Antun Biloš Ph.D.
Faculty of Economics in Osijek, Assistant Professor
Trg Ljudevita Gaja 7, 31000 Osijek
+385 31 22 44 00   +385 31 21 16 04
abilos@efos.hr

Davorin Turkalj, Ph.D.
Faculty of Economics in Osijek, Assistant Professor
Trg Ljudevita Gaja 7, 31000 Osijek
+385 31 22 44 00   +385 31 21 16 04
davorin@efos.hr

Ivan Kelić M.A.
Faculty of Economics in Osijek, Teaching and Research Assistant
Trg Ljudevita Gaja 7, 31000 Osijek
+385 91 22 44 52   +385 31 21 16 04
ikelic@efos.hr

ANALYSIS AND POSSIBILITIES OF ONLINE PROMOTION OF TOURISM OF EASTERN CROATIA

ANALIZA I MOGUĆNOSTI ONLINE PROMOCIJE TURIZMA ISTOČNE HRVATSKE

ABSTRACT

Tourism can be viewed as an aggregator of economic activities and is thus an important factor in fostering the economy throughout the Republic of Croatia, including Eastern Croatia. The potential of Eastern Croatia as a tourist destination is noticeable in the increasing number of visitors and the range of events through which tourism businesses offer their products and services. In this way, tourism becomes the generator of product sales and exports. To increase the number of visits, this region should be more intensively promoted on the European and world markets. This is quite feasible with proper investment in high-quality marketing promotion on the Internet, which would significantly improve the position of Eastern Croatia in the online environment. Online advertising has been gaining importance because of the growing number of Internet users and constant technology improvements. The tourism sector in Eastern Croatia should strive to expand the range of tourism products, reduce seasonality, improve customer satisfaction, increase the average daily spending, raise the employment and self-employment rates, and probably most urgently, make the region an internationally recognized destination. Marketing activities are essential for accessing the domestic and international markets. By applying Web 2.0. techniques and tools, tourism businesses can pinpoint the segment they want to attract, and then use social networks, e-mail marketing and/or browser advertising to deliver the information on the destination and tourism offer. The paper will investigate to what extent business entities have recognized the importance of online promotion. The goal of the paper is to analyse the current situation regarding the presentation of Eastern Croatia on the Internet and to explore the potentials of this type of advertising. This is important, in view of increasingly active Internet users who require this kind of communication and prefer this route of obtaining information.

Keywords: *tourism, Web 2.0., Internet, online promotion*

SAŽETAK

Turizam kao agregator djelatnosti postao je važan čimbenik poticanja gospodarskih aktivnosti u cijeloj Republici Hrvatskoj, pa tako i u istočnoj Hrvatskoj. Turistički potencijal istočne Hrvatske kao turističkog odredišta očituje se u sve većem broju dolazaka turista, kao i brojnim manifestacijama kroz koje turistički poslovni subjekti nude proizvode i usluge. Turizam time postaje generator prodaje i izvoza proizvoda. Kako bi se povećao broj dolazaka, potrebno je povećati promociju istočne Hrvatske na europskom i svjetskom tržištu. Sve to moguće je ostvariti putem ulaganja u kvalitetno razrađenu marketinšku promociju na internetu koja doprinosi boljem položaju istočne Hrvatske u online okruženju. Online oglašavanje bilježi konstantan rast zbog sve većeg broja korisnika interneta i konstantnog unaprjeđenja tehnologije. Ciljevi na kojima bi se turizam istočne Hrvatske trebao usmjeriti su svakako širenje ponude turističkih proizvoda, smanjivanje sezonalnosti, težnja ka ostvarivanju rasta zadovoljstva turista, povećanje prosječne potrošnje po danu boravka, povećanje razine zaposlenosti i samozapošljavanja, te ono možda trenutno i najvažnije, unapređivanje međunarodne prepoznatljivosti. Upravo marketinške aktivnosti omogućuju kvalitetan nastup na međunarodnom i domicilnom tržištu. Koristeći tehnike i alate Weba 2.0. turistički poslovni subjekti mogu precizno odrediti segment koji želi privući, te kroz društvene mreže, e-mail marketing i/ili oglašavanjem na tražilicama dostaviti informacije o odredištu i turističku ponudu. Odgovarajući na pitanje u kojoj mjeri su poslovni subjekti prepoznali važnosti korištenja online promocije predstavlja temeljni problem na kojemu se rad temelji. Cilj rada je analizirati trenutno stanje internetske prisutnosti turizma istočne Hrvatske, te koji su potencijali navedenog oglašavanja s obzirom na sve aktivnije korisnike koji iskazuju značajan interes za ovakav oblik komunikacije i primanja informacija.

Ključne riječi: *Turizam, Web 2.0., internet, online promocija*

1. Introduction

As one of the fastest growing sectors at the moment, tourism is a social and economic phenomenon that combines various elements into a complex phenomenon. Tourism as an economic phenomenon does not have a long tradition; it positioned itself in the scientific research system only in the second half of the 20th century. Therefore, it is no wonder that one of the key features of tourism is its changeability. According to a definition provided by the International Association of Scientific Experts in Tourism (AIEST), tourism is defined with an emphasis through economic activity as the entirety of interrelations and phenomena which result from people travelling to, and stopping at places which are neither their main continuous domiciles nor place of work (Prijevac, Kesar, 2002, 5). This definition explains tourism as an economic activity which defines participants in tourism development – tourists, i.e. travellers. According to Ružić, tourism is not and cannot be a separate economic activity, but the needs of tourists as well as other travellers are met by aggregating several activities (Ružić, 2007, 27). Based on this definition, tourism has to be viewed as a phenomenon that is susceptible to strong oscillations and which is undergoing continuous trend changes along with technology development occurring simultaneously.

Marketing as a management process was initially developed in relation to the sale of physical products. However, one of the most pronounced trends in today's world is an extreme growth of the service sector, and tourism and catering industry are significant parts of this sector. Application of marketing in all business spheres is the key to the success of business entities – in this case of tourism activity. Marketing as a business and management function has to take into account the specific qualities of the driving force of economic activities and adapt to these specific qualities, i.e. features. Respecting specific qualities in particular activities and organisations is necessary also due to the character of services and their specific quality, distribution methods and sales channels, business strategy, elements of the pricing policy, specific qualities of the market and market

segments, the ways of using natural resources and their availability, terms of doing business, various influences of the environment, etc., which are different in different activities. Accordingly, tourism has to be observed as a dynamic phenomenon susceptible to strong oscillations, undergoing continuous trend changes along with technology development which is taking place simultaneously. Development of modern technology and application of management and marketing in tourism have resulted in the situation where, in addition to the mass tourism, also other specific forms of tourism, i.e. tourism products are created. Trends point to the increase in demand for specific forms of tourism, including rural tourism that achieves its maximum potential in the continental part of the country. Rural destinations provide opportunities for learning about the cultural and historical identity, customs, tradition and gastronomy of particular rural areas. It is marked with natural environment, clean air and water and specific and autochthonous food. Tourist offer is present throughout the year and it includes trips and stays (Pirjevec, Kesar, 2002, 15).

Stays of visitors in a particular place are based on a set of relations and phenomena related to the destination. Therefore, it is necessary to strategically determine long-term guidelines so that all participants in the tourism offer would participate in the creation of a competitive destination that would make an interesting and desirable destination for visitors. As all tourism trends do not have an unambiguous character, since they differ in structure and generation of various effects, the goal is to use online promotion to develop a frame for efficient destination management, which is the purpose of this research.

2. Research problem and the aim of the paper

The research problem presented in this paper explores the effect that online promotion of Eastern Croatia may have on (under)development of the tourism in Eastern Croatia, which accounts for a small part in the total tourism revenue in Croatia and which should be developed as a separate and partial tourism product within the integrated tourism product of the Republic of Croatia. The authors assume that tourism in Eastern Croatia has a strong potential and could seek its market valorisation independently. The main goal of the paper is to analyze the current situation in the field of online promotion and show how the optimal combination of the elements of the marketing mix in online environment, marketing planning and organisation based on market research can be used to achieve significant improvements in tourism in Eastern Croatia. The authors aim to point to the importance of marketing as a process of communication with the market, where the role of promotion becomes extremely important as it directly influences the decisions of the demand creators (tourists) on the choice of a tourist destination.

3. Possibilities of online promotion of a tourist destination

Technology development resulted in a strong technological framework for application of new technologies in the environment. Implementation of tools in the cyber space has generally modified social interaction as well as technology and ways of advertising. E-marketing can be defined as a process of creating offer, pricing, distribution and promotion with the aim of satisfying buyers' needs and wants in a profitable way by using the possibilities of digital technology and the Internet in the process. According to a group of authors, e-marketing is the use of information technology in the process of creating, communicating and delivering value to clients and in customer relationship management in the ways that provide benefits to an organisation and its interest groups. This means that information technology is applied to the traditional marketing practice (Strauss et al, 2006, 2). A general conclusion can be made that e-marketing is complemented with traditional activities and is closely related to the development of new technologies, seeking to implement traditional activities of the marketing mix via network. The development of new information distribution channels is part of the current Web 2.0 Internet technology such as e-mail, RSS, blog, forums, social networks and currently one of the fastest growing trends – use of mobile applications. Tim

O'Reilly defines the term Web 2.0 as the business revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform (O´Reilly, 2006). The main characteristics of Web 2.0 are openness, freedom and collective intelligence (Strauss & Frost, 2009, 13-14) that are brought together by way of user participation in the content creation. By using the above technology, users can have real-time access to information on displays of their devices (mobile phones, laptops or tablets), resulting in the possibility of creating their own content and dispersing it toward others. Being a specific combination of activities, tourism is characterised by a large amount of information that is available in the process of business decision making, including accuracy, timeliness and reliability, requiring an organized range of procedures and methods to collect, analyze and interpret data, evaluate, save and distribute information used for business decision making continuously and in a planned manner (Maručić, Prežebac, 2004, 6). Owing to rapid development of technology and distribution of content and information through e-marketing techniques and tools, all participants in tourism are able to achieve strong market penetration.

In today's world, when all economic sectors, including tourism, have been hit by the crisis, it can be assumed that information and communication technology is of key importance for overcoming difficulties that tourist destinations and tourism businesses all over the world are facing. According to forecasts, Internet, i.e. online booking is expected to grow continuously. According to research, in the year 2013, 68% of users searched information online before selecting the destination, which is a 3% growth in relation to 2012. Furthermore, 42% of tourists use a mobile phone or a tablet device to search for information on a destination while travelling, and 65% of tourists search online information on a destination and directly book accommodation capacities on the web site of a tourism business. This resulted in an 11% increase in online booking in relation to 2012, in addition to the fact that tourists avoid specialised tourism agencies that, among other things, charge commission for their services (Ipsos MediaCT/Google Travel Study, 2013). The Internet has become unavoidable in the process of obtaining information on a particular destination. As shown in Figure 1, research shows that 80% of respondents rely on the Internet when organising a trip. This is due to the fact that users obtain information on a destination before arriving at the destination itself. Today there are many applications that make it possible for users to pay a virtual visit to the destination before physically arriving there, such as Google Street View, the application showing the space from the perspective of a person walking through the streets, where the user can search institutions, locations, streets, places, neighbourhoods, and cities. By using this application, the user can see the destination he or she is planning to visit in advance.

Figure 1 *Travel planning sources*
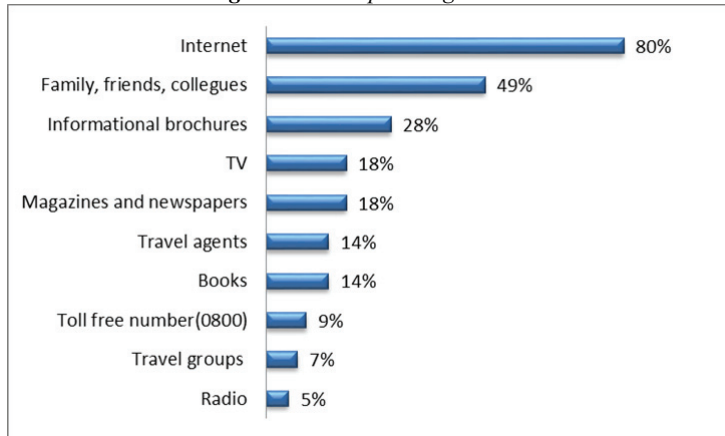
If the user wishes to book accommodation, he or she will use information available on the platforms such as AirBnB or TripAdvisor, where he or she can book accommodation and look at the previous photographs and comments evaluated and written by users who had already visited the accommodation facility. There is a whole range of applications that make it possible to plan and organise travels, but also provide orientation after the tourist has reached the destination. Most of these applications are focused on the user location and achieve their maximum effect when used on mobile devices. To ensure that information can reach the user, it is necessary to create content that will provide information to users so that they would return to the destination and use the information in organising his/her trip as well as provide feedback information that will be useful for future travellers. As any other average Internet user, potential visitors will also initially start searching for information on some of the search engines that will naturally lead them to the web site of a hotel, a travel agency or, ultimately, of the destination itself. The key to information search today lies in specialised applications that are edited by users who previously visited the destination and supported their experience with multimedia by providing photos and video content. With such information and with comments of previous visitors of a destination, a potential tourist can create his or her own opinion and expectations from the destination. For this reason, the above described application of information technology through specialised applications offers advantages for tourist destinations or business entities in tourism providing quality content and performance on specialised applications. Information flow path is opened by raising the level of quality and by motivating users, i.e. visitors of destinations, to share information by means of specialised applications. The above information will be first visible in applications, but good content will create good indexing that will also be visible on Internet search engines. This points to a symbiotic relationship between Internet search engines and specialised applications that encourage tourism businesses to create the level of quality that will satisfy users and their expectations which will then be rewarded or criticised in the comments and by sharing the content in specialised applications. Trends are developing in the direction of networking and communication with potential tourists.

## 4. Analysis of online promotion of tourism of Eastern Croatia

As in any other industry, investment in online marketing requires financial resources. However, it should be mentioned here that these amounts are much smaller than the amounts required for implementation of traditional marketing activities. The paper further focuses on the research and

efficiency evaluation of using the Web 2.0 tool in the system of tourist boards of the Republic of Croatia, operating also in Eastern Croatia. Accordingly, a research was carried out on the use of Web 2.0 platforms by users who are, in this case, employees of tourist board offices responsible for online promotion. The starting point in the process of segmentation of respondents was to define a segment – the intended sample. As the survey was focused on the use of tools and techniques of online marketing in the system of tourist boards, it was based on a sample of experts employed in the system of tourist boards. Tourist boards in the Republic of Croatia are legal persons whose members are legal and natural persons operating in the field of tourism activities in the area in which they have been established. The goal of a tourist board as an economic and organisational unit is to satisfy the needs of consumers (guests) through promotion of a tourism product on its area and by improving the general terms of tourist stay, particularly by raising the quality of tourism and other complementary services (Franić, 2009, 17 – 20).

Data were gathered by means of a questionnaire that was sent to official email addresses of the tourist board offices in October 2014. The questionnaire consisted of 53 questions. Research results were analyzed by means of the SurveyGizmo tool and data processing software. The survey was carried out on a sample consisting of 95 offices in the system of the Croatian National Tourist Board, depending on the structure. The paper will show separate research results for fifteen tourist boards operating in Eastern Croatia, i.e. in the counties: Bjelovar-Bilogora, Brod-Posavina, Osijek-Baranja, Požega-Slavonia, Virovitica-Podravina and Vukovar-Srijem. The aim of the questionnaire was to explore whether respondents, i.e. managers of online promotion for tourist board offices use applications offered by Web 2.0; what platforms and to what extent are used; and the attitude of respondents in terms of advantages and disadvantages of the above applications. The authors included the question about the percentage of the total budget allocated for communication with the market that is spent on online activities. Research results are shown in Figure 2. As previously stated, the aim of the tourist board is to promote tourism professionally and efficiently by using the allocated funds. According to the results, most of the tourist board offices spend 5% of the total budget on online promotion.

The advantage of online promotion is, among others, that it requires less money. Most tourist board offices allocate a maximum of 20% of their overall budget to online promotion for marketing communication. The fact that the size of the budget varies between tourist board offices must also be taken into account. According to the survey results, average advertising costs amount to HRK 29,250. Using a well-developed strategy and marketing approach, the money invested can be used to send a message to potential consumers, i.e. travellers considering a trip to a destination.

Figure 2 *Percetage of the budget allocated to online promotion for marketing communication*
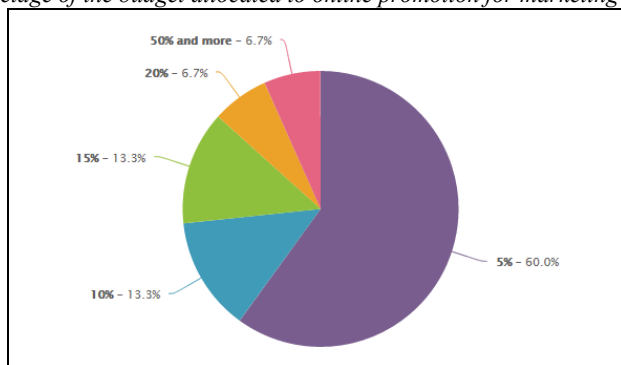
Source: Research by authors

Customers are now exposed to an infinite pool of information. One of the most effective methods of introducing a business, as well as products and services offered by that business, and initiating and maintaining interactions with an individual through social networks is content marketing. According to the Content Marketing Institute, content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly-defined audience and, ultimately, to drive profitable customer action[1]. This definition can be considered from two aspects. First, users are kept at the forefront by creating quality content for them. Second, content is distributed using one of the available platforms. The user is the one who determines the platform for viewing and analyzing content; he/she can address the business directly and continue to communicate with it using the same platform. The key is to create a direct communication tool through quality content. Eastern Croatia is a region of rich natural beauty, cultural and historical heritage, which together with the hospitality of the local people are the main characteristics of tourism in the region.

All of the above represents content that can be delivered through dominant platforms in an online environment. Figure 3 shows the extent to which tourist board offices create content and how often they distribute it using the most effective online platforms. The survey results show that Facebook, as the most popular social network, is defined as the platform for the creation and distribution of content, which is expected, given that Facebook has become the number one social network in terms of the number of users. However, a trend has been observed of people turning to specialized social networking sites. Since the advent of social networking, there has been a relatively limited number of social networks on which businesses could launch their advertising campaigns and the vast majority of the content was created and put on Facebook, Twitter and LinkedIn. The results of the survey confirm that the content created by tourist board offices in Eastern Croatia is largely created on these social networks, i.e. 26.7% of the content is created two to three times a day and distributed through Facebook platform, as compared to 6.7% of the content distributed by tourist board offices through Twitter once a week. 6.7% of tourist board offices use professional social networking sites for content distribution once a week. With the emergence of new specialized social networking sites and the ability to create content on these networks, businesses now have more options to choose from to market their content. Social networks Instagram and Pinterest, which bring together those who love to browse through images, also need to be mentioned here. Their popularity lies in the viral power of an image which can be strategically positioned and delivered to users searching content about a destination.

---

[1] Content Marketing Institute: http://contentmarketinginstitute.com/what-is-content-marketing/ (accessed 05 april 2015)

Figure 3 *Platforms on which tourist board offices distribute content*

	Two to three times a day	Once a day	Two to three times a week	Once a week	Two to three times per month	Once a month	Once a year	Wo do not use the platform
Facebook	4 26.7%	3 20.0%	4 26.7%	1 6.7%	0 0.0%	0 0.0%	0 0.0%	3 20.0%
Linkedin	0 0.0%	0 0.0%	0 0.0%	1 6.7%	0 0.0%	0 0.0%	0 0.0%	14 93.3%
Twitter	2 13.3%	2 13.3%	1 6.7%	1 6.7%	0 0.0%	0 0.0%	0 0.0%	9 60.0%
Instagram	0 0.0%	0 0.0%	0 0.0%	0 0.0%	2 13.3%	0 0.0%	0 0.0%	13 86.7%
Pinterest	0 0.0%	0 0.0%	0 0.0%	1 6.7%	0 0.0%	2 13.3%	0 0.0%	12 80.0%
Youtube	0 0.0%	1 6.7%	1 6.7%	0 0.0%	1 6.7%	3 20.0%	2 13.3%	7 46.7%
www.croatia.hr	0 0.0%	0 0.0%	0 0.0%	0 0.0%	3 20.0%	2 13.3%	5 33.3%	5 33.3%

Source: Research by authors

The survey results show that only 13.3% of tourist board offices create content on Instagram two to three times a month. Given the natural beauty of the area and diverse events taking place there, Instagram can be used as an advertising tool whereby image content is created and offered to users who then show whether, and to which extent, they like the content by sharing it and creating similar content. In comparison, Pinterest has been used for content creation slightly more frequently, with 6.7% of tourist board offices using it once a week, and 13.7% of offices using it once a month. One of the fastest growing online marketing techniques is video content sharing. Video content is expected to comprise 55% of all Internet traffic by 2016. In order to develop an integrated communication strategy, one needs to show how a product or service works on different platforms. One of the most popular platforms for creating and searching content is YouTube, which is also the second largest search engine in the world. This suggests that YouTube is a platform for creating content that can be transferred by users to other platforms thus creating a viral marketing effect. The survey results suggest that tourist board offices have adopted YouTube as an online promotion tool, with 6.7% of them using it on a weekly basis for the creation and distribution of content. An upward trend is expected in the use of these tools as they allow one to use content to highlight specific attributes and differentiate, in this case a destination, from its competitors. As has been mentioned earlier in the text, today's tourists search for information about destinations on specialized websites, blogs, portals and social networks before taking their trip. The survey results show that in addition to Facebook and YouTube, tourist board offices distribute most of their content through the Croatian National Tourist Board website - www.croatia.hr. Although this website is not a conventional platform, it is a good basis for the distribution of content because Croatian National Tourist Board is responsible for the promotion of all tourist board offices in the Republic of Croatia. The largest proportion of content generated by tourist board offices is distributed through this website once a year; however, given that this website plans to integrate content from different platforms in the near future, the distribution of content through that website will increase.

5. Conclusion

Online promotion enables tourism businesses to narrow down the target audience they want to offer their products and/or services to and whose age, sex, location, as well as some less commonly sought personal data such as hobbies or activities, they want to determine. Targeted marketing produces better results because it focuses on markets that businesses are interested in, and because of more effective allocation of advertising budget. Targeted advertising is a breakthrough in advertising because it allows tourism businesses to focus on specific audiences, i.e. social network users, and offer them products that would stir their interest and induce them to visit a destination. Tourism operators can base their activities on preferences, interests, hobbies, and demographics of social network users. The analysis of online promotion practices of tourist board offices in Eastern Croatia shows that they have recognized and used content distribution platforms, mainly Facebook, YouTube and the Croatian National Tourist Board website. However, the percentages of overall budget allocated to online market communication, averaging 11%, do not represent a strategic direction for promotion. Given that modern tourists have been increasingly turning to new media that are intertwined with modern technology, it is necessary to deliver content to the users via new information distribution channels such as social networks, mobile applications, blogs, short video formats, etc. Content will initiate an interaction between tourists and destinations resulting in tourists visiting a specific destination. The authors wanted to highlight the fact that Eastern Croatia is very diverse and thus rich in content for virtually any potential tourist, regardless of the segment. It is up to tourist board office employees to ensure the distribution of this content across the Web for marketing purposes, using online marketing techniques and tools, and thus to create a competitive tourist destination.

REFERENCES

Content Marketing Institute - What Is Content Marketing? (2013): http://contentmarketinginstitute.com/what-is-content-marketing/ (accessed 05 april 2015)

Franić, M. (2009): Turističke zajednice, od zakonske inicijative do osnivanja 1990 – 1995. Golden marketing, Zagreb

Google traveler research studies (2014): https://www.thinkwithgoogle.com/research-studies/2013-traveler.html (accessed 07 april 2015)

Ipsos MediaCT/Google Travel Study, Waves 4 and 5, April–May 2012 and May–June 2013. (traveler research study)

Marušić, M., Prebežac, D. (2004): Istraživanje turističkih tržišta, Adeco, Zagreb

Pirjevec B., Kesar, O. (2002): Počela turizma, Mikrorad, Zagreb

Ružić, D.(2007): Marketing u turističkom okruženju, Gradska tiskara Osijek, Osijek

Strauss, J., Frost, R. (2009): E-marketing, Pearson Prentice Hall

Strauss, J., El-Ansary, A., Frost, R. (2006): E-marketing, TKD Špahinpašić, Sarajevo