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# Marketing management as a strategic part of sustainable development in the conditions of rural tourism in Slovakia

**Summary.** While the rural tourism is widespread in the world, in Slovakia has just started to develop in recent years. Rural tourism supports small and medium-sized enterprises, with profits remaining in the region. A challenge for ensuring sustainable development in rural areas is to cover the development needs of the community. Rural tourism has been indicated as a good development strategy for Slovak rural areas. It is a great opportunity for those who not only love the region but also are interested in its comprehensive development – in the form of providing services. These strategic goals cannot be achieved without modern approaches and forms of marketing management. Destination management fully supported by the right marketing principles is the only way how to increase income from tourism and enhance the region. The main aim of this paper is to point out the importance of marketing in the process of the sustainable rural tourism development. Key findings indicate that marketing provides the guidance and ideas for further improvements in the sector of rural tourism.

Key words: rural tourism, economic development, destination marketing, marketing management

#### Introduction

Rural tourism can be defined as the 'country experience' which encompasses a wide range of attractions and activities that take place in agricultural or non-urban areas<sup>1</sup>. Rural tourism offers different alternative consequences of massive urbanization, represented by keeping the particularities of the local community with everything that involves life in rural areas<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup> M. Kurleto: The specificity of rural tourism development from the perspective of innovative driving forces, retrieved from: http://www.infoma.fri.uniza.sk/archive/mse/v3n2/051-057.pdf (accessed: 30.07.2018).

<sup>&</sup>lt;sup>2</sup> I. Gavrila-Paven, M.B. Constantin, L. Dogaru: Advantages and limits for tourism development in rural Area, Procedia Economics and Finance 2015, no. 32, p.1050–1059.

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Specialized studies, realized by Tourism World Organization, had identified the key megatrends in tourism for 2020:

- 1) increasing the number of tourists concerned about environmental issues;
- 2) increasing demand for new destinations;
- 3) increasing the number of shorter vacations;
- 4) increasing number of older people that are more active and willing to travel;
- becoming more experienced and sophisticated travellers, that are expecting high quality attractions, facilities and services as appropriate tariffs and quality in their travels.

In this framework rural space is the perfect destination for developing rural tourism, cultural tourism and tourism in protected areas (ecotourism, adventure tourism, tourism in wild areas and camping). This trend indicates an increase in demand for rural tourism, especially for ecotourism, and its transformation from a niche market into a main segment<sup>3</sup>.

Marketing in rural tourism is specific in the fact that the main object is not a product but a service. The basic principles are the same, however, the area of services is characterized by a direct contact of the provider (seller) with the customer (client). Because also in rural tourism, mostly customer-oriented marketing is employed, the entities must adapt the offer of services to the requirements and needs of customers. Marketing of business in rural tourism should mainly<sup>4</sup>:

- find out what customers want and need,
- customize the services and products to these wishes and needs,
- ensure that customers know about these products, etc.

Tourist agencies must be engaged in enabling a dialogue between their employees and local representatives. Clients must not only be observers but also critics in the spirit of trust and transparency. A full and true comprehension of the rural tourism role is realized through revealing habits of the host, traditional values rooted in the existing culture, establishment of relations amongst population at the local level<sup>5</sup>. Rural tourism covers a range of services provided through the cooperation of many actors including accommodation providers, other service providers as well as local residents. These actors all contribute to creating the harmonious and complex experience, which encompasses all travel-related processes from the guests' choice of destination to all the stimuli and impressions from the stay<sup>6</sup>. Rural tourism in the countryside has become a new opportunity for rural economic development as it offers the opportunity to engage local people in providing services to visitors and guests.

<sup>&</sup>lt;sup>3</sup> P.G. Ionela, M.B.Constantin, D.L. Dogaru: Advantages and limits for tourism development in rural area, Procedia Economics and Finance 2015, no. 32. p, 1050–1059.

<sup>&</sup>lt;sup>4</sup> L. Roberts, D. Hall, M. Morag: New directions in rural tourism. Routledge, Oxford 2017, p. 165.

<sup>&</sup>lt;sup>5</sup> J. Medojevic, S. Milosavljevic, M. Punisic: Paradigms of rural tourism in Serbia in the function of village revitalisation, Human Geographies – Journal of Studies and Research in Human Geography 2011, no. 2, p. 93–102.

<sup>&</sup>lt;sup>6</sup> C. Raffai: Innovation in rural tourism: a model for hungarian accommodation providers, Management & Marketing 2013, no. 4, p. 747–766.

# **Research methods**

The main aim of this paper is to point out the importance of marketing in the process of the sustainable rural tourism development. The paper deals with economic aspects of rural tourism sustainability as well as the essence of marketing approaches for further improvements in the sector of rural tourism. The special focus is given to analysis of the factors that influence the implementation of marketing philosophy in tourism and its specifics in area of rural tourism. In order to achieve the formulated aim of the paper were collected and used secondary sources of information. Underlying secondary data were obtained from available literature sources, i.e. from professional book publications from domestic and foreign authors and organizations as well as scientific journals. When processing of individual underlying data and formulating conclusions of the paper were used methods of analysis, synthesis, induction, deduction and the comparative method. According to available data, emphasis was put to evaluation some statistical data that represents the current state in the field of rural tourism. The article also presents the advantages and limits in supporting rural tourism in Slovakia.

### Economic aspects of rural tourism sustainability

Rural tourism is increasingly viewed as a panacea, increasing the economic viability of marginalized areas, stimulating social regeneration and improving the living conditions of rural communities<sup>7</sup>. Another experts claim that tourism is not the panacea for all rural problems but it has number of positive attractions. It is one of the many opportunities that rural communities might consider to improve productivity and incomes<sup>8, 9</sup>. Less developed countries, afflicted by debilitating rural poverty, have considerable potential in attracting tourists in search of new, authentic experiences in areas of unexploited natural and cultural riches. Meaningful community participation, together with public sector support, presents opportunities for the development of small-scale indigenous tourism projects in less developed areas<sup>10</sup>. An important fact is that higher income from rural tourism also means raising funds for self-government, which can invest them in further economic and social advancement<sup>11</sup>. Rural tourism represents an opportunity for small farms that cannot compete with the conditions imposed by the globalization of markets<sup>12</sup>. It supports small and medium-sized enterprises, with profits remaining in

<sup>&</sup>lt;sup>7</sup> J. Briedenhann, E. Wickens: Tourism routes as a tool for the economic development of rural areas – vibrant hope or impossible dream?, Tourism management 2004, no. 1, p. 71–79.

<sup>&</sup>lt;sup>8</sup> H. Irshad: Rural tourism – an overview. Rural Development Division, Government of Alberta 2010, p. 28.

<sup>&</sup>lt;sup>9</sup> M. Pakurar, J. Oláh: Definition of rural tourism and its characteristics in the northern great plain region, Fascicula: Ecotoxicologie, Zootehnie si Tehnologii de Industrie Alimentara 2008, no. 7, p. 777– -782.

<sup>&</sup>lt;sup>10</sup> J. Bulatović, G. Rajović: Some aspects of rural tourism with emphasis on Serbia, World Scientific News 2017, no. 72, p. 184–193.

<sup>&</sup>lt;sup>11</sup> I. Kuhn, P. Tomášová, I. Niňajová: Marketingový manažment a jeho uplatnenie v podmienkach vidieckeho cestovného ruchu. Občianske združenie Krajší vidiek, Kysucké Nové Mesto 2013, p. 46

<sup>&</sup>lt;sup>12</sup> P. Goebel, C. Reuter, R. Pibernik, Ch. Sichtmann: The influence of ethical culture on supplier selec-

the region. It is the source of new jobs or supplementary incomes for the main job<sup>13, 14</sup>. Rural tourism is also revolutionizing businesses and prompting economic development across the globe<sup>15</sup>. It has many potential benefits for including employment growth, an expanded economic base, repopulation, social improvement, and revitalization of local crafts<sup>16</sup>.

Rural communities are challenged to take full advantage of the tourism industry due to lack of sufficient infrastructure to support year-round visitors. Therefore, in a bid to exploit the cash injection that tourism provides, with minimal additional resources, many rural communities have opted to host tourism events on a yearly basis. However, the single yearly basis events have limited potential benefits to the communities<sup>17</sup>.

Slovakia has exceptionally suitable conditions for rural tourism and agrotourism, especially in mountain and foothills, which occupy over two million hectares, of which the agricultural land fund represents over 800 thousand hectares.

Rural tourism means higher income for municipalities, the possibility of creating jobs in the village, their revitalizing, increasing the living standards of the inhabitants, providing economic and social opportunities in the countryside. It is particularly evident in the higher standard of living of the domestic population and in the developed infrastructure. In the text above, we have given many reasons why it is important to ensure the sustainable development of rural tourism in the world the same as in Slovakia.

The line graphs show the statistics in rural tourism in Slovakia from 2005 to 2017. There are two graphs in the chart. The grey graph shows the number of visitors, the black one deals with the number of overnights stays. Between 2014 and 2017 there was an enormous growth. The number of visitors has increased over the last four years from 65,213 to 151,357 (an increase of 132%). The same situation we can see on the black graph where in 2017 were 359,632 nights spent in tourist rural accommodation establishments. From the previous years we can assume that this trend will continue in the future.

The Turnover graph displays the situation in rural tourism in Slovakia between years 2005 to 2017 (Figure 2). There was a slight increase in turnover between 2005 and 2008. It fluctuated for the following six years. As can be seen from the graph, turnover grew from 2,730,472 EUR in 2014 to 8,9655,444 EUR in 2017. It represents an increase of 228%.

To sum up, it is necessary to maintain this favourable development. In this article below we provide ways for further improvements in the sector of rural tourism based on marketing principles.

tion in the context of sustainable sourcing, International Journal of Production Economics 2012, vol. 140, no. 1, p. 7–17.

<sup>&</sup>lt;sup>13</sup> I. Kuhn, P. Tomášová, I. Niňajová: Marketingový..., op.cit.

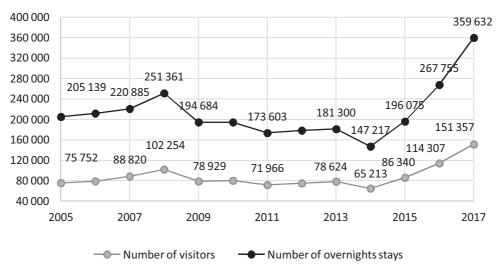
<sup>&</sup>lt;sup>14</sup> M. Pakurar, J. Oláh: Definition..., op.cit.

<sup>&</sup>lt;sup>15</sup> K. Dashper: Rural tourism: an international perspective, Cambridge Scholars Publishing, Newcastle 2015, p. 192

<sup>&</sup>lt;sup>16</sup> J. Jarábková: Vidiecky cestovný ruch, SPU v Nitre, Nitra 2016, p. 15.

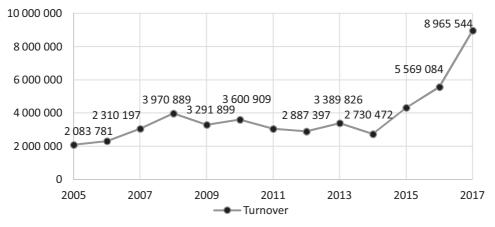
<sup>&</sup>lt;sup>17</sup> H. Irshad: Rural tourism..., op.cit.

Marketing management as a strategic part...





Source: own processing based on Vidiecky CR 2017. Ubytovacia štatistika CR na Slovensku, retrieved from: https://www.mindop.sk /ministerstvo-1/ cestovny-ruch-7/statistika/ubyto-vacia-statistika/2018 (accesed: 30.07.2018).



**Figure 2.** Turnover (in euro) in rural tourism in Slovakia (2005–2017) Source: own processing based on Vidiecky CR 2017. Ubytovacia..., op.cit.

# Marketing approaches of rural tourism sustainability

Tourist needs and behaviors change over time. According to recognized authors, the last decade of the 20th century had brought significant changes in tourism, especially in the behavior of tourists as consumers. Thus, in their study "The Role of Marketing

Philosophy in Tourism Development" they insisted on the important role of marketing research to build a strong database regarding tourism consumers' personal life-stage, socioeconomic, and behavioral characteristics to create a wealth of marketing opportunities and an immediate and practical impact on planning and organization of rural tourism offer<sup>18</sup>.

The target groups of potential visitors in rural tourism are very different and so it is difficult to create a uniform, universally applicable demand model. The success of the service or accommodation therefore lies in its exact setting specialization, which must first consider the region's offer – its specific and characteristic features in terms of providing a visitor wide spectrum holiday and residence satisfaction. It is also important to define profiles of potential visitors who could search for the selected locality. It is necessary to design, organize, and especially target and efficiently promote offered services. In this way, a small questionnaire with the questions about stay in selected accommodation for visitors can help. Critical insights can ultimately bring quality feedback and important information about customer needs, preferences, and expectations. As a result, providers can current services either continue to develop, improve or eliminate deficiencies.

# Destination management and marketing as a strategic part of rural tourism development

Changes in the tourism market in recent years have also brought the fact that the guest as the target point of the journey or holiday chooses the destination (country, location, region) and not just the accommodation, gastronomic, recreational and leisure time facilities. Destination becomes a complex product where is a coordinated collaboration between the individual entities that create and influence the visitor's experience.

Destination management represents not only the existence of control organization in a particular tourist area, but also the processes that are related to the marketing of tourism. Destination Management Organizations (DMOs) use modern approaches and forms of tourism management aimed at continuously increasing the number and length of stay of visitors in a chosen destination.

With longer stays also increase the visitor's expenses, what is also the main aim of destination management – increasing revenue from tourism. Through the targeted promotion of destination, supporting regional activities through sales channels such as the Internet (booking system, ticket sales for events, transport links, accommodation information and recreational opportunities in the region), the tourism organization can attract the attention and interest of visitors but their overall satisfaction it cannot ensure itself.

The next task lies in active interest of business entity, which should respond to the needs and objectives of destination, take advantage of the existing opportunities and thus increase the competitive advantages of the destination. This may result in the cre-

<sup>&</sup>lt;sup>18</sup> B. Mihailovic, I. Moric: The role of marketing philosophy in rural tourism development, Tourism and Hospitality Management 2012, vol. 18, no. 2, p. 267–279.

ation of unique destination packages, theme-oriented sightseeing trips or specialized products targeted at selected target group.

Destination marketing uses not only promotion tools but also actively works with product, price and distribution channels. In this respect, a powerful weapon within the communication became web information portals, social networks, direct mailing, newsletter, and customized product campaigns. The nature of these channels helps to more active and flexible maintaining relationships with the public, media and tourism institutions.

Altogether there are eight tools of marketing mix in tourism: product, price, distribution, promotion, people, packaging, programming and partnership (Figure 3). When composing a functional business plan, the provider should take into account all tools of marketing mix, since they are all interconnected and create a harmonic unit that guarantees a successful position at the market.

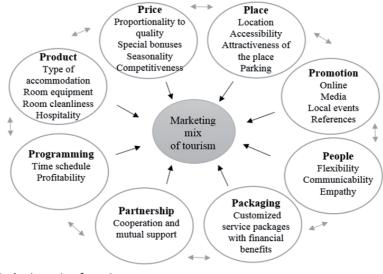


Figure 3. Marketing mix of tourism Source: own processing.

At the end of the section on communication mix, it is possible to list several recommendations to promote rural tourism<sup>19</sup>:

- the focus on the customer and building loyalty,
- creating a database of clients and their direct addressing,
- knowledge of the target group of clients and their needs,

<sup>&</sup>lt;sup>19</sup> T. Václavík: Agroturistika na ekofarmách: Jak na to. Ministerstvo zemědělství České republiky, Brno 2008, retrieved from: http://eagri.cz/public/web/le/38603/Agroturistika\_na\_ekofarmach.pdf (accesed: 10.08.2018).

- the offer must match the advertised information,
- professional conduct,
- cooperation with local businesses and associations,
- the need for communication with the media and the public,
- using the experience of established entities and their promotion tools,
- do not underestimate the quality of information materials.

## The essence of marketing communication in rural tourism

Marketing planning and communication are used in rural tourism where the forms of individual tools reflect the nature of product – in this case the tourist destination. The main role of the promotion is to inform the public about the tourism product, attract an active interest and thus helping to sell it. Setting and subsequent adaptation of propagation can have short-term or medium-term character and require constant creative activity. The forms of promotion are diverse and extensive. In rural tourism, it is very important to inform potential customers not only about the existence of accommodation and provided services, but also about the upcoming news and innovations or about seasonal activities or events in selected region. This all can help to visitor to make decisions, where he will spend future holiday. The great benefit of well-established promotion is the thorough knowledge of customer – his inclusion in the social group, income category, the purpose of a stay in the region, what services he enjoys, and which literally prefers.

There exist various forms of promotion by which can tourist accommodation communicate with potential customer:

- information leaflets and brochures,
- website and social networks,
- promo stands at travel fairs and exhibitions,
- promotional catalogues of travel agencies, information centers and tourist organizations,
- public relations through service publicity,
- "word-of-mouth" promotion,
- internal advertising.

If we want to keep the attention of a potential visitor, it is important to add information about the possibilities in near surroundings, offer basic information about the region and provide specific tourist tips. By providing quality, complex and true information about provided services with emotional appeal can be achieved a synergistic effect from marketing efforts.

### Conclusion

Given the expected growth of tourism there is a great optimism for rural tourism in Slovakia. In the article, we explain why it is necessary to ensure economic sustainability of rural tourism and its impact on the local community. Slovakia has a potential for development of rural tourism, which has been increasing in recent years. The role of

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responsible authorities is to ensure a lasting favourable situation. One way to ensure it is an effective marketing strategy and targeted marketing communication. Proper communication can attract tourists and ensure their satisfaction and loyalty. It should be remembered that currently the most powerful communication tool is "word-of-mouth" marketing. Therefore, marketing cannot be understood simply as propaganda or simply as printing leaflets, but as a platform for defining business objectives and strategies, and creation of tourist products which deliver unique experience to consumers and generate profit for rural tourism destination.

Key findings indicate that marketing in rural tourism should be seen as a means to achieve development of strategic goals of rural tourist destinations, such as: long-term prosperity, profit maximization, extension of the tourist season, guest satisfaction, neutralizing the negative social impacts, stabilization of employment, support and further diversification of existing economic activity, temporal and spatial redistribution of tourist demand. All of these findings are preliminary and create space for further analysis and surveys.

The Slovak government has not implemented enough regional projects to increase the effectiveness of rural tourism/farm activities. They should offer a wide range of products and services to promote tourism in the rural areas. Experts and interest groups still discuss whether these projects are effective and properly targeted as they try to find the most optimal way how to take advantage of the countryside best for rural tourism.

There are still limits for the optimal development of rural tourism in the conditions of Slovakia predominantly due to lack of effective marketing activity, insufficient financial support and support of promotion in abroad.

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