

## MANAGEMENT OF COMPETITIVENESS IN CAMPING: TRENDS IN INTERNET USE

### MENADŽMENT KONKURENTNOSTI KAMPOVA: TRENDOM I PRIMJENA INTERNETA

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#### *Abstract*

The rapid advancement of internet conditioned the adjustment of the tourism sector to this new technology. In that sense, the camping market is responding to constant changes by increasing transparency, involving new competitors and introducing the possibility of price comparison. These are features endorsed by innovative and dynamic campsites. The topic of this article is internet use and trends in internet application in Croatian campsites. For the purpose of this article, a study has been conducted on a sample of 840 Croatian camping guests divided into two target groups: a) campers who used mobile homes and b) campers who used their own outdoor camping equipment. The aim of this research is two-fold. The first aim is to quantify the use of internet prior to vacation and the second aim is to establish main motives behind the choice of this medium. The former refers to searching for information online and booking accommodation online. Campers in mobile homes use internet for the purpose of booking accommodation to a greater extent (36,6%) in comparison to other camping guests (28,6%). Internet serves as an important instrument of marketing management due to its role in achieving and maintaining the competitive advantage in the camping sector.

#### *Sažetak*

Snažan razvoj interneta uvjetovao je prilagodbu turističkog sektora novoj tehnologiji. U tom smislu kamping tržište prate stalne promjene (povećana transparentnost, uključivanje novih konkurenata, omogućavanje usporedbe cijene i sl.) koje se vezuju uz inovativne i dinamične kampove. U ovom se radu detaljnije obrađuje koncept primjene i trendova korištenja interneta u hrvatskim kampovima. Kroz elemente kvalitete u radu se donose konkurentske prednosti najboljih kampova na Mediteranu posebno s aspekta interneta kao konkurentske prednosti kampova. Za potrebe ovog rada provedeno je istraživanje na uzorku od 840 gostiju u hrvatskim kampovima podijeljenih u dvije ciljne skupine: a) goste koji su koristili usluge kampiranja u mobilnim kućicama i ostale goste kampa. Cilj istraživanja odnosi se na pokušaj dobivanja ocjene: 1) korištenja interneta prije putovanja i 2) temeljne svrhe korištenja interneta. Rezultati istraživanja o korištenju interneta prije putovanja vezuje se uz prikupljanje informacija i rezervaciju smještaja. Gosti u mobilnim kućicama više se koriste internetom prilikom rezervacije smještaja (36,6%), u usporedbi s ostalim gostima kampa (28,6%). Internet čini važan instrument menadžment marketinga u smislu postizanja i održavanja konkurentske prednosti u sektoru kampova.

#### 1. INTRODUCTION

The purpose of this research is to examine the features of camping demand and the ways in which internet is used by camping guests, due to its relevance for the management of competitiveness in camping. This article delivers an analysis of the theory of management and its effect on the competitiveness of a campsite. A connection between management, sustainability, profitability

and competitiveness of camping tourism will be established. The particularities of internet use in modern camping tourism will be examined and an overview of a number of secondary research studies examining internet use in camping tourism will be analysed.

This research aims to assess and evaluate the following three aspects of camping demand:

- a) socio-demographic structure of camping guests,
- b) use of internet before the vacation and
- c) main purpose behind internet use among campers.

Relevant and comparable data will be collected for two target groups, campers using mobile homes and campers using other outdoor camping equipment. The analysis of the sociodemographic structure of camping guests will show whether camping demand is undergoing changes and in what way these new characteristics of camping demand will affect the use of internet in activities related to camping. The results of this research will either confirm or refute the hypothesis that management ought to recognise the importance of the changing marketing mix in favour of greater use of internet as an instrument of management and a medium for achieving competitiveness.

## 2. MANAGEMENT OF COMPETITIVENESS IN CAMPING

Management and competitiveness are strongly linked. Different aspects of management contribute to the competitiveness of the camping product on an increasingly differentiated and changing camping market. Camping management shapes and contributes to the overall campsite competitiveness via its base components, or in other words the pillars of management. This intertwined relationship and mutual conditioning are referred to in this article as „competitiveness“.

### 2.1. BASIC FEATURES OF COMPETITIVENESS MANAGEMENT IN CAMPING TOURISM

Camping tourism is underrepresented in the academic literature despite its key role in the process of massification of tourist travels and despite its relative importance as a tourist branch. One third of the commercial offer in Europe is supplied by campsites, while in Croatia these capacities are second largest and accounting for a quarter of all commercial accommodation units.<sup>/1/</sup>The modern development of campsites is responding to the growing demand for comfortable stays in the natural environment, to the wish to spend time in well-kept refuges of dreams that are technologically advanced at the same time. There is a need for a new and innovative management of

campsites, which is capable of bringing about change. Under these changing conditions, management of camping service becomes a factor of growth, profitability and camping competitiveness. The camping product of Croatia has entered a phase of „ripeness“<sup>/2/</sup>, and borrowing from Kotler's strategies <sup>/3/</sup>, it is necessary to change management strategies of competitiveness of campsites as accommodation facilities.

#### 1. The strategy of market modification

a) increasing the market segment of customers from new markets: Great Britain, France, Poland, Scandinavian countries, Lithuania, Estonia and Latvia.

b) increasing the segment of domestic guests.

#### 2. The strategy of service modification

a) Improving quality

b) Changing the structure of accommodation units (camping pitches, mobile homes, hotels, apartments, bungalows etc) and introducing additional facilities (spa, recreational activities etc)

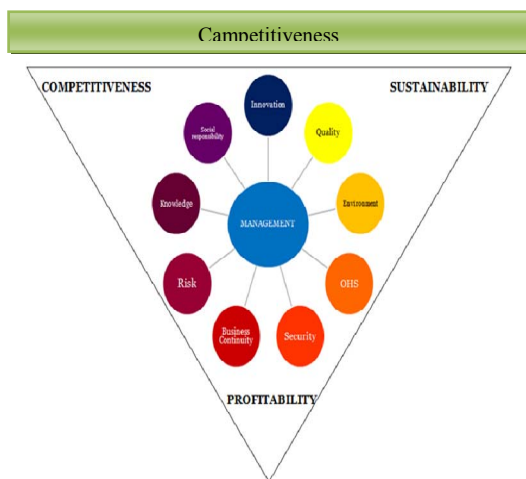
#### 3. The strategy of marketing-mix modification with emphasis on more internet reliance

In the camping industry, the above strategy encompasses a modification of the marketing mix which refers to price policy, channels of distribution, promotion and sales. All of the aspects of the marketing-mix become affected by the increased application of internet. This becomes apparent in an increased transparency of prices, sales policies, and terms and conditions of camping. Internet has an effect on the structure of distribution channels, camping promotion, marketing of camping destinations, as well as the improvement of sales methods. Simultaneously with the growth of modern technologies, social networks and mobile internet, e-marketing and internet become key factors of the marketing-mix modifications and contributors to the competitiveness of the camping product.

Creating and sustaining competitiveness in times of rapid change requires from all stakeholders a clear vision of the direction of change and implications of these changes for the economy and the destination management <sup>/4/</sup>. It implies continuous improvements and innovations, the goal of which is tourist satisfaction. This means creating an added value – new products and services which are going to ensure a competitive market position and new profits.<sup>/5/</sup>A turbulent market witnesses fundamental changes in life styles of consumers. A key question is how to achieve competitive advantage in a sustainable way and

how to choose a strategy that is valuable, rare, expensive to copy, without a direct substitute and at the same time a good basis for business /6/. For Croatian camping this means aiming for uniqueness, or the perception of uniqueness of the camping product.

Competitiveness and management are heavily intertwined. Management efforts directed towards profitability, sustainability and competitiveness of a campsite can be defined as „competitiveness“ – a new term in competitiveness management in camping. Management actively and continuously affects factors of competitiveness (Picture 1). The result is a mutually reinforcing relationship between management and competitiveness, profitability and sustainability.



Picture 1.: Triangle of competitiveness, profitability and sustainability

Source: Author's research according to [www.eoq.org](http://www.eoq.org), January 2012

The above diagram depicts the relationship between different components of management and the triangle of „competitiveness“ encompassing competitiveness, profitability and sustainability. Competitiveness, therefore, encompasses components of management such as innovation, knowledge, security, marketing, risk management, environmental protection, social responsibility and safety and healthy of camping guests, which contribute to the competitiveness of the campsite. To achieve and sustain a competitive camping product in the age of internet, what is necessary is a change in marketing strategies, especially in the marketing mix. In order to do that, an analysis of the socio-demographic structure of the camping population as well as the relative importance of and trends in using the internet as one aspect of the digital revolution is

in order. The revolution is rapidly changing the whole tourist economy and especially the way travels are organised.

## 2.2. Particularities of internet use in camping tourism

In the last decade of the 20th century, internet progressed from being a means of communication to becoming a revolutionary technology. It opened numerous opportunities for companies and business people, it created new services and new workplaces. It revolutionised access to information and dictated new marketing strategies and methods. Together with its protocol, internet created a universal platform for communication and presentation, a completely open and global network accessible via various devices (TV, computers, mobile devices, car technology, game consoles, internet cafes and others). Tourism and internet are ideal partners /7/. They both grow decisively and at a fast rate. Internet has become a tool of success and efficacy. New forms of e-commerce offer numerous possibilities for tourist destinations and companies, regardless of their size, for improving and remodelling their business and achieving financial efficiency /8/. In today's world, internet is becoming one of the strongest tools of competitiveness /9/. At the end of 2011, 32,7% of world population was using the internet. The equivalent percentage in Europe was 61,3%, whilst the rest of the world equalled 28,9%. The country with the most significant use of internet is Germany, with 67,4% internet users. The fact that Germany is equally the most significant market of camping demand for Croatia confirms the importance of internet as a factor of camping competitiveness in Croatia /10/. An important advantage and a difference between online-marketing and off-marketing is the „dreaming“ associated with it /11/. Internet offers a choice of dreams, boundless planning, detailed and updated information, tools for planning, social networks, reservations from the sofa with help of e-booking, search engines and possibilities of online booking. During travels, internet offers services and information about the destination through interactive travel planners, translation tools and other information points. Communication continues after the travels. By offering the possibility of communicating with the end user throughout the whole process, internet has turned into the most powerful tool ever forming a unique system of marketing, sales, service and renewed marketing,

the so called „E-circle of dreams“ (Picture 2).

Picture 2.: „E-circle of dreams“



Source: Author's research according to [www.mint.hr](http://www.mint.hr), 5 February 2012

The relationship between internet and camping tourism is a subject of research of many marketing experts who regard it as a foundation for making marketing decisions. The following research studies complement the finding that internet has become an indispensable tool during the planning of camping vacations and that the number of specialised and other camping-related internet sites has risen sharply:

1. Bundesministerium fuer Wirtschaft und Technologie (2011); *Der Campingmarkt in Deutschland 2009/2010*. /12/
2. Valamar d.o.o., online study, Zagreb (2010). /13/
3. Croatian Camping Association and Croatian Tourist Association (2012); *Visitor statistics of the webportal [www.camping.hr](http://www.camping.hr)*. /14/

Derived from these findings, the hypothesis of this article is the following: Changing features of camping demand result in higher use of internet.

### 3. METHODOLOGY OF RESEARCH

For the purpose of this research, a study was conducted on two target groups of camping guests:

- a) campers who stayed in mobile homes and
- b) guests who used their own outdoor camping equipment guests.

This descriptive study was conducted in the period between 1 July and 30 August 2010 on a sample of 840 families camping in Croatian camps. One thousand questionnaires were distributed and in return, 840 were recollected, or

in other words a 84% return rate pri čemu je korištena metoda intervjuja. The data was collect-

ed through a specially designed questionnaire in English, German, Italian and Slovenian languages. The questionnaire consisted of the following five components: 1.) general information, 2.) features of camping travel and stay, 3.) financial spending of campers, 4.) habits and relationship with the competitors 5.) socio-demographic profile of the camper. The sample of campsites where the questionnaire was administered was chosen on the basis of the proportion of overnight stays in different regions in relation to the overall number of overnight stays in Croatia, as well as on the basis of the size of campsites in different regions. Campsites included in this study are all members of the Croatian Camping Association.

The proportion of campsites within the sample was divided into three categories according to their size /15/:

- 1.) campsites with up to 150 guests,
- 2.) campsites with 151 - 3.000 guests,
- 3.) campsites with over 3.001 guests.

Target groups were defined in accordance with the Article 4, Section 2 of the Regulation of classification, minimal requirements and categorisation of accommodation in the hospitality industry (Pravilnik o razvrstavanju, minimalnim uvjetima i kategorizaciji ugostiteljskih objekata). One of the target groups uses transportable camping equipment such as a caravan, motorhome or a tent and the other group includes campers using mobile homes as a new form of accommodation in campsites. /16/

### 4. RESEARCH RESULTS

The aim of this research was to collect the following information from campers:

- a) socio-demographic structure of campers,
- b) assessment of the use of internet (before the vacation) and establishing the fundamental purpose of using internet among campers.

#### 4.1. Socio-demographic structure of campers

The categories used to assess the socio-demographic profile of campers were the following: age, level of education, features of their permanent residence, monthly income and occupation. The analysis was conducted on both target groups, those who used their own transportable camping gear and those who stayed in mobile

homes.

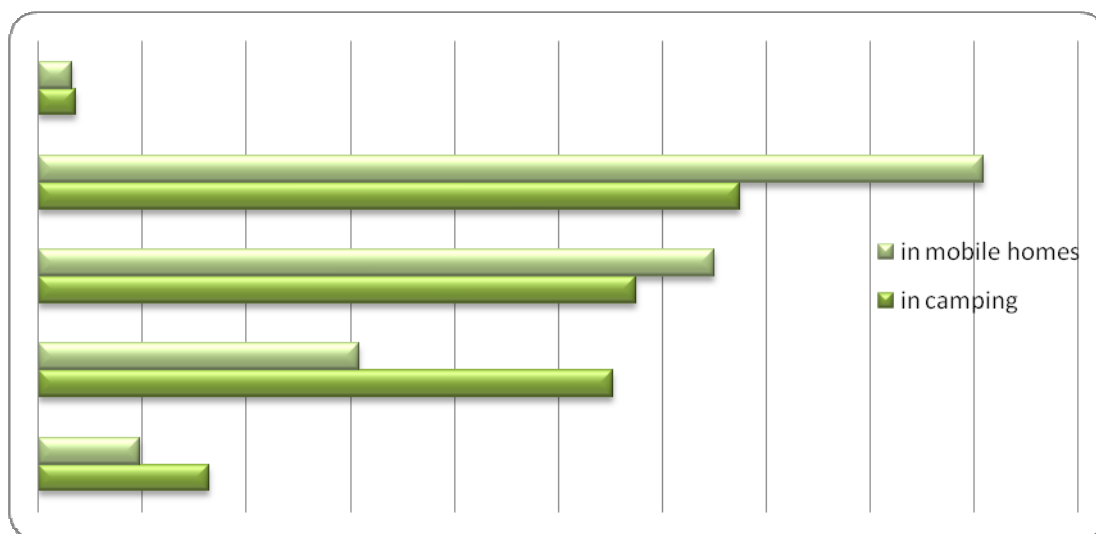
## 2) Level of education of campers

### 1) The age of campers

Research results show that the majority of campers are middle-aged, on average 46.8 years old. The average age of campers in mobile homes is 41,8 years which indicates that they are on average younger than other campers. This result points to the fact that mobile homes are a trendy type of accommodation with a lot of potential.

It is worth noting that the largest proportion of campers have attended post-secondary education or a higher education institution (62,4%). The largest proportion of camping guests has attained a higher education degree, overall 33,7%. Higher education is prevalent among 78% of mobile home campers, which is higher by 16% from the overall average among campers (62,4%).

Table 1: Level of education of campers



Source: Author's research

3) Features of the permanent residence of campers  
Campers visiting Croatia most frequently live in smaller towns (36,7%). These campers, therefore, demand a peaceful setting, which they also enjoy at home. In contrast, the largest number of campers hiring mobile homes (34,8%) comes from cities of medium size, with 10000 to 100000 inhabitants.

### 4) Monthly income

Among campers staying in campsites, 40,9% have

a monthly income lower than 2000EUR, whereas this percentage falls to 26,1% among campers in mobile homes. The percentage of people on a monthly income higher than 2000 EUR is 73,8% among guests in mobile homes and 59,08% among other campers. Finally, 39.1% of mobile home campers receive a salary exceeding 3000EUR whereas the percentage among other campers is 34,25%.

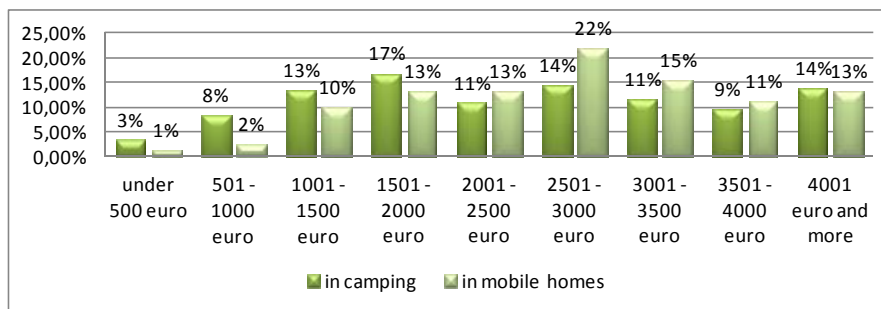


Table 2.: Ranges of monthly income among campers

Source: Author's research

As a rule, guests in mobile homes financially better-off than the average camping guest using campers or caravans.

#### 5) Occupation of campers

In the framework of the socio-demographic study of campers, one of the areas covered by the questionnaire was the occupation of campers. In line

with the previously used classification according to age, the largest number of campers is either retired or a civil servant. Mobile homes are predominantly rented by civil servants, however a significant increase in the percentage of people in higher and lower management positions is evident in relation to other campers.

Table 3. Occupation of campers

OCCUPATION	IN MOBILE HOMES	OTHER CAMPERS
Civil servant	25,6%	20,6
Pensioner	0,8%	18,6
Blue-collar worker	7,4%	11,2
Businessman/woman	8,3%	10,4
Higher management	12,4%	9,5
Lower management	15,7%	9,1
Freelance	9,1%	5,9
Housewife/husband	1,7%	2,0
Others	19%	12,8

Source: Author's research

The proportion of pensioners among other campers is with 18,6% significantly higher than among guests in mobile homes (0.8%). This could

point to a general preference of pensioners for more „traditional“ forms of camping.

Table 4.: Overview of basic characteristics of guests in mobile homes and other campers

	guests IN MOBILE HOMES	OTHER CAMPERS
AGE	41,8 YEARS OLD	46,8 YEARS OLD
EDUCATION	78% POST-SECONDARY AND HIGHER EDUCATION	62,4% POST-SECONDARY AND HIGHER EDUCATION
PERMANENT RESIDENCE	URBAN CENTRES	SMALLER TOWNS (UP TO 10000 INHABITANTS)
MONTHLY INCOME	HIGHER	LOWER
OCCUPATION	MANAGERS AND CIVIL SERVANTS (53,7%)	CIVIL SERVANTS, PENSIONERS, BLUE-COLLAR WORKERS (50,4%)

Source: Author's research

The results of this socio-demographic

study of camping guests show that there are



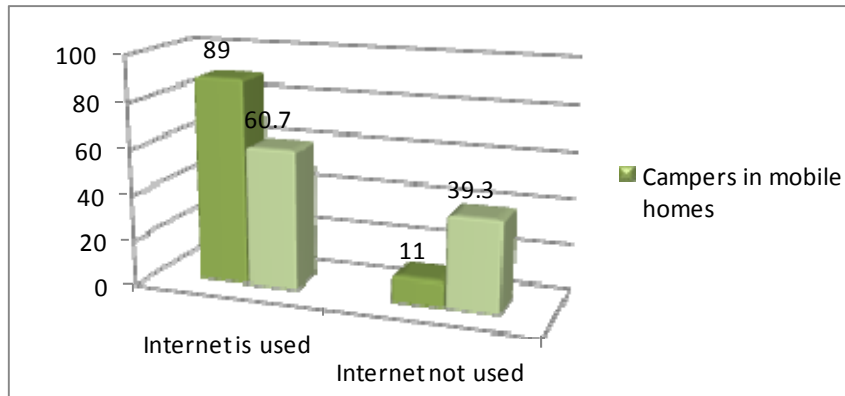
changing patterns of camping demand. Guests in mobile homes are generally younger, better educated and from large urban areas. Their monthly income is higher and their occupation is more demanding and better paid. These changed characteristics of camping demand are related to the more significant use of internet in the planning and booking phase of camping holidays. The subsequent section deals with the relationship between the changing camping demand and the use

of internet among campers.

#### 4.2. Internet use among camping guests

In order to create a more complete picture of the changes in camping demand, the use of internet before tourist travels and the purpose of internet application among camping guests is assessed.

Graph 1. Assessment of the use of internet before vacation



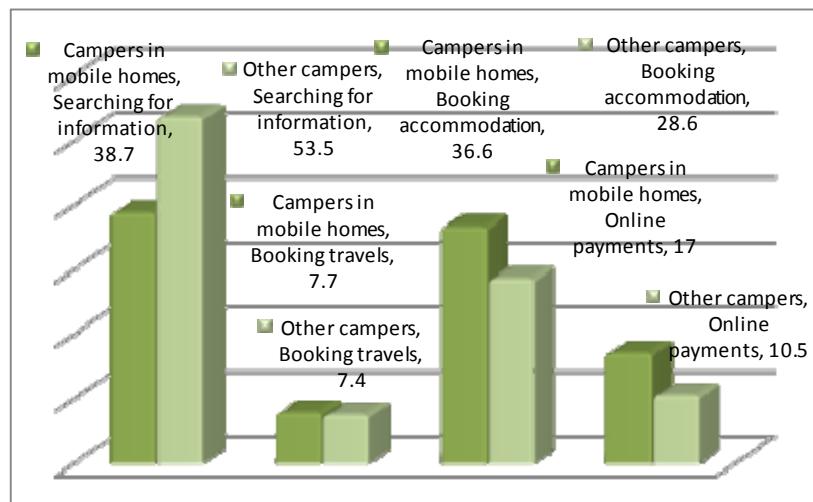
Source: Author's research

The importance of internet is indisputable. Despite the above-average age of an average camping guest, this is not reflected on the figures for the use of internet. Participants in the questionnaire who answered positively to the question about the use of internet were asked to identify their motive for doing so and the reason for using the internet. Campers using mobile homes are more dependent on the internet than the rest of the campers (89% in relation to 60,7%). From this

follows that internet is an important distribution channel for campers, but especially so for guests camping in mobile homes. The results point to the need for a marketing-mix modification with an emphasis on promotion, sales improvement and quality of information presented to campers.

Motives for using internet are varied and the diagram below depicts the most frequently identified reasons for using the internet among campers.

Graph 2.: Establishing motives for internet use among campers



Source: Author's research

The most frequently identified motive for using the internet among conventional campers is the search for information (53,5%), followed by accommodation bookings (28,6%). Campers still make only modest use of internet in order to reserve their travel tickets or to pay for their transport.

The situation is different among campers choosing to stay in mobile homes. The largest proportion of these guests use the internet to search for information (38,7%) and this percentage is low in relation to other campers, where 53,5% use internet to find information. Guests in mobile homes, however, are more inclined towards booking accommodation on the internet (36,6%) than other campers (28,6%). The number of campers using internet to book transport tickets is very low, which could be explained by the fact that most of them travel by privately owned means of transport. Nevertheless, a significantly higher number of mobile home guests book their accommodation and transport online (17% versus 10,5%). The study of travel patterns of camping guests using mobile homes and individual camping equipment in campsites confirms the ongoing changes in the camping demand as a result of the differences in the socio-demographic characteristics of mobile home campers in comparison to other camping guests. Considering the fact that the number of mobile homes in campsites is on the rise, the changing habits of camping guests are contributing to an altogether different and more salient use of internet. For camping guests with individual camping equipment, the importance of providing information online of special importance, whilst guest using mobile homes make more use of online booking systems. The previously posed hypothesis is therefore confirmed. The changing features of the camping demand are affecting the use of internet. The results of this research show that internet is one of the most important tools of marketing management in the camping industry, crucial for attaining a competitive position on the camping market.

## 5. Conclusion

This research was focused on examining the features of camping demand and the ways in which

internet is used by camping guests, due to its relevance for the management of competitiveness in camping tourism. The article dwelled into the theory of management and examined its effects on the competitiveness of camping. A theoretical relationship between management, sustainability, profitability and competitiveness of camping tourism was established. At the same time, the theoretical particularities of internet use in modern day camping tourism were examined and internet's global significance and increased usage in camping tourism were confirmed. Study results show that the camping demand has changed. The growing number of mobile homes in campsites is causing a differentiation of the overall camping demand, no longer comparable to the demand by „classical“ camping guests who camp using their own camping equipment. The socio-demographic analysis of the structure of camping guests showed that the changing camping demand was significantly affecting the use of internet in activities related to camping. Research results showed that internet use varies greatly among the two target groups and that guests in mobile homes use internet for bookings and payments, whereas other campers use it to collect information and prepare for the travels. The study results complement the finding that internet has become an indispensable tool during holiday planning and that the number of specialised and other camping-related internet sites has risen sharply. The outcome of the study confirms the hypothesis and forms a basis for a recommendation to the management of campsites. The change in marketing strategies needs to take place with internet playing a much more significant role than previously. Integrating internet into the marketing strategy of the campsite management will contribute to the overall competitiveness of the campsite. Further research is recommended, especially in the field of e-marketing as well as in the area of using databases for the purpose of creating and maintaining the competitive advantage of Croatian campsites.



Notes

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