Competitiveness Analysis and Management
of a Tourist Destination
Mariya Zlatkova STANKOVA[1]

Abstract

Contemporary tourism is one of the few branches, creating jobs in the big Bulgarian cities and big tourist centers as in the rural and mountain areas, giving a variety of opportunities for over fifty kinds of specialists from different ages. In those frames, the purpose of this paper is to discover, analyze and evaluate the competitiveness potential of the winter ski tourist destination Bansko, Bulgaria, compared to other six destinations, all of them offering winter skiing and being direct competitors.

The combined, the expert method, the sociological method and the method of observation are used for the analysis of competitiveness. The object of study is the competitiveness of tourism destination Bansko, Bulgaria for a number of parameters. The values are derived on the basis of expert researches and real user reviews - of tourists who already visited the related destinations and gave their opinion and evaluation in the websites such as Tripadvisor, Virtual Tourist, Holiday Watchdog.

In its complexness, the paper offers a model for sustainable planning and development for the surveyed tourism destination.

Keywords: Management, Competitiveness, Tourism Destination, Winter Destination, Sustainable Development

JEL Codes: L83; O21; R58

1. Introduction

In the conditions of accelerated economic changes toward European market parameters, Bulgarian tourism is up against new provocations, the revealing and mastering of which are possible only trough appropriated theoretical models and practical instruments.

[1] Assoc. Prof. Dr, Faculty of Economics, "Tourism" Department, Bulgaria, mzlstan@yahoo.com

According to the Bulgarian Ministry of Economics, Energy and Tourism (http://www.mi.government.bg/dat/tourism.html, July 2009), Bulgarian tourism reposes great expectations. Proved its vitality in the conditions of economic crisis, tourism is a priority for Bulgaria to achieve stable economic development. In the 80-ties Bulgaria was successfully developed as tourism destination at national and international level and, according the assessments of foreign authors, was comparable with the tourism of the already developed tourist destinations like Spain, Greece or former Yugoslavia.

Contemporary tourism is one of the few branches, creating jobs in the Bulgarian cities and tourist centers as in the rural and mountain areas, giving a variety of opportunities for over fifty kinds of specialists from different ages. The rising interest in tourism and the high percentage of registrations for Bulgaria are to big extent due to the improved tourist infra and superstructure in the main sea and mountain resorts, and to the better prices and optimal correlation "price – quality" of the main tourist product.

In those frames, the purpose of this paper is to discover, analyze and evaluate the potential of the winter ski tourist destination Bansko, Bulgaria, by providing a methodology for the analysis of its competitiveness and to explore the main tendencies in its future development, compared to other six destinations – Borivetz and Pamporovo, Bulgaria, Cortina d'Ampetzo, Italy, Innsbruck, Austria, Kranjska Gora, Slovenia, Uludag, Turkey. All of them offer winter skiing and are direct competitors.

Lying some 40 km east of the main Struma valley route, Bansko is the main centre for walking and skiing on the eastern slopes of the Pirin mountain (http://bansko.org/, august 2009). The town is located on 925 m. above sea level, and its skiing area is on 2000-2600 m. The ski slopes are approximately 10 kilometers above the town on the northern slopes of Pirin, and are easily accessible for approx. 25 minutes on the Gondola lift which starts from Bansko. The total length of the marked slopes is 65 kilometers.

Bansko is a traditional agricultural center and a growing tourist sector, boasting a wealth of stone-built nineteenth-century farmhouses with a lot of small, B&B-style hotels, as weal as big luxuries hotels. Town is connected to Sofia – the capital of Bulgaria and other towns by bus. But Bansko can also be

reached by a narrow-gauge railway which leaves the main Sofia–Plovdiv line at Septemvri town and forges its way across the highlands. It's one of the most scenic trips in the Balkans, but also one of the slowest, taking five hours to cover a distance of just over 100 km.

Today's town of Bansko is situated in the place of a settlement that was inhabited in succession by Thracians, Romans, Byzantines and Slavs. The remains of ancient fortresses, Thracian tumuli, medieval colonies, consecrated grounds, churches and chapels within the town earthwork testify to several historical epochs. In the Old Town site there are some remains of ancient fortresses. Thracian burial mounds were discovered close to the Old Town site. The remains of the late medieval single-nave St. George and St. Elijah churches, monuments of culture, are to the southeast of Bansko.

In the 9th-10th c. Bansko stood out as a settlement by grouping into several districts. In the middle of the 16th c. it was mentioned in the Ottoman register of sheep-breeders under the name of Baniska. Until the 18th c. the natives of Bansko were predominantly cattle-breeders and craftsmen, who relied on the vast pastures and rich woods. Coming into contact with the rich European culture had an extraordinary fruitful influence on the spiritual progress of the natives of Bansko. The lifestyle of people improved.

Contemporary city of Bansko is the modern ski centre of all Bulgarian ski resorts and has the best snow record and the longest ski season (15 Dec - 15 May). During the last couple of years this resort is under a massive investment process with new hotels and resort facilities being under construction. A brand new resort area with super luxury hotels and holiday apartments is being developed just opposite the Gondola lift, which also makes Bansko the resort with the best hotels.

At the same time, Bansko share the enormous natural heritage of Pirin mountain which is one of the Bulgarian National Parks (http://pirin.bg/, august 2009), founded on 100 000 acres. Since 1983 the Park is included in the UNESCO Convention for the Preservation of World Wildlife Heritage.

2. Applied Methods

Tourism industry nowadays is an extremely fast growing industry and became an important factor not only for economic growth of a country but also for the development of international economic relations for many countries all over the world. Therefore an analysis of the various tourist destinations is required.

The approach for competition and competitiveness actually differentiates by interdisciplinary, especially in the sphere of tourism. Analysis of so far publications in this area shows serious researches on separate aspects of competition and competitiveness of tourist product (Ribov, 1996; Ritchie & Crouch, 1997). But in the same time, a certain deficit of scientific information about the competitiveness of tourist destinations in Bulgaria could be outlined. And, if in separate researches attention is focused to the destinations for sea tourism, such researches in the area of mountain and ski tourism are missing in the country. Because of this, the present research is an attempt for competitiveness analysis and brings out the main criterions and indicators for competitiveness.

3. Methodological and Literature Overview

The problematic issue for measuring the competitiveness appeals to the attention of scientists, researchers and specialists in the area of tourism, as it is being regarded as key factor for the success of tourist destinations. Dwyer, L., Ch. Kim (2003), Mihalic, T. (2000), Ritchie, B., G. Crouch (1993) discuss that competitiveness is relative concept and it's values vary in dependence of the choice of basic year and/or of basic country. Besides, identification of elements of competitiveness is disputable because of conceptual problems, involved in the definition itself. First of all, because of the fact, that competitiveness is measurable concept, researching the competitive surpass in more then one aspect. On the other side, the difficulty in measuring the competitiveness in tourism is due to the subjectivism of expert evaluation, which is most common (Ribov, 1996; Ritchie & Crouch, 1997).

A growing body of research is emerging on competitiveness measurement and analysis of tourist destinations. Some researches measure competitiveness using information about the perceptions of tourists and their opinions for

experiences from different countries. The main priority of this approach is its ability for catching the inherent characteristics of destinations like quality of the beaches, well-intending of the local people, the commercial base and others, which are important factors for the competitiveness and usually are find to measure. On the other side, the results are being object of usual limits, related to researching data, which are presented only for specific number of countries or destinations, competing directly each other. Other researches, like this of Dwyer and Kim (1999, 2000, 2003) use published information for measuring the competitiveness of tourism destinations (Dwyer, Kim, 2003, as cited in Gooroochurn & Sugiyarto, retrieved August 2009, Available form http://www.nottingham.ac.uk/ttri/discussion/2004_7.pdf).

As an instrument for measuring the competitiveness of tourist destinations, Monitoring of competitiveness shows interest too. It has been developed as a result of common work between WTTC and TTRI with participation of Cristel de Haan from University of Nottingham. The monitoring follows basic indicators for competitiveness and it is being updating every year. Second basic research of the world competitiveness is the Report for global competitiveness (GCR), published by World economic forum (Travel & Tourism Competitiveness Report 2009, Retrieved June 2009, Available from http://www.weforum.org/s?s=global+competitiveness+report+2009).
Developed by Sash and Mc Arthur (2001), the Report includes an index of competitiveness. In it, there is combination of three important categories: macroeconomic environment, quality of public institutions and technologies. The index of competitiveness of business is popular too. It has been developed by Rorter (2000). Through this index is researching the difficulty of operations and strategies in companies, and the quality of national business environment. The world yearbook of competitiveness (WCY), published by Institute of manager development (IMD) is similar to (GCR) and analysis the ability of people to create and maintain environment which could should support competitiveness of companies. It measures competitiveness within the range of four basic factors, and namely – economic effectiveness, managing of efficiency, business effectiveness and infrastructure. Another scope measure instrument of competitiveness includes Regional indicators for competitiveness in Great Britain and OECD Science, Technology and Industry (STI) Scoreboard (Gooroochurn & Sugiyarto, retrieved August 2009, Available form http://www.nottingham.ac.uk/ttri/discussion/2004_7.pdf).

According to Crouch and Richi, in process of making an evaluation of competitiveness of tourism destinations can be applied a theory of comparative privilege, which is known as the theory Hekser-Olin. In order with formulations of the theory the comparative privilege is based on the possibility of production factors. They include on one side the natural, and on the other side created by man resources. The Crouch and Richi model of competitiveness identifies categories of factor possibilities such as: human resources, physical resources, information resources, capital resources, infrastructure, historical and cultural resources. Inskeep's (1991) and Midleton's (1997) studies (as cited in Gooroochurn & Sugiyarto, retrieved August 2009, Available form http://www.nottingham.ac.uk/ttri/discussion/2004_7.pdf) are adding the indicator for ecology in evaluation of competitiveness, with states that the quality of environment is important factor for determining the growth of tourist destinations and that the policies for environment have a great importance for development of tourism sector. This is in correspondence with the researches of Crouch, Richi (1993) and Mihalich (2000), in which are also included the ecologic factors as measurable instruments of tourism competitiveness.

4. Analysis of Destinations Competitiveness

From the analysis of tourist destinations studies it is obvious that the destination is a main component of tourism industry. Its goal is to satisfy the needs of tourists by optimum usage of tourist resources and though that – to increase the income tourist flows. Regarding to that the analysis precisely on Bansko winter ski destination potential would help to develop the resort as a year-round tourist destination. The proposed model is based on the knowledge, experience and comparison with globally recognized and accepted tourist destinations. The assessment on the destination is based on comparison and it aims at determining the degree of competitiveness of one destination's product to another destination, which may be more, less or the same equivalent competitive. According to Ribov (2003) from the group and in the group of the parameters under the test situation is allowed to be deducted and added ones. The valuation is in the grade's units by applying hundred grade system or the formulas (1) and (2).

(1) $V_a = D_a / D_b$ / with respect to positive values, where the increase in the relative values correspond to increasing the competitiveness /.

(2) Va = Db / Da / with respect to negative values, where the increase in the relative values correspond to increasing the competitiveness /.

According to a previous research (Stankova, 2009) the differences in "quality" respect between destinations are drowned by applying a set of criteria and indicators. Finally, relative valuations are transformed into a generalized, comprehensive assessment by the involvement of coefficients of importance, related to each parameter, to the formula (3):

(3) Za = Σ WnVan,

where Wn is the coefficient of importance for the parameter n.

The winter ski tourism destination Bansko, Bulgaria is compared to other 6 destination – Borivetz and Pamporovo, Bulgaria, Cortina d'Ampetzo, Italy, Innsbruck, Austria, Kranjska Gora, Slovenia, Uludag, Turkey. All of them offer winter skiing and are direct competitors.

The paper aims to apply a set of criteria and indicators in order to establish the differences in "quality" level between the seventh tourist destinations and to create a technology to determine the competitiveness of the assessed tourism destination. It is focusing on the competitiveness of tourism destination Bansko, Bulgaria for such parameters as tourist superstructure, destination's attractions, tourism services, basic and additional services which are offered, environmental parameter and parameter for the local potential. The values are derived on the basis of expert researches and real user reviews - of tourists who already visited the related destinations and gave their opinion and evaluation in the websites such as Tripadvisor, Virtual Tourist, Holiday Watchdog (www.tripadvisor.com; www.virtualtourist.com; www.holidaywatchdog.com).

The combined, the expert method, the sociological method and the method of observation are used for the analysis of competitiveness. These methods are applied to the selected parameters some of its direct competitors.

Table 1. Competitiveness comparison of tourist destinations on generalized, comprehensive assessment

Parameters	Coefficient of importance W_n	Tourism Destinations Parameters' values						
		Tyrol	Cortina d'Ampetzo	Kranjska Gora	Uludag	Bansko	Borovetz	Pamporovo
Tourist infrastructure	0.1	0.99	0.95	0.85	0.75	0.58	0.74	0.69
Tourist superstructure	0.1	0.97	0.95	0.74	0.57	0.75	0.81	0.76
Destination' attractions	0.2	0.92	0.85	0.62	0.87	0.55	0.80	0.83
Tourism services, basic and additional services which are offered	0.3	0.96	0.95	0.77	0.63	0.69	0.65	0.58
Environmental parameter	0.2	0.92	0.85	0.84	0.80	0.50	0.60	0.68
Parameter for the local potential.	0.1	0.93	0.90	0.75	0.75	0.88	0.63	0.70
Generalized valuation $W_n V_a$		0.099/ 0.097/ 0.184/ 0.288/ 0.184/ 0.093	0.095/0.095 0.170/0.285 0.170/0.090	0.085/ 0.074/ 0.124/ 0.231/ 0.168/ 0.075	0.075/ 0.057/ 0.174/ 0.189/ 0.160/ 0.075	0.058/ 0.075/ 0.110/ 0.207/ 0.100/ 0.088	0.074/ 0.081/ 0.160/ 0.195/ 0.120/ 0.063	0.069/ 0.076/ 0.166/ 0.174/ 0.136/ 0.070
Generalized comprehendsive parameter Za	1.0	0.945	0.905	0.757	0.730	0.638	0.693	0.691

Accepting Tyrol as a leader destination, the competitiveness analysis could be accomplished by means of its comparison with the others mentioned tourist destinations. Competitiveness of tourism destinations Bansko, Borivetz, Pamporovo, Cortina d'Ampetzo, Kranjska Gora and Uludag is deduced in accordance with the expert researches and real user reviews - of tourists who already visited the related destinations and gave their opinion and evaluation on the websites such as Tripadvisor, Virtual Tourist, Holiday Watchdog. In the

calculations are used the same competitiveness parameters - tourist infrastructure, tourist superstructure, destination's attractions, tourism services, basic and additional services which are offered, environmental parameter and parameter for the local potential. In the formula Va = Da / Db, Da respect to the value of the corresponding parameter for evaluated destination and Db is the value of the corresponding parameter for the leader - Tyrol.

Table 2. Competitiveness comparison of tourist destinations after the leading destination

Parameters	Coefficient of importance W_n	Tourism Destinations						
		Tyrol	Cortina d'Ampetzo	Kranjska Gora	Uludag	Bansko	Borovetz	Pampo-rovo
Tourist infrastructure	0.1	0,99	0,96	0,86	0,76	0,58	0,75	0,70
Tourist superstructure	0.1	0,97	0,98	0,76	0,59	0,77	0,84	0,78
Destination' attractions	0.2	0,92	0,92	0,67	0,62	0,6	0,86	0,90
Tourism services, basic and additional services which are offered	0.3	0,96	0,99	0,80	0,66	0,72	0,68	0,60
Environmental parameter	0.2	0,92	0,92	0,91	0,87	0,54	0,65	0,74
Parameter for the local potential.	0.1	0,93	0,97	0,81	0,83	0,95	0,67	0,75
Generalized valuation $W_n V_a$		0.099/ 0.097/ 0.184/ 0.288/ 0.184/ 0.093	0.096/ 0.098/ 0.184/ 0.297/ 0.184/ 0.097	0.086/ 0.076/ 0.134/ 0.240/ 0.182/ 0.081	0.076/ 0.059/ 0.124/ 0.198/ 0.174/ 0.083	0.058/ 0.077/ 0.120/ 0.216/ 0.108/ 0.095	0.074/ 0.084/ 0.172/ 0.204/ 0.130/ 0.067	0.070/ 0.078/ 0.180/ 0.180/ 0.148/ 0.075
Generalized comprehensive parameter Za	1.0	0.945	0.929	0.799	0.680	0.674	0.731	0.731

Determination of the generalized comprehensive evaluation of competitiveness helps the correct future market positioning of studded destination. Regarding to that, it is important first to establish its competitiveness' position after the hypothetic destination or after the leather. It is obvious from the data's presented in two tables above that the most competitive is Tyrole as destination for wither skiing (www.tripadvisor.com). The consumers' idea about Tyrole is highest. According to consumers its market pricing cover the correlation value for money-consumer attitude and satisfaction.

It could be conclude that the market strategy of Tyrol is orientated over the non-pricing factors, aiming to attract loyal consumers. Generalized comprehensive values for competitiveness of the other tourism destinations are ranging them as fallows - Cortina d'Ampetzo - second; Uludag - third, Kranjska Gora at fourth position, Bansko at fifed, Borivetz and Pamporovo – at six and seventh positions. Determined tendency is very inconvenient for Bansko as winter tourism destination. Its evaluation is on a low level in both tables of competitiveness comparison. Logically, its market strategy should be over writhed towards reposition and diversification of the offered products, as well as in direction of sustainable tourism development.

5. Discussion

The mission of each tourist destination should be to attract tourists and to create sustainable livelihoods for local people, contributing in the sometime to the conservation and development of natural, cultural and human resources. Predominant number of tourist destinations, specialized in winter ski tourism, including the destination of Bansko, is seeking to develop themselves as all year-round destinations. This is the most important condition that stands in the first place before taking any alternatives for their management and development. Competitive analysis, coming into view, is an efficient tool for successful management. It helps also the process of sustainable destination development, providing it with the necessary data about the destination quality potential.

Regarding to that, Bansko as destination aims to come out of the image of a winter destination and tries to impose its reputation as year-round resort with a

variety of services. In that connection, as successful management approaches could be applied as follows:

- Improvement of staff qualification;
- Encouragement for local initiative and entrepreneurship;
- Development of common infrastructure;
- Development of specialized tourist infrastructure;
- Establishment of public-private partnerships for the development of sports infrastructure;
- Advertisement of the resort as an attractive place for tourism, recreation and sport;
- Improvement of management and exchange of tourist information through the network of Tourist Information Centers;
- Promotion of the typical customs and traditions as a factor, increasing the attractiveness of tourism destination and ensuring continuity between generations;
- Promotion of objects and places of cultural, historical and architectural heritage and adapting to the needs of the tourist demand;
- Establishment and development of specialized tourism products based on specific only for the region local resources;
- Conservation and efficient use of water resources;
- Sustainable forest management and conservation of biodiversity;
- Development of control system of technical and biological reclamation and control of air condition;
- Increase control and monitoring in protected areas around the destination;
- Establishment of effective arrangements for waste management: waste collection, transportation, recycling and disposal;
- Public campaign to change attitudes among local residents regarding the protection of the environment.

Putting into practice all these management approaches the economic stabilization and social progress will be achieved in long-term plan. Additionally, conditions for sustainable development of Bansko will be ensured.

6. Conclusion

The presented research aims at creating methodology for determining the competitiveness of the evaluated tourist destinations and on the basis of this assessment to make research and development of models and plans for the implementation of the tourism product of a winter ski destinations.

It could be stated that in conditions of a global economic crisis, consumers usually do not give up their winter trips in general. They choose a shorter and cheaper holidays and accommodation facilities, food and entertainment from a lower category. The most important for them are the opportunities for skiing, the easy access to the ski area, and the condition of ski – slopes and ski facilities and the prices of ski services. Simultaneously, only for one third of the people the main purpose during the winter holiday is the practice of winter sports. There are more and more options which are offered outside of the ski area and the mass tourists who do not practice winter sports, and skiers and snowboarders, especially in bad weather benefit from them. The number of ski resorts in the world that devote special attention to the demands from nonskiers activities during the active season is increasing. They are largely relying on cultural and cognitive activities, spa services, culinary and wine tasting, adventure tourism and entertainment opportunities. Considerable resources are invested in the resort's advertisement. Another trend is that almost all big hotels have a spa - centers and they are focusing seriously their attention on the developments not only to the ski tourism, but also health tourism and balneology. All these features contribute to the improvement of competitiveness position of winter tourist destinations. And on the subsequent level are connected to sustainable development as another important trend in world tourism.

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