Towards a Marketing Strategy for the Fortresses of the Adriatic Sea

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ADRIFORT

1. Introduction

2. Tourism in the Adriatic Area in the Past and the Present.

In previous studies on the tourism development in the Mediterranean countries in general and the Adriatic Area in particular (see for instance the EIU, 1993 and Van der Borg and Gambuzza, 1999), a number of important considerations have been made, considerations that are still relevant today.

The first is that the main form of tourism that touches most countries in the Mediterranean is that of so-called 'sun-sand-sea' or beach tourism. Beach tourism is one of the forms of tourism that has known an incredible boom with the emergence of mass tourism in the sixties, the seventies and the early eighties. It has matured, however, rapidly and many destinations that were the barycentre of tourism, following Butler's life cycle of the destination, have rapidly lost their attractiveness.

Secondly, the loss of competitiveness of the traditional destinations of beach tourism, like the French Riviera, the Italian Rivera's, the Spanish Costa Brava and Costa Del Sol, has given rise to a shift from beach tourism to other forms of tourism, in particular cultural tourism and city trips and conference tourism, and to a shift from France, Italy and Spain to new destinations of beach tourism like Morocco, Tunisia and Egypt.

Thirdly, new beach tourism destinations outside the Mediterranean sphere became more easily accessible for European holidaymakers. The continuous growth in holiday budgets, the rise of cheaper intercontinental flights, and a better informed consumer of tourism products led to the exploration of new, exotic destinations in the Caribbean, Thailand, South-East Africa, and so forth. Hence, the competitiveness of the Mediterranean countries as a whole with respect to African, American, and Asian destinations started to erode.

Fourthly, all resorts were found to be working very hard to diminish their dependence on the weather, investing heavily in all-weather attractions and facilities, and, thus, reducing seasonality considerably.

The tourism market has continued to change the last two decades. Low cost airlines are now dominating the market for flights in many continents, among which the European. The Internet has become an integral part of tourism consumption and production. The tourism industry has restructured following the lines that have been predicted by Poon (1993) in particular embracing processes of diagonal integration. Moreover, around the Mediterranean Sea, profound political changes have changed the tourism geography. The breaking up of Yugoslavia, the Arabian Spring and, more recently, the civil war in Syria, the intensified tensions in and around Israel, have either pushed forward new destination (e.g. Albania, Croatia and Montenegro) or penalised established and competing destinations of beach tourism (e.g. Lebanon and Egypt). Last but not least, the economic downturn has rendered exotic beach holidays less attractive and has brought back many European holidaymakers to resorts closer to their homes. In the last section some of these themes will be taken up again when a plausible scenario for coastal tourism in the Adriatic Area and its fortresses will be sketched.

The countries that have been included in this analysis are (in alphabetic order): Albania, Algeria, Bosnia-Herzegovina, Croatia, Greece, Italy, Malta, and Montenegro. Slovenia, much

less dependent on beach tourism has not been included in the quantitative analysis. Yet, also for Slovenia, most of the conclusions that can be drawn for the Adriatic Area are valid.

The principal indicators of the dynamics in the tourism market are the number of arrivals and of overnight stays. Figure 1 illustrates how the number of international arrivals in the abovementioned countries has changed considerably over the past 15 years.

As can be observed form the figure, in almost al Adriatic countries the number of arrivals has risen over the past 15 years. Not all countries have developed at the same speed. The country that has merely seen a consolidation of its market in terms of arrivals is Malta. Albania, Greece and Italy have seen their demand doubled or tripled. Albania, Bosnia-Herzegovina, Croatia, and Montenegro have seen explosive growth of the number of arrivals. The tendencies described by the EIU (1993) and Van der Borg and Gambuzza (1999) in their articles on tourism in the Mediterranean cited in the previous section have therefore been largely confirmed also for the countries in the Adriatic Area.

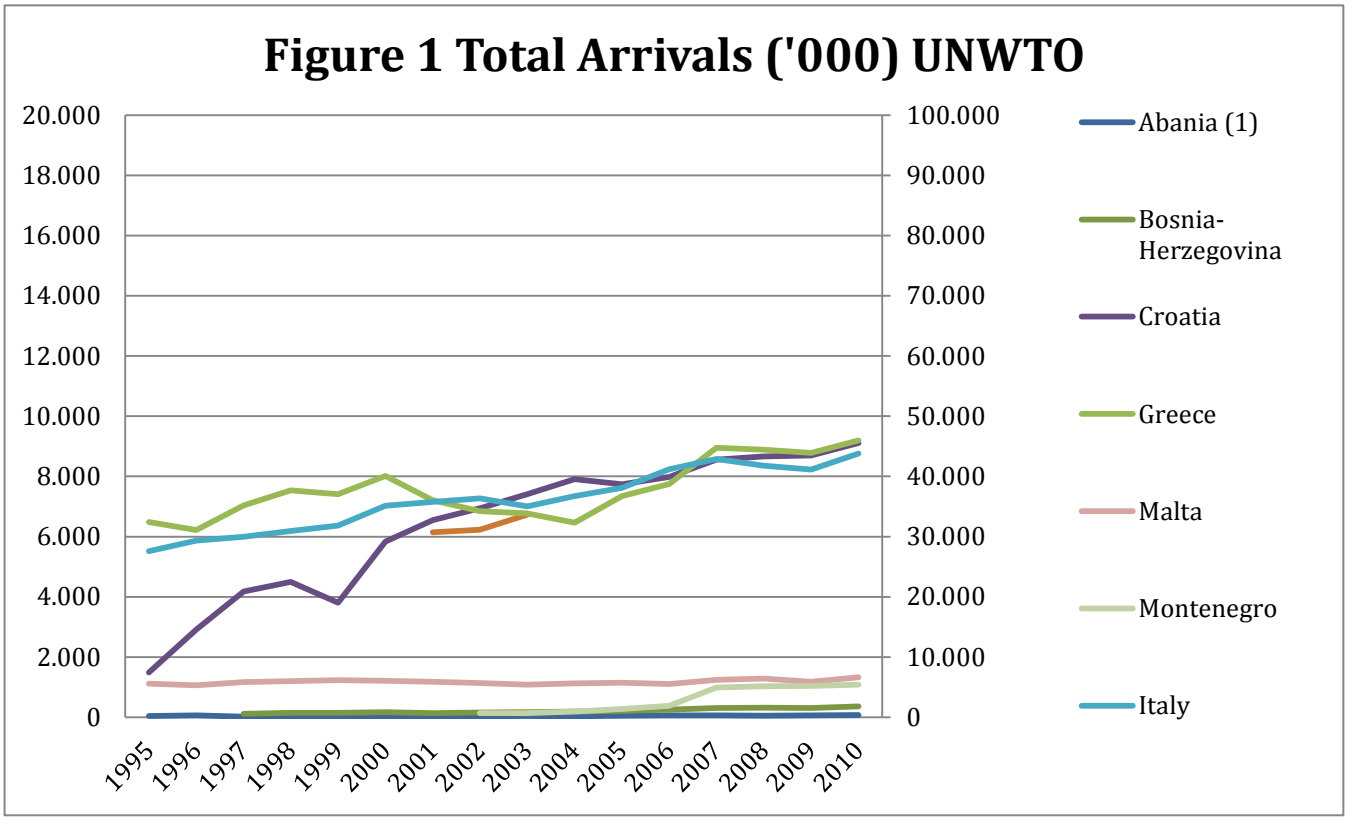
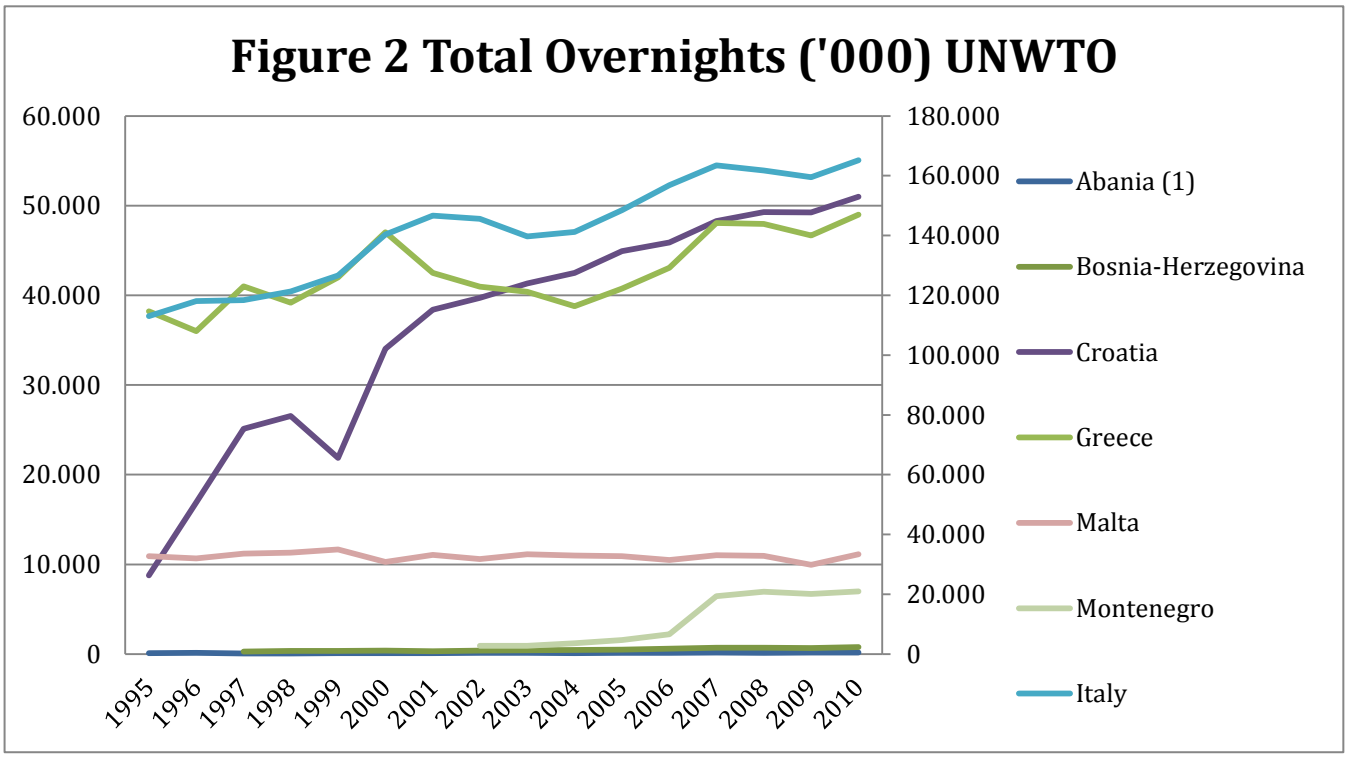
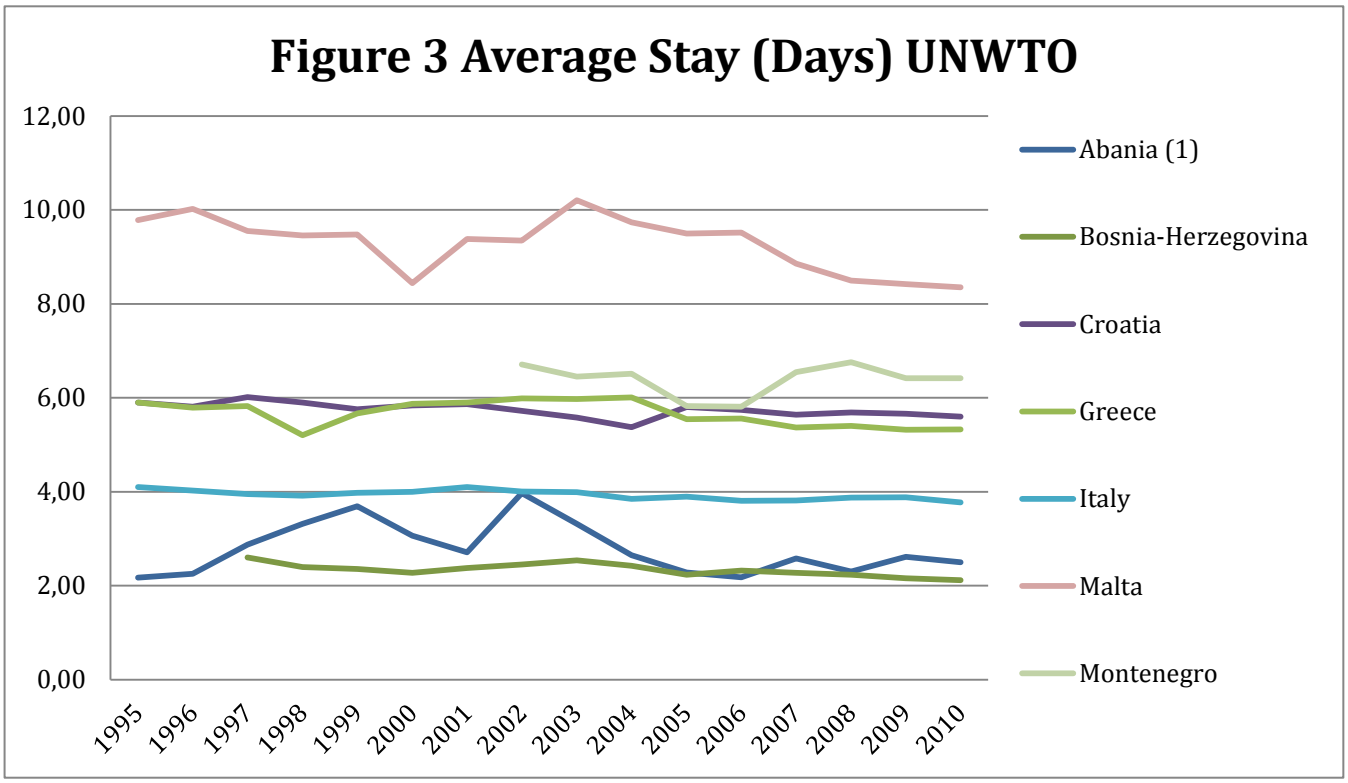


Figure 2 gives some insights in the way the number of nights spent by foreign tourists has changed in the past 15 years.



Spectacular growth in the number of overnight stays is registered for countries like Bosnia-Herzegovina, Croatia, and Montenegro. All are newcomers on the global tourism market. Remarkable is the fact that the number of nights has been growing at a similar speed as that of the number of arrivals (approximately + 20% between 1995 and 2010).

This is confirmed by the following graph (Figure 3). Overall, the average stay has risen from first from 5.55 in 1995 to 6,37 in 2000 and then bounced back to 5.56 in 2010. This is, by the way, consistent with the fact that the average duration of the holiday in general is decreasing (but the number of holidays per year increases), while that of the average 'sun-sand-sea' holiday (typically about a week) remains well above that of other types of tourism (2 nights max for a city trip, for example).



The last important indicator of the manner in which tourism demand is developing is the dependency of tourism in the Adriatic Area from the various world markets. The markets that have been distinguished by the UNWTO are Africa, the Americas, East Asia and the Pacific, Europe, the Middle East, South Asia, and Other Non Classified. Countries that heavily depend on a single continent are more vulnerable to changes in the conjuncture or risk to miss the opportunities that might stem from particular changes in the distribution of global socio-economic growth.

Figure 4a, 4b, 4c and 4d clearly illustrate the way the Adriatic tourism market has been opening up to the Non European Markets during the past 15 years.

In 1995, 88% of the total number of arrivals in this area could be attributed to the European market. Traditionally, North-European holidaymakers are loyal clients of both the beach resorts along the Mediterranean coast as well as of the numerous cities of art the Mediterranean countries possess. This share has gradually eroded from 88% in 1995, via 87% in 2000 and 86% in 2005, to 83% in 2010. The Mediterranean is therefore still considerably, but increasingly less, dependent from its historical market.

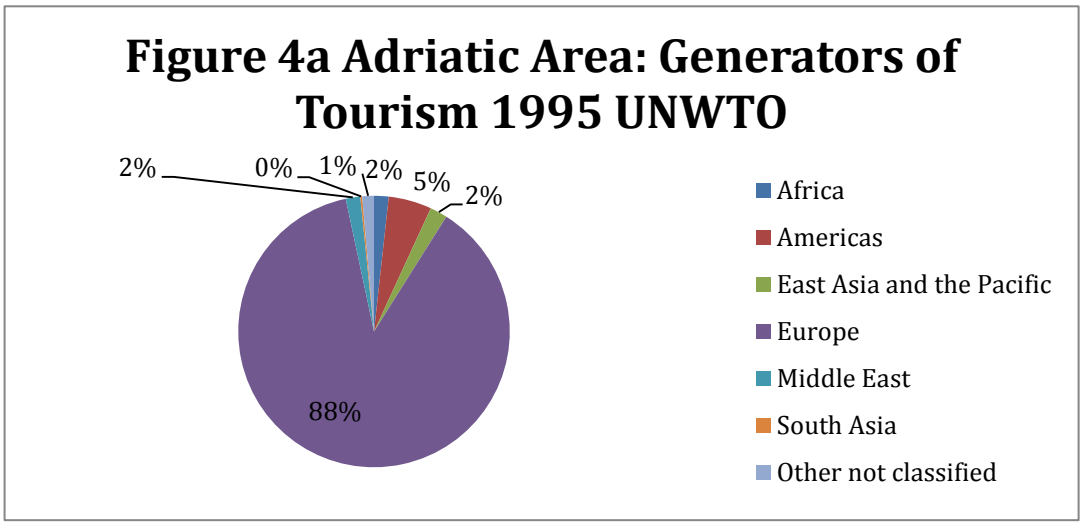


Figure 4a Adriatic Area: Generators of Tourism 1995 UNWTO
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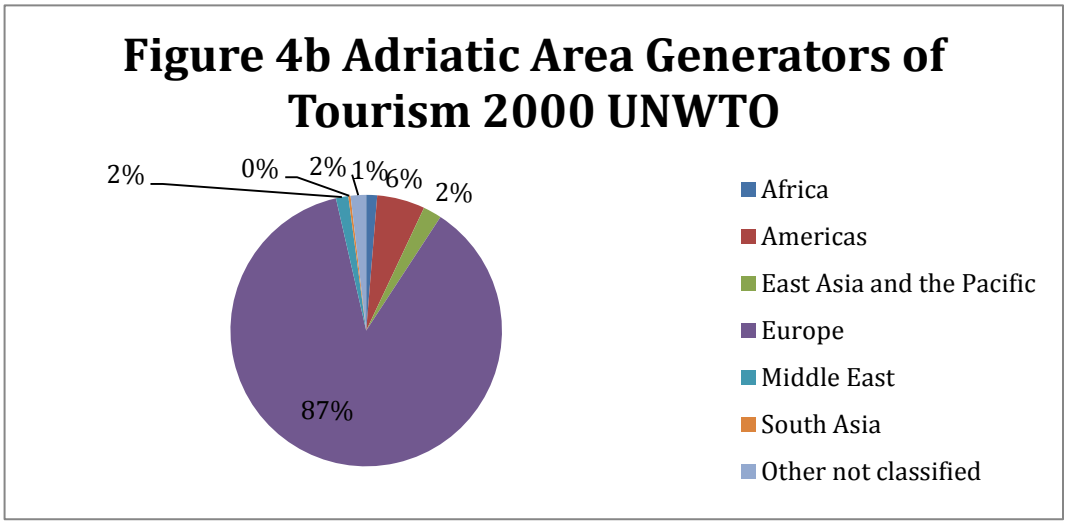
Figure 4b Adriatic Area Generators of Tourism 2000 UNWTO
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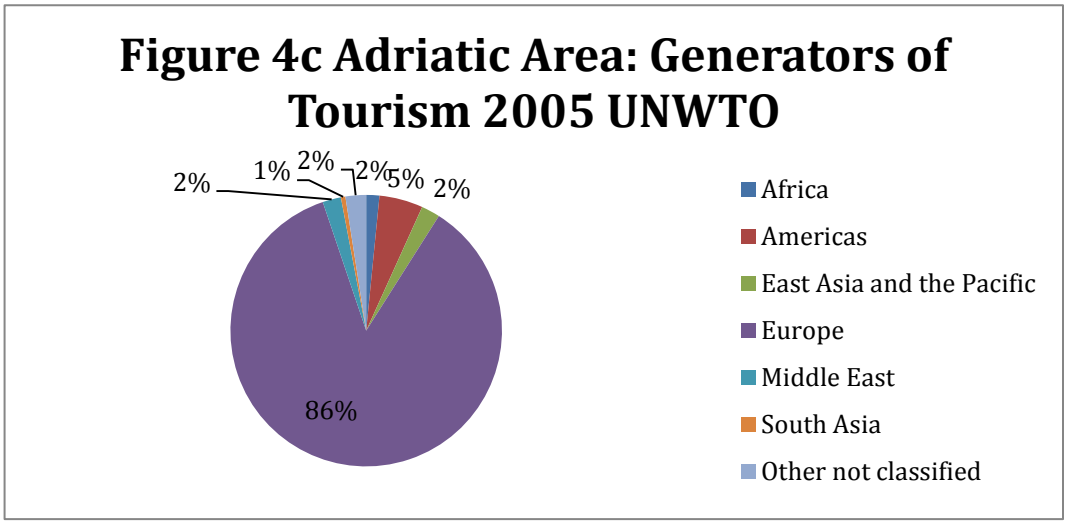
Figure 4c Adriatic Area: Generators of Tourism 2005 UNWTO
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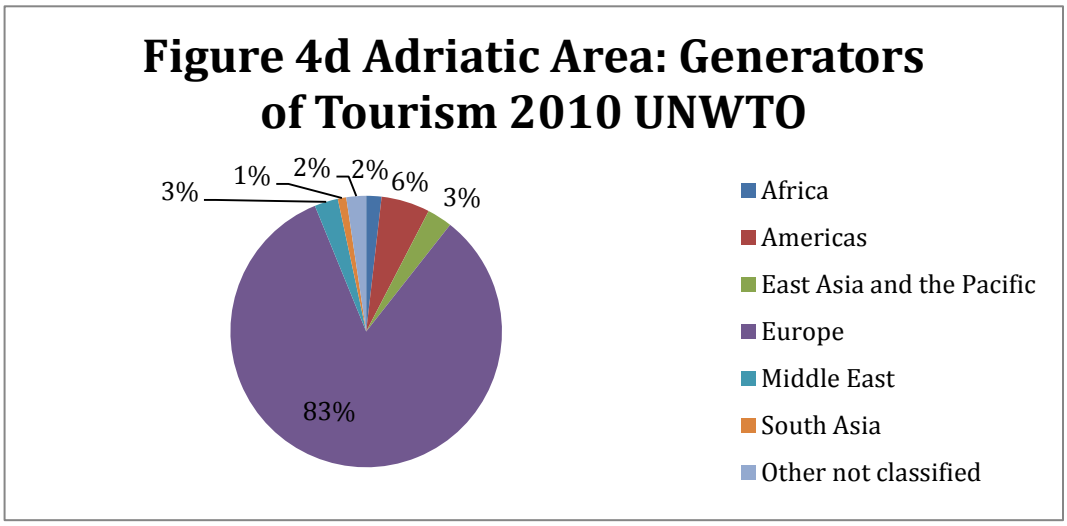

The market areas that have been filling this gap are Africa (from 2% in 1995 to 3% in 2010), the Americas (from 5% in 1995 to 6% in 2000, from 5% in 2005 back to 6% in 2010) and Asia and the Pacific (from 2% in 1995 to 4% in 2010). Obviously, not many Non-European tourists will be visiting the Mediterranean Area's beach resorts, other than for finding relatively cheap accommodation from which to visit the most important and richest cities of art, and almost intercontinental tourists all will be visiting the area for cultural or business motives. The increasing presence of intercontinental visitors not only helps to reduce the risk an over-dependency from a single market represents, but since the dominant forms of tourism that are inherent to Non-European tourists –that is cultural and business tourism- are much less dependent on the climate and the weather, seasonality, of which no UNWTO information has been included in this analysis, will be reduced further. In particular Albania, Bosnia-Herzegovina, Croatia, Greece, and Montenegro (98%), however, are still extremely dependent on the European market.

Concluding, and notwithstanding the maturity of the principal tourism model the Mediterranean countries possess, that is the 'sun-sand-sea' holiday, the area's tourism market is still one of the core markets of the world's tourism market. In the last 15 years, traditional destinations for beach tourism like Greece and Italy have demonstrated to be less dynamic than the newcomers, in particular than the countries in the Balkan. Overall, arrivals have grown almost as fast as overnight stays, which has led to a stable average stay of approximately 5.5 nights. The dependency of tourism in the Adriatic from the European market has gradually decreased from 88% to 83%.

4. Versus a Marketing Strategy for the Adriatic Fortresses and Fortifications.

Before focussing on a possible marketing strategy for the Adriatic coast and the fortresses that are in integral part of this complex system, it is useful to identify a number of qualitative megatrends that will characterise the global tourism market the coming decade and how they might become challenges for the valorisation of the Adriatic fortresses and fortifications.

First of all, after a decade of fragmentation and diversification, tourism demand will probably be *polarising* the coming decade. This means that demand will shift from middle of the road products towards either low-budget or high quality (e.g. the tails of the tourism market will

be much longer than before). What is even more remarkable is the fact that the traditional relationship between the socio-economic profile and the consumption pattern is becoming weaker and weaker. In other words, tourists with a considerable budget will opt for low budget holidays because they might be more authentic and offer them an experience that allows them to radically break with their daily routine. For the same reason, tourists with a limited budget are increasingly consuming very luxurious holidays. They are willing to lend money to afford those holidays. Not all Mediterranean destinations will be able to take profit from this trend. In particular beach resorts that have been constructed in the nineties in countries like Slovenia, Croatia and Montenegro might loose their attractiveness.

Secondly, the *Internet* will become an even more essential ingredient of tourism consumption and production. The traditional and mature Mediterranean destinations like France, Italy and Spain still have an advantage over the more dynamic, but less digitalised competitors.

Thirdly, tourists are becoming, like consumers in general, increasingly *aware of the importance of the environment* at large. Especially North European and North American tourists are sensitive to destinations and secondary tourism products that underline their being environmentally friendly. Often, certifications (such as EMAS, for instance) are used to formalise this attitude. Newcomers on the tourism market find it easier to embed these principles in their supply. The traditional Mediterranean destinations like Italy will have more difficulties in satisfying these desires.

The *barycentre of the global economy is still shifting* from Western Europe and North America to Eastern Europe (Russia in particular), Asia, the Pacific, and South America. Consequently, these countries will be contributing more intensively to tourism demand at the expense of the markets that have been generating international (beach) tourism in the seventies and eighties, in particular the countries in the Nord of Europe and Germany, Austria and Switzerland. Coastal resorts along the Adriatic Sea will find it hard to adapt to this change. Art cities and other cultural destinations, like (systems of) fortresses and fortifications, however, will benefit.

The shift towards an *experience economy*, an economy in which consumers are increasingly aware of the intrinsic values of good and services, also touristic ones, and their contribution on the quality of their experience is the fifth megatrend with which a marketing strategy ought to account for. In particular in tourism, this shift has given rise to an evolution of the form of cultural tourism that is based on facades, artefacts and materiality, to what has been called *creative tourism*, a form of cultural tourism based on contents, participation and immateriality.

Last but not least, profound *changes in the climate* will have consequences for Mediterranean tourism that are not yet fully understood. Adaptation and mitigation tourism policies will be of the utmost importance, again especially for the coastal beach and cultural destinations along the Adriatic Sea.

The starting point to start drawing a policy of branding and marketing that succeeds in meeting the needs of both tourists as well as the (system) of the fortifications is the knowledge that for a territory like the Adriatic, which sees tourism as one of the main sources of wealth, such a policy should have a strong tourism edge.

To design such a policy, it is essential to remember that there are still some really strong structural constraints and shortcomings to tourism development. This includes the lack of some large transport infrastructures, such as airport infrastructure and port infrastructure.

Since these public works are of considerable size, international and a capital-intensive, investments in this infrastructure must not come solely from public finances, but they must also be implemented through means of project financing or using other mixed financial instruments. After eliminating the principal barriers related to external accessibility, the strengthening of the competitiveness of the Adriatic coastal destinations at large and the fortresses and fortifications in particular, can make a head start, always looking though at the sustainability of tourism development that you want to pursue. Only when this process has been initiated, the branding strategy and tourism marketing can be developed seriously.

Tourism in the Adriatic, in the medium and long term, is expected to continue the current trend of growth in the number of tourist arrivals and a more modest and probably precisely localized (i.e., in the mature tourist destinations) growth in the number of overnight stays as well. To this, a tendency, which is also global, to the qualitative polarization of tourist demand, by forms of tourism average quality to those that are, on one, side hyper luxurious and low budget at the other. In any case, from a tourism system that involves mainly cultural tourist hubs, beaches and mountains, a shift of demand and of tourism pressure towards smaller destinations seems inevitable. This change makes tourism more sustainable tourism in traditional destinations, while emerging destinations must sooner or later face the question of whether the continued rise of tourism pressure is still sustainable or not. In any case, it is easy to predict that the demand for cultural tourism not mass, and therefore also the one that could address the fortifications, by tourists (more touring and multipurpose) will tend to grow. Although this development puts us in front of the sustainability issue if not dealt with intelligence.

Some Concrete Guidelines for a Branding and marketing Strategy for Adriatic Fortresses and Fortifications:

1) first of all, it is essential to draw an 'umbrella' brand for all the Adrifort fortresses and fortifications, which lends itself to be declined for individual fortifications, thus creating a kind of integrated corporate image, and that takes the needs of tourists cultural non-mainstream (slow; unique experience, enjoy the traditional local food and wine, etc.);

2) to embrace the creative tourism as a development opportunity (system) of the fortifications, by implementing a policy of product marketing strategy within the grounds of the fortresses, which embraces active and participatory forms of tourism related to the fortifications, such as using historical re-enactments, narratives of historical, not only employing local human resources highly qualified, but also innovative tools such as augmented reality, etc .;

3) to exploit obvious synergies, even in terms of image, with tourism products established (beaches, national parks, cities of art heritage site, etc.) in the vicinity of the fortresses and develop specific policies for co-marketing;

4) to redesign the tourist signposting throughout the territory around the Adrifort fortifications touched by the program, using the brand of the previous point, and special signage for the route of the Adrifort fortifications. Currently, in many destinations involved in the Adrifort projects the tourist signs is asymmetric, often obsolete, and in some cases even missing. A system of tourist signs that follows the objectives of the tourism development strategy of the system of fortifications should be developed so that it can be integrated with other innovative tools, especially easily discoverable with new technology I & C;

5) to foster, through a close collaboration between public and private, the supply of transfer services between logistics nodes tourist destinations, tourism companies leader, routes, with a strong logic of intermodality and excellent quality that is affordable. It is essential, moreover, to inform potential customers of the existence of these services before arrival and during their stay, always with an intensive use of innovative and effective technologies I & T;

6) to develop a series of information portals and App that favour the development of an integrated and creative form of tourism, that could turn the system of fortifications as well as the individual fortifications in strong tourism nodes within the existing coastal areas, starting with those included in the Adrifort project, informing visitors of the other opportunities that the hinterland tourism related the fortresses and fortifications offers, itineraries also transnational, accessibility outside of the areas involved, the tourism product linked to Adrifort destinations, and finally internal accessibility, thus favouring the sense mode of transport with low environmental impact and energy to travel between Adriatic destinations, developing new and enhancing existing greenways local, national and transnational.

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UNWTO Tourism Statistics and Outbound Tourism Statistics