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TOURISM DESTINATION MANAGEMENT MODEL: EVIDENCE FROM GAGAUZIA AUTONOMOUS REGION

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Abstract

Purpose of the article: is to emphasize the importance of destination management through the creation of Management model of tourism development with a core - Destination Management and Marketing Organization (DMMO), which will ensure that the parties involved maintain a balance regarding the formation of state (regional, local) policies and the interests of stakeholders involved in the process of creating added value locally. The challenges for modern DMMOs are the combination of the traditional function - the development of external marketing of the destination with simultaneous attention to the problems of developing the economic potential of the destination.

Methodology: the research methodology included: a comparative analysis of the national statistical database at the macro- and meso- levels; a study of the national and regional legislative framework; analysis of strategic and program documents in the field of tourism development at the national and regional levels; semi-structured interviews with representatives of local and regional authorities, local active groups, artisans cultural sector and business representatives.

Conclusions: the results of the study indicate the existing absence of an organization that should perform intermediary functions in managing the implementation of tourist destinations development policies at the national and regional levels along with managing the interaction of all autonomy' stakeholders engaged in tourism and related industries. Tourism development management model includes the Destination Management and Marketing Organization (DMMO) responsible for the implementation of the organizational, managerial and coordination functions for the development of a tourist destination was proposed, regulations and functional responsibilities of the DMMO' departments were developed.

Originality: the results of a study which formed the basis of the Tourism Development Program of the Autonomous Territorial Unit of Gagauzia, located in the south of the Republic of Moldova.

Keywords: Destination Management and Marketing Organization, model of DMMO, regional economic development, Regional Information Tourist Center.

Introduction

In developing the Tourism Development Program in the Republic of Moldova, as in many countries around the world, it is planned to create organizations that manage the promotion of territories. This leads to the emergence of Destination Management and Marketing Organizations (DMMOs), which are defined by the World Tourism Organization (2004) as organizations responsible for the management or marketing of destinations and, as a rule, fall into one of the categories: public and private DMMOs.

However, in order to more clearly coordinate the activities of a large number of stakeholders associated with the tourism sector, it is necessary to assign the tourism management function to the government. In 1963, the UN Conference on International Travel and Tourism noted that "Governments need to stimulate and coordinate national tourist activities, and was convinced that the task can, in the main, be carried out through the medium of National Tourist Organization". At the same time, on the conference was recommended that the organization be given sufficient powers and resources to fully implement the tasks of managing and promoting the territory.

Literature review

In accordance with UN Conference on International Travel and Tourism description, the term "Destination Management Organization" is found in the works of Goeldner et al (2000), Buhalis 2000.

However, even earlier researchers Morrison, Bruen and Anderson (1998) described such basic functions of DMMO as an organization acting as a driver of economic growth of the territory, promoting employment growth, tax collection. As a marketing planner, DMMO selects the most appropriate image, brand and channels for its promotion.

As a driver of local business, it encourages the development of priority industries associated with tourism and develops that types of businesses that the territory currently needs. At the same time, DMMO acts as a structure that ensures the development of handicrafts, cultural institutions that preserve and pass on historical memory to new generations. Many researchers have emphasized the importance of implementing a destination marketing function, which in addition to destination promotion should include strategic planning, forecasting of destination development.

Buhalis (2000) argues that focusing on the promotional function is insufficient for the economic development of a destination for all tourism service providers. Thus, emphasizing the importance of effective leadership and government involvement in the management, and not just promotion of a destination. In this regard, the return to the "management model" of tourism - the revival of the Travel Agency and the departure from the pure promotion model implemented on the basis of the Investment Agency activities - is evidence of the acceptance of this point of view.

Researchers Pike (2004) and Cooper et al (2008) have emphasized the marketing elements based on the creation and promotion of the destination brand image as the core of the organizational philosophy of the DMMO. Ritchie and Crouch (2003) emphasized the importance and priority of the “marketing role” of the DMMO. However, recently the overlapping of larger functions, including management, has become increasingly popular. The DMMO is a key actor, being a “node” in the network of relationships of regional stakeholders, as illustrated in Figure 1. Therefore, the DMMO should play a greater role in the management of the destination, and not be a projection of marketing activities only.

Materials and methods

The analysis of tourist flows (inbound, outbound and domestic tourism flows) shows the following trends. Inbound tourism (reception of foreign citizens in the country) shows growth, increasing by 50.3% compared to the previous year and amounting to 43.6 thousand visitors. Guests from Romania (38.9% of the total number of foreign citizens received in the country), Italy (14.4%), Ukraine (14.0%), Germany (5.3%), the United States of America (5.2%), Belgium (4.5%), France (3.3%) and Poland (3.0%) had a greater weight. In 2023, there was a decrease in both the number of day tourists (by about 30.0%) and the average length of stay of foreign tourists in the country (from 5.8 days in 2022 to 3.8 days in 2023).

In the regional aspect, the share of tourists in the total number of accommodated tourists who prefer to stay in tourist establishments of Chisinau amounted to 67.1%, in the development regions: Center - 20.0%; South - 6.1%; North - 5.7% and ATU Gagauzia - 1.1%. Thus, about 90% of tourists remain in the central development region and the municipality of Chisinau. Currently, the functions of receiving tourists in the territories are performed by the offices of travel agencies, with the central office in the municipality of Chisinau.

This extremely negative trend should be a signal for the need to create an approach based on attracting tourists to the peripheral regions of the Republic of Moldova and, as a consequence, increasing the average length of stay in the country. This approach, aimed at developing value chains from stakeholder involvement in all processes of tourist service, will increase the efficiency of local small businesses related to tourism. In 2023 1,415.0 thousand overnight stays of tourists were registered in accommodation facilities, which is 5.1% more than in 2022.

In 2023, 391.5 thousand tourists visited collective tourist establishments with accommodation functions in the Republic of Moldova, or 17.2% more than in the previous year, including 195.5 thousand non-resident tourists (49.9% of the total) and 196.0 thousand resident tourists (50.1%).

Taking into account the number of tourists indicated earlier, the average length of stay is 3.6 days. Compared to 2022, the number of tourists accommodated in hotels and motels (+19.2%), tourist boarding houses (+24.5%), children's camps (+23.4%), recreation facilities (+11.8%), health facilities (+4.7%) and hostels for visitors (+2.2%) has increased.

Of the total number of overnight stays, 71.2% were overnight stays by residents, while overnight stays by non-residents accounted for 28.8%. The net index of utilization of tourist capacity in 2023 amounted to 28.8% of the total number of tourist accommodation places, of which: hotels and motels - 23.8%, tourist and agrotourism boarding houses - 12.7%, hostels for visitors - 42.3%, land-based facilities - 57.1%, recreation facilities - 21.9%, recreation centers - 31.7%.

Domestic tourism (movement of residents of the Republic of Moldova within the country for tourism purposes). In 2023, the number of visitors participating in domestic tourism decreased by 21.0% compared to 2022 and amounted to 97.7 thousand people, with the largest part (73.8%) being one-day visitors (excursionists). In this regard, the development of weekend tours will increase the stay of tourists in the regions to 2-3 days.

The number of "one-day tourists" increased by 9.4% compared to 2022, and the average length of stay of Moldovan tourists in the country remained at the 2022 level - 11.0 days (due to stay in camps and sanatoriums). The movement of Moldovan residents within the country for tourism purposes was organized mainly by travel agencies and tour operators from the Chisinau municipality (48.1%), the development regions of the Center (32.6%) and the South (16.8%). Revenues from travel agencies and tour operators in 2023 increased by 26.1% compared to the previous year and amounted to 4185.5 million lei.

Tourism infrastructure includes a set of enterprises, institutions and establishments whose activities are aimed at meeting the needs of tourists in health, recreation and food, as well as communication routes, transport, information centers and tourist accommodation facilities. First of all, these are enterprises of the HORECA sector.

Table 1. Capacity of collective structures for receiving tourists with accommodation functions in the Republic of Moldova

	Number of rooms					Number of bed places				
	2019	**2020**	**2021**	**2022**	**2023**	**2019**	**2020**	**2021**	**2022**	**2023**
Municipality Chisinau	4175	4200	4228	4257	4464	9526	9573	9646	9441	9719
North	1088	1090	1090	1117	1103	4362	4331	4249	4417	4577
Centre	1855	1922	1794	2022	2179	7090	7185	6427	7142	7326
South	669	681	672	716	734	2152	2177	2159	2369	2406
T.A.U. Gagauzia	226	226	226	221	227	1400	1400	1400	1340	1358

Source: NBS.

Infrastructure for tourist accommodation in ATU Gagauzia. is represented by 7 hotel complexes (5 of which are located in the municipality of Comrat) and 1 agrotourism boarding house, introduced into tourist circulation. The gastronomic infrastructure includes 144 enterprises located in the region and providing catering services in the Comrat district, there are 83 catering enterprises (40 enterprises are located in Comrat municipality); in the Ceadir-Lunga district 43 enterprises (23 enterprises are located in Ceadir-Lunga municipality); in the Vulcanesti district 18 enterprises (17 enterprises are located in Vulcanesti city).

The number of tourists accommodated in collective-use structures in the ATU Gagauzia, after a sharp decline during the pandemic, illustrates an increase of 1.6 times in 2022 compared to 2021. Moreover, an increase in the number of non-resident tourists has been noted - by 2 times and residents - by 1.5 times. The data indicate an increase in both domestic and inbound tourism.

Table 2. Existing capacity of establishments of collective touristic reception with functions of accommodation

Indicators	unit	2021	2022	2023
Number of rooms	ед.	226	221	227
Number of beds	ед.	1400	1340	1358
Average number of beds in a room	ед.	6,2	6,1	5.9
Number of tourists accommodated	чел.	2561	4198	4491
- non-residents	чел.	707	1380	1655
- residents	чел.	1854	2818	2836

Source: NBS.

These indicators illustrate the underestimated potential for attracting more tourists and, as a consequence, developing this economic sector in the region. Promoting ATU Gagauzia as a single tourism destination under the auspices of the DMMO activities expands the penetration of tourism activities into underdeveloped economies, while promoting equal opportunities and increasing direct and indirect employment of rural residents.

Results and discussions

There are a number of options for the governance of destination management, as follows (UNWTO, 2007):

- ✓ Department of single public authority;
- ✓ Partnership of public authorities, serviced by partners;
- ✓ Partnership of public authorities, serviced by a joint management unit;
- ✓ Public-private partnership for certain functions (non-profit organization);
- ✓ Public authority outsourcing delivery to private companies;
- ✓ Association or company funded purely by a private sector partnership.

The proposed model of the DMMO is a public institution with the status of a legal entity of public law as part of the Executive Committee of the ATU Gagauzia, financed from the regional budget and other sources. The DMMO occupies a central place in the proposed tourism management model in the region, which carries out organizational, managerial and coordinating functions for the tourist destination development.

The proposed model of tourism sector management in ATU Gagauzia with the inclusion of key stakeholders contributes to the implementation of innovative solutions in the process of creating tourism products, improving organizational and coordination processes for managing this area. Combining the resources of organizations operating in the tourism sector (knowledge, personnel, finance, technology, material resources, etc.) facilitates access to information and ensures effective risk and reputation management.

Involving a wider range of stakeholders through preliminary consultations and public discussions is enshrined in law and is a necessary requirement of the decision-making process in management activities at any level of government. For this purpose, it is planned to create an Advisory Council.

The Advisory Council is a collegial advisory body created to represent the interests and enhance the role of stakeholders (representatives of local government authorities, business, civil society, educational and scientific structures) operating in the tourism sector, in the development and implementation of the developed policies in the tourism sector. The activities of the Advisory Council are aimed at providing expert and advisory support to the State Agency for Economic Development and Tourism in decision-making in the field of tourism development in the ATU Gagauzia.

The activities of the Advisory Council will ensure the transition to integrated strategic interaction of stakeholders, to sustainable and equitable social development, providing an opportunity for each participant in tourism activities to be heard and participate in the decision-making process at the regional level. The audit of the quality of services of tourism infrastructure facilities should be carried out

according to the methodology and regulations previously submitted and approved by the State Agency for Economic Development and Tourism. These procedures for assessing and confirming the reliability of quality are especially relevant when positioning tourism products on the international market.

The Department for Tourism Development and Promotion of the State Agency for Economic Development and Tourism will develop a procedure for voluntary certification and issuance of a supporting document, which will increase the competitiveness of tourism entities. As a similar mechanism is formed at the national level, these processes will be synchronized by the departments responsible for the development of the tourism sector.

The main areas of activity and functions of the DMMO:

- implementation of state policy in the field of tourism;
- coordination of stakeholders' actions and project development;
- promotion of the tourist destination.

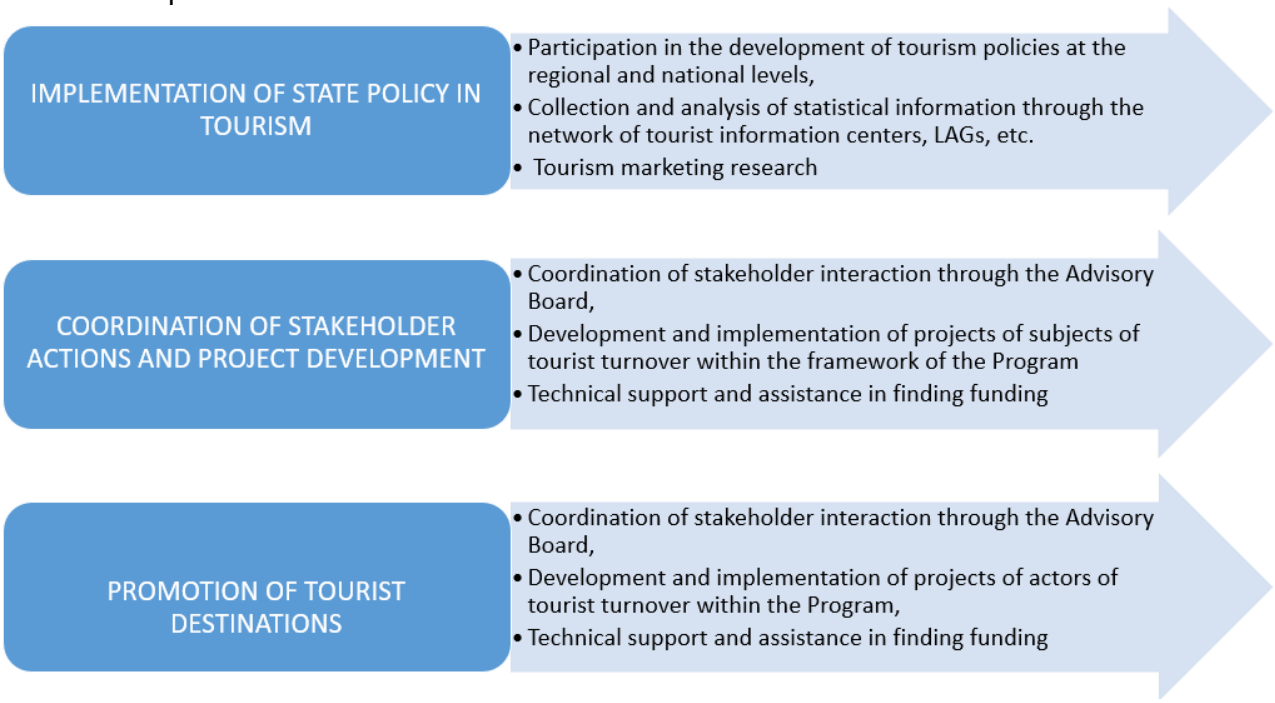


Figure 1. Main areas of activity and functions of the DMMO

Source: developed by the author

The specific tasks of this organization include: creation of new tourist products, development of development projects, consulting and support of small businesses in the field of tourism industry standards, promotion and representation of the destination and ensuring effective communications within the destination, beyond its borders at the national and international levels (Figure 1).

The organizational structure of the DMMO management includes the following departments: communications service, financial department, project management department, marketing and promotion department. Figure 3 shows the functional distribution of powers of the DMMO departments.

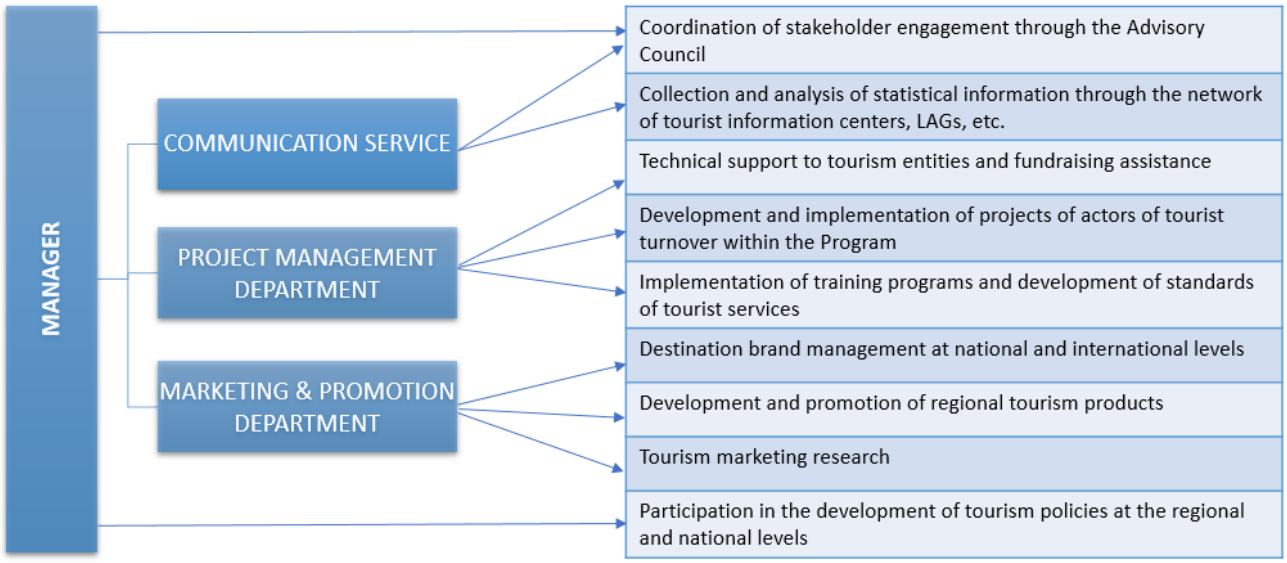


Figure 2. Scheme of functional distribution of powers of the DMMO departments
Source: developed by the author

Figure 3 shows the recommended phases of the evolution of the DMMO: from strengthening the potential of the existing Regional Information Tourist Center (RITC) by transferring it to the jurisdiction of the State Agency for Economic Development and Tourism, financed from the regional budget and other sources, to the gradual introduction of private business representatives into the composition of the founders and the transition to a public-private partnership.



Figure 3. Evolution of the organizational and managerial form of the DMMO
Source: developed by the author

Conclusions

The purpose of this article was to show the importance of building a model of DMMO, which will take on a leading role in the region to promote the interests of all interested parties. Tourism stakeholders are individuals and legal entities involved in tourism turnover: self-employed (private museums, craft schools and studios, private transport services, rural boarding houses, home cooking, etc.), small businesses (branches of travel agencies, catering establishments, collective accommodation structures, renters and owner of recreation areas, etc.), representatives of Local Public Authorities, Local

Action Groups (LAGs), cultural organizations (museums, cultural centers, etc.), formal and informal education and consulting organizations (KCU, Colleges, NGOs).

DMMO will assume the functions of developing, coordinating and promoting tourism activities based on the creation of value chains for the provision of these services. In this case, it is necessary to align the documents and procedures regulating the activities of existing and proposed vertical tourism management structures both at the national and regional levels with reliance on local public administration bodies, local initiative groups and the business community.

The proposed model of DMMO is based on the evolutionary transition from a centralized model accountable to the Main Board of Economic Development and Tourism to a model close to Association or company funded purely by a private sector partnership. Regional Information Tourist Center established in Comrat municipality implements the following functions: information services for tourists and travel organizers; development, production and distribution of information and advertising materials on the tourism offer of ATU Gagauzia; assistance in the implementation of state policy to ensure favorable conditions for the intensive development of tourism infrastructure; assistance in the creation and implementation of new tourism products; monitoring of tourism resources, collection and analysis of data on tourist flows, etc. This organization is the basic starting point for evolution into the final proposed DMMO model.

During the transitional stage to the creation of the DMMO, it is planned to strengthen the potential of the RITC by creating new divisions (communication services, project management department, marketing and promotion department) and allocating additional funding through the regional budget. It is necessary to align the documents and procedures regulating the activities of existing and proposed vertical structures for tourism management.

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