

## REVIVING TOURISM SERVICES THROUGH BUSINESS TOURISM

Raluca Georgiana Stoian

Bucharest University of Economic Studies, Bucharest, Romania

e-mail: raluca.georgiana.stoian@gmail.com

---

### Abstract

*The objective of this article is to shed insight on the tourism assistance and services that can be developed to optimize the tourism flow. This article will expose the fact that tourism combines several services, such as transport, accommodation, food, recreation, events, that make up the integrated tourism product and its marketing arrangements. Part of tourism services are designed to cover basic, everyday needs like rest, food, and another part is dedicated to specific necessities and particularities of tourism services (recreation, treatment, travel arrangements, etc.).*

*The dynamism of tourism leads to the need for improvement of existing tourism services and develop new forms of tourism. Meanwhile developing tourism assistance and services leads to regional economic growth and professional development of people. Tourism plays an important role in the development of Romania's economic future and it is important to ensure that tourism resources are fully valued.*

*Business trips or trips to congresses, conferences, meetings, etc. continue to develop, with increasing benefits for organizers. Many people who are involved in such activities are, in the same time, "holiday" tourists who want to discover the area that they are visiting.*

*Tourism products and services are designed and developed to meet the needs of existing and potential customers. Tourists are becoming more experienced and sophisticated and expect high quality attractions, utilities and services, and rates / prices suited to their travels quality.*

*Provided that everything mentioned above is the main reason or motivation to develop tourism and its services for visitors to events in which they participate; we will analyze possible options for improving the above mentioned services.*

### Keywords

Tourism, tourism services, business tourism, tourist

### JEL Classification

M2, O40, R5

---

### Introduction

Given the difference of the maturity level of business tourism between Romania and the EU leading countries in this field, furthermore in this paper we will present some best practices in development and promotion of tourism services by enhancing business tourism.

Tourism represents the journey that people make in certain periods of the year in order to rest, recreate or do business. (Anghel, 2010) believes that tourism is manifested through a set of successive benefits which aim to satisfy the tourists throughout the duration of the trip.

Currently, worldwide, tourism is one of the most important economic sector. Because of the multiple services it offers, tourism can be considered the most important employment facilitator.

Tourists are either international tourists, or domestic tourists aiming to spend at least one night in the place they visit. Nevertheless, some trends are seen when part of the business tourism customers extend their stays, initially allocated for professional activities, with personal tourism packages.

Travel services which can benefit the tourists in business tourism have a role in choosing the destination.

### 1 Tourism and business tourism concept and services

Tourism is defined as "a complex of measures implemented for organization and implementation of leisure travel or for other purposes, made either through an organization, company or agency, whether on their own, for a limited period of time, and the industry that contributes to meeting the needs of tourists"(Dictionnaire Touristique International - 1969). From the perspective of the World Tourism Organization (UNWTO), tourism: "is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual

environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which involve tourism expenditure.”

Tourism takes many forms depending on tourist activities that can be carried by the units providing tourist services. Some of these forms of tourism are:

- Leisure tourism (leisure and holiday)
- Business tourism
- Medical tourism
- Gastronomy tourism
- Educational tourism
- Recreational tourism, etc.

Business tourism represents that form of tourism which is held for commercial purposes and benefits from the leisure tourism as a secondary motivation of the participants. Business tourism is defined by IMEX (Exhibition for Incentive Travel the World, Meetings and Events) as: „the provision of facilities and services to the millions of delegates who annually attend meetings, congresses, exhibitions, business events, incentive travel and corporate hospitality” and from the perspective of Swarbrooke and Horner (2001) business tourism focuses on "Touring visiting for business from point A to point B".

It is known that business tourism generally involves a higher level of spending per capita than any other type of tourism. Business tourism and the business traveler are served by their own infrastructure marketing specialist providers and intermediaries operating in parallel with the supporting leisure tourism. The tourism business has its own facilities such as convention and exhibition centers. The events that can be organized for the development of business tourism take many forms: business meetings, conferences, conventions, exhibitions, fairs, training courses, product launches. (Swarbrooke John and Susan Horner, 2001).

Business tourism-related activities are conducted in specially designed venues, so that they can engage more specific services besides accommodation, food, transport, etc.

Both R. Davidson & B Coupe (2003) and J. Newstrom & E. Scannell (1998) structured the forms of business tourism in terms of content:

- individual business travels / delegations, for many industries, for which the people involved accept to move out of the town of residence;
- tourism meetings that include several types of events such as conferences, seminars, team-building sites, product launches, annual meetings etc.
- fairs and exhibitions for presentation of products and services;
- travel incentive granted to employees who are performing in their field;
- corporate events organized by companies for major customers or potential customers with whom the companies can initiate and develop business relationships.

Tour operators have an important role in tourism since they are the ones that create tour packages and organize tourist trips with various activities.

For conferences, meetings and exhibitions there are some hotels which host both conference rooms and exhibition halls. Event organizers can request offers from these venues for the business travel segment.

## **2 Business tourism in Romania and Europe**

Romania is still at the beginning in the development of business tourism, but for investing in tourism services it is likely to become one of the most popular countries in Europe. This is a goal that tourism operators in Romania should target, taking into account that, worldwide, the highest profit in tourism is obtained from conferences, meetings or such events. Romanian and foreign investors show great interest in developing the tourism business, especially in developed cities, such as Bucharest, Constanta, Timisoara, Sibiu, Brasov, Cluj etc. Given that Romania is still developing in this field, tourism experts say that spaces for hosting events are insufficient if the number of participants exceeds 300 attendees per event.

In Romania business tourism is considered an opportunity to gain extra profit by the larger accommodation venues that have the possibility to organize conferences, to provide quality accommodation and of course to benefit from functional facilities for meetings, conferences, events, etc.

In the central region of Romania, revival of tourism services was achieved by the massive promotion of services and landmarks, thus creating a constant and predictable flow of tourists thanks to accessible areas, premium services and diversity of these services. We can say that in such strongly promoted areas, patterns in tourist behavior are created.

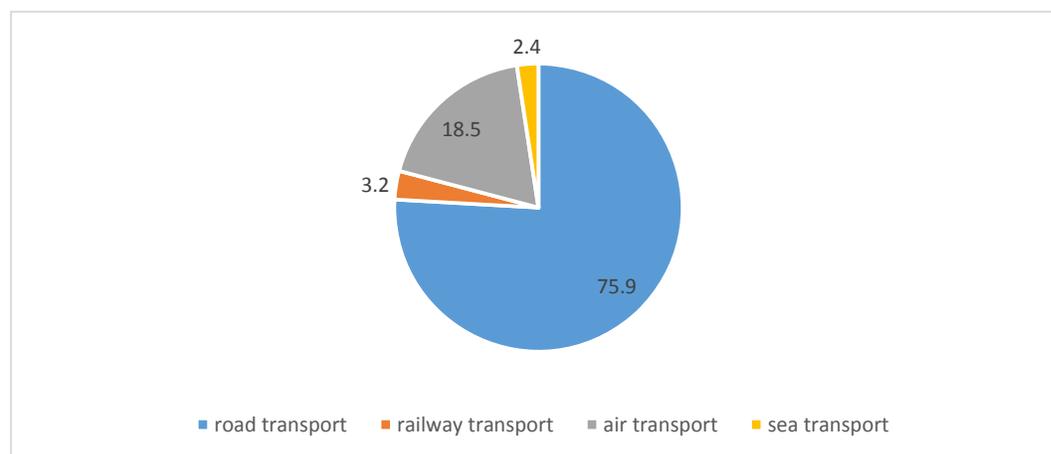
In Spain, Madrid is the main destination for business tourism. To stay on top in 2013, the City Council of Madrid alongside other partners have intensified organizing activities to promote business tourism services, through media

campaigns and through several proposals to organize congresses and corporate events. In terms of means of transport, Madrid has a network of modern road and high-speed rail transport that connects Spain's cities. For business events in Madrid we can find more than 170 hotels, museums, events and entertainment halls that have a developed material and technical base that makes these locations able to organize various kinds of events.

To become competitive with other EU countries, Romania needs to focus both on the quality of services and functionality of the travel arrangements. At the same time, we should take into account the European standards required in terms of quality of tourism services and the prices practiced by suppliers compared to other countries. In order to develop tourism and to revive its related services, in Romania development of transport infrastructure is highly important, because, at the moment, Romania has suffered from inadequate maintenance of road and rail networks. These drawbacks issue a problem in national tourism development.

If we analyze the information provided by the National Institute of Statistics (INSEE), tourism in Romania grew in August 2015 compared to the same period of 2014. Tourist arrivals in the receptions with functions of tourist accommodation registered an increase of 18.1%. The overnight stays in establishments with tourist reception with functions of tourist accommodation experienced an increase by 14.3%. The number of foreign visitors in Romania has risen in August 2015 with 10% compared to August of the previous year. According to statistics, most foreign visitors come from European countries (93.5%).

Based on data provided by INSEE statistical yearbooks, we can observe and which is the structure of foreign visitors in Romania split by means of transport used.



**Figure no. 1: Structure of foreign visitors arrivals in Romania, by types of transport used, in 2012**

*Source: by author*

The National Tourism Authority (NTA) supports tourism development in Romania through participation in international tourism fairs. According to statistics made by UNWTO, 5 of the EU member states were among the top destinations in the world touring in 2013. Developed tourism has the potential to contribute to economic development and employment.

To measure the economic importance of international tourism it is necessary to analyze the proportion of income generated by international travelers in relation to GDP (Gross Domestic Product). In 2013, according to statistics, the report on revenues from tourism and GDP was highest in the EU member states in Croatia (16.7%), Malta (14.5%) and Cyprus (13.2%). (Eurostat, 2014)

The biggest profits from international tourism for the year 2013 were recorded in Spain (45.5 billion euros) and France (42.2 billion euros). Spain was the only EU country that recorded the highest net income from tourism in 2013 (33,3 billion euros) (Eurostat, 2014).

## Conclusions

According to the National Association of Travel Agencies in Romania (ANAT), for the development of attracting tourists it is necessary that the National Tourism Organization (NTO) to act on several fronts in order to:

- encourage potential investors from the private sector to invest in tourism to develop products and services that attract a large number of tourists
- encourage local authorities to draw up plans to develop tourism in those areas
- draft strategy for development of tourism, etc.

Reviving tourism services through business tourism provides an advantage over the European market because business tourism is much less affected by seasonality.

Sustainable development and effective business tourism is a complex process that requires a sustained effort consistently of two main actors: the Romanian State, represented by the Ministry of Tourism and Regional Development on one hand, and stakeholders represented by hotels, travel agencies and service providers, on the other hand. Some of the actions which deliver the objectives above mentioned are infrastructure development and maintenance of tourist areas in conjunction with the promotion of tourism services in various media channels (expert magazines, lifestyle magazines, above the line advertising and online and social media).

In conclusion, these actions will generate results like the optimization of tourists' flow, increasing tourist number and increasing stays duration.

## References

- Anghel, A. D. (2010). *Dezvoltarea și diversificarea serviciilor turistice. O abordare strategică în context internațional*, Doctoral paper, Coord. Științific: Ionciță, M.
- Davidson R., Cope B. (2003). *Business Travel*, Ed. Prentice Hall, Londra
- Eurostat (2014). *Eurostat statistics – tourism statistics* [online] Available at: <[http://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism\\_statistics/ro](http://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_statistics/ro)>, [Accessed 18/11/2015]
- Newstrom, J. Scannell, E., (1998). *The big book of team-building games*, McGraw Hill, New York
- Nistoreanu, P. (2005). *Economia turismului*, ASE Publishing House, Bucharest
- Swarbrooke, J., Horner, S. (2001). *Business travel and tourism*, Butterworth-Heinemann, Oxford
- Turcu, D., Weisz, J. (2008). *Economia Turismului*, Eurostampa Publishing House, Timisoara
- National Association of Travel Agencies (2015) [online] Available at: <<http://www.anat.ro>>, [Accessed 18/11/2015]
- Centre Regional Development Agency (2015). *ADRCentru – Studii regionale*, [online] Available at <[http://www.adrcentru.ro/Document\\_Files/ADStudiiRegionale/00001261/o6o1y\\_Turism%20-%20studiu%20final.pdf](http://www.adrcentru.ro/Document_Files/ADStudiiRegionale/00001261/o6o1y_Turism%20-%20studiu%20final.pdf)>, [Accessed 21/11/2015]
- Dictionnaire Touristique International (1969). ICCA [online] Available at: <<http://www.iccaworld.com/aeps/aeitem.cfm?aeid=107>>, [Accessed 18/11/2015]
- National Institute of Statistics (n.d.) National Institute of Statistics - Romania [online], Available at: <<http://www.insse.ro/cms/>>, [Accessed 18/11/2015]
- World Tourism Organization, (n.d.) UNWTO [online] Available at: <<http://www2.unwto.org>>, [Accessed 17/11/2015]