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**PROMOTION – A KEY ELEMENT OF MARKETING MIX
FOR BETTER POSITION
OF THE TOURISM CLUSTER „SLAVONSKA KOŠARICA“
ON THE TOURISM MARKETS**

ABSTRACT

The Tourism Cluster „Slavonska košarica“, founded in 2011, by the city of Slavonski Brod, can be extracted as an example of good practice in the field of networking. Already in 2012, cluster became a regional and now networks 131 manufacturers of food, drinks and handicrafts; providers of tourist services, as well as public institutions from whole Slavonia. The results of the primary research from February 2015 showed that only one-third of surveyed cluster members considered the previously conducted promotional activities had been effective. Therefore, during 2016, the cluster began marketing activities also in the area of the product creation; distribution; pricing policies and internal processes, as recommended by the cluster members in early 2016. Since the results of that research showed that promotion should continue to be the priority of the cluster marketing activities, in January 2017 a new primary research was conducted in order to find out which form of promotion, in accordance with the opinion of the surveyed cluster members, should be intensified in the coming period. In this paper the results of the research will be analyzed and synthesized to conceive about the forms of promotion the cluster members practice; then, whether they promote own marketing activities through the cluster; when it comes to business advertising, what they prefer - on-line or off-line advertising; whether they do promotion also through secondary promotional activities; whether they have own Web site regularly complementing them with new contents, use Google Analytics, take care of the position of their Web pages on the web browsers as well as do promotion through social networks. The aim of the work will be to get the results on the basis of which it will be possible to improve the cluster activities in the promotion as one of the key elements of the marketing mix.

Keywords: tourism cluster; marketing; promotion; advertising; Web site; social networks

1. Introduction

Different authors define clusters in different ways, with Porter as one of the most cited authors. According to him the clusters are "geographically concentrated, interconnected business subjects and institutions in a particular area, many of them including governmental and other organizations such as universities, development agencies, institutions for education, trade associations and others. (Porter, ME, 1998, 78, 79, 89). Today is a widespread opinion that the cluster connection is the basis for ensuring the success of certain areas in the global economy. Therefore, those who are responsible for creating conditions to enable the development of the local economy often conduct a policy of clusters* stimulating that is in the public perceived as preferred (Lončarić, B., Petrovic, T., 2015, 98).

Clusters allow participants to be more productive and more innovative than they would be if operating independently. They, also, reduce the barriers the companies have to deal with, when entering in an industry and / or region (Dragicevic, M., Obadić, A., 18). Although clustering companies is natural, governments can encourage the development of emerging clusters by supporting efforts that a group of companies can do to achieve the full potential merger (Iordache, C., Ciochina, I.; Asandei, M., 102).

Networking and clustering should be recommended in the tourism industry, and this, among other things, due to the heterogeneity of the various activities related to accommodation, catering, transport, activities of foreign institutions, etc. (Scott, N. Baggio, R., Cooper, C., 2008, 90-95), because tourism, as an economic activity, includes a wide range of small and medium-sized enterprises engaging in various sectors (Lagos, D., Courtis, PG, 111).

The theory of networking in the tourism sector dates back to ten years ago (Morrison, AM et al., 2004; 198), and in that context the development of tourism destination implies close cooperation between public and private sector, which includes the creation of joint projects through public-private partnership (Bagaric, L., 2010, 237). Entrepreneurship in tourism has been based on the same economic principles as well as other economic activities (Bartoluci, M., Buda, V., 2010, 182.183), while in the tourism sector networked small and medium-sized economic operators, so-called SMEs, compete globally and cooperate locally, with obvious benefits for the business (Novelli et al., 2006, 1143). Tourism stakeholders have to cooperate in the product development in a destination, because each of them provides specialized services and together they offer a comprehensive tourism product (Gúčik, M., Gajdošík, T., Lencsési, Z., Bear, M, 238).

2. Clusters in Croatia

Although the Croatian Parliament adopted the Strategy 2011 of cluster development in Croatia, which was preceded by the establishment of the Clusters* Community at the Croatian Chamber of Economy in 2007 (Croatian Chamber of Economy, 2015, 1) and no matter that the Operational Program "Competitiveness and cohesion 2014 -2020" anticipates supporting the activities of the cluster through the program "Entrepreneurs networking", during 2015 and 2016 there was, for clusters, no possibility to apply for any proposals by the relevant Ministry of business and trade. In 2016 the only call clusters could apply for was the call announced by the Ministry of Tourism for a grant to co-finance "programs and projects aimed at improving the quality of human resources in the tourism and hospitality industry and strengthening the

competitiveness of tourism offer" (Ministry of Tourism, 2016).

Clustering of the tourism sector in Croatia is still in its initial stage and has not reached a satisfactory level. In this regard, a pilot project of the "Croatia 365" which was started in September 2014 by the Ministry of Tourism with the primary objective of a better use of resources during the pre- and post-season (Lončarić, B., Ružić, D., 2015, 282), but also of encouraging joint action of networked subjects, can be assessed as justified, regardless of possible hesitating to which extent the subject project has started operating in practice.

Tourist clustering in Croatia is a concept that has to be introduced strongly. Croatia has tourist attractions, but there is no products in tourist destinations (Ivaniš, M., 1965). Speaking about the cooperation of stakeholders of the tourist development of an area, it is evident that at the level of Croatian tourist destinations, as an inevitable positive example, can be extracted Istria as the region seven clusters, according to the Master plan of Tourism of the Istria County in the period 2015-2025 (Tourist Board of the Istria County, 2015, 49). When it comes to the continental Croatia, the first example of tourist destinations clustering is the establishment of the Tourism Cluster "Lonjsko polje" with 70 networked members.

3. Regional tourist networking

Regional development policy should aim at achieving a balanced tourism development in all parts of the region (Lončarić, B., 2012, 46), while regional clusters can be characterized as a production networks of strongly interconnected business entities, agencies that "produce" knowledge, institutions that "connect" and customers, interconnected in the value chain of added production (Ashe, B., Isaksen, A., 2001). When talking about tourism, it is evident that a relatively small number of tourists are interested in macro-regions and countries - people are usually attracted by specific experience in regions and cities (Brown, K., Geddes, R., 129), which are a perfect niches for the formation of tourism clusters since the major precondition for their creation is the existence of tourist attraction centers and geographical nearness or related companies (Malakauskaitė, V. Navickas, V., 151).

In the conditions of globalization and increasing competition, cooperation and networking in tourism sector of tourist underdeveloped areas is a necessity for survival in the tourist market (Christensen, P. McIntyre, N., Pikholtz, H., 2002, 19-21), while, especially when it comes to the regional level, the private-public partnership is becoming the preferred method of support and managing the development of local tourism activities and of solving problems faced by small and new operators in markets where there is great competition. In doing so, at least in the region of Slavonia, the most common initiators of collaborating stakeholders in tourism at the level of tourist destinations are tourist boards that whose links with institutions and tourist operators who participate in the creation of the tourism product may be tighter or looser, which varies from case to case and depends on many factors. (Lončarić, B., 2016, 934). In this context, at the regional level, as one of the informal mutual networking that appeared in 2014, at least in the tourist areas, 40 Croatian PPS destinations, of which 16 of them located in the continental Croatia could be singled out (Lončarić, B., 167).

Regardless of whether connections between entities within particular regions with the same or similar geopolitical, historical or other characteristics are formal or informal, basic brake to tourist operators intensive connecting is primarily lack of funds for activities, meaning first of all of those which should be remitted "from the top", ie from state resources. In the case of clusters as formal associations, it is evident that their activities are mainly financed by

membership fees and founder donations and primarily depend on whether the cluster members have been aware of the benefits networking brings to them.

4. Cluster "Slavonska košarica"

The most acceptable form of networking subjects that create tourism products is so-called „contractual vertical marketing system“ (Kotler, 1988, 472), with the cluster „Slavonska košarica“ having seat in Slavonski Brod as an example of good practice. This cluster networks today 131 members: food, beverage and artifacts producers; representatives of the accommodation and catering sector; owners of travel agencies and tourist economies; representatives of local governments; tourist boards and other public and educational institutions from all over the region.

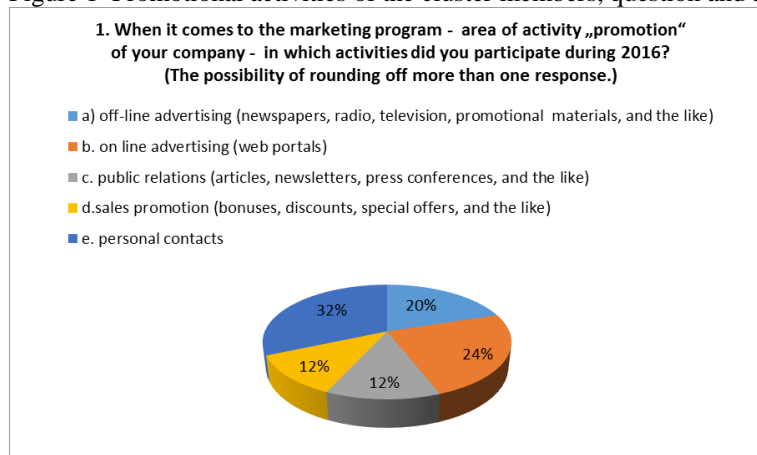
The main activities of the cluster are determined by annual work programs adopted by the Assembly consisting of representatives of all the members (Cluster "Slavonska košarica“, 6). According to data from the Report on the work and on financial performance in 2016, the cluster "Slavonska košarica" in 2016 generated revenues in the amount of 259,045.12, in which structure there was a significant share of grants from the state level (21.5%); revenues from the sale of goods (21.3%) and grants from the city of Slavonski Brod, the Tourist Board of Slavonski Brod and the Development Agency of Slavonski Brod, all as the founders (13.6%). (Cluster "Slavonska košarica, 8).

5. The results of primary research

The results of primary research conducted in January 2016 showed that 82% of the surveyed cluster member (70.6% of all members) supported the model of networking food and beverage producers; service providers; educational and research institutions; institutions and entities for the promotion and sale and units of local government. When it comes to marketing activities in the area of "promotion", 42% of the members expressed their intention of participation in fairs; 38% intention to advertise on portals and 19% intention to participate in special presentations, while 92% of respondents said they supported the concept of creating unique products under the brand "Slavonska košarica“, which more partial products integrated in one (Loncaric, B., 939) .

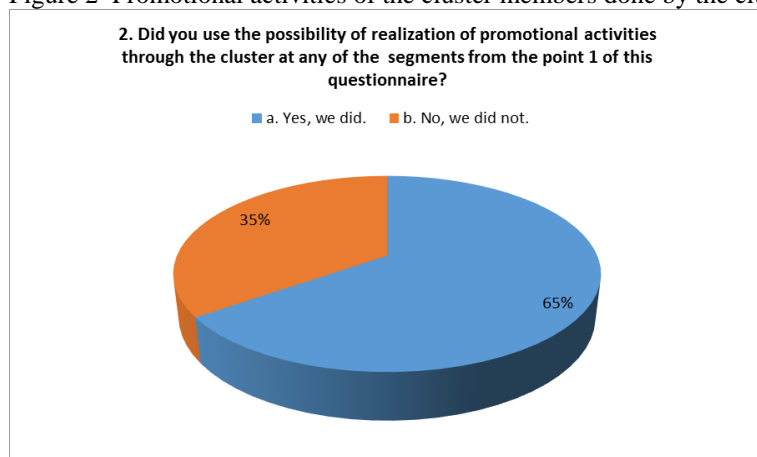
In January 2017, we carried out a new primary research to determine what were the forms of promotion which, in accordance with the opinion of the members of the cluster, in the coming period, should be intensified. The study included 86 members, accounting for 65.6% of the total membership. The results are presented below:

Figure 1 Promotional activities of the cluster members, question and answers



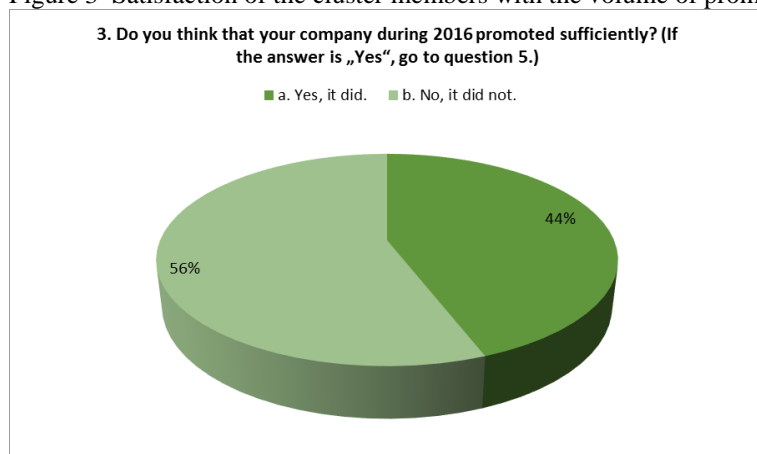
Source: Self- surveyed research, January, 2017

Figure 2 Promotional activities of the cluster members done by the cluster management, question and answers



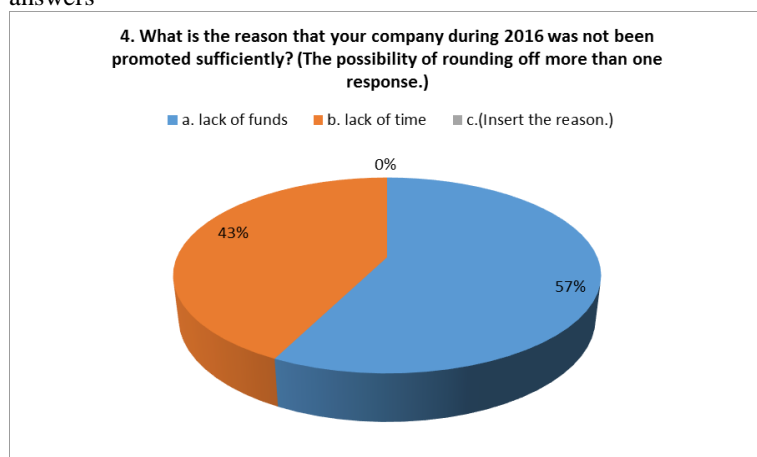
Source: Self-surveyed research, January, 2017

Figure 3 Satisfaction of the cluster members with the volume of promotion, question and answers



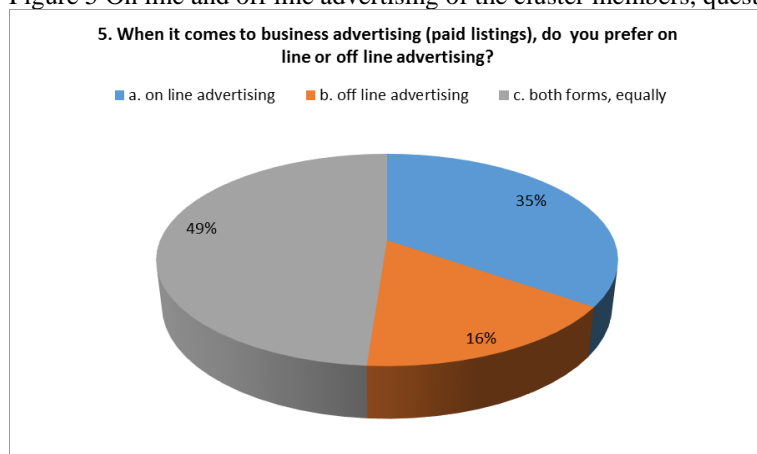
Source: Self-surveyed research, January, 2017

Figure 4 Reasons for dissatisfaction of the the cluster members with the volume of promotion, question and answers



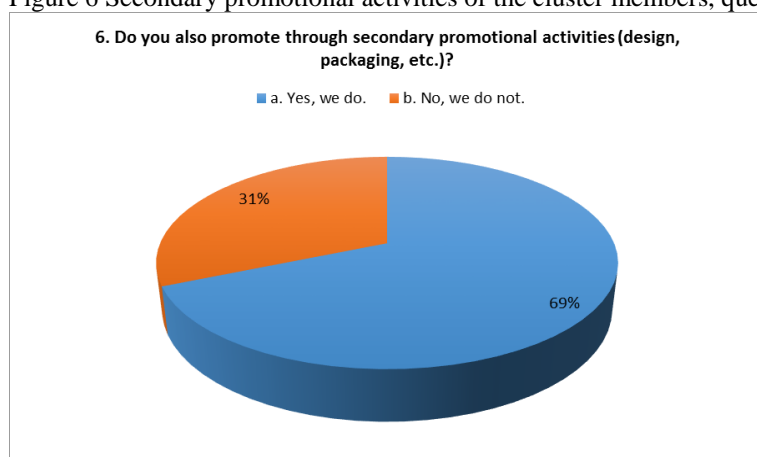
Source: Self-surveyed research, January, 2017

Figure 5 On line and off line advertising of the cluster members, question and answers



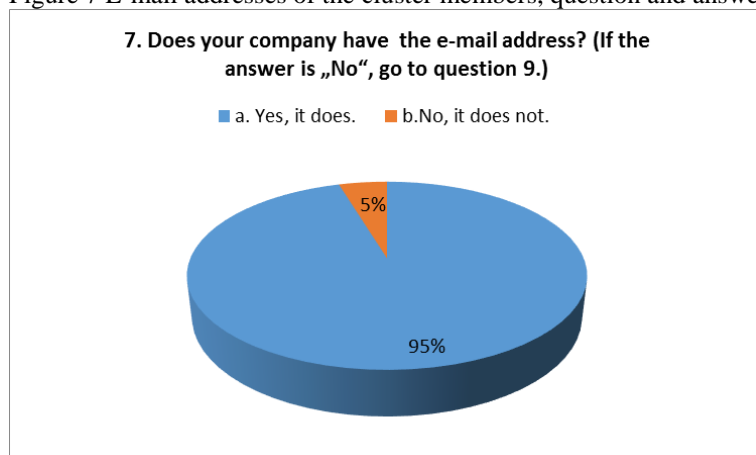
Source: Self-surveyed research, January, 2017

Figure 6 Secondary promotional activities of the cluster members, question and answers



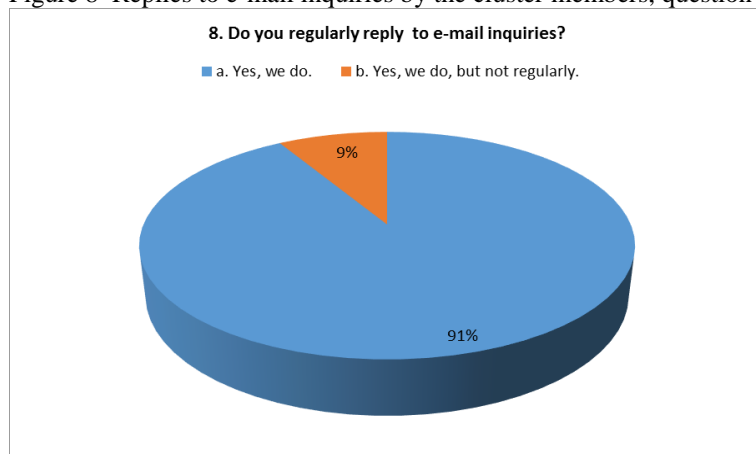
Source: Self-surveyed research, January, 2017

Figure 7 E-mail addresses of the cluster members, question and answers



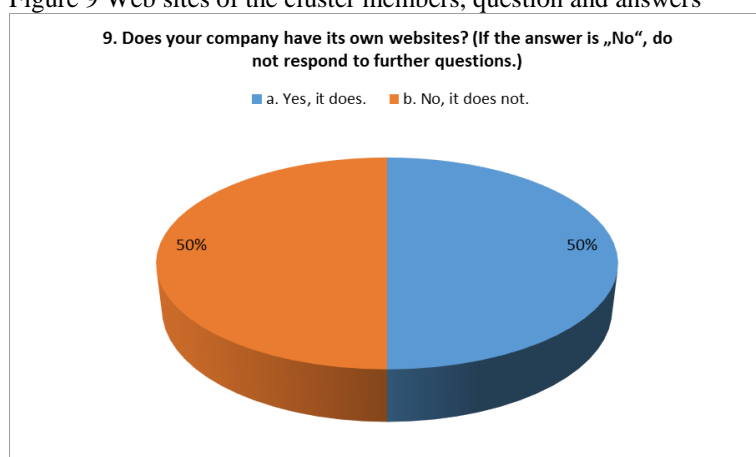
Source: Self-surveyed research, January, 2017

Figure 8 Replies to e-mail inquiries by the cluster members, question and answers



Source: Self- surveyed research, January, 2017

Figure 9 Web sites of the cluster members, question and answers



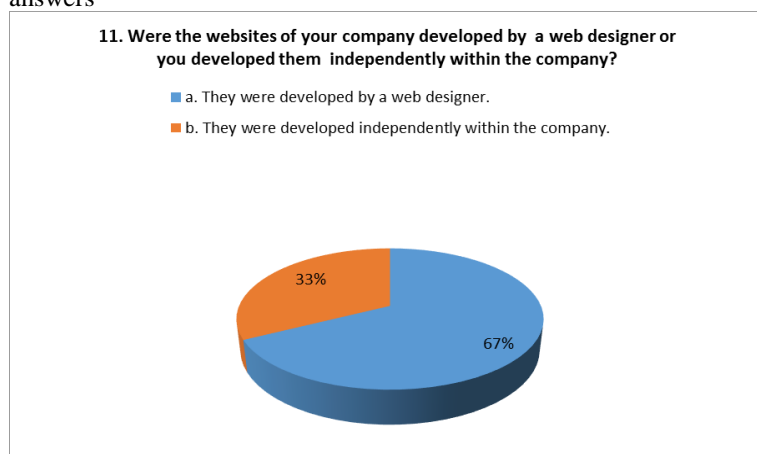
Source: Self-surveyed research, January, 2017

Figure 10 Multilinguality of the web sites of the cluster members, question and answers



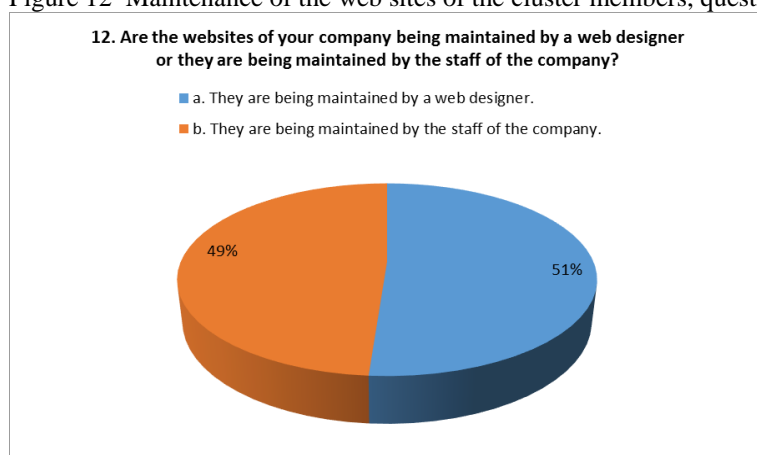
Source: Self-surveyed research, January, 2017

Figure 11 The engagement of the web designers in creating the web sites of the cluster members, question and answers



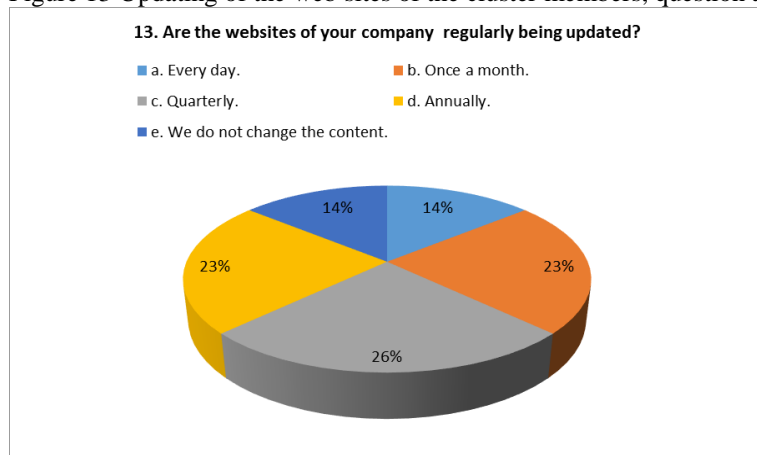
Source: Self-surveyed research, January, 2017

Figure 12 Maintenance of the web sites of the cluster members, question and answers



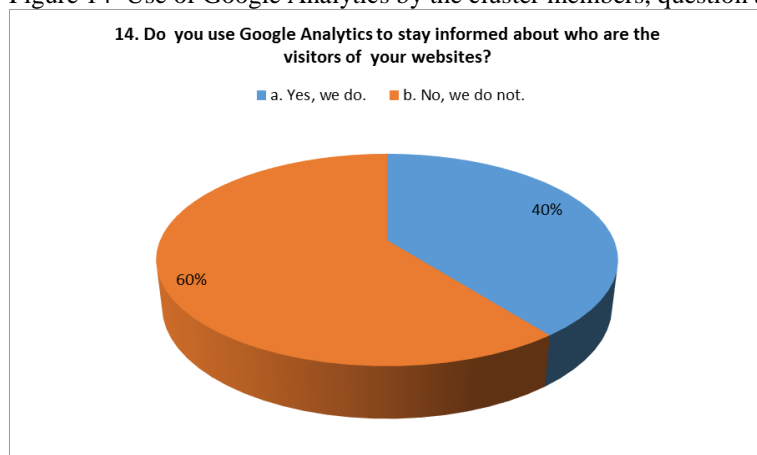
Source: Self-surveyed research, January, 2017

Figure 13 Updating of the web sites of the cluster members, question and answers



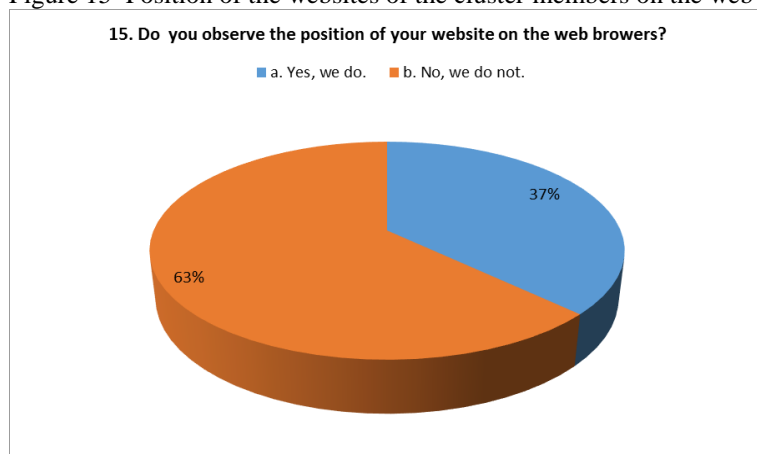
Source: Self-surveyed research, January, 2017

Figure 14 Use of Google Analytics by the cluster members, question and answers



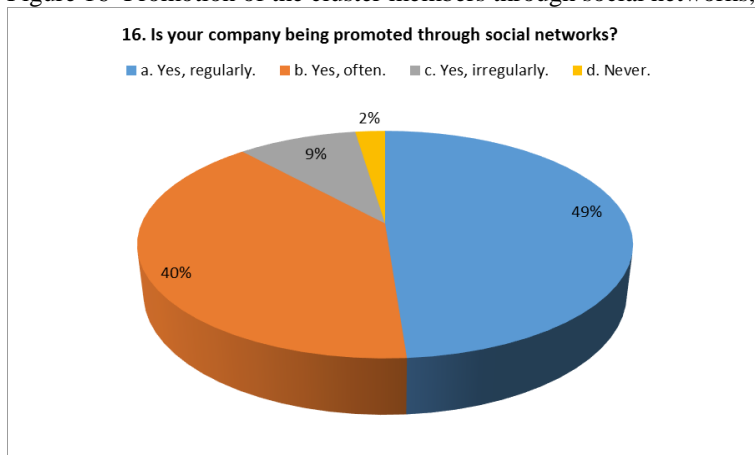
Source: Self-surveyed research, January, 2017

Figure 15 Position of the websites of the cluster members on the web browsers, question and answers



Source: Self-surveyed research, January, 2017

Figure 16 Promotion of the cluster members through social networks, question and answers



Source: Self-surveyed research, January, 2017

As is evident from the above figures, the results of the study showed the following:

- largest number of the respondents, 44% of them, when it comes to forms of promotion, during 2016 practiced off line and on line advertising, and this in equal extent; 32% of them applied direct marketing (Figure 1 and Figure 5); 65% of them used the possibility of promoting done by the cluster (Figure 2), while 69% undertook the secondary promotional activities as well, such as design, packaging and other (Figure 6),
- 56% of respondents said that during 2016 did not promote sufficiently (Figure 3), with lack of resources (60% of them) as the main reason (Figure 4),
- although almost all of the respondents (95% of them) have e-mail address (Figure 7) and regularly (91% of them) respond to e-mail inquiries (Figure 8), only half of the respondents have their own web sites (Figure 9); with texts only in the Croatian language by 77% of them (Figure 10); the sites made by the web designers by 67% of them (Figure 11) and maintained by the designers by 51% of them (Figure 12), and having the sites updated in daily or monthly intervals by little more than a third of them (Figure 13),
- 40% of respondents used during 2016 Google Analytics (Figure 14), 37% of them took into account the position of their web sites on web browsers (Figure 15), while 89% of them promoted via social networks (Figure 16).

6. Conclusion

From the organizational, and economic point of view, the Tourism Cluster "Slavonska košarica" is a good example of networking and joint marketing activities of various stakeholders of tourism development in the region of Slavonia (Lončarić, B., 940). The marketing program of the cluster "Slavonska košarica", as well as all other economic operators, is basically a setting of optimum combination of marketing mix in order to achieve set marketing objectives (Meler, M., Nebula, S. 147), or combination of control marketing variables used by the company to achieve the required level of sales in the target market (Kotler, P. 82). The term „marketing mix“ was introduced in 1948 (Senečić, J., 40), wherein the most frequently used as a basic variables are the product, price, promotion and distribution, so-called „the four P“, with the possibility of including other elements (Ruzić, D. 144).

The promotional mix consists of advertising, sales promotion, public relations and personal sales (Kotler, Ph., Bowen, J., Makens, J., 489), and two large groups of promotional activities are the primary (basic) promotional activities such as advertising, sales promotion, personal sales, public relations and publicity, and secondary (borderline) promotional activities such as design, packaging, consumers services, propaganda "by word of mouth" (Sudar, J., 10).

Although members of the cluster "Slavonian basket" in their marketing programs combine all elements of the marketing mix, as showed by the results of previously conducted studies, the emphasis is still placed on the promotion, in various forms. What is encouraging is the fact that most of the surveyed cluster members use the possibility of promotional activities undertaken by the management of clusters, while is worrying that half of the surveyed cluster members does not have its own websites, and of those who have them, only 28% of them regularly update the contents regularly. Since the marketing activities of individual companies on the Internet are not possible without the existence of the website (Ruzic D., 75), cluster management will continue to invest significant efforts in organizing business workshops at which the cluster members will be educated how to create their own web sites at the simplest and most economic way, but certainly not to the detriment of their effectiveness.

7. Literature

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