

Application of destination management in the development area of tourist trade in the Slovak Republic

HENRIETA PAVOLOVÁ¹, DUŠAN DOMARACKÝ¹, LADISLAV HVIZDÁK²

¹*Institute of Business and Management, Technical University in Košice, Letná 9, 042 00 Košice, Slovakia*

²*Institute of Geotourism, Technical University in Košice, Letná 9, 042 00 Košice, Slovakia
(E-mail: henrieta.pavolova@tuke.sk, dusan.domaracky@tuke.sk, ladislav.hvizdak@tuke.sk)*

ABSTRACT

In recent time, time of new trends development in tourist industry is also increasing effort of realization various programs. These programs support development conditions of various destinations for travelling, attracting or keeping visitors. One of effective tool is to implement new and modern forms of tourism industry management also in smaller regions in which belongs also destination management. Submitted article refers to possibilities of destination management exercitations in tourism development in Slovak republic. Particularly describes positive effects of destination management on socio-economic development of region in Slovak republic.

Keywords: tourism destination, destination management, tourism development in the Slovak Republic

INTRODUCTION

Tourism industry has impact on all sectors of economy of Slovak republic with which is in close interaction. Tourism features department of services sector, which, in developed countries feature over half share of GDP. Services offered in passive and also active tourism are characterized by dynamic growth which is determinate by whole development of tourism industry. Tourism industry in Slovak republic has potential to make growth and employment and in the same time contribute to total economic and social development and integration particularly through development of regional tourism. The level of contentment of tourism clients depends on quality and extent of services offer which are offering different small and middle businesses and concurrently of the public company quality. From the requirement of cooperation and coordination of these different providers of services in particular region were slowly developed complete system elements of

market management of tourist trade, which has to led to destination management. Professional management and continually increasing qualification of services providers of private and public sector is essential assumption of competitive product of touristic trade and also sustainable development of destination what leads to economic growth in the region and increasing employment.

GENERAL CHARACTERISITC OF DESTINATION MANAGEMENT

Destination management is possible to define as: „ set of techniques, tools and strokes used by coordinated planning, organization, communication, decision process and regulation of touristic trade in concrete destination”. Destination of touristic trade features “target area in concrete region for which is typical significant offer of attractions and infrastructure of tourist trade”. In general, we can say, that destination of tourist trade

is natural unit with its unique features which distinguish it from other destination. Destination is as like his own product hence also competitive unit of tourist trade. Destination features system consist of unique providers services which provide accommodation, boarding, sports facilities, etc., and are affected by surrounding in which perform. Surrounding is political, economic, social and natural and hence introduces common [1, 2]:

- Vision of tourist trade development,
- Conception of tourist trade,
- Offer making,
- Marketing strategy.

The key principle of destination management is cooperation of unique subjects of private and public sector in tourist trade. Tourist trade subject cooperation in destination management should be founded by mutual expediency and common interests of concerned parties. In the case of business subjects, which primary aim is to gain profit and satiation of wants is place for cooperation clearly specified as in the case of public sector. By decision making about cooperation possibilities in the case of business subjects compare benefits with transaction costs,

which are generated in creation and formalization of relationships. (Fig. 1) [3].

In the area of making complex system of function destination it is possible to count with following possibilities of cooperation between unique subjects. (Fig. 2) [1]:

- **Horizontal cooperation** – interacts between businesses with the same bearing. The aim is to reach higher effectiveness of activities through saving of volume, e.g.- common clothes washing for different accommodation features,
- **Vertical cooperation** - interacts between businesses with different bearing. The aim is to optimized product, e.g. – cooperation between hotels and restaurants,
- **Lateral cooperation** – interacts between businesses form different scopes with the aim of change of strategic sources, e.g. cooperated destination with commercial network,
- **Agglomeration effect** – space concentration of different activities which allows to rise attractive elements with the aim to take position on market, e.g. – combination of services and utilization offer.

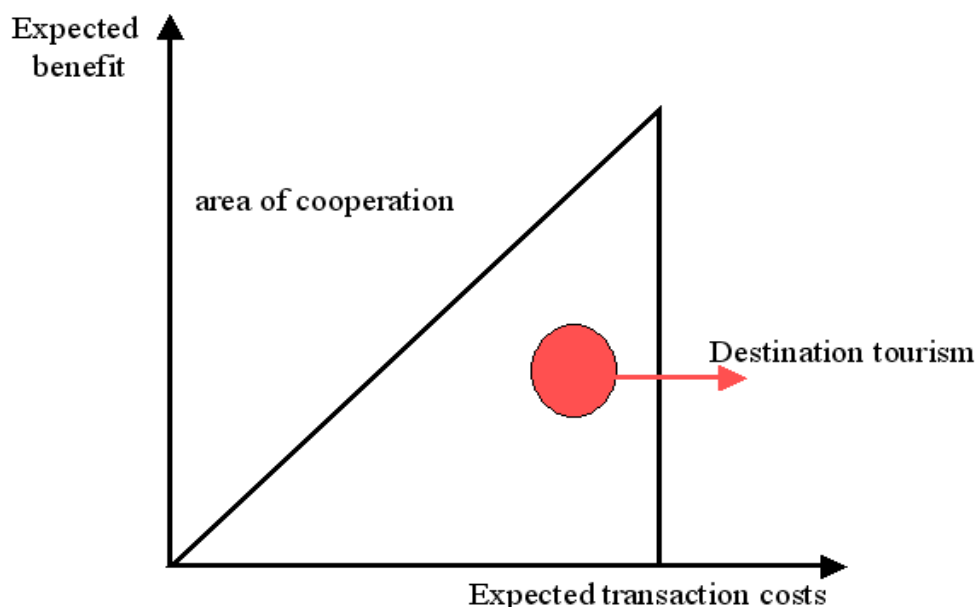


Fig. 1 Degree of willingness of business subjects for cooperation, Source: [3]

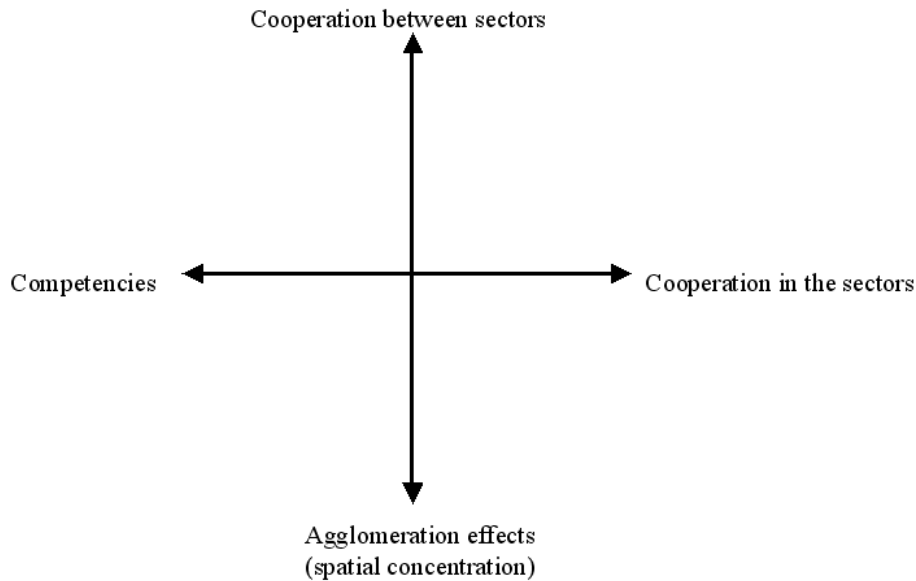


Fig. 2 Possibilities of tourist trade subject cooperation in destination, Source: [1]

Destination management is characterized by several assignments including [3]:

- Not very clear, hardly measured and often contradictory aims and interests in the frame of destination,
- Delimited possibilities of destination management effects on unique offered which are independent subjects,
- Big interest of interest groups – touristic organization are confronted by tourist interest groups, e.g., residents, sole traders, hoteliers, transporters, whose have often contradictory aims and interests,
- Inevitability of socio-economic surrounding adaptation.

DESTINATION MANAGEMENT IN TOURISTIC TRADE IN SLOVAK REPUBLIC

Destination management specific coordinates development of touristic trade in concrete destination by which increase economic acquisition of the area. Significant positive of destination management in Slovak republic is the fact that initiative of unique organization of destination management becomes from

principle of region economic growth, which is determined by effective marketing management already existed group of destination products and services [4]. Key tools for influent and obtaining visitor in favor of Slovak destination have become exhibitions, presentations, prospectuses, participation on press trip, famtrip and providing information. Systematic view on tourist trade management in Slovak republic solves in general the main problem, what is definition of tourist trade organization form in unique tourist destination. At the present time dominates products propagation of unique services providers, but complex product is missing. The structure of tourist trade organization in Slovak republic is disposing at the present time in three levels – local, regional and transnational as well as several organization and institutions supporting tourist trade. If we go out from its contemporary aim and activities closest to destination management are on local level existed tourist trade association. Also very close to destination management on regional level are Trade unions of regional development and on national level Slovak agency for tourist trade. Beginning and also some existed destination of tourism are trying to gain

their position on the market through implementation of modern tools on the base of destination management and marketing supporting tourism development in strictly delimited area. Territorially effecting tourism destination on the level of natural touristic regions as Liptov, Orava and Turiec, or on local level, as Košice, Dudince, or Smolenice are from global point of view reinforcing organization level of local structure of tourist trade in Slovak Republic [5].

For effective destination management organization in Slovak republic, as it is results of the above mentioned information, must be fulfilled various variables even on central, state level though on regional, municipality level. Combination of those two is created collateral mutualism between interest of state, municipality and business sector whereby their initiative is innovated, progress and search for support on political level and financial securing [6]. Among prime areas of destination management organization activities in SR belongs [4]:

- Organization and coordination of vertical and horizontal cooperation of unique subjects with the aim of uniform and flexible unit,
- Critical comparison of destination level by chosen parameters with best destinations, so called benchmarking,
- Responsibility for fulfilling main functions in tourism management destination and operates as services provider, as joint venture,
- Fulfilling of offered function,
- Fulfilling of marketing function.

Compared with destinations which have developed tourism as Alpine destination are, like Austria, Switzerland and Germany, are forms of management and marketing in Slovak republic undeveloped and refer to phases which developed countries has gone in sixties and seventies of 20.-ties century [8]. This phase was characteristic by simple cooperation activities focused mainly on promotion activities – common promotion of cities and regions,

participation on exhibitions, foundation of informational centers, etc.. Foundation of destination management as management organization of tourist trade, where organization structure is concerning to the strategy management offering and competitive destinations, where partners join strategic cooperation and various sales systems with direct sale are created, this was typical for developed countries in nineties of 20.-ties century [5]. About lack of destination management and marketing exercise in Slovak tourism trade says also the fact, that share of European tourist on Slovak tourism trade has decreasing tendency and in near future could not be assumed significant growth of foreign visitors. Individual organization of destination management in Slovak republic do not utilize strong destination potencial of Slovak republic for creation unique tourist offers becoming from specific destination [7]. Practical experiences of destination management and marketing of single destination of Slovak republic give us possibility for building recommended progress for establishment of destination amangement organization (see figure 3), with the aim to support development of regional tourist trade. Single decision making about destination management organization establishment in tourist industry of Slovak republic should be establish on specialized and objective valuation of present time, base on relevant quantificators as number of visitors, overnight stayings, average length of staying, number of domestic and foreign tourist are. Also exercitation of benchmarking with successful foreign destination of tourist industry. In the case of establishment this type of organization is necessary to realize, if we are dealing with exponed tourist destination, or destination with lower potencial for management destination making. Destination which could not cover by its offer satisfactorily larger number of visitors, where activities are reduced just on maketing activities.

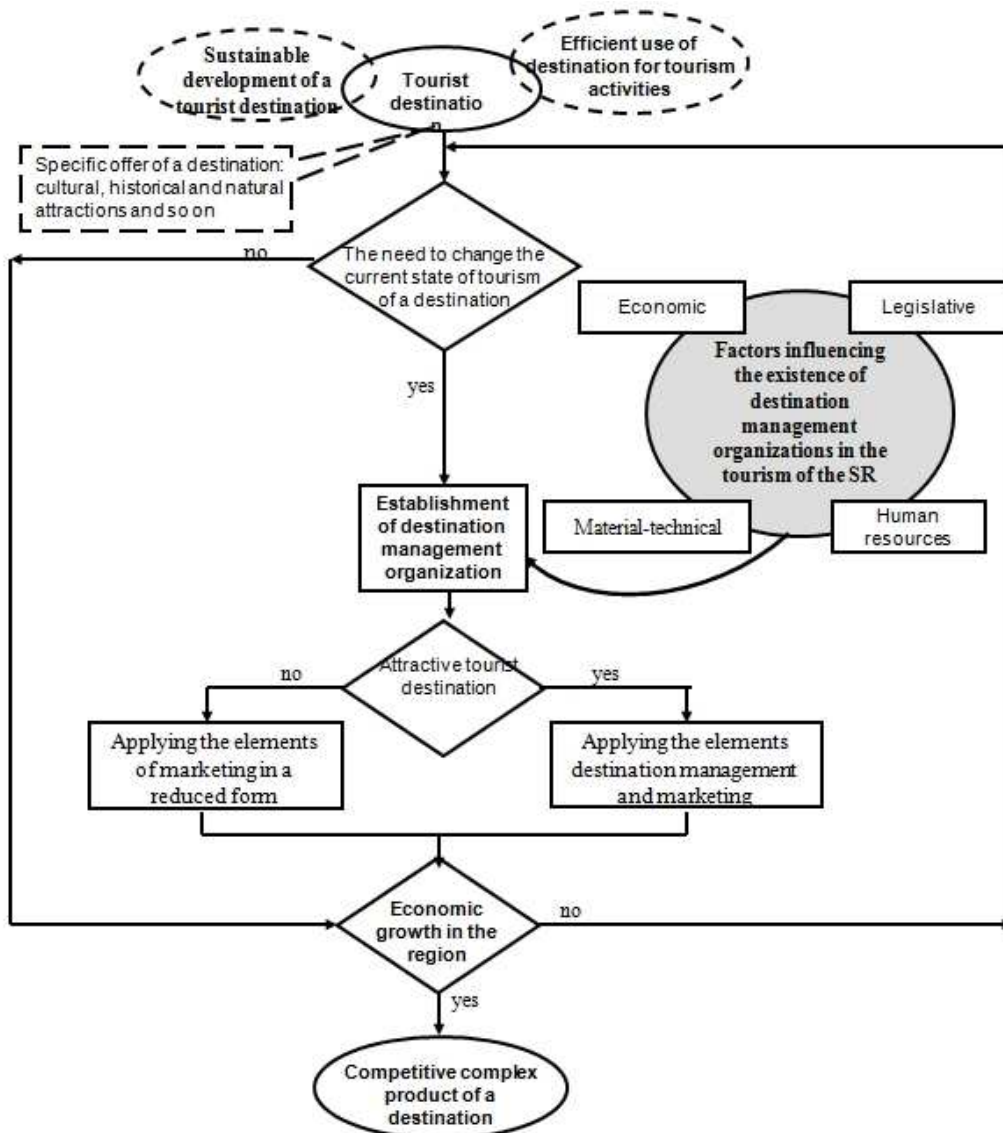


Fig. 3 Block diagram of tourist trade organization founding and exercise of destination management, Source: Author

CONCLUSION

Development of visitors Slovak republic has decreasing trend and also stagnation of tourist industry development determine the need founding stable, functional, professional and customer pro oriented organizations of tourist industry, which should contribute to development of natural regions, or target tourist cities in SR. Decreasing number of Slovak republic visitors and stagnation of tourist industry determine the need of establishment stable, functional, professional and customer oriented organizations of tourist industry

which should contribute to development of natural regions or target tourist cities of Slovakia. One of the possibilities is to implement organization of destination management of tourist industry which would contribute to competitive increase, permanent economic, social and regional development and to balance economic and social disparity among individual regions of Slovak republic. From above mentioned information and meant existence of destination management organization result some interaction and distinct influence of tourist industry development for the expansion and economic growth of

regions. This type of tourism industry organization could compete with products and services on home market as well as on foreign market and contest for customer.

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