tourist service is evaluated after consumption.

Thus, tourism companies should pay a lot of attention to the creation of positive image for their consumers and partners and be in constant contact with their consumers, take into account their ideas when planning their future operations. The manager or the person in charge of information and advertisement in the tourist company should have a clear idea of the target audience for this or that information and ensure that communication has broad coverage.

In tourism companies, high degree of confidence of their customers and other contact audience is also essential, as it ensures their absolute conviction in the quality of the offered services.

Another factor of similar importance is creation of the company's positive image both on the local and national market. One of a very effective means helping to achieve this goal is the tourism company's participation in international and national exhibitions and shows. Well-organized activities at the exhibition, a bright stand and visual display

materials may improve the company's image, help in entering into mutually beneficial contracts and agreements and contribute to attracting new customers and partners and expanding business connections.

**W**e also have to take into account the fact that tourism companies are closely connected with the services and related products market. Therefore, their communication efforts are aimed at different markets and active cooperation with intermediaries – producers of tourist services and products. This is why A. P. Durovych points out that tourism companies operate in several markets and distinguishes the following marketing levels in tourism: marketing of tourism companies (tour operators and travel agents), marketing of tourist services producers, marketing of public tourism companies and marketing of territories and regions [5].

The participants of communication interaction in tourism and the target audience of marketing communication include not only the consumers of tourist services but also national and foreign companies and organizations of the tourism industry (business partners, hotel and restaurant businesses, transport companies, etc.) as well as government institutions (Fig. 1).

We have to note that such characteristics of the tourist service as its intangibility and simultaneous production and consumption make the personnel in direct customer contact the factor of successful external marketing communications. By creating comfortable working climate and meeting the needs of its staff, a tourist company increases their performance in working with customers and, consequently, improves market competitiveness of the company.

The research proved that staff satisfied with their work will easier adopt the set service standards and achieve higher quality of customer service. Thus, a company should develop a perfect marketing strategy aimed at external consumers. At the same time, success of such strategy will largely depend on the professional qualities of the staff directly selling the service to external customers. Their earnest desire to offer quality service to the consumer is the crucial factor in the tourism market competition.

This fact became one of the main factors of the development of the internal marketing concept in the tourism industry with special attention paid to staff communications. Internal marketing is closely connected to the new

paradigm of the personalized marketing, the relationship marketing. According to this paradigm, regular business relations with approximately twenty percent of all customers of the company bring about eighty percent of the company's revenue. In other words, in the today's competitive environment a company is better off having long-term relations with regular customers and providing service to them than using marketing tools to attract new one-time customers [8].

Therefore, marketing communications are one of the most essential means of communication between tourist service producers and consumers. For this reason, deep understanding of the specifics and mechanisms of the communication process operation is crucial for effective implementation of the proper marketing concept ensuring commercial success of the tourist company on the market (Fig. 2).

**T**his model shows that tour operators by the nature of their operation are producers of the tourist product, and to promote such product they have to make sure that the necessary information reaches not only the potential consumers but also travel agencies, that is, the companies engaged in retail sales and communicating directly with the customer. This requires tour operators to apply such special communication technologies as promotional tours and business seminars.

When a new tour has been designed, a number of events have to be held to introduce the new tour to the agents with the following purpose:

- ✦ sharing the information of the new tourist destination with the agent;
- ✦ explaining the specifics of the new destination sales;
- ✦ informing about the specifics of document issuance during the trip arrangement.

Business seminars which are recommended to hold before each season or telephone conferences with agency representatives invited in advance have definite effect with agents. From the tour operator's side such conferences are usually held by the managers who developed a certain tourist destination (route, tour) and are in charge of it. The partners are provided with agendas and information summaries about the tourist destinations scheduled for discussion, so that they can prepare for the conference in advance. The effectiveness of each of such events is largely dependent on the quality of the prepared pricing and informational material (catalogs and price lists). Partners can also be offered illustrative materials, including posters with their logos.

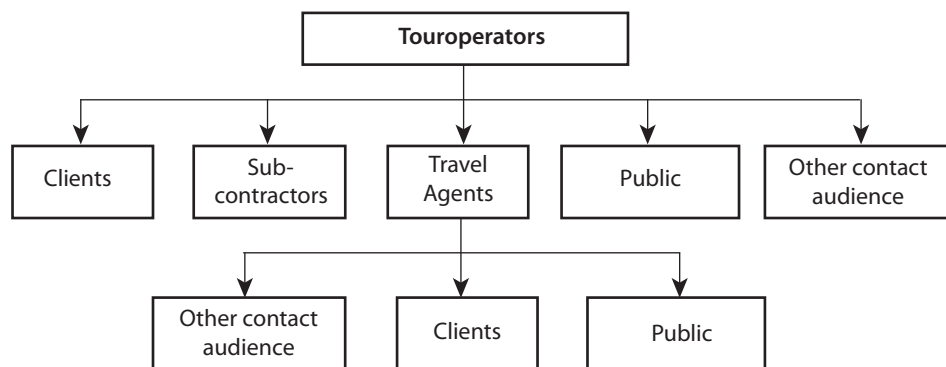


Fig. 1. Two-level model of communication impact in tourism companies [7]

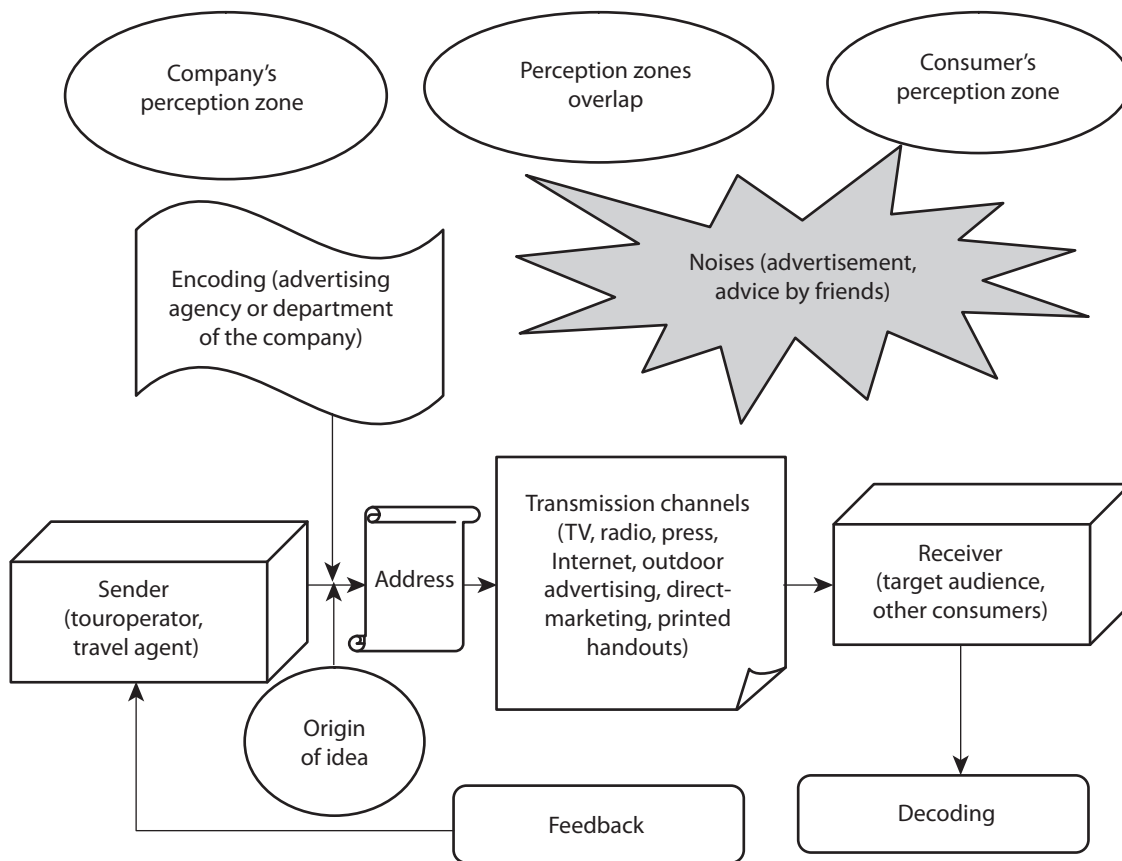


Fig. 2. Model of communication process of tourism companies

Source: improved by author [7].

One of quite effective tools in developing the cooperation with travel agencies is promotional tours. The tour operator can advertise new destinations and enhanced destinations of the previous year and boost the agents' interest by offering them participation in promotional tours at the start of each tourist season.

Promotional, or informational, tours are intended to allow the personnel of travel agencies to experience entertainment and excursion programs of a certain destination. Promotional tour is a special promotional product custom-developed by the tour operator to inform personnel of travel agencies about a new destination and to offer them first-hand experience of the tourist facilities in this destination [7].

Due to the fact that summer is the high season for tourism personnel, promotional tours are mainly offered in spring or autumn, sometimes in winter. Tourists have to perform the same functions as the staff of tourism companies do – follow the tour schedule, transfer between resorts which allows experiencing many resorts and getting a lot of impressions [9]. Based on the obtained information and experience each agent forms their own description of the tourist facilities offered to him or her and uses them in promoting the tour operator.

Thus, we suggest including the following characteristics in the specifics of the tourist service: seasonality, integrity, complexity, high subjectivity of assessing the tourist product quality. The specific features of the tourist service defining the basic principles to serve as the foun-

ation of the improvement of the marketing communication system of tourism companies, are as follows:

- ✦ significant personalization and targeted approach of communication address to potential customers compared to other areas of business;
- ✦ exceptional role of creating a positive image in the increase of demand and competitiveness of the company on the tourist market;
- ✦ necessity of combined use of communication tools and technologies which enhance the tangibility of services and consumer confidence (visual advertising, promotion of tourist destinations producers of tourist service producers, active participation in exhibitions, corporate style etc.);
- ✦ complexity of the structure and multi-level system of communications in tourism (the target audience of marketing communications are not only tourist service consumers but also other national and foreign tourism companies, different companies in the tourism, public and governmental institutions).

## CONCLUSIONS

This article contains the argumentation for the high importance of tourism as a sector of national economy influencing the development of political, economical, social and cultural relations and personal contacts on the global scale and becoming the meaning and style of life for millions of people worldwide. The author proved that the crucial factor in the development of tourism is an effective marketing

communication system. However, it is the ability to optimally organize the interaction of elements of such system and to identify the most efficient and effective types of marketing communications which is the leverage of the tourism company market success.

The article shows that the specific problems of the tourism industry have a significant influence on the formation of marketing communication system. The author used the analysis of scientific approaches adopted by distinguished scientists to draw a conclusion about the necessity of distinguishing between the general and specific characteristics of the tourism industry. The author includes the following in the general characteristics: imperceptibility or intangibility of the service, impossibility of storage, impossibility of preserving the service quality, the impossibility of separating the production from the consumption. The specific characteristics of the tourism industry are seasonality, integrity, complexity, high subjectivity of assessing the tourist product quality.

The author identifies several levels of marketing in the tourism industry, particularly, marketing of tourism companies (tour operators and travel agents), marketing of tourist services producers, marketing of public tourism companies and marketing of territories and regions.

The author suggested a two-level model of communication impact in tourism companies, which includes the following communication participants: customers, subcontractors, travel agents, the public and other contact audiences. The article describes the enhanced model of communication process in tourism companies and provides arguments for the significance of marketing communications as the most important means of interaction between producers and consumers of tourist services.

In view of the intangibility of services and simultaneous production and consumption the author states that the successful external factor of advertising policy in tourism companies is their personnel. The professionalism of personnel can be increased by a system of internal marketing events, such as business seminars, telephone conferences and promotional tours as the most comprehensive type.

The results of the research allow specifying the main principles to serve as the basis of improvement of the marketing communication system in tourist companies in view of the tourist service specifics.

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