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OPTIMAL COMBINATION OF MARKETING INSTRUMENTS AS A BASIS FOR TOURIST DESTINATION STRATEGIC MANAGEMENT

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Abstract: The marketing mix concept is understood as a certain combination of the instruments that form a tourist offer. Marketing mix enables integration of marketing activities, in order to satisfy the needs of tourist clients, but also in order to achieve the goals of tourist subjects business. Marketing instruments optimising is necessary during the adaptation to certain tourist segments. A suitable marketing mix is not just a simple sum of different instruments but an optimal combination of certain strategies of integrated tourist product, prices, promotion and distribution.

Key words: marketing mix, tourist product, prices, promotion, distribution.

INTRODUCTION

The necessity of the connection of tourist product with other marketing instruments on the destination level is determined by achievement of marketing activities goals, in other words it is necessary to determine the most suitable combination of marketing instruments for a faster and more efficient achievement of destination goals. This means that the combination of marketing instruments into unique whole leads to marketing mix. Marketing mix develops and results from creation or positioning of one or more strategies of the mix itself.²

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² Mihailovic B., (2005), page 251.

There are several aspects of decision on marketing instruments:³

- which instruments are available in a certain situation? (universal aspect);
- how to manage the engaged instruments? (selective aspect);
- what is the range of instrument application? (quality aspect);
- how should the time line of engaging of certain instruments look like? (time aspect);
- how to combine certain marketing instruments in order to make the more efficient? (combination aspect);

Optimising of marketing mix instruments includes strategies based on certain marketing instrument.

INTEGRATED TOURIST PRODUCT

Integrated tourist product is not mechanical or physical choice sum of partial tourist products, it is necessary to determine the criteria based on which a tourist product is treated as an integrated one. First of all, let us go through the universal definition that the satisfying of tourist consumers needs is possible only with a multitude of certain products and services. The choice of product is decided by tourist consumer.

Concluding on the mentioned, integrated tourist product of a certain tourist destination, would be combination of:⁴

- attractions-combination of natural and social conveniences,
- accommodation conditions in destination (necessary accommodation facilities),
- accessibility of destination (infrastructure, equipment).

a. Tourist attractions envelope large spectrum of natural, anthropogenic, economy and other destination characteristic.⁵ In terms of status conception, tourist attractions are defined as empirical connection of tourists, nucleus or sight and information. In wider terms, tourist attractions have features of the system including three elements: tourist or human factor, nucleus or central elements and marker or information. Tourist attractions shows up when those three elements are achieved and connected in one locality.⁶

The status treatment of tourist attraction is its analysis on the hierarchy level.

³ Milisavljevic M., Todorovic J., (1995.), page 88.

⁴ Popesku J., (1991), page 98. and Middleton V.T.C, Clarke J., (2002) and others.

⁵ Cacic K., (1998), page 246.

⁶ Djukic A., (2001.), page 113-115.

Such system or sub-system enables to see them in a wider, integral space of tourist destination. This demand analysis of their functioning or activity and of the way they lead in the area of mental construction or metaphysics.⁷

Tourist attractions mostly consist of the elements out of hometown of tourists. Attractions demand continuous enrichment of planning, depending on features of tourist destinations.

The most common attraction characterisations are general images of attraction types when attractions are combined with elements of location, choice, observation or participation, attraction characterisation images are more generalised by use of multi-dimension analysis.

More detailed and wider examples of attraction image are those that include beauties of nature, climate, culture, social, features, sport, recreation, education. This characterisation enables an impartial comparison of tourist destination with competitors.

Attraction, which are connected with spatial interaction, provide meticulous conception of their influence within tourist offer, which means conception of integrated tourist product.

Bakic and other authors speak of those as of tourist products of future. He points out that national and local tourist organisations need to pay attention and focus on:⁸

- much wider involvement in offer of museums, galleries and monuments,
- promotion of old towns,
- range of culture and history varieties (language, customs, cuisine, folklore, etc).

The basic motive which initiates travel of this kind of tourist consumers is learning about unknown cultures and traditions.⁹ All set these can be the base for 'so-called' tourist destination built attraction.

Management attractions is putting in focus defined in advance natural, culture-historical and built attractions, carefully planned, organized and controlled. Through mentioned element of integrated tourist product will be open destination strategic 'window' on local, regional and national level.¹⁰

The mentioned facts exactly prove that development of economy and tourism have a common interest based on cultural and historical heritage. The author emphasis maintainable development of tourist regions based on a sincere partnership of those

⁷ Same, page 114.

⁸ Unkovic S., Cacic K., Bakic O., Popesku J., (1991), page 235-236.

⁹ Swarbroke J., Beard C., Leckie S., Pomfret G., (2003.), page 63.

¹⁰ Bakic O., Ljubojevic C., Bakic M., (2002.), page 70.

two are integrated approach in theory and practise. How to enable transformation of cultural and historical heritage into tourist potential in practise?

First of all, it is necessary to:

- positioning, meaning to create the image built on possibility for tourist to learn about culture of a region;
- inform tourist clients properly about existing attractions,
- point out to accessibility of locality;
- create properly the rest of tourist variety.

b. Accessibility is a location factor which in big deal enables emphasis and exploitation of original and produces element of destination. It includes communication factors-traffic potentials and their current and future exploitation. Two aspects of this location factors are emphasised: macro approach concerning accessibility of facility in relation to demand flow, and micro aspect concerning location of facility in relation to main factors of destination.¹¹

Lawson and Baud-Bovi point out that traffic accessibility is one of serious factors which determine of holiday and recreation.

In order to emphasise mention advantages of traffic accessibility to the maximum, the author of this work concludes that it is necessary to point out new trends in modern tourist's behaviour, when it comes to transport:

1. transport cost of total expense falls down,
2. tourist clients rather choose more expensive accommodation, while saving on transport expense,
3. raise of air transport market part, with emphasis of 'low cost' segment,
4. regarding railway travel, trends demand different prices for certain market segments,
5. revolution of cost politics, in air and railway transport,
6. increase of cruising.

Due to mentioned tendencies in tourist demands, it is necessary to take following steps:¹²

1. regarding road accessibilities:

- further continuation of quality highways network building between main directions of guests arrivals and tourist destinations on land and along the coast;
- building of local networks roads connecting airports and ports with tourist destination;

¹¹ Cacic K., (1998)., page 247.

¹² Republika Hrvatska, Ministarstvo turizma, Strategija razvoja hrvatskog turizma do 2010. godine, Zagreb, 2003., page 26-28.

- building of additional infrastructure such as parkings, services areas near the roads and similar. During additional structures planning, the load capacity of area, defined by space plan, must be respected;
- preservation, revitalisation and marking of roads on tourist maps and they will enrich the tourist offer with an adequate presentation;

2. regarding sea accessibilities:

- more efficient linking of land with ports and islands,
- adaptation of port for cruisers reception,

3. regarding air traffic accessibilities:

- activation of air space for 'low cost' transport companies, which would increase quality of transport, decrease the costs due to bigger competition and increase the number of guests from distant emitive markets;
- connecting with emitive markets through direct flights;

4. regarding railway accessibilities:

- after modernisation of rail net, an important expansion of this kind of traffic is expected;

5. balances of timetables of all kinds of transport:

In order to enable a fast and efficient transport of travellers from their starting point out to tourist destination, and due to the frequent need for use of several means of transport cooperation and mutual effort of leading means of transport is necessary and must be coordinated on all levels.

In order to exceed accommodation conditions in almost all tourist places and also on the level of particular tourist destination, it is necessary to take steps in two directions, first of all towards the improvement of accommodation and food and beverage capacities, and to solve the problems of not developed and non quality communal infrastructure. In order to solve the mentioned limiting factors of tourism development, as a part of solution of accomodation capacities, the following steps are suggested:¹³

- intensive 'hotelisation'-support of development of larger, mostly branded facilities on the most suitable locations, as well as the development of smaller family hotels, preferring the transformation of small private accommodation facilities into small hotels, guest-houses and similar;
- development of all new accommodations capacities must be in accordance with minimal standards of four stars, except for the private

¹³ Turisticka zajednica Zupanije Splitsko-Dalmatinske, Analiza stanja i mogucnosti turizma uz izvjesce o poduzetim i ostvarenim aktivnostima na pripremi turističke sezone 2006. godine na podrucju Splitsko-Dalmatinske zupanije, Split, 2006., page 51-52.

accommodation and catering, when three stars are suggested, which as we mentioned before, should be transformed into small hotels;

- development of new accommodation capacities should be more directed towards hotels and hotel blocks and less towards apartments and apartments blocks;
- development of new basic accommodation capacities with purpose for real estate sell on market should be strictly banned, except in the case of integral complexes of mixed purposes with hotels and villas, when accommodation units can be sold under the condition that management structure leases the same from owner with aim of mutual tourist management and commercialising of all accommodation capacity as whole;
- development of new complementary capacities must be mostly directed towards camps with at least four stars, while the development of new tourist rooms should be disabled for a certain period of time;
- development of new accommodation capacities on separated building sites of catering and tourist purposes is suggested only under the conditions of clear owner's status, spatial, market and financial feasibility as well as endurance and integrating of development into surrounding with focus on partially developed areas, out of use.
- presence of 'brand' hotels which would have positive influence on tourism because it generates new demand, investments as well as 'know how'.

In order to improve communal infrastructure and additional structures, focus should be on following postulates:¹⁴

- to provide necessary amount of water, to build system of water channeling and setting of modern machines for its cleaning. This problem is more or less a feature of all tourist destinations, especially seaside ones, therefore it is necessary to take all steps towards the long-term solution of this important issue, and to speed up the building of regional water supply;
- in destinations, where it has not been done yet, it is necessary to make projects, as soon as possible and provide necessary means for building of up to date depots, and where it is possible, also the depots for recycling of garbage and waste;
- to take all necessary steps for maximal improvement of cleanliness in all tourist places, and based on competitive solutions, to organise horticultural arrangement with as many as possible park areas and flower plants;

¹⁴ GTZ, Njemacka agencija za tehnicku saradnju, Vlada RCG, Univerzitet RCG, Sektorske studije-analize i ekspertize za potrebe prostornog plana RCG, Podgorica, 2005.

- to organise opening of quality tourist services, up-to-date shops, souvenir stores, arranged green markets with local products, necessary parking places and garages;
- building necessary sport and recreation areas, playgrounds, cycle paths, ecological paths and to provide equipment for different kind of sport;
- to provide an efficient preventive care of tourists through regular sanitary control of fresh water, food and communal hygiene.

Besides the mentioned elements of integrated tourist product, partial tourist products based on up-to-date kinds of sport and recreation offer, as well as entertainment and amusement.

In future, we can surely count on new programs of non-quest house contents meaning tourist products which will enrich the choice of that part of offer. Those are the programs elaborated in world, well accepted on market and efficient-timesharing, incentive travel and theme parks.¹⁵

Destination management must locate, manage and direct main elements of product mix, in order to support balanced development of strategies and partial tourist products, and also to participate in their development and enable destination products alternatives, depending on the current stage of life cycle of product.

This activity especially refers to introduction of new product when the management must ascertain whether there is a demand for this product, and whether the mentioned demand is in accordance with profiled image of destination and whether it will enable a faster development of tourist destination.

Introduction of new product is one of the most hazardous but also most important steps in marketing. It is decision with strategic feature and includes meticulous preparation and analysis of current state. Introduction of new product is diametrically different process of managing the current product.

Since the mentioned process is of vital importance for tourist destination, the first important thing is to make completely clear what new product is. In addition, there is an impartial risk that product may be new for destination, but not for the market. The other main reason for introduction of new product is that it present necessity essential for survival on market.

A long exploitation of existing products bears a risk of not fitting the changing needs and tastes of customers, new technologies, shortened cycle of product, etc.

Heath and Wall note that the process of development of new product applicable on tourist destination level consist of following stages:¹⁶

¹⁵ Ministarstvo turizma Vlade Republike Srbije-Strategija razvoja turizma u Srbiji, Beograd, 1999., page 52.

¹⁶ Heath E., Wall G., (1992.), page 135.

- identification of chances-definition of market, generating of idea, consideration of idea;
- design-measurement of demands,development of new product concept, strategy development;
- testing –promotional testing, market prognosticating, market test and
- introduction-planning and introducing.

During the introduction of new destination product marketing managers of destination have two crucial limits:

- deficiency of total control over the integrated tourist product and
- relative immutability of some attractive factors of offer as nature, cultural and historical heritage, anthropological factors, meaning that destination product is partially defined in beginning.

Considering several levels of observation and grade of innovation, Mihailovic points out to following stages of new products:¹⁷

- product new for the world, it is about an innovation presenting discovery that is commercialized for the first time, at some point of time, and as such has never been produced anywhere else before:
- adding of product line to existing ones,
- adding of new products within the existing product lines has the goal of improvement of the whole market offer;
- modification of product,
- repositioning of product,
- decreasing of selling prices presents a minor grade of innovation,where the new producthas similar features as a competing one,but costs less.

To enable successfully this activity, it is necessary to consider all comparative advantages of new product in comparison with competition, all possible issues and deficiencies in distribution channels and promotional activities.

Therefore, tourist offer stakeholders must decide, first of all about way of development of new product.

Basic ways of new product development are:¹⁸

- sequence development,where previously are determined tourist offer subjects finish their phase, and after that involve next subjects;
- simultaneous development, planned work of various sectors and subjects in same time, coordinating activities, with the resulting save of time and increase of efficiency.

¹⁷ Mihailovic B., (2003.), page 318-319.

¹⁸ Milisavljevic M., (2004.), page 96-97.

PRICES FORMATION ON TOURIST DESTINATION LEVEL

The prices of tourist destination product cannot be observed in isolation, because it show goals of business, in the best way. Unkovic and other authors agree that contemporary tourism is ignorant to the relation price-quantity, but the price of product must be in direct connection to quality and choice of tourist product.¹⁹

Several basic features have influence on prices formation. Some of them are:²⁰

- short expiring period-as the tourist product cannot be stored for future use, this means that non-sold service-product is a last income which cannot be made up later. That will influence the tourist organisation profitability especially when taking into account the expenses from tourist economy;
- intensive capital investments. As it happens with most of tourist facilities investments up to 90% is invested in long term possession. There fixed expenses are fairly high in comparison to other kinds of economy. This influences cost formation decision.
- personnel expenses-tourist product quality depends in big deal, of number and quality of personnel, as well as on the special abilities and educated skill necessary for communication with guests. Another problem is that most of the tourist companies and facilities depend on exploitation of capacity during weak turnover, and keeping the personnel during that period has to be justified.
- buyers features. Different tourist destinations will attract in different deal, groups that differ in social and financial status, meaning that those groups have different spending patterns, and sojourn period and sensibility will also vary.
- competition-oscillation of demand and general conditions of business,

Main goals of prices formation within a destination tourist economy are:²¹

- income maximising-this is most commonly goal of prices formation because it functions as a measure of management efficiency;
- investment return maximising-this is very important for tourist economy which usually has a high level of fixed expenses;
- survival-this goal is applicable where season dependance, intensive or more powerful competition, economy recession cause low demand as consequence. Some of those examples are are cheap arrangements in period of week frequency or discount done by Spanish hoteliers during

¹⁹ Unkovic S., Cacic K, Bakic O., Popesku J., (1991.), page 44.

²⁰ Moutinho L., (2005), page 225.

²¹ Same, page 226,227.

the big inflation of labor force, resulting in buffet instead of regular meals;

- selling scope;
- maximising of exploitation. This is in close connection with profitability, meaning that non-sold products present loss. The emphasis is on the approach to managing the total income;
- stabile exploitation. This is also directed to bigger selling, which is connected to profitability, but in this case, a bigger exploitation will be accomplished with lower prices and special accommodation price discount.

Popesku emphasis the importance of stratec and tactical use of prices.

From the strategic aspect, prices should serve as means for achieving strategic goals such as profiling of image, positioning of product, profiting and market growth.²²

Tactical definition of prices enables for tourist company a short term competitive advantage, meaning the improvement of market position.

On the other hand, Bakic points out following strategies of price politics:²³

- strategy of prices which will dominantly be determined by expenses,
- strategy of prices motivated by competition behaviour,
- strategy connected with tourist demand behaviour.

If we use expense approach in price formation, it is necessary to conclude that past expenses are less relevant than current, and current expenses sre less relevant than expenses in projected future. The focus should also be on those categories of expenses that will probably change in future. There should also be a clear distinction between effect of economy of better exploitation of capacity, where the effect is called a decrease of expenses due to fixed assets distribution into a bigger number of production units, and the economy of size which enables more efficient performance of business activities.²⁴

Regarding price strategy determined, by the competition behaviour, first of all, relevant competitors should be determined, then evaluation of product compared to the competitive one should be done. The prices should be formed as a combination of income rate and market involvement in order to gain a long-term profitability.

Price strategy connected with tourist demand behaviour leads to a market segmentation. There are two dimensions of prices segmentation. The first is analysed expenses of product, second is analysed value of differentiation.²⁵

²² Popesku J., (1991.), page 106.

²³ Bakic O., (2002.), page 129.

²⁴ Milisavljevic M., (2004.), page 138.

²⁵ Same, page 140.

The goal of price formation strategy, defined on this way, is to ensure loyalty of consumers and a continuity of selling. During forming prices on the tourist destination level, the author of this work emphasis that,as in strategy of integrated tourist productformation, the preferences of demand must be considered, in accordance with preservation of destination integrity.

PROMOTION ON TOURIST DESTINATION LEVEL

Promotion as an instrument of marketing express all kinds of communication with potential and actual buyers, in case that messages refer only to tourist company as well as other marketing instruments. Kinds of communication vary, so we can speak of promotional mix.²⁶

Promotional strategy is relevant for modern tourist business, because when all tourist destinations tend to have an improved and more complex tourist offer, it is necessary to channel the interest of consumers and improve the process of taking decisions. Basis of promotional activity is use of special communication techniques with goal of motivating of potential consumerd, on basis of initial advantages and interest of destination product.²⁷

Promotion is sometimes observed as a direct communication with intention to.²⁸

- advise new consumers and show them services and pleasures given by destination,
- remind current consumers of services and capacities offered by destination, as well as their prices,
- persuade consumers that they need certain goods and services.

From the perspective of promotional activity, the crucial importance depends on regular recognition of potential tourist market. Promotional message must be crystal clear and inform the consumers on destination. The effect of promotion must bemeasurable. Therefore, permanent controlling is necessary, with goal of constant determinating on whether the target market has been conquered or not.

A relevant is determinating tasks of promotional strategy. It is a complex process, starting from interest of consumer for the product and service, then pointing to possible benefits, in destination development of customers attitudes on 'pluses' of accommodation in destination,and on basis of all the mentioned items, his frequent accommodation in destination.

In the part on conquering the market through a coordinated promotional campaign, we also spoke of tourist message. In the part where we should discuss on importance of tourist message we would emphasis the importance of uniqueness of tourist message, meaning its whole difference from competitive ones.

²⁶ Mihailovic B., (2005)., page 251.

²⁷ Middleton V.T.C, Clarke J., (2003), page 248.

²⁸ Koltman M., (1989.), page 310.

The next issue is that, together with exploitation of its capacities, and long time demanded for that process, a tourist destination must immediately start a creative campaign which would mean a positioning and profiling of positive images in the eyes of international clientele. But a special care should be on a strictly set border between short term stimulation of selling through promotional activities and middle –term process of quality destination image creation.

Master plan-Montenegro tourist development strategy up to 2020. warns that in short-term promotion of selling, a destination take part only indirectly, supporting other initiations and letting them performance and providing the facts on selling.

In contrast a short-term approach,where we speak of mid and long term approach in creation of tourist destination image, a strategic approach should be applied. While applying this kind of approach, promotion should be gradual and in accordancewith development of tourist quality offer. The process of long-term image creation should be concerned in following way:²⁹

- strategic goals must be determined within a marketing plan which must be ready for pretty fast practice;
- the first contact with public must provoke liking and curiosity of target groups;
- concerning that target groups are emitive markets with richer but in the same time more demanding and critisising guests, promotional messages should be sophisticated and suggesting emphasis on tolerance, despite ethnical variety, cultural and historical heritage, ecology emphasising, the whole surrounding athmosphere.

During promotional mix conceiving,it is necessary to start from set market goals, but it is also indispensable to create alternative promotional mix strategies, based on which a tactical plan of implementing the chosen strategy should be created. For each task a special kind of promotion should be located and individual promotional contents should be integrated into the promotional mix.³⁰

Supervision of promotional activities are serving with implementation standards defining and estimation and evaluation system building. Standards supervision can be formal and unformal, which includes social and cultural self-consciousness. Promotion estimation system is based on comparison of planned and actual promotional activities. This process starts with performance measuring, afterwards comparing and evaluating.³¹

²⁹ DEG, Master plan (2001.), page 124-125.

³⁰ Milisavljevic M.,(1997.), page 395.

³¹ Radisic Berc B., (2005.), page 165.

DISTRIBUTION CHANNELS ON TOURIST DESTINATION LEVEL

Distribution channels are ways through which the contents of tourist offer are placed to final consumers. Inevitability of organising distribution channels comes from offerers isolation from the tourist consumers.³² In order to 'find buyer' for destination integrated tourist product, which means in order to make it available, it is necessary to engage either direct or indirect selling channels.

Basic functions of distribution channels are:³³

- regular information about product,
- communication link improvement with consumers,
- consumers needs respecting,
- negotiations about distribution conditions,
- physical development of distribution process,
- financial hazard managing-paying terms and similar.

Usual classification of distribution channels are on indirect and direct channels.

Indirect selling channels are more used in mass tourism, either they are wholesalers or tourist agencies, or more exactly retailers, meaning tourist agencies that usually include following range of activities-some of the mentioned activities can be done by wholesalers, but they are the activity no.1 of retailers:³⁴

- making reservations,
- planning itinerary of tourists,
- planning prices and expenses,
- ticket selling,
- consumers counseling,
- verbal and written communication with clients.
- maintaining of successful business in destination and
- mediating between offerer and tourist in case of consumer's complaints on services and tourist product.

Koltman defines wholesalers as companies offering a complete package of offers for consumers.³⁵ Wholesalers place the offer on market directly or through net of many tourist agencies. Wholesalers cooperate with airports, ship companies, hotels, restaurants, rent-a-car companies, sometimes even with the Governments, in order to give more complete and attractive offers. This action is of mutual interest, because on one hands it widens the offer of wholesalers, and on the other hand it decreases the risk of independent appearance on market of other participants.

³² Lacmanovic D.(2006.), page 174..

³³ Kotler P., Bowen J., Makens J., 2003.), page 512-518.

³⁴ Page S., (2003.), page 212.

³⁵ Koltman M., (1989.), page 325.

Direct channels are determined by exclusiveness in tourism, in other words by degree of exclusiveness of tourist destination. They include direct contact of offer and demand, due to exclusive destination chooses a more subtle contact with consumers. Direct selling channels are dominant in individual travels.³⁶

Depending on structure connection, selling channels can be divided in vertical and horizontal channels of selling, and according to this division of distribution channels, we diagnose identical possibility of conflicts among them.

Vertical distribution channels include producers, wholesalers and retailers. They have a distinguished and exceptional control of behaviour, and also avoiding of conflict. Secondly, economic power versus other selling channels and easy elimination of competition. In addition, within this kind of selling channels, there is a division into corporate, administrative and contract channels.³⁷

Horizontal distribution channels are formed on same distribution level, in situation when companies combine capital and interest.

Uskokovic notes necessity of information technology introducing on all distribution channels level, in the aim of easier involving of tourist subjects in distribution channels as a link to final consumers.³⁸

Previous designated frames point to necessity of synchronisation, providing of compatibility of basic marketing elements in all stages of further development of tourism on the level of a particular tourist destination. A more distinguished role of one marketing instruments in a certain period of time is completely understandable, which only emphasises the need for adequate combination of all other instruments within marketing mix on the given level of development.

In marketing mix management and their optimal combination we can anticipate following problems:³⁹

- due to entirety effect, it is very hard to predict effects per each element;
- marketing is occupied with future actions and probability based on assumptions;
- mix is based on previous and actual explorations. Previous image, fame and products limit possibilities in future;
- market failure can be due to each element. Problem is to determine which element is caused failure.

So, marketing mix represents delicate balance of mixture whole elements of marketing instruments, which should produce sometimes little, but obvious difference in comparison with competition. Therefore, marketing mix points out importance of marketing instruments uniting, just like tourist consumers see them, as indivisible unit.

³⁶ Bakic O., (2002.), page 140.

³⁷ Koltman M., (1989.), page 325-326.

³⁸ Uskokovic B., (2000.), page 151.

³⁹ Flecer K., (2003.), page 80.

Beside mentioned concepts, referring to basic marketing instruments, special features of marketing demand use of some non-traditional concept.

Firstly, it is internal and interactive marketing.

Internal marketing is focus on personnel servicing extern consumers, and the conclusion is that best people must be kept and do the best possible work. Therefore, in this way, employee is treated as client, and job as a product.

Internal marketing is applicable on personnel not in direct contact with consumers and includes all elements of external marketing.

Internal marketing on the tourist destination level can be applied on three levels:⁴⁰

- micro level, when the target are employees hired on organisation level;
- tourist activity level, when target are employees in tourist business field;
- tourist destination level, where targets are citizens.

Interactive marketing is enlarging of relations between tourist offerers and tourist consumers, and it leads to increased loyalty of consumers. Also is important a bigger emphasison existing rather than on potential consumers, because the goal is keeping the existing level of tourist demand. Interactive marketing is mostly applied on work of tourist information agencies and stands through constant, daily contacts, giving prompt informations etc.

CONCLUSION

Combination of marketing instruments is done in accordance with consumers needs for each market segment. Combination of marketing instruments must present a clearly defined basis for leading and directing of marketing activities.

Therefore, the necessity of careful management of four P-product, place, price and promotion. Firstly, a high quality of tourist product effects indirectly on other marketing instruments, on principle of domino-effect. But, we should not neglect the regular establishing of prices level as well as the distribution channels and promotion process. Surely, 'cocktail' of marketing mix instruments must be based on serious and detailed research of tourist market.

⁴⁰ Bakic O., Ljubojevic C., Bakic M.,(2002.), page 30.

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