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MASTER

Strategic repositioning in hotels Hyatt, Metropal Palace and Admiral

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1 Introduction

The very basic aspects of touristic market is its complexity and diversity, because it consists of a large number of services and products who are created for a common goal-the satisfaction of touristic needs, beside that it is always tied to a specific region, which is defined by the characteristics of attractive factors of tourist demand. Commonly in literature, as bases of touristic market, which separate it from other markets, define its following characteristics:-Despite the uniqueness of requirements of tourist demand in contrast of complexity of touristic services, there has to be a spacial and timely compliance in action of the actors in touristic offer; There is a concentration of touristic traffic which influences on unevenly usage of the capacity of tourist offer, which creates a series of negative side effects, which is created by the incapacibilities of storage by touristic offers, because of simultaneity of processes and their creation and consumption;

-Tourist demand is followed by tourist offer, which indicates on a firm bond between touristic service for a specific region and their characteristics;

-There is a considerable influence of non economic functions in tourism on guidance of touristic demand:

- there is a limited action of law of value on touristic market;

- economic barriers have limited influence;

-There is a relatively high elasticity of tourist demand in relations with incomes of the barriers of touristic needs;-There is a significant in arbitrage due to the distance between consumers and market. With the analysis of characteristics of touristic market, this is considered as an assumption for their specific markets of a certain kind, it can be concluded that most of those characteristics are common for all market services. It refers to the most of characteristics of touristic demand and offer, as well as consumption of touristic services on the place of creation and the impossibility of storage.

In most studies of the characteristics of the tourist market its uniqueness was overemphasised, which led to a one sided view of a touristic market as a market sui generis, respectively markets of a special kind can be tied together for characteristics of a tourist object-travel services, respectively products and tourist consumption which is with it in a specific relation. On the travel market the effects of economic and non economic function of tourism are joined which increases the complexity of study travel relations in tourism.

The specific aspects of touristic market is a special type of bond between tourism and economy, referring to a need for a more detailed analysis of certain term, meaning and the possibilities of applied marketing as basis of market business in tourism.

The modern tourist market is exposed to increasingly severe operating conditions and performance of the hotel companies increasingly depend on the choice of the optimal market strategy. Therefore, the management of hotel is a critical activity from the standpoint of the assumptions and possibilities of successful survival, growth and development of the hotel business. It is a complex and comprehensive process that created and developed the company to form a specific and relatively enduring pattern of

behavior that distinguishes one company in the hospitality of others. The study and application of management in the hospitality industry , is a complex research area of management , where they meet and intertwine different , not only scientific, but also practical disciplines: economics , statistics , mathematics , psychology , sociology and many others, and that requires an interdisciplinary access . In this master thesis , the area of research and the presentation is limited to the basic problems of management in the hospitality of Belgrade whose activities directly determine the operating results of the company. From this point , management is a critical process for the hotel organization , leadership is management , and all kinds of decisions is the key to leadership. If the field of practical experience exceeds the theoretical developments in the field of management the hospitality industry sees the obvious discrepancy . It is manifested as the development of two separate theoretical concepts , which have much in common . Normative models , defining rational procedures for decision-making , become highly sophisticated , while descriptive models , describing the ways in which decisions are made , damaging prospects election as predictable , consequent and rational . In recent years , the rise of the globalization process , there have been some efforts towards exploring the possibilities of reconciliation of such divergent views. The main motive is contained in the necessity of developing a conceptual framework that would have a pragmatic value . In the analysis of the management process is necessary to use the achievements of both the theoretical concept to a longer period of time opened up prospects to the formation of a unified and complete framework for decision-making in the hotel company . Undeniably, tourism has become a worldwide phenomenon , an integral part of the life of the dominant part of the world's population . Travel requirements are a significant portion of the world's population became almost part of their basic needs . The needs of people in developed countries , and not only them , with plenty of free time and with significant economic power , are an integral part of modern life and that is why they are given a multifaceted focus on an integrated world market .

The late twentieth and early twenty-first century there have significant quantitative , qualitative , structural , environmental, economic , social, cultural and other transformations both in the sphere of demand and supply sphere . The spatial dispersion of tourism is impressive , as well as macro -and micro- economic effects . Almost all countries of the world are covered by travel trends , and as emissive and receptive fields as well . In addition to significantly distinguishes city tourism not only in Europe but in the world .

Modern management of hotel companies is concentrated in the formulation of a comprehensive development framework and appropriate tourism policy , which takes into account the existence of different elements within the hotel system and creating a harmonious relationship with their particular environment .

The modernity of the hotel management company primarily reflected the focus on strategic planning and financing the development of the hotel company . This approach brings significant changes compared to the previous period , because the focus is on the development of the plan , but the process is based on respect for the unpredictability of the coming changes, ready to welcome " the events of the future," the dynamic approach to the management of the engagement and the systematic anticipation of a turbulent environment . Adaptability and flexibility hotel companies to changes in the environment are becoming essential strategic guidance to market positioning .

1.1 Methods

In this paper we are using qualitative research and methods of case study, it includes an array of interpretative techniques which seek to describe, and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in social world. Qualitative research can be used in both the data collection and data analysis stages of a research project.

1.1.1 The Roots of Qualitative Research

Qualitative research methodologies have roots in a variety of disciplines. Some believe that qualitative data are too subjective to human error and bias in data collection and interpretation. The fact that results cannot be generalized from a qualitative study to a larger population is considered a fundamental weakness:

1. Despite these limitations, managers are returning to these techniques as quantitative techniques fall short of providing the insights needed to make those ever-more-expensive decisions.

2. Managers must deal with the issue of trustworthiness of qualitative data using the following techniques:

- Using literature searches to build probing question
- Justifying the method chosen
- Using a field setting
- Choosing sample participants for relevance rather than representation of target population
- Using questions that will find the exception to the rule
- Carefully structuring the data analysis
- Comparing data across multiple sources and contexts
- Conducting peer-researcher debriefing on results for added clarity, insights, and reduces bias.¹

1.1.2 Classification of scientific methods

In literature you can most commonly meet the following classifications of scientific methods:

1. Basic methods: analysis, synthesis, abstracting, concretisation, specialisation, generalisation, deduction, induction, analogy or comparison.
2. General scientific methods: statistic method, method modelling, axiomatic, analytically-deductive, hypothetically deductive, historically comparative.
3. Special methods: positivism, structuralism, historicism, dialectic method.
4. Methods of acquiring data: investigative methods, methods of observation, methods of experimenting, methods of analysis of documents and methods of case study.
5. Methods of analysing data - all parts of these methods of investigation.²

In this paper we used the following methods: ***analytically-deductive, hypothetically deductive, comparative, investigative, observation and methods of analysing documents and method of case study.***

1.1.3 Goals of research

¹ Djokić B, Pavić Z, Business Research Methods - Belgrade, University of Singidunum 2012, page 47

² Miljević M. Logic basis of methodology of scientific research, University of Singidunum, 2013, page 45

The goal of this paper is to analyse the tourist market, using strategic marketing techniques on the basis of hotel examples of Hyatt, Metropol and hotel Admiral in order to conclude the analysis of strategic marketing in positioning of these hotels. Continuity and simultaneity of the process of growth of tourist demand and requirements for better environmental space and its rapid decline, by establishing a balance between the growing tourist demand and environmental protection. This necessitates the need to establish clear boundaries between the protection of natural resources and the need for the development of the hotel business.

Therefore, the introductory and concluding remarks of this master thesis, comprised of three interrelated parts with quantitative surface-based indicators of international and national statistics and the results of relevant research. Introductory remarks indicate the purpose and content of the work, contain a concluding summary, ie. most relevant points arising from the available research and consideration of the relevant literature, this paper.

The first part of the study which entails the theoretical basis of strategic repositioning and it started from the dimensions and structural characteristics of the tourism market of Belgrade and Serbia it contemplates on the theory of strategic repositioning and strategic management in hotel companies in detail.

In the second part of the paper which entails the basis of the tourist market first to analyze long-term changes in the driving factors of the tourist demand as dominant market enterprise. Included are specific economic, and demographic and socio-cultural, psychographic, and other factors that determine the demand in international tourism and domestic tourism. In particular, to analyze major changes in the business orientation of hotels. The emphasis is on:³

- θ internationalization and globalization of hotel companies,
- θ stages of transformation from domestic to global markets,
- θ primary areas of change in business orientation,
- θ factors in the development of international hotel chains,
- θ objectives and business benefits of hotel chains,
- θ selecting particular modes of growth and development,
- θ changes in the management of hotel companies,
- θ method of choice of optimal strategy,
- θ implementation of marketing strategies,
- θ as the basic element of market researches.

In particular, the highlights:⁴

- **aspects of product differentiation,**
- **market segmentation,**
- **Profiling the image,**
- **sales channels,**
- **promotion and propaganda and**
- **pricing policies of hotel companies.**

³ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 53

⁴ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 53

Therefore, the research focuses on a theoretical approach in formulating strategic management of hotel companies , and then pointed to the technological and market positioning and other marketing tools to hotel companies .

The third part is called " Strategic positioning of hotel companies ." It is based on the strategic basis of the development of the hotel , which means that they are first analyzed the available resources and the effects of the past development , and then the goals and strategic directions for the development of hotels and their positioning . Re- enter the international tourist market , assuming fulfillment of the necessary conditions do not exist , it will take a selective approach in identifying target segments and target markets and appropriate forms of development of the hotel.

The strategy of transformation of the hotel enterprises is particularly necessary in order to strategic positioning and adapting to market changes . Ownership transformation , as well as market and organizational restructuring in the tourism industry with ' one hand reflect the necessary transitional changes , as the other side is an important domain of overall strategic adaptation and efficient management in the tourism industry of Serbia. Therefore, the further continuation of the transformation of the hotel , both in terms of titles, out- and in terms of organizational structure is one of the most important requirements that are placed in front of the hotel companies in Serbia.

Problematic analytical approach in choosing appropriate strategies approached from a theoretical starting point with a critical analysis of existing practices in hotel companies Belgrade. It is especially pointed out the necessity of defensive strategies in the initial phase, and then pointed to the implementation of appropriate strategies of growth and development .

However , in the long term it is necessary to significantly improve the overall organization of the hotel functioning. This includes changes in the organization of market performance , primarily through the implementation of the concept of marketing in business and hotel policy . In this context, it is significant and its inclusion in international business on the basis of adequate arrangements through appropriate forms of business cooperation with foreign partners .

Creating new and improving existing products and other instruments market performance of hotel companies is certainly one of the most important areas of its future strategic management . In Belgrade hotels of particular importance is the formation of such a range and quality that would ensure long-term adaptation to market demands and changes . It must be accompanied by strategic improvement sales - promotion activities , based on market research , development of booking and information systems , as well as the successful positioning of the hotel , which will contribute to improving the sales – promotional activities and their competitiveness in the tourism market . To achieve the proper ratio of price and quality of services based on standards , is also an important domain of improving the overall market performance of hotel companies Belgrade. The role of tourism in economic development.⁵

⁵ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 114

2.Theoretical basis of strategic positioning

2.1 Strategic repositioning

2.2 Strategic positioning of hotel company

Access and phases of strategic planning a business function of modern business is a critical activity from the standpoint of the assumptions and possibilities of successful survival, growth and development of a modern hotel company . It is a complex and comprehensive process that begins and develops in the organization, eventually forming a specific and relatively enduring pattern of behavior that distinguishes one company to another. The study and application of planning a business function of modern business, though recent, is a complex research area of management , where they meet and intertwine different not only scientific but also practical disciplines:⁶ economics , statistics , mathematics , psychology , computer science , sociology, and other , that requires an interdisciplinary approach . In this paper, the field of research and the presentation is limited to the basic problems

business planning activities which directly determine the operating results of the company.

From this point of management , and business planning as the first step in this complex process , is a critical process for the organization, the leadership of the management and decision- making of all kinds is the key to leadership.

Therefore, one should bear in mind the basic motto of business planning :⁷ managers , good decision-making, capitalized on the wise choices , managers , poor decision making, frantically lose energy by correcting the consequences of wrong choices .

The importance of the communication process within the organizational culture management process of planning, organizing, leading and controlling is not possible without communication process .

Communication is the bloodstream of each hotel company . Without effective communication between the various parties model relationships that are commonly referred to as the organization will not meet anyone's needs .Effective communication is important for managers for three basic reasons.

First, communication is a common thread that links the management process :⁸ planning , organizing, leading and controlling .

Managers develop plans through communication with others in their organizations and prepare implementation plans through conversations with other people about what is the best way to distribute authority and design plans.Managers have been known to policy motivation , leadership , groups and teams activated regular exchange of information . Also , communication is equally important for the process control of the organization .

Second, effective communication skills will enable managers to take advantage of a wide array of talent that offers a multicultural world organization . It is clear that the process of globalization of business is a challenge for the communication skills of managers. There is a possibility that managers are faced with a strange and unfamiliar customs, expressions and meanings withdraw and try to avoid communication. This would mean that the opportunity is lost .

Third, managers spend much of their time communicating . It is rare to sit alone at my desk and think ,

⁶ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 114

⁷ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 114

⁸ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 120

plan and evaluate alternatives . In fact , the manager most of his time spent in face- to-face, electronically or by telephone with workers , supervisors , suppliers , agents and tourists . Practically , the manager almost never stops communicating .

Communication consists of three essential elements:⁹

1 people and the relationship between them;

2 harmonization of definitions and terms used ;

3 Symbols - gestures , sounds , signs and words represent ideas or come near being transmitted.

Communication takes place via messages (encoded information that the sender sends the recipient) that the sender (initiator of the communication) delivered to the recipient (the person whose senses receive the message sender) .

However , if the message reaches the recipient , there was no communication. The situation is not much better when the message reaches the recipient , but he does not understand . Three factors can affect the success or failure of communications :¹⁰ encryption , decryption and noise .

2.3 Development of phases of strategic management

Development of new management systems require the increasing complexity of management problems Time control systems are becoming more sophisticated , more complementary to each other and more comprehensive compared to the previous one.

For example , strategic planning , the choice of business strategy , the starting point of the strengths and weaknesses of the company in the past, to a time showed that the insistence on historical forces becomes a limit strategic action . It was concluded that it is necessary to develop an internal configuration and dynamic businesses , creating new opportunities for strategic action.

This led to the development of strategic management , whose efforts are directed towards the strategic behavior of companies.

Combining management systems that is added strategic planning study of organizational and managerial capacity necessary for the implementation of strategic activities . It is a systematic approach to managing strategic changes that include:¹¹

- *Positioning the company through the selection strategy and capacity ;*
- *Strategic response in real time ,*
- *Management of resistance that arise during the implementation of the strategy;*

The evolution of strategic management systems commonly cited four phases:¹²

(1) basic financial planning (budget to accomplish)

- *Operational control ,*
- *The annual budget ,*
- *Functional focus;*

(2) planning based on prediction (predict the future)

- *More effective planning growth*

⁹ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 120

¹⁰ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 120

¹¹ Ansoff, I., Implanting Strategic Management, Prentice Hall, New Jersey, 1984.,page 12

¹² Ansoff, I., Implanting Strategic Management, Prentice Hall, New Jersey, 1984.,page 14

- *Analysis of the environment,*
- *Prediction for several years ,*
- *Static allocation of resources ;*

(3) externally oriented planning (strategic thinking)

- *Increased responsiveness to market and competition*
- *Thorough situational analysis and competitive assessment*
- *Evaluation of strategic alternatives*
- *Dynamic analysis resources*

(4) Strategic Management (creating the future)

- *Orchestration of resources to create strategic advantage*
- *Strategic planning framework choice*
- *Support the value system and climate (culture) ;*

Development (evolution) management system was carried out in four different levels:¹³

- ***Management system with control (1900-1930) ;***
- ***Management system by extrapolation (1930-1960) ;***
- ***Management system with the anticipation of change (1960-1990) ;***
- ***Management systems , which are based on a flexible / rapid response (from 1990 onwards) ;***

The last phase , the management system of strategic management , developed in four main concepts:¹⁴

- 1 contingent (multi-variety) planning ,***
- 2 management of strategic issues ,***
- 3 strategic management with weak signals ,***
- 4 management of surprises ;***

Besides , these , timely management the state and called . ranking systems that meet the requirements and organizations whose environment and future change can anticipate (predict) . Representatives ranking management system are:¹⁵ long-term planning , occasionally periodical strategic planning and strategic management positions.

In an increasingly complex and less predictable environment , innovative (progressive) organizations have developed different management systems that enable their increased responsiveness to such changes .

Long-term planning , and management system , which was based on an extrapolation of the past into the future today no practical value and is no longer used in practice organization .

2.4 The role of management

Conditions to the modern tourist market imposes new approach of managing, and hence the new role of manager . The focus of their work and behavior as a necessity dominated by new elements embodied in the principles of creativity and innovation . This approach involves recognition and other elements (which we discussed in a previous article) and its incorporation and compliance with modern trends in the development of tourism and hospitality .

¹³ Ansoff, I., *Implanting Strategic Management*, Prentice Hall, New Jersey, 1984.,page 15

¹⁴ Ansoff, I., *Implanting Strategic Management*, Prentice Hall, New Jersey, 1984.,page 15

¹⁵ Ansoff, I., *Implanting Strategic Management*, Prentice Hall, New Jersey, 1984.,page 15

Under creativity usually involves a set of new ideas and innovation is involves converting these ideas into new products , new services or new method of creating a tourist - hotel products .

In the hotel industry to be reflected in improving the quality of services , enrichment and development of new content and putting them into operation yet , create new products and to enable active stay at the hotel . Innovation is the source of success in terms of market economy and there is no creativity and innovation companies cannot expect success in the future . The task manager in the modern economy is precisely to encourage creativity and innovation , both on the individual and the company as a whole. This involves the collection of positive , progressive ideas and energy of some individuals and their design in creative and applicable decisions , the effects of which will be reflected in the company's success , both in qualitative and quantitative level.

Modern managers need to be aware of the constant changes in the tourism and hospitality industry and innovation , strive for their implementation , upgrade and enhancement to the creative energy poured into concrete results .

The creative process of the company has three phases:¹⁶

- *The emergence of ideas*
- *Troubleshooting and*
- *Development of the idea and its implementation .*

The emergence of the idea of the hotel company basically depends on the flow of people and information between the company and the environment . Modern managers need to constantly listen and monitor trends and changes in consumer demand, the achieved level of technical and technological development , the development of modern information systems , trends in package tours of travel agencies and tour operators , as well as the implementation of new marketing concepts . These are the basic elements and sources which generate ideas .

An important source of information that is also an important source of the initial idea for managers are also using the services of external consultants and specialized professionals who follow contemporary trends.

Development of ideas , as opposed to the creation, in most cases a source from the external environment and is directly dependent on the internal organization of the company. Only the internal organization of the company which was set up on modern principles can accept right ideas and facilitate their implementation . Any other organization rigid, outdated, market unarticulated, is not able to develop and implement ideas that follow contemporary trends and to solve the problems of the company.

The application or the application phase , the creative process in the companies comprising the step of enabling a solution to be marketed . To such a product placed on the market required a high degree of integration , control , synchronization and harmonization of certain parts - sector and enterprise management.

Starting from these determinations , to the idea to its implementation successful, the management of the company needs to create a climate of positive approach to change, to support new ideas , facilitate tolerance of failure or partial failure , provide a wide range of co workers and management and give

¹⁶ Quinn, J. B., "Managing innovation: Controlled Chaos", Harvard Business Review, No. 63, 1985 page 73

recognition to innovators and creative whether they are the result of teamwork and individual talent .

2.5 Concepts , methods and techniques of strategic management of hotel companies

2.5.1 Concepts of strategic management

Theoretical concepts and professional practice knowledge of different approaches and definitions of strategic management(WTO, Tourism Highlights 1999., Madrid, 1999). For example , Milisavljević , the term business strategy means " the science or art of using ways to achieve the goals of the company , and the strategy is a rational response to the events in the enterprise environment in which they carry out their business activity. "

Steiner , strategic management is seen as " change management which includes a system of co-operative values , corporate culture , the whole process of change management - leadership, planning , control and management of human resources¹⁷. Then , by Eric " the process of strategic management consists in assessing the environment , defining objectives , evaluation and selection of strategies and undertaking a series of actions based on them¹⁸ .All these activities can be roughly classified into two groups:¹⁹

- ***Strategic Planning (SP) ,***

- ***Strategic Implementation (SI).***

So that means that strategic management (SM) is the result of the sum of these two activities , strategic importance of planning (SP) and strategic implementation (SI), ie :²⁰

$$\mathbf{SM = SP + SI}$$

Starting from these approaches can be a rational approach to accept the commitment of the strategic management process is a contemporary management company based on the development of strategic plans and clearly defined directions (ways), and measures for the realization of these plans in order to achieve the set goals of the company . From the standpoint of the theory it is , in fact , science or skill of using the possible ways to achieve the goals of the company.

From the standpoint of practice, this is a cost-effective and timely response to all of the company's management changes and phenomena that occur in the market .

The sudden development of tourism , and within it, and the hotel , in the last decade of the last century caused a new approach and a new attitude to the changes caused by the modern tourist market . Tough market conditions and the struggle for existence and survival in such a market requires a new approach to business. The answer to such a movement has caused the necessity of finding new models , new ways of conduct and of roads in the leadership , planning and organization of the company. Hence , in

¹⁷ Steiner, G.A.; Miner, J.B.; Gray, E.R., Management, Policy and Strategy, Macmillan inc., New York, 1986.,page 18

¹⁸ Erić, D., Introduction to manegement, Čigoja print, Belgrade, 2000.page 334

¹⁹ Erić, D., Introduction to manegemnt, Čigoja print, Belgrade, 2000.page 335

²⁰ Erić, D., Introduction to manegemnt, Čigoja print, Belgrade, 2000.page 335

practice and theory imposed new philosophy of behavior management companies in the hospitality embodied as strategic management in the hospitality industry .

The task of strategic management in tourism and hospitality is to provide cost-effective and timely response to changes in the environment in which the hotel company carries out its business and the general activity.

Integrated strategic management includes :²¹

- ***Strategic planning as an essential part of their (strategic analysis and strategic choice) ;***
- ***Strategic change (strategic implementation and control) .***

Strategic management is reduced to the greatest extent possible, change management , and it is based on the analysis , planning and control , and strategy management decision-making process .

Strategic management process includes the following:²²

- *Analysis of the environment,*
- *Mission and goals of the company ,*
- *Strategy formulation ,*
- *Implementation of the strategy ,*
- *Control .*

2.5.2 Basic characteristics of strategic management in the hospitality industry

Management Strategy hotel companies in the modern business environment involves selection of appropriate times to hotel company in the tourism market which provide a more favorable competitive position .

Due to increasing levels of turbulence and complexity of the environment and our close environment of hotel and tourism companies in the industry appears more complex management system , whose main characteristics are manifested in the following:²³

- *The strategy focuses on the whole activities of the hotel company (basic strategic decisions relating to the determination of the area and scope of work) ;*
- *The focus of the strategy is as successful and lasting harmonization activities hotel company with its business environment ;*
- *hotel- tourist company may not be closely related to the existing framework of its business in the conditions when the environment exhibits significant changes , or when you lose a certain position in the market ;*
- *The strategy is focused on customizing enterprise activities available capacity ;*
- *Strategic decisions usually include the allocation and reallocation of funds for investment;*
- *Strategic management is concentrated basically on the decision of long-term in nature;*
- *Strategic decisions have implications for the whole of the hotel company and the nature of its operation.*

Looking at the overall specificity and characteristics of strategic management can be stated that the

²¹ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 82

²² Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 82

²³ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 85-86

main objectives and activities of strategic management in the modern economy focused on establishing relationships company and environment . Thus , unlike the strategic , operational management (second level of management) is aimed at converting inputs into outputs , and the implementation of products and services on the market .

2.5.3 Methods and techniques of strategic management

Modern hotel company , to apply the concept of strategic management , is able to meet the changes and challenges that come from the environment it is essential that the process of strategic analysis , strategic choice and strategic changes using appropriate methods , concepts and techniques . It is this approach that contributes to strategic management is an effective concept .

In the scientific literature and professional practice in this field , and management in general , used a number of methods , the most important are :²⁴

- **Portfolio concept** (a set combination of certain elements) based on coordination position and the capability of the company in relation to the environment . In modern terms , the creation of the strategic position of an enterprise is unthinkable without the use of some of the portfolio matrix .
- **PIMS program** , is an empirical research based on the impact of marketing strategies on profit .
- **The scenario method** is a specification of the various options with the domain of possible future scenarios . The point is to find a solution how and in what way can lead to certain hypothetical situations, and how and in what manner it is possible to prevent , divert or support a particular process .
- **Cost - Benefit Analysis** (Cost - Benefit Analysis or CBA) boils down to a cost benefit analysis on the basis of an overall consideration will be determined future strategy .
- **Gap analysis - range** (GEP) is reduced to that to determine future goals and desires and existing opportunities in companies that range to create strategies .
- **SWOT and TOWS analysis** is used to identify current and future opportunities and threats in the environment (external factors) on one side, and the strengths and weaknesses (internal factors) of the company , on the other hand . Based on the comparison of the internal forces and vulnerabilities to external opportunities and threats management companies defined the vision, mission and goals, and formulate the optimal strategic option.

²⁴ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003.page 87

Figure . 1 TOWS analysis and strategy formulation
Picture br. 1 TOWS analysis and strategies

Internal factors	Strenghts	Weaknesses
	(S)	(W)
External factors		

Opportunities (O)	Maxi-maxi	Mini-maxi
	Strategy	Strategy

Threats (T)	Maxi-maxi	Mini-maxi
	Strategy	Strategy

Source: Wechrih, H., The TOWS Matrix– Toll for Situation Analisys, Long Ronge Planing, No. 4/93., page. 344.

- Benchmarking involves the application of the best experiences of others or their own practice. Scope of application benchmarking is very broad and can best be seen from the following review .

Picture number. 2 Area of implementation of benchmarking

<u>STRATEGIC PLANNING</u>	→	Determining short term longterm goals
<u>FORECAST</u>	→	Forecast of coming trends in relevant areas of business
<u>NEW IDEAS</u>	→	Functional studying
<u>COMPARATION OF PRODUCTS AND PROCESSES</u>	→	Comparing with adversaries Company with best practice
<u>GOAL DETERMINATION</u>	→	Determining goals of business In comparison of the level of achievement Of certain companies

Source: Renko, N., Benčmarking in strategy of marketing. Mate, Zagreb, 1999., page.14.

The hospitality practice , too, in spite of these models is made with other models and methods as well as financial method , the curve starts , the method of the life cycle of insurance and so on.

Similar to market natural products , promotions hotel (promo mix) aims to different forms of communication influence the process of decision-making by demand and to support the sale of the hotel product . Their use is imbued with the intent to develop familiarity and build a positive image of the hotel , inform, point out the difference and advantage of using hotel services and the like. In addition to the increased importance of personal selling , the hotel business is typical and that is a personal recommendation is often the main source of information and a positive oral propaganda is especially important for the realization of communication and thus strategic objectives .

2.5.5 Determining the mission of hotel company

It is well known to tourists during the realization of the trip otherwise behave differently organized leisure and entertainment , and tourists are temporarily excluded from the operation . He thus becomes the active consumer because it means that the other spends his time elsewhere . On the other hand it is very important to know the needs of tourists , hotel guests , in order to form an adequate offer and how to lead a successful hotel company that survives on tourism , and hospitality markets .

In addition to providing adequate hotel products and services it is very important to protect the rights of tourists and compensation for their eventual dissatisfaction because it is known that satisfied passengers remains largely faithful to its offices or hotels. On the other side of the hotel needs to invest much more money to attract new customers - away than to keep old ones.

From all this it can be concluded that only one hotel in the formation of companies that offer other activities in the first place with customers and satisfying their needs can succeed in the tourism market . Advantages of the hotel company that was first revealed specific market needs are for :²⁵ a chance to serve this market , can create some market opportunity controlling the latent needs of consumers and anticipate trends in the needs and wants of customers and their satisfaction in creating a positive public image of the hotel company .

So, to hotel company successfully operated tourists and its needs must come first . Because consumers are at the center of marketing research because information about their behavior in the purchase of tourism products allow planning marketing strategy.

In most of Belgrade hotel management does not rule on this, whether on the basis of the achieved level of satisfaction consumers expect their loyalty and repeat visits and positive verbal propaganda , or new customers . Information of this type are measurable power of those who have them and know how to use them in the right way at the right time .

Hotels that are focused on long-term profitability , not be left to chance level of satisfaction of its customers. Therefore , it is necessary to manage the information about how consumers suffered their offer , whether and to what extent their expectations fulfilled . However , the usual piecemeal approach to research activities in the field of management satisfaction of hotel guests , calls into question the validity of the conclusions and the ability to solve marketing and strategic issues and choices . It is necessary not only to create and deliver value to target market segments , but strive to deliver additional value - plus , that exceeds their expectations .

²⁵ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

2.5.6 The research environment and their own potential

Market positioning is carried out in order to build a recognizable image of the company, which will offer customers the mass number of manufacturers and retailers help to decide positively . Bearing in mind that today's market is characterized by high complexity and richness offers numerous products and services , as well as constant multiplication of market participants who use different methods of sales performance and promotions. The main goal of positioning the hotel company is to offer our guests a memorable, recognizable present their own bidding program , which represents a renowned hotel , a solid business (bidding) performance on an efficient way , with a solid offer.

A variety of hotel bidders and their advertising messages to the modern hotel market generates real informational flood , creating informational misinformation in the minds of the customers of the hotel product , which leads to :²⁶

- *Customers often do not notice most of the encoded advertising messages ,*
- *Customers quickly forget the messages that they received, and*
- *That customers make scale mental preference to certain offer , that preference is expressed through ranking received and experienced post individual hotel to some personal objective or subjective determinations .*

For these reasons, entrepreneurial managers who want to achieve a satisfactory achievement in the relevant market hotel designed and take appropriate measures in order to position your hotel or hotel company that offers points in a given market . Through the process and procedure of positioning managers strive to positive representation of your company in the minds of potential customers - yet , displace or diminish the impact of competitors on their target customers and that these customers then encourage them to buy their products or their services .

The goal of positioning is to be designed and skillfully formed and positioned to highlight the awareness of customers called . " Corporate identity " which is a common and very noticeable and tag that identifies the company. Corporate identity, which marketers identify with the term " corporate image " should be synonymous :²⁷ quality, solidity , attraction, attractiveness , business and social reputation , favorable price and / or other positive market and business definition . Corporate identity , whose construction is achieved through designed processes and procedures positioning the organization , representing the sum of carefully selected sensory and cognitive elements , the manager of the company skillfully embedded in the mind and consciousness of the target customer and / or other clients .

It was found that marketing research should be conducted to identify changes , problems and requirements , but also with a view to finding a solution to a marketing problem . Special value , in contrast, have a continuous (longitudinal) marketing research . Information obtained in these studies can be dynamically analyzed and necessary basis for improving customer satisfaction , loyalty and productivity of marketing in the hospitality industry .

²⁶ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

²⁷ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

For example , examining the intentions of consumers , it is far more reliable to predict the result of sales activities in the future . In addition, it is necessary to point out that these activities must be adapted to the specifics of the Belgrade hotel and methods of competitive matches .

Determining the index of satisfaction of hotel guests , constructed based on the standard methodology , is an important step in developing a new model of governance in the Belgrade hotel industry. However , for this model to become relevant to the preparation and conceptually broad to encompass most of the real situation on the microeconomic level , it is necessary to engage in the construction of information created in the process of marketing research .

2.5.7 Identifying potential strategic alternatives

Strategic positioning of Belgrade hotel companies requires the identification of possible strategic alternatives . It is, above all , segmentation strategy .

Segmentation strategy is a model of strategic market approach focuses on specific customers (the public, clients , customers) of the company. According to this model, the market is , by a relevant criterion . make a preliminary classification of customers in certain segments (groups) to be followed by the further procedure performed opting Marketing's company to one or several segments of customers to the hotel products that are considered to be the most interesting . Selected segment of customers is considered to be the target segment , by which is then primarily directed attention and entrepreneurial activity management company . The second segment , which is not very promising largely ignored , because doing business with them only distract the strength and resources of the organization in a direction that is not sufficiently prosperous and profitable .

Otherwise, the segmentation strategy is a model for market penetration of the tourist age WARRANTIES or hotel company has adequate procedures professional performance .

These are , in fact, the three basic phases of strategy of segmentation , which include procedures :²⁸ (1) market segmentation , (2) the selection of target customers , and (3) positioning.

Market segmentation , ie . customer segmentation involves pushing the next sub- phase procedure and the following activities :²⁹

a) *Identify and grade criteria , ie segmentation . determine the basis and manner in which they are performed segmentation . (Segmentation otherwise be performed by a variety of demographic, economic , social or other attributes relevant to the assumption of purchasing preferences of available target customers) .*

b) *Implementation of segmentation is the operating procedure of performing segmentation , which can be done by observing , recording , surveying . using the statistics and data in other ways .*

c) *Develop profiles of resulting segments of the third stage of segmentation with establishing several customer segments which is great . economically well-off, zaint - ested in the purchase and generally interesting bidders for the company . Identified customer segments , which are found to be with them, cannot achieve a prosperous and profitable business . should not be subject to further strategic*

²⁸ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

²⁹ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

procedures. The choice of target customers should be carried out only by those segments of the market demand, promising community service and profit - balance sheet business . One could perform and share or merge (add) some groups of customers, in order to reach new segments of business most promising !

The choice of target clients , the second phase of the implementation procedure of segmentation strategy . This phase includes the following analytical and operational activities :

a) *Establishing criteria for evaluating the attractiveness of certain identified segments. It's not just about the criteria that determine the real attraction of individual segments (categories) of buyers in the market, but it comes and standards to identify and realistic abilities (performance) entrepreneurial firms - bidders that identified attractive really attract customers to their offer .*

b) *The attractiveness of each segment is performed in all cases , when a market analysis shows that the market has several categories of interesting customers , and when between these categories should make a proper comparison and selection, in order to reach those segments or those segments of customers . with which to make a lucrative business .*

c) *The selection of the target segment and the target segment of customers is the third - trial production stage procedures for selection of the target market . Segments (categories) customers who defends ODA , will be a subject of further intensive care marketing manager with the company as we have already pointed out , the other customer segments then be much less third - ranch. that . to them will not be wasted and other promotional resources management and marketing company . because it would be pointless wastage .*

Centre the service / agency / hotel is the third and last stage in the design and implementation of the strategy of segmentation . The use of this stage also consists of three groups of the brand - ting procedures and activities . procedures with which the whole work in implementing the strategy of segmentation ends.

This procedure and the following activities :³⁰

a) *Identify possible positioning concepts for each target segment (if any more) , assumes a different determination of suitable methods, techniques and tools of promotion (advertising , representation) , with which to carry out positioning.*

b) *The selection, design and development of an appropriate concept of positioning , ie . selection of appropriate marketing mix model , to which the model will be executed specifies positioning.*

c) *Control and Audit (reversal) oriented procedures and positioning activities in order to upgrade and improve the adopted and implemented the concept of positioning of .*

Market positioning is the third final stage in the implementation of the strategy of segmentation .

Achieved on several levels:³¹

- As well as positioning the company (company, shop)

- As well as the positioning of individual objects (stores) of the business sys-tems ,

- As well as the positioning of the product / service range of the offering company , and

³⁰ Jokić D, *Entrepreneurship, how to create, move and manage your own business*" Author NIC Užice, 2005., page 404-405

³¹ Jokić D, *Entrepreneurship, kako osmihow to createsliti, move and manage your own business*" Author NIC Užice, 2005., 405-406

- As the combined (sum) positioning, which at the same time collectively includes:³² company , its facilities and its typical products of the offering range .

Each level position assumes the application of specific models and methods of action - to be aware of , because it is these models and methods of working are the essence and content of the marketing mix , through whom and implement positioning.

Segmentation strategy is a model for market penetration of the travel agency or the hotel company has adequate procedures professional performance . Thus , market segmentation process without which you cannot imagine modern business tourist-oriented businesses to the desires and needs of the client in order to maximization satisfaction with the service and quality of service , as well as maximizing the financial results tourist companies

Market analysis is used to select a market segment which will be used of a particular marketing strategy Market segmentation allows marketers heterogeneous market , a market that consists of customers with different characteristics , needs, desires , segment a into one or more homogeneous markets with similar needs and desires . Generally , segmenting market simply reflects reality . She notes that different customers have different needs , which affect the market demand for integrated hotel products .

Grouping consumers - guests and market segmentation helps in creating strategic marketing plans, the hotel company . Companies will then in their strategic plans, pay special attention to the needs and requirements of customers in different market segments.

Segmented approach of trying to market a given area and time period is treated as a set of different market segments. Each market segment for this approach has its own demographic and socio- economic characteristics , which are reflected in the different behaviors and different needs in relation to the manufacturers of hotel services .

However, to be useful segmentation strategy , it is necessary to determine whether consumers belonging to different segments respond differently to changes in the hotel company performed in the domain of individual instruments of business policy (price , promotions , use of media , messages and distribution) , and that the that the costs of servicing individual segments of the same. In this regard , market research must identify all the relevant information about market segments , and also to determine their accessibility and size .

Improving the process of internal and external communications can be one of the important strategic alternatives hotel company . Communication and communication process is constantly improving. The dynamism of modern technology that have a special role . However , whether the communication be effective or ineffective , depending on how successful or timely by the communication can solve the four main aspects of the process of communication:³³ differences in perception, emotions , discrepancy between verbal and nonverbal communication and prior trust (distrust) between page .³⁴

³² Jokić D, *Entrepreneurship, kako osmihow to createsliti, move and manage your own business"* Author NIC Užice, 2005.,405-406

³³ Čerović, S., *Management in Tourism*, Čigoja print, Belgrade, 2003.page 87

³⁴ Čerović, S., *Management in Tourism*, Čigoja print, Belgrade, 2003.page 87

(1) Different perception

One of the most common disorders of communication have different perceptions . People with different knowledge and experience often observed the same phenomenon from different perspectives . To overcome this problem , the message must be explained so that the recipient , with different views and experience can understand .

Whenever possible, it is necessary to know something about those with whom we can establish communication. Emphaty (the ability to perceive a situation from the perspective of another person) and delay reaction until the proper information is not interpreted , can reduce ambiguity .

When the topic is unclear, it is critical to ask certain questions . Recipients of the message should be encouraged to ask questions and seek explanations for those messages that are vague or unclear . In this sense, there are various alternative ways of shaping the message. For example , sometimes even irrelevant repetition can produce a beneficial effect . Then , seemingly simple changes in the physical environment at work , can improve relationships so that everyone can work and learn about the different perceptions.

(2) Emotional reactions

All emotional reactions (anger , love , defensive , hatred , jealousy , fear , confusion) , influence the understanding of other people's messages and methods of influence on the other . Message recipients may react defensively or aggressively . The best way to overcome the emotion is accepting them as part of the process of communication , and their interpretation in cases where they can cause , expected or unexpected problems .

Before the crisis, some managers may seek to predict the emotional responses of workers and to prepare for it . On the other hand, managers should bear in mind his own mood .

(3) Inconsistent verbal and nonverbal communication

Managers must bear in mind that the spoken and written language primary but not the only means of communication . Messages that managers send and receive are strongly influenced by a range of non-verbal factors such as body movements , clothing , proxemics , personal attitude , gestures , facial expressions , eye movements , body contact , and others.

In order to eliminate inconsistencies in communication , managers must be aware of inconsistencies and to bear in mind . In addition, managers must not allow sending false messages. Furthermore , gestures , clothing , posture, facial expressions and other important non-verbal communication must be synchronized with verbal messages . For managers, it is useful to analyze the nonverbal communication of others and to apply the lessons learned in dealing with others .

(4) Lack of trust

Since the credibility of the sender enjoys the recipient depends on whether the recipient to believe it or not and to what extent. It is the circumstances of the context in which the manager sends a message to affect the credibility of the sender .However , several factors that are unique to an organization , influencing the efficiency of communication :³⁵ organizational structure , authority, and design work. In addition to these four main factors , the process of improving the communication process works and changes in the organizational culture of the company. From this point of view it means to predict changes in the way people relate to each other in solving business problems. Thus , the instruction

³⁵ Čerović, S., Management in Tourism, Faculty of Science, Novi Sad, 2003.page 87

should not stifle any initiative of workers . For example , management has proved care workers by introducing a program of workers' shareholding and profit sharing . In modern conditions, there are other opportunities that are developing in this direction .At the same time, the companies engaged in tourist activities , more attention is paid to internal communications . For example , through formal publications workers regularly about the latest happenings in the company.

Many companies develop a strategy for three-way communication , often with the help of a consultant for Communications and Information Technology .The first phase is developing and planning a new corporate identity (including details such as company name , logo , letterhead , invoices , etc. .) .

The second phase is a new corporate identity to internal and external audiences , and employees and the environment in which the company operates .The third phase refers to the ongoing process of communication for the promotion and consolidation of a new corporate identity .In modern business conditions in the quality of communication play an important role . Effective communication is a vital part of the effort to develop , implement and maintain a quality system . In this sense, using meetings with a small number of employees , information through guidelines , manuals , training programs and other means . Many companies are issued periodically informants with the latest developments in this area , which is becoming increasingly dynamic.³⁶

2.5.8 Objective setting and control of strategic objectives

Consistent system of customer satisfaction , based on continuous marketing research , contributing more efficient adjustment of bid package hotel company 's expectations of the target market segments , and to achieve a higher level of implementation of the set of strategic goals. Analyzing history degree satisfaction and loyalty , determining factors of satisfaction and developed a database of customers , it is possible to construct models that provide a reliable basis for predicting the future behavior of consumers as the hotel company enables the realization of one of the key objectives and this is a significant competitive advantage in the ever dynamic hotel market.

Based on the information created in the system satisfaction research , can identify potentially attractive consumer segment , with which the hotel has to develop very close communication and long-term oriented relationships.

Loyal consumers are often very important part of the overall value of the hotel and a key element of its strategic position . Due to the importance for the realization of marketing objectives , customer satisfaction is useful to be treated as a commercial category and exactly the present . One of the most significant aspects that characterize contemporary marketing research in developed economies has just increased interest in exploring the degree of customer satisfaction . Based on this research it is necessary to make a decision which is necessary to access the system , continuous research activities. Systems Marketing research provides a reliable basis for decision-making and enables value creation plus for consumers , which increases profitability . Increase the satisfaction of hotel guests by creating appropriate content, interacting with guests and company employees and fostering emotional elements of interaction between the hotel - guests . Superior product that not only meets but exceeds their expectations , creates not only rational , but also durable - emotional preferences .It is known that the value of certain elements of bid package is different, and it is , therefore , necessary to determine . On the theoretical and empirical level it is necessary to examine the factors that determine satisfaction and

³⁶ Čerović, S., Management in Tourism, Faculty of Science, Novi Sad, 2003.page 87

are essential for the management of consumer satisfaction in the hotel business .Measurement and analysis of satisfaction obtained information about the extent of achieving the goals and directions for taking measures for the implementation of strategic orientations in this area .The importance of customer satisfaction requires the need to control access to the activities of which it depends - you need them to analyze , plan , define goals and strategy , implementation and controlling .The very concept of strategy is very important for succesful management of the hotel and sucesful commerce on the tourism market.Variou strategies are employed in order to ensure dominance on the tourist market.Strategic positions or management of strategic positions is crucial in tourism.In the modern business environment every hotel and tourist company individually analyze their own position in the tourism market, monitor the status of competition on the basis of correct and timely information, forecasting and planning, chooses to formulate an optimal strategy.However, in order to understand the current position of the company is necessary.The study analysis is that the research covers market conditions, market segmentation analysis of the strengths and weaknesses of their own company and competition, technology development and so on. These studies typically do appropriate specialized institutions (institutes, universities, research centers). To determine the optimal strategy for hospitality, as usual, and the other, the company using different types of models, and scenario analysis. The most common practice appears pessimistic and optimistic scenario, then a SWOT analysis as a result of internal and external analysis, review of internal and external orientation on growth companies in an effort to minimize the weaknesses and maximize opportunities and the growth rate of the market and competitive position.³⁷

2.6 Generic strategies

Hotel companies, after all, just like any other businesses that seek gain competitive advantage in the market, achieving competitive advantage using cost and differentiation. Depending on the size and width of the area to which the company operates and the two competitive advantages can speak of three generic strategies:³⁸

1 The strategy of cost leadership

2 The strategy of differentiation

3 Strategy focus - focus (either by differentiating it leadership in cost).

The strategy of cost leadership is a good alternative when:³⁹

1) demand is elastic,

2) all produce relatively homogeneous products,

3) No more ways to achieve product differentiation,

4) The product is mainly used in the same way

5) Customers are interested in buying the cheapest.

³⁷ Modified matrix Boston consulting group - known as the cluster strategy.
Boston Consulting Group

³⁸ Porter M,Competitive Strategy,The Free Press,New York, 1980 page 35

³⁹ Porter M,Competitive Strategy,The Free Press,New York, 1980 page 35

Differentiation strategy is aimed at achieving competitive benefits on the basis of uniqueness to satisfy tourists and on the basis that create above-average profits. The strength of this strategy are: ⁴⁰

- 1) protects against competitors**
- 2) create conditions to increase profits,**
- 3) promotes a stronger suppliers,**
- 4) creates barriers to entry and competition for loyalty**
- 5) creation of barriers to substitution.**

In order to gain advantage through this strategy, according to Porter, it is to go through the following stages: ⁴¹

- 1) who are the actual customers,**
- 2) The value chain of consumers,**
- 3) how customers rate their values,**
- 4) the existing and potential sources of uniqueness,**
- 5) the costs of existing and potential sources**
- 6) configuration activity values of differentiation,**
- 7) Test the chosen strategy,**
- 8) reduce costs where undifferentiated.**

In practice tourism enterprises it is difficult to find examples of the application only strategy of cost leadership or a differentiation strategy. In practice, the most common case of a combination. Focus strategy assumes that the company is focused on realizing the benefits of a relatively narrow market, it was led by differentiating the cost or their combination. The starting point of this strategy is fast and efficient business agility in the sub market. The focus of this strategy are market attractiveness of certain segments. Given the extent of the market, the advantage of this strategy is to lower costs. This strategy basically uses the core competence and the tourism business practice is very widespread. ⁴²

2.7 Timely and positioning strategies

The main problem of every hotel company is to successfully anticipate structural changes in its market environment. Without this decision it cannot be done in time for strategic adjustments. Any error in the this process forward means losing a long-term competitive position and end may be dwindling of the hotel, with the tourist market. Therefore, hotel company should take into consideration the timely strategy. These strategies can be characterized as a classical (traditional) and as contemporary. However, in practice, a distinction is made between two classical approaches to strategic positioning and defining an integrated strategy of hotel companies, including: ⁴³

a) approach with a focus on the basic characteristics of hotel buildings, where focuses on the individual functional areas (price, location, product range and

⁴⁰ Porter M, Competetive Strategy, The Free Press, New York, 1980 page 37

⁴¹ Porter M, Competetive Strategy, The Free Press, New York, 1980 page 37

⁴² Porter M, Competetive Strategy, The Free Press, New York, 1980 page 41

⁴³ Porter M, Competetive Strategy, The Free Press, New York, 1980 page 108

services) rather than an overall strategy and a partial functional approach;

b) approach, with a focus on so called brand hotel facilities;

- The result of increasingly complex competitive market conditions, and the requirements of the increased recognition of the specific preferences of tourists, where the emphasis is placed on overall reputation of the building;

- Lacks a comprehensive image of the institutional and functional levels with total envelope (developed marketing strategies for a single object);

Common feature of both approaches is the emphasis placed on hotel building and its position in the market. So do not start from the hotel enterprise as a whole, rather than exclusively, and above all, from the position of the hotel on the tourist market. However, using this strategy obviously leads in mission to the hotel company in relation to its environment. Modern approach requires the definition of strategies for hotel company. This means that instead of a horizontal position (related to the object), the emphasis is placed on the vertical positioning that applies to all facilities and activities in hotel company. Thus, the modern approach still insists on Integrated coverage of tourist facilities and their identity, but the focus of is the definition of comprehensive business strategy.

The concept of positioning the hotel building is practically based on holistic perception of its market position in relation to the strategy competitor. Vertical positioning explains the overall relations with both hotel company with suppliers and other intermediaries in the channels .Placement hotel product and services. With such a platform can be defined and integrated strategy, which includes following positioning strategies:⁴⁴

- Corporate strategy

- Business strategy, and

- Functional strategies;

Positioning hotels and overall tourism positioning offer provides an integrated approach to defining business strategy of hotel companies. Precise positioning of the hotel company and its major facilities to comprehensively define all segments in the process of strategic management.

2.8 Contemporary Tourism

Contemporary tourism is a kind of civilizational phenomenon, and its importance can be seen only when we take into account many of its social and economic aspects , and its feedback influence on the social and economic life at the level of a country, so , maybe more, on a global , global level .

Domestic and foreign tourists , among others , are the consumers of tourism services , and they appear as the main carriers of demand of tourist services , and thus are the basis of the development of tourism as an economic activity in many countries and tourist areas , and thus an important factor in economic growth and development. " Economic element is the common denominator of psychological, sociological , geographical and technical aspects of tourism"⁴⁵ .So tourism is , from the sixties speaks as the sole economic activity .Due to the complexity of tourism as a very dynamic , turbulent , industries

⁴⁴ Porter M,Competitive Strategy,The Free Press,New York, 1980 page 109

⁴⁵ Krapft, K., , Toursm as a Factor in Economic Development, Roma, 1963 page 3

and activities , in terms of the role of tourism in economic development , are considered and related social impacts and , in turn , the impact of tourism activities on the environment (environmental) and economic environment . Therefore, it is necessary to proceed from the fact that tourism is viewed from two key aspects .Macroeconomic aspects , so that tourism can very significantly affect the socio-economic relations , and therefore , requires systemic solutions within the national economy , appropriate economic policy of the country and a large part of the international community. Microeconomic aspect means the efficient and effective functioning of companies, companies that do business directly and indirectly in the tourism industry. From an economic understanding of tourists and tourism it is necessary to bear in mind that the tourists , just in terms of economic analysis , the consumer .Thus , tourism is a consumer "movement " emerged in order to meet the specific needs of man . The essence of tourism as an economic phenomenon, resulting from diverse networks within the social (and rope economic) relations which man sets to meet their travel needs .Economic relations that are established on the occasion of tourist spending understood as Economic relationship between tourism and tourism economic relations . These relationships generate certain economic and other consequences of the economic practice of expressing economic categories :⁴⁶ consumption , production, income, profits , employment , cost , etc. . , Partly formed under the influence of tourism.⁴⁷ Economic analysis describes and analyzes the results of the mutual relationship of the economic categories that generate tourism market relations that can be defined as a set of relationships that arise from the behavior of participants in them . These are the subjects of consumption or tourism operators and offers . Economic aspects of tourism and tourists, it is impossible to watch without analyzing the relationship needs of people (or population) and overall social development .Needs a requirement of individuals or social groups for material goods and services to sense of dissatisfaction and achieving appropriate levels of well-being . The total human needs established hierarchy and tourist needs find their place depending on many factors, among which are:⁴⁸ the level of disposable income and the amount of time available ;It has already been pointed out to meet the travel needs of tourist goods (products and services) , and belong to a special group needs .

⁴⁶ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 35

⁴⁷ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 35

⁴⁸ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 35

Overview number.1**Types of need according to tourist literature**

Needs	Motives	Tourist literature
Physiological	Relaxation	Beg, relaxation, alleviation of tension, longing for the sun, the mental relaxation of tension.
Safety	Insurance	Health, recreation, maintain an active and healthy future
Affiliation	Love	Family togetherness, reinforcing kinship, sociability, facilitate social relationships, maintaining personal connections, relationships, ethnic roots, commitment to family, maintaining social contacts.
Respect	Achievements	Certificate of someone achievement, Show one's importance to others, prestige, social recognition, gain their own "I", professional / business, personal development, status and prestige;
Realizations	Truth by its very nature	Research and personal assessment, proper introductions, satisfy their own desires;
To know and to understand	Knowledge	Culture, Education, wanderlust, interest in other areas;
Esthetical	Acknowledging beauty	Exteriors, Landscapes.

Pirjevac,B.,Kesar,O., 2002, Basics of Tourism, Mikrorad i Faculty of Economy Zagreb, page,19.

So , with the view of the needs of tourism , among other things , can be defined as a combination of relationships , services and other facilities used by tourists , created out of the need for temporary relocation of people .Social and economic tourism in modern conditions is enormous , and at the end of the twentieth century and the political impact of tourism reached a very high level . On the other hand, it should be borne in mind and their negative impact on the safety of the country . All these Spector should bear in mind and give them a certain importance especially in the creation and implementation of policies for tourism development in various domains and types of engagement and action. Multiplied the effects of tourism on the economy could be direct or indirect , in that the economic functions of tourism numerous and significant , but common to all functions of the tourism consumption and effects on income as a direct or indirect economic goal .Undeniably, for decades, tourism affects the economic development and growth to the specific industry and the country as a whole . Economic development

affects all areas of life, and economic growth is only one component of one of his drivers , so you are constantly asked:⁴⁹ change or development . Economic development is treated as a process of structural change. On the other hand, the growing process of globalization impacts of tourism are becoming more comprehensive and intensive in almost the entire planet . Basically the impacts of tourism are grouped according to the social, political and economic characteristics and in the following three sets:⁵⁰ the socio - cultural influences , environmental impact , economic impacts ;⁵¹

The social impact of tourism is very big although its intensity varies by individual regions or countries . Overall social impact of tourism is viewed through its four segments:⁵² cultural influences , educational impacts , health impacts , impacts on the understanding among the people ;It is believed that tourism , especially if it is in any country in the dynamic development has a growing impact on political stability not only in a particular country but in the region . The political impact of tourism is manifested mainly non-institutional but it can be institutionalized . Basically , all countries strive to achieve the strengthening of the political prestige of the country through tourism . Tourism affects the economy of a country in two ways , directly and indirectly . Indirect effect of tourism is reflected in the launch of the overall economic system of a region or country . Immediately tourism operates in four main industrial areas :⁵³ catering, transport , travel agencies , shops ;Economic impacts of tourism can be , apart from the divisions , classified by other criteria , into two main categories:⁵⁴ direct and indirect .Direct effects are basically boil down to two groups of influence :⁵⁵ the impact on income and the impact on employment. More specifically, all of the direct economic impacts can be divided into six sets of influences:⁵⁶ DP and ND , the impact on the development of economic activities that make up the tourism industry , the impact on the balance of payments of the country , the impact on employment and living standards , the impact on investment activity and structure of investments influence of the rapid development of underdeveloped countries and regions ;Indirect economic impacts are impacts to and industries that are not part of the tourism industry , but related :⁵⁷ industry , construction, agriculture ;Multiplier effects of tourism are the impacts resulting from the consumption of exclusively

⁴⁹ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁰ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵¹ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵² Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵³ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁴ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁵ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁶ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁷ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

foreign tourists . The money spent by foreign tourists through a number of transaction circulating in the economy of a country , putting additional effects on the economy , until, gradually completely withdraws from the economy through the withdrawal of deposits or payments for imports of goods and services. Basically , tourist spending is only one part of the total income individual industry. On the other hand, the quantification of the share of individual sectors in total consumption is a complex methodological approach , which is based on many assumptions , or the result of external research tourism consumption , thus approximate values . In fact , it is the total size of the income of individual branches separated liquid , the daily consumption of the indigenous population of the total tourist spending . Then set aside domestic consumption of foreign tourists , because these two groups have different effects on the national economy . All economic function of tourism is simply impossible to list but the most important is the eight following functions:⁵⁸

- *conversion ,*
- *inducative ,*
- *multiplicative ,*
- *accelratory ,*
- *The balancing of commodity- money relations ,*
- *Export function ,*
- *function of stimulating the development of underdeveloped areas and functions of employment.*

2.9 Dimensions of the tourism market

Integrated tourism market comes in red the most dynamic markets in the world economy . What a partially market represents a large part of the total world market . However , each market has partial specificity compared to other partial market in relation to the supply and demand in the overall market . Any spending that generates economic activity is worth macroeconomic attention , and therefore the interest of economics for the tourist market has become a relevant interest in when the objective economic impact of tourism phenomena were firmly recorded in income national economies receptive tourism countries worldwide. This interest was strengthened by the interest of the less developed or developing countries with potential positive implications What would it develop tourism could bring in that environment . The economic dimension of tourism , and integrated tourist market , it is difficult to fully consider , because in addition to the direct effects of a number of additional , indirect and synergistic effects. According to the WTTC in 2010 the tourism and travel industry have generated economic activity amounting to 5201.1 billion U.S. dollars .

Direct impacts include :⁵⁹

- 74.223 million jobs in the world tourism , or 2.8 % of total employment in the world ;
- 1712 mlrd.US dollars of GDP or 3.8 % of world gross domestic product ;

⁵⁸ Petrović P , Economic of Tourism, Faculty of Geography, Belgrade, 2008 page 41

⁵⁹ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

The total volume of the tourism market , tourism industry and economic dimensions of tourism can be the best, complex , seen from the following table which gives an overview of accounts / demand balance

Table number.1 Economic dimensions of tourism - in billions of dollars –

Category: bills demand	Amount in 2012 year
☐ Consumption of residents of traditional tourist service ☐ Business trips	➤ 2833,1 ➤ 652,9
☐ Costs of government bills for individual consumption ☐ Export through visitors ☐ Costs of government bills for collective consumption ☐ Capital investments of private and public sectors ☐ Export	➤ 124,3 ➤ 818,3 ➤ 161,1 ➤ 918,0 ➤ 694,1
Counsumption in tourism and travel	➤ 4428,5
Demand in tourism and travel	➤ 6201,5

Source: WTO, Madrid, 2012

Prospects for the development of tourism in the world by 2020

Globalized tourism market of rapid evolving but this development apart from being very dynamic and very turbulent . World tourism market is not homogeneous , rather it is very heterogeneous . They can take a number of characteristics changes of the tourism market in the tourist demand. Some important are the following :⁶⁰

θ changing needs of people (changed conditions of life and work)

- *There is a trend to further increase the overall standard of the people in technologically developed countries but also in countries New Europe as well as in other countries that invest in the development of technology and knowledge ;*

- *Have people with more money for leisure entertainment and travel, at the same time , people have less time for leisure , because new technology frees people from the less valuable jobs and bind them into a new commitment to work and career development ;*

- *Therefore , people are increasingly opting for repeated short trips ;*

- *There are new forms of tourism demand :⁶¹ all- inclusive , club , specialized tourist facilities, etc. . ;*

θ prolongation of life

- *People are living longer and longer , and in the structure of tourism demand ljavlja more people*

⁶⁰ UNWTO World Tourism Barometer (www.unwto.org/june 2013)

⁶¹ UNWTO World Tourism Barometer (www.unwto.org/june 2013)

tzv. third time , and the group becomes more dominant in the structure ;

θ growth in demand for innovative content of an

- Trend growth in demand for innovative forms of tourism facilities and offers that occurs as a basic form of demand or as an extra incentive trips;

- Unusual experiences , unexpected contents and forms of leave, special experiences , new forms of entertainment , adventure , nature and control of human contact ;

θ back to nature

- In parallel with the rapid development is a higher level of alienation of people growing demand for unique natural areas , with emphasis clean and untouched landscapes and nature , which is at least as perceived ;

- Pure and untouched nature are becoming the dominant motif of tourism demand;

θ safety

- Safety in all forms and fields into a basic prerequisite in deciding the choice of tourist destinations ;

- Includes requirements for high levels of security while traveling , during their stay in the destination , and includes protection against terrorism and violence , health and sanitary safety , the safety of the potential pollution of extreme situations;

θ physical and spiritual recovery man

- Maintain their own body and mental relaxation , relieve stress , health concerns - the trend behavior of modern humans from which derive new trends -tourism demand (wellness , fitness programs , body programs , recreational programs , etc.) ;

θ increase awareness and information

- The growth media , new communication technologies and the computerization of society encouraged by the potential tourists (already present) the need for better quality and easily accessible information ;
- All educated computer literate potential tourists looking for full coverage and the possibility of selecting the required information ;

- Tourists seeking quick forms of information in which they want to have complete control over the information ;

- Tourists want a lot of information but also the possibility for the their selection ;

θ consequences of important social and political changes

- More rapid development of science and technology , and the growing gap in life style and work as a result of historical factors for the development of European nations and civilizations that have experienced specific trauma in the past fifty years , are only part of the source of frustration and specific forms of appearance of new mentalities and habits of specific and the need , in particular in some people

- There is a special affiliation socio- demographic groups that are labeled incorrectly and gives them the wrong importance of tourism demand;

- Tourism market is increasingly broken down into specific subgroups defined by lifestyle , personal circumstances , needs and life circumstances that determine the particularities of tourism demand, which leads to serious diversification of target groups of tourists and their needs and shape demand;

θ new travel motivations

- Former main travel motivations swimming and sunbathing and seaside holiday or a visit to a cultural event become obsolete , a dominant trend of incidence of new demands of tourist demand , the demand

for new tourism services ;

- Experiences , intense pleasure and fulfillment passions , highlighted by outdoor activities , experiences and passions which are encouraged :⁶² sensuality , emotions , health and love for ourselves and our teu - present the trend ;

- Tourists want to experience something completely different from their everyday life ;

In addition to these basic features of movement, foreign and tourist demand and the supply side of tourism there are new niche markets . Certainly there are a lot but aside seven of the following : the market of sport, the nature of the market , the market for " the good life " , market opportunities , market culture - cultural events , market hype of tourism⁶³; Market Sports : ⁶⁴all pronounced motivation for travel and an increasingly important segment of the tourism market is a market of sports. However , satisfying this market requires the construction of sports centers and large stadiums and halls. This market includes athletes - professionals , athletes - recreational and other sports fans and sports. Special attraction of a large , mega sporting events . Sport facilities used for recreation of local people and the fulfillment of leisure , however , as an additional and / or a key segment of the tourist offer some destinations (tennis , golf , sailing , cycling , skydiving , scuba diving , motor sports , boating , etc. .) . They need to be functional and quality , and innovative programs designed and attractive⁶⁵ .

Market Nature⁶⁶ : Adventures in nature , particularly those that occur on the water or on the sea , lake or river , adventures on land , mountains and landscapes (which are special and unique) Nature experience and its flora and fauna (fishing , photo programs , watching the birds and animals , endemic species , etc.) , hiking , rafting , stillness of nature , water skiing , snow skiing) are only part of the activities of modern tourism demand is expected to be available . However , when it is necessary to ensure a maximum level of protection of nature from the negative impacts of tourism activities⁶⁷ . Therefore, the nature-based tourism should not happen by itself , but it is necessary that he planned and it can be controlled , and that at the same time , quality of service , meet the requirements of tourists . On the other hand , it is , to the extent possible , to use technical solutions that contribute to the conservation of nature and environment⁶⁸ .

Buy " Good Life"⁶⁹ : modern tourists are mostly experienced travelers , and tourist travel from demanding more , and become more demanding. The almost complete orientation to work and career during the financial year brings a need among potential tourists to your time plan to spend on holiday travel can take advantage of maximum quality . It means a lot to the " breathing lungs " and enjoy the benefits of the destination in which they reside. In this prospective tourists requiring fulfill the following desires : pleasure and quality hotels of higher rank and quality , healthy living , the originality of the original buildings and programs , wellness , healthy living , healthy food , spirituality , peace and

⁶² UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶³ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁴ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁵ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁶ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁷ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁸ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

⁶⁹ UNWTO World Tourism Barometer (www.unwto.org/june 2013.)

tranquility. This means that , first of all , in terms of demand for small towns , cities, special architectural heritage , and country life . For example , it may be a certain experience grape harvest , olive harvest , haying , harvesting , or presentations of old crafts and skills , and other similar events .

Market opportunities in modern conditions the entertainment market is an essential part of the offer , particularly in larger cities or towns congress . Contents of this market can be show for " great fun " , summer theater , a variety of programs for fun outdoors , festivals , programs in castles and fortresses . Entertainment includes programs related to national and local culture and international programs . Content needs to be adapted to specific target segments. Entertainment programs need to be devised during the day (and night) and avoid the concentration of events only in the evening .

Market Culture :⁷⁰ tourists visit places of historical importance, the center of various civilizations , trying to learn what the wider culture of other civilizations and peoples and their national and sub- culture . Cultural facilities visited within almost every tourist travel, whether to a greater or lesser extent .

Cultural facilities should be designed in a way to be popular , to be seen as a special event , to be story . Market hype Tourism :⁷¹ This market is anticipated , should mark the 21 th century tourism , and it is believed that this offer come across extremely well received by western tourists who have such facilities in place of permanent residence , and expect these types of facilities in which should visit of your choice . Hyper offer on the sea , under the sea , the mountains , the lakes , the rivers , the cities , the countryside , the historic buildings and castles , industrial heritage (stoned factory complexes and facilities .⁷²

In addition , the hyper tourist industry is increasingly seeking adrenaline content , such as for example an extreme sports and adventure .⁷³ Thus , international tourist movements have been extremely favorable development trend in the period since 1950. so in 2001. year. It is estimated that the average annual growth rate of the number of tourists in this period was 5.6% , a real tourist spending around 8%. This means that in the fifty years between tourism steadily increased its share in the total value of world GDP, employment rate and the exchange of goods and services in the world . This arose as a result of dynamic economic development, higher living standards , greater cultural and educational levels , increase the level of motorization and urbanization , demographic trends and other important factors in the tourist demand. On the other hand many tourist countries in the world, recognizing the importance of tourism for their economic development , and in particular the balance of payments brought the strategic decisions about the need for encouraging the development of all the elements that make up the tourist industry. Here, the most important are a great investment in transportation and other so-called "big infrastructure " and stimulate the construction of the accommodation and other elements of the tourist offer with favorable credit and fiscal policy. They also invested heavily in promoting the development of tourism to attract foreign tourists . Such a policy of encouraging development since the beginning of the 60s of the last century are widely used mainly Mediterranean countries and some countries of the alpine tourist area . Among them were particularly emphasized the following countries

⁷⁰ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷¹ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷² UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷³ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

:⁷⁴ Italy , France , Spain , former Yugoslavia , Greece , and in the last years of the last century and Turkey . This is to a lesser extent, applies to Austria and Switzerland . That there was no such policy in relation to the importance of tourism would not have had such impressive results from the 50 - ies of the last century until in 2001. year.⁷⁵ World tourism industry at the beginning of the new millennium was faced with a number of negative factors (terrorist attack on New York in 2001. , And international terrorism in other parts of the world , epidemics and natural disasters) , and yet are also in this period recorded positive trends . Crisis in international tourism have resulted in the reduction of tourist flows and a negative growth rate of international tourist traffic in certain years (-0.3 % in 2001. , And -1.7 % 2003). . According to the World Tourism Organization , in the coming years manifested the signs of a strong recovery - 2004th achieved an increase in the number of foreign tourist arrivals of 10.1 % , and the 2013th year of 5.4 % . In the next 2006th were achieved record results - the international tourist trade has recorded a further increase of 4.9 % and there were 842 million international tourist arrivals , revenue from international tourism reached the amount of U.S. \$ 735 billion (586 billion euros) . According to the World Tourism Organization Previous 2010a. year is the fourth year that international tourism continues on a steady growth - there was an increase of 6 % to 898 million foreign tourist arrivals . So far, the data collected indicate that the same tendencies have income from international tourism .⁷⁶

In addition to the international need to emphasize the importance of domestic tourism trends . UNWTO estimates that domestic tourism for about 10 times higher than international . This means that 2007. year could be expected participation of about 9 billion domestic tourists in the world . At the same time it is estimated that their travel spending totaled about 4,000 billion U.S. dollars . Given the subject of our interest in this work and the fact that domestic tourism trends in the world for the most part a result of trends in the development of international tourism in further exposure will have this in mind.⁷⁷

Europe 's leading tourist region in the world with developed receptive tourism , but also with a large source markets . Europe is 2010a. in total arrivals in the world its market share of 53.5 % , achieving a total of 480 million international tourist arrivals and an increase of 4%. In the sub-region Central and Eastern Europe recorded 2010a. The 92.8 million international tourist arrivals , which is 19.3% of total arrivals in Europe , with an increase over the previous year was below the average of the old continent , and only 1.7%. Leading countries in the sub-region Central and Eastern Europe as Hungary , Poland , Russia and Czech Republic.⁷⁸

In addition to steady growth , an important feature of the tourism market and represent a permanent change . They are caused by changes in the structure of tourism demand and dynamic technological changes .

Movements in the field of tourism demand is the result of the application of economic and demographic factors , with the great tourism importance are structural changes in population and changes in lifestyle of people . In developed countries, especially the pronounced tendency towards population aging. This

⁷⁴ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷⁵ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷⁶ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷⁷ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

⁷⁸ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

part of the population is an important source of demand for the available free time (due to the shortening of working life in the most developed countries) and directing a large portion of discretionary income to travel trips. Demographic changes in high-income countries are also related to the reduction of average family size , increasing the number of single-person households , a growing number of couples without children and a tendency towards a later start a family , a growing number of women , the increase in the educational level of the population , and others. In particular, the present dynamic growth of the urban population .

Of course , the most important generator of positive trends in the tourism market is a dynamic economic growth and increase of national income in most countries in the world which has led to a further rise in the standard of living of the population . But before the rise in discretionary income households are also significant changes in the manner and style of life , leading to the emergence of new market segments , often very specific in their requirements. Market research in developed countries, indicating the occurrence of segments such as couples without children , the employment of both partners (couples with double incomes - DINKS) , highly mobile urban young people (yuppies) and others. Their demands are primarily characterized by a high degree of individuality . Demand is characterized by an increasing level of sophistication , including requests for increasing the quality of tourism services . The final choice of the consumer is primarily determined by applying the basic principles - " value for money " (value for money) . Rising overall level of consumer education in tourism , including awareness of the need to protect the environment . In addition , market research indicate a tendency towards individualization and far greater travel flexibility . In terms of increased heterogeneity of the tourism market , the biggest differences are manifested precisely in the demand for new experiences and great variety of travel (cultural , sports and recreation , adventure , educational , and other) . Analysts suggest that the modern demand directed towards the so-called . " 6E " tourism , ie tourism that provides the experience , excitement , escape , educate , entertainment and Ecology (experience, excitement , escape, education , entertainment , ecology) . Tourist destinations that are adapted its offer to these requirements , they can expect an increase in tourism demand , with a range of products tailored to specific market segments, taking into account the need for individualization of travel. Tourism so . special interests will , according to the forecasts of experts , the highest growth rates in the future. Tourism demand is characterized by a growing awareness of health which affect the choice of destinations that can meet the criteria of modern tourists , but also the demand for the services of wellness programs , fitness centers and the like. Changes in consumer behavior in tourism related to the relatively shortening the duration of the trip - a growing number of tourists opt for shorter and more frequent trips. In recent years, short city breaks (city break) As the product with the most dynamic growth in the market . (In the period 2001 to 2004th year increase was as high as 108% , while in the same period traditional residential tourism rose by only 8 % .)In addition , there is a tendency subsequent decision on tourist travel which is largely a result of expectations of low prices of tourist services offered by the system last minute booking- a .

The changed behavior of consumers should also include the need to use vacation during the summer and winter as well as during the Easter holidays . These are the major changes compared to the previous experience when holidaying identified only in the summer. This should take into account all tourist countries due to the fact that creating objective conditions favorable to the significant increase of use of accommodation and other facilities in the tourist areas . This refers to the efficient management of a

tourist destination and to the country as a whole to the priority tourist destinations that are important for the successful development of tourism.

Technological environment characterized by constant innovation , which represent a significant motivating factor in the operations of various economic and non-economic entities on the supply side , as well as tourist destinations in the whole, and the ability of the acceptance and use of new technologies affect the achievement of competitive advantage in the marketplace. The application of modern information and communication technology today is a necessary condition for the efficient operation of airlines , hotel companies , travel agencies and other business entities , and particularly the area of sales in developed markets is almost entirely covered by the central booking and global distribution systems .

In addition , there is a dynamic expansion in the use of the Internet in the tourism market . Strong changes occur primarily in the area of promotion and sales thanks to the willingness of an increasing number of tourists and travelers to take advantage of new technologies for booking , purchase and payment of tourism services , so you can expect a further increase in direct sales . The Internet has provided the ability to access global markets and small tourism enterprises and new destinations and at relatively low cost . At the same time , all participants in the tourist supply imposed by the need for constant innovation in distribution channels in accordance with the changes in consumer behavior and new technological possibilities.

Innovation and application of new technological solutions are present in many other areas of the business, enabling the emergence of new tourism products , higher quality of services and the like. Of great importance is the dynamic technological development in the field of traffic and transport infrastructure that can significantly contribute to the emergence of new products in the tourism market , " approaching " some distant destination source markets by reducing transport costs. In addition to other factors affecting the formation of the global tourism market , and changes in transportation, especially the relatively lower costs of transport , contributing to the increasing competition between tourist destinations in different parts of the world . On the European market in recent years was largely a result airlines with low rates (the so-called low -cost air carriers) , as well as high-speed trains in most countries of the European Union . Changes in transport, with increas-ing demand for shorter and more frequent vacations , affecting favoring easily accessible destination (eg, an increase in demand for urban destinations in relation to the rural or mountainous areas) .

In modern conditions, ecological environment has become a key factor in the development of tourist destinations, and it is especially important to create each element of the tourism offer based on the principles of sustainable development. The preservation of the natural environment , cultural and historical resources and specific characteristics of individual destinations , is a critical factor in the future development of the tourism product destination. Predictions of future trends in international tourism , with more massive domestic tourism, suggests the need to control the " pressure " that tourist flows are made at certain destinations . Application of the concept of sustainable tourism development requires a high degree of coordination of activities of all participants in the tourist trade , and in particular there is proper planning of individual destinations .Tourism is , in addition, faced with threats from the environment that are important to threatened tourist flows - international terrorism and natural disasters . Quick recovery and overcome the crisis it was possible to carry out only with the full cooperation of the private and public sectors , and responses to minimize risk in the future are sought in

the so-called . crisis management . Similarly, the risks to human health and the governments of some countries and the tourism industry are trying to create a common plan to minimize the negative impact of such events on tourism .Very significant global threat of climate change - for now, the visible consequences observed relative decline in demand for destinations that offer a classic holiday "sun and sea " because of the fear of overexposure to the sun's rays , but in the past few years affected and offer the winter tourist centers . Due to the threat of climate change within the framework of UNWTO established international cooperation and activities are undertaken on the implementation of the global strategy with the aim to reduce the negative effects of the different activities that increase global warming .⁷⁹

In order factors that may pose a constraint to the future development of tourism analysts include problems in the area of supply of basic energy sources . High oil prices will be a limiting factor not only in terms of tourist movements, but can lead to serious economic recession in most developed countries, and a slowdown in the growth of world economy. Official estimates are that the 2020th in international tourism should participate around a billion and a half people , and that the expenditure was over \$ 2 trillion dollars , excluding inflation and intercurrent movements . It is expected that Europe will fall behind , because they will have lower growth rates , with the exception of Central and Eastern Europe . Special attention will lag behind North America but extraordinary expansion is planned for Southeast Asia and the Pacific . These are growth rates that are 2-3 times higher than the world average . It is normal that a relatively small destination with low participation , such as Africa and the Middle East with 4 % share , have higher growth rates , but will not significantly move the structure .Using a variety of sources is estimated to Europe from the current 55 % share in the number of tourists come to about 45 % , 2020th year. However , regardless of this, the Mediterranean , and will continue to dominate , it will be most important . He now absorb one-third of the world's tourist traffic , but it will come in 26 - 27 % . It is a realistic estimate . It is clear why the Mediterranean stagnate - were used areas in the most important countries , such as Spain , Italy , France , Greece and other countries of the region . Turkey has experienced great expansion since it had plenty of space , has attracted foreign capital and there is a national policy for tourism development . In the years to come and will continue to move towards the warm seas of the Mediterranean and other warm seas dominate with relatively reduced participation. Another very important direction will be a mountain tourist centers will experience greater expansion and will have a higher growth rate compared to the Mediterranean . And third , very important part of mass tourism trends will be big cities with so-called . " Events " (events - cultural, political , sporting , artistic , educational, and other) . These are the three most important directions. We should not ignore that the fourth direction is very important , and it is moving towards spa tourism centers , with wellness and Contemporary . Rivers and lakes are very important to have exceptional resources . The transit portion is also important . One must not underestimate the smaller segments , such as hunting and fishing tourism , but they still fit into the whole serious travel arrangements . There are also cultural - historical monuments . But there are few who come only to find themselves in wealth , for example , Studenica , which is under protection of UNESCO. It is important that the activity of travel agencies , this interest in visiting the well- organized trip and a pleasant stay with a good guide that will promote all the

⁷⁹ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

values of the cultural - historical monuments .⁸⁰

UNWTO highlights the most important issues that influence the successful development of international tourism and tourism in some countries. Since their successful resolution depends on whether he will be a stimulating or limiting factor for the development of tourism in tourist countries . First and foremost is the issue of sustainable development - need to know how to use the space . This means that all tourist countries in the world that seriously count on in this great cake get its share , should have regional plans , regulatory and detailed urban plans and know exactly how to use each hectare . This is the message and attitude UNWTO - Sustainable development as an imperative of the successful development of tourism. If this is not observed can be endangered by the successful development of tourism in all tourist destinations .

Another issue is the management of a modern tourist destination and the ground level to the level of tourism . This appears as an imperative of the successful development of tourism in a country. In doing so, it is important to connect those who create and implement tourism development , with particular linking the public and private sectors . Successful management implemented by those who directly provide tourism services such as hotels , travel agencies , shops , a variety of organizations that provide quality leisure and entertainment and others working in the tourist areas. But it is not enough if a tourist place as a destination is not organized . Within the city as tourist destination it is necessary that all functions of landscaped green space , parking space , water quality , successful regulation of waste water , cleanliness , organization of public order and the regulation of working time especially those in the late morning or running heavy programs . There are many issues that are important to the successful operation of tourist destinations among which the well -organized information and publicity activities . In a word only if it is well organized tourist destination and there is a cooperative relationship between the public and private sectors , there are conditions that those who directly provide tourism services perform well , a tourist destination that is competitive in the tourism market .

The third issue that emphasizes the UNWTO as very serious concerns on the human factor and the provision of a quality workforce . It is estimated that this could be a limiting factor , given the highly dynamic development of international tourism, which is predicted to 2020th year. The question is how to provide competent staff in terms of a major expansion and construction of modern tourist attractions. This applies not only to those employees who are directly involved in providing tourist services in tourist areas , but especially on the so-called staff which ensures successful management . A significant portion of them should have not only a high school education with knowledge of several languages and excellent knowledge of computers but also practical experience . This means that in addition to increasing the quality of the school system, medium , high and university institutions specialized in this field need to provide a system of continuous refresher courses at home and abroad for the staff.

The fourth problem is that UNWTO highlights safety of tourists . It is well known what in recent years occurred in tourist areas a large number of tourist countries as a result of terrorist action came to tragic consequences . This is certainly a negative impact on tourism , but it is also true that this is not a permanent jeopardize the development of tourism in the world and in those countries. This is both a great warning for preventative measures at the national level and in all tourist destinations as well as

⁸⁰ UNWTO World Tourism Barometer (www.unwto.org,june 2013.)

hotels and places of mass gathering of tourists . Preventive action is extremely important to the tourists feel safe during their stay in the tourist areas . UNWTO has taken preventive measures in the field of health tourists , due to the numerous hazards that may pose a threat to the successful development of tourism. This organization has a permanent monitoring in relation to these issues , together with the World Health Organization .

The application of modern information technology , which has already been discussed, it stands out as a must for all those who work in the tourism industry on various levels and a variety of activities that make up the tourism industry . Gone are the days where tour operators have created a dominant position tourists to travel . Applying modern electronics and high-quality software solutions give an opportunity to the tourists create your own trip . Widely applied on- line sales , and this complex is increased and the role of aviation companies that offer extremely low fares . All this does not deny the important role that will continue to tour operators . However , their programs should be different and varied. Tourists looking for an active holiday that suits their intellectual level and their habits . Are increasingly looking for new destinations , and some analysts stressing the importance of searching for new experiences on the tourism industry speak as " experience economy " This is the message that tour operators have to increasingly take into account what real potential tourists seek . You can not apply the old logic that the best use of the leased planes , buses or accommodation facilities offering packages with appropriate price . Today visitors / users of the services of tour operators seeking much more - they want quality and varied stay in the tourist destination which offered a variety of activities including recreational and cultural activities . Special role as host of a tourist site and a high-quality inbound travel agencies and tourism organizations .

The analysis of developments and trends in world tourism is extremely important to define the Tourism Development Strategy of Serbia and , within it , the strategy of tourism development priority tourist destinations. Identify trends and monitoring , as well as the exploitation of favorable trends should be the basis for the positioning of Serbia as a tourist destination , and destinations within Serbia , the international tourism market .

The specificity of the tourism market occurs in the behavior of entities of supply and demand in this market, and in the interaction between the partial and the general market . To better understand integrated tourism market it is necessary to recall that the total global market share to:⁸¹ market of goods and services . Thus , market relations between the bidder and the applicant achieved on two types of markets:⁸²

- **Market factors or factors of production ,**
- **Buy goods or products and services;**

In commodity markets, the manufacturer sends goods retail network , or customers of the goods , then goods traveling to their customers , which means that the place of production and sale of goods is not identical . Travel goods , according to their market characteristics , a specific group of assets that form a particular market or partially , the structure and characteristics are a special case of economic analysis .

⁸¹ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 30

⁸² Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 30

The tourism market , which is mainly market services , the situation is reversed, ie customer - tourist travel to a place of tourist offer , and only then begin the process of buying and selling . Therefore , the tourist market is going to be "on the spot " , which means to tourism products and services , " waiting " customer who must arrive to consummate the service and then pay obtained , and it also means that the buyer and the money " travel "According to the tourist industry.

On the other hand, the commodity markets for commodity producers receive the funds they send customers a variety of payment methods.

However, the biggest problem is the inability of the tourist offer of direct presentation of its customers . In this sense, there is only one way to connect , and it is a tourist promotion , which the media , using various tools and techniques to promote , comes in contact with customers . In many cases, this means that customers , consumers and tourism demand " must believe " , words , pictures , audio and visual records , and decide to travel , mostly in unknown .

In order to clarify the concept and mode of action of the tourism market , it is necessary to provide answers to the following questions:⁸³

(1) Where is the place in which they meet the tourist offer and tourist demand ?

⌘ inbound tourist country or travel destination must be rich in natural and anthropogenic resources that would be attractive to tourist demand;

(2) At the time of the encounter ?

⌘ As a rule , these are two of the main tourist season , summer and winter ;

⌘ There are two time cycles:⁸⁴

From June to September - the great tourist migration to the sea coast and resorts ;

From January to March - small-scale , but an upward trend , according to the mountainous regions , winter resorts and spas ;

⌘ It is not that out of these cycles has no tourist trip , but they are usually traveling " third generation " , school excursions , congress tourism , religious tourism and transit ;

(3) How does the tourist market

⌘ All participants , their activities , contributing to the development of the tourism market , whether they are participants or government directives and scientific institutions ;

Market forces that determine tourism demand and supply , or directly affecting the demand, supply and distribution of tourism products and services include:⁸⁵

1) knowledge of consumers about the possibilities of tourism and travel requirements;

2) product development destination and product development services to the private sector ;

3) trends in the structure of the travel and tourism sector, operational , marketing;

4) offer skilled and experienced human resources ;

Market forces , first of all, point to the importance of awareness and knowledge of tourism consumers

⁸³ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 30

⁸⁴ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 30

⁸⁵ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 35

that differ from country to country, but also to monitor trends and travel organization operating in the tourism sector organization.

In addition , it should be borne in mind that, in the increasingly dynamic tourism market, an important mediator of tourist .

Travel agents are generally divided into two major groups:⁸⁶

1) tour operators - tour ;

∞ Creator own arrangements , a great representative of different capacity supply (transportation , accommodations) and has a significant impact on the pricing policy of the bid;

2) Travel agencies , as a rule , are the tour operator 's retail network ;

Overall, the behavior of economic agents in the market, mainly monitored through tourism demand . Thus , the subjects of consumption goods travel - tourism aimed at maximizing satisfaction of needs with the least expenditure. They are independent variables , and can be grouped into three categories:⁸⁷

(1) the needs of consumers

(2) disposable income

(3) The price of goods which are subject to buying and prices of other goods that may be subject to consumer choice .

A consumer who has a certain amount of income makes the choice of goods , which means the allocation of disposable income on certain goods or groups of goods . So the goal is to meet the needs and the means - purchased consumer goods .

Each potential tourists can realize their tourist travel in different ways , mainly as follows :⁸⁸

1) self - directly connecting with the offer ;

2) Walking - buying, tj.includes in the arrangement of travel agency ;

3) mixed - the agency benefits advice or travel organization, rather than traveling independently;

Tourism market is a buyer's market , which means that the customer service , whether it is on a tour operator or individual buyers, their attitudes , desires and capabilities form behavior. What tourist company that does not comply with the requirements of customers is unprofitable business and practically disappears with more dynamic tourism market .

Travel demand is defined as the amount of goods and services that can be placed on any market and any time with a certain price level . Demand depends on three factors:⁸⁹ the amount of goods and services , price and required quality ;

Effect on tourism demand following factors :⁹⁰ economic , social and cultural ;

In the present circumstances is to be achieved two main prerequisites for the formation of tourism

⁸⁶ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 35

⁸⁷ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 35

⁸⁸ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 36

⁸⁹ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 36

⁹⁰ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 36

demand , such as:⁹¹

(1) Leisure

on presumed that a person at this time there is no strict work commitments , and is not related to their jobs ;

the very notion of free -time can be divided into two parts :⁹²

- a) you must fill out daily tasks related to family , school and home ;
- b) free time with which it can be really as it wishes ;

In the current climate , in terms of the formation of tourism demand , it is necessary to introduce the concept of leisure - a set of occupations where an individual leaves his own eyes , to rest or entertain , because he is free of his professional , family and social obligations. Between free time and leisure, there is a continuous isprepletavanja for a man to satisfy their travel needs use just that part of the "free time " when it is assumed that it will be up to " indulge in his own eyes ." Therefore , it is said that the tourist trips of leisure tourists behave .

2) Free agents

The measure that is used to track consumer purchasing power , real or real income , and represents available funds which are corrected impact of the inflation rate on the overall price level (different nominal and real increase in income) ;

However , after deduction of compulsory payments and meet their basic living costs remains free income that is for consumption (or savings) and it is free income level determines the tourism spending.

- a man must first be financially cover their primary needs (housing, food , clothing) and only then start with a calculation of how the remaining household budget used to satisfy secondary needs such as tourist travel , but it can be buying cars, books , tv , etc. .

3.Tourist Market

3.1 Functional characteristics of supply and demand

3.1.1 Mobility and elasticity of demand

Domestic and international tourism has a long standing , and various positive and negative events , rich tradition . Exceptionally favorable geographical position of Belgrade, which over time has indicated a number of researchers , combined with the benefits of tourism and traffic position , together with the functional elements of contact, connection , interaction and transit , caused the condition , and some advantages for tourism development. For all these supplements and favorable natural conditions and adequate historical and monumental heritage , which, along with a number of traditional and contemporary events contributes to recognition of Belgrade in the domestic and international tourism market . Performance of the tourism industry in general and Belgrade in particular , can be analyzed , measured and express in different ways , from different angles and for different periods . It is of particular importance respecting the general social realities at home and abroad , especially in those

⁹¹ Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 37

⁹² Cullen P., *Economics for Hospitality Management*, International Thompson Business Press, London, 1997, page 36

parts of Serbia and foreign countries from which the largest number of tourists arriving .

State of the mobility and elasticity of demand , in the example of Serbia and Belgrade , is so complex and so often changes made to the correctness difficult to determine for a long period , the scientific and practical conclusions , or for making long-term plans for the development , design the right strategies , create meaningful tourism propaganda and tourism policy in the long run .⁹³

3.1.2 Factors of mobility and demand

Belgrade , not only in terms of mobility, tourism demand , shared the fate of their surroundings . Travel dispersion zone of its positive impact over time is reduced . This applies to the contractive zone tourist attraction, which is the tourist traffic statistics manifests itself in many different ways .

Based on the existing natural and monumental values , events , facilities and human resources in the tourism and hospitality industry of Belgrade, and in terms of a number of factors mobility demand , it can be more and better earning money , that can be achieved significant economic and social effects arising from tourism . The fact is that in terms of a number of indicators of tourist restaurants in Belgrade , there is an amazing diversity of structures and inadequate supply, and without some significant changes this situation too long . This is best reflected the knowledge that in all kinds of facilities to accommodate tourists Belgrade in 2013 had only 7470 beds , with an average utilization was 35.9 % and the number of 6079 beds in hotels , which is the percentage of utilization was 40.3 % which is the city's buildings , according to the standards of developed countries and tourist towns unsatisfactory .

So one of the important factors of mobility specific tourist destinations quantity and quality of hotel deals , especially when it comes to foreign tourism and increasingly demanding and demanding international tourists .

Current state of the material basis of tourism Belgrade deserves special attention . Mobility of tourism demand in Belgrade almost decisive influence quality hotel deals and that it is inadequate , the structure , said the next review .

Summary No.1 Quality Hotel deals Belgrade⁹⁴

- Five-star hotels	982 beds or 16.50%
- Four star hotels,	1402 beds , or 23.56 %
- Three-star hotels in	1774 bearing or 29.81%
- Hotels with two- star	1793 beds or 30.13%

On the other hand, an important factor in the demand of Belgrade is uneven annual number of visitors interdependent with the number of nights .⁹⁵

⁹³ Petrović P , , Marketing, Čigoja print, Belgrade, 2006 page.30

⁹⁴ Petrović,P.,Economics of Tourism,Faculty of Geography,Belgrade,2008 page 31

⁹⁵ Petrović,P.,Marketing,Čigoja print,Belgrade,2006 page 30

3.1.3 Types of elasticity of demand

Due to the great changes in the tourism industry today almost a third of the world's tourism business takes place outside the classically understood trip . New forms of travel, new tourism products and new destinations are the new factors of the global tourism industry .

On the elasticity of tourism demand influenced by many factors , so the elasticity of demand measures against these factors . Belgrade has a special interest group of objective factors , among which are:

- working and living environment (urbanization , population density , the general level of civilization and cultural environment , the impact of technical resources , political conditions , etc. .)
- the natural environment ;
- leisure potential tourists ;
- available funds ;
- Other factors (social and tourism legacy , privileges and benefits of social tourism organizations Initiative character , etc. .)

Some authors believe that there are three groups of economic variables that affect tourism demand and the elasticity : ⁹⁶

Table number 2 Sources of economic influences on tourist demand

Economic variable in areas in which we generate demand (Group A)	Economic variables tied to destinations (Group B)	Connection variables (Group C)
- The level of personal disposable income - Distribution of income - The right to rest - The value of currencies - Tax policy and control of tourist spending	- The general price level - The level of competition on the supply side - The quality fo tourism product - Economic regulation of tourists	- Comparatice prices between generators and destinations - Promotional efforts destination in generating areas - Exchange rates - Time / cost of travel;

Source: Petrović, P., 2008, Economics of Tourism, Faculty of Geography, Belgrade, page.31.

Variables in Group A are those that act specifically on the demand of all potential consumers of tourism in generating (emitting) regions , regardless of their destination , concerning the overall limitations on the capabilities of customers to enter the tourism market of Belgrade.

Variables in Group B define the economic attractiveness of Belgrade's tourist potential customers , wherever they might be coming .

⁹⁶ Petrović,P.,Economics of Tourism,Faculty of Geography,Belgrade,2008,page 31

The third group of variables (group C) is , in many ways the most interesting , since it is a variable resulting from the special relationship between a field -generating tourism demand Belgrade. This means that these variables appear only on the elasticity of demand , with one - specific markets for specific destinations such as Belgrade .

The results achieved in the business of tourism industry of Belgrade can be monitored on the basis of quantitative and qualitative indicators . Quantitative data are analyzed primarily on the basis of statistical monitoring . For example , statistics show that in 1960 Belgrade visited over 170 000 domestic tourists over the end of 2012 , although in the meantime , more than four decades , has increased the number of beds , modernized offer , developed transportation and the like. Similar situation is in terms of the number of nights as a better indicator of the tourist business. For example , in 2012 in Belgrade has 85340 registered domestic tourist nights less than in 1960. Comparison of the number of tourists in 1985 , when records were achieved , with the situation afterwards , shows an even greater difference.

Table 3 Domestic tourists and overnight stays in Belgrade

Tourists index overnight index average length of stay

Year	Tourists	Index	Overnight	Indes	Average stay
1997	147332	100	370364	100	2,5
1998	566905	385	956684	258	1,7
1999	937714	636	1266238	342	1,4
2001	376332	255	734093	198	2,0
2002	611424	415	1090610	294	1,8
2003	704186	478	1343396	363	1,9
2004	1289023	875	1850082	500	1,4
2005	948424	644	1463539	395	1,5
2006	842711	572	1380062	373	1,6
2007	417595	283	841781	227	2,0
2008	707340	454	1204302	276	1,7
2009	589164	400	878650	237	1,5
2010	597721	387	1054934	239	1,8
2011	513978	349	891412	241	1,7
2012	449964	305	871338	235	1,9

Source: Statistical Yearbook of RS , 2012 a.

The largest number of domestic tourists in Belgrade and Serbia was registered in 1985 . In the same year of Belgrade is 14.89% of total overnight stays in Serbia . From 1995 to 2003 recorded a decline in the number of domestic tourist nights in Belgrade (the exception was 2000, when he registered an increase) .Of interest is the share of Belgrade traffic of domestic tourists in Serbia , because it is important for the development strategy , directing actions tourist propaganda , pricing, content enrichment stay in Serbia and Belgrade , as the perennial fact that the average stay of tourists in Belgrade negligible small and almost always less than two days . The larger a percentage of Belgrade in the number of domestic

tourists in Belgrade than in the number of nights confirmed the fact of Belgrade as a place of transit tourism and short stay business people .On the other hand , the basic characteristics of foreign tourism in Belgrade uneven number of annual , short stay , seasonal concentrations in the summer months , highlighted transit , different national structures , significant changes in the number of tourists from certain countries , a large dependence on the political and economic stability of the country , significant share of tourism in Serbia and most recently pronounced dominance of foreign tourists from the former Yugoslav republics.

Table 4 Foreign tourists and overnight stays in Belgrade

Tourists Index Index rates Pros. length of stay

Year	Toursist	Index	Overnight	Index	Average stay
1997	35174	100	120797	100	3,4
1998	89078	253	234227	194	2,6
1999	231387	658	484696	401	2,1
2001	300831	855	599399	496	2,0
2002	378478	1076	731958	606	1,9
2003	342775	975	704667	583	2,1
2004	405707	1153	774700	641	1,9
2005	426109	1211	704126	583	1,6
2006	65338	186	163432	135	2,5
2007	44283	126	130064	126	2,9
2008	88477	250	213886	250	2,4
2009	148974	423	345409	423	2,3
2010	190880	535	435811	535	2,3
2011	214109	609	469522	609	2,2
2012	243239	692	513051	692	2,1

Source: Statistical Yearbook of RS , 2012a.

The highest number of foreign tourists was recorded in 1990 (426 109) , but the highest number of overnight stays in 1985 (774700) when the average length was 1.9 days . Tourists in Belgrade in the period between 1970 and 1990 were from USSR, Germany and USA, France and Italy. For this structure of foreign tourists certainly affected their standard of living and great mobility . In the period from 1990 to 2013 , the number of foreign tourists has declined significantly . Because of the bad political situation, the majority of visitors were diplomats and business delegation from Greece (total of 14 % in number and 9.6% rates) and Russia (19.7 % of the number of foreign tourists and 35.1% of nights) .

Since 2000 , the structure of foreign tourists who visited Belgrade has changed since the most numerous were those from the former Yugoslav republics. Since 2013, the Belgrade largely frequented by visitors from the United States , Great Britain, Germany, Greece and Bulgaria. For this structure of foreign guests had a great contribution to many , especially the industry events and the interest of foreign investors for capital investment in Belgrade .

The following table indicates the constant contradiction between the foreign and domestic tourists who visited Belgrade in the period from 1970 to 2013.

Table 5 Tourist arrivals from 1970 to 2012 year

Year	1970	1980	1990	1995	2005	2010	2012
------	------	------	------	------	------	------	------

Total	677163	1046961	1374533	908049	795817	674785	705439
Domestic	376332	7041186	948424	842711	707340	397677	424471
Foreign	300831	342775	426109	65338	88477	277108	280968

Source: Statistical Yearbook of Belgrade , 2012.

Therefore , in the period from the 1970th by 2012 the largest number of tourists visited Belgrade (1,374,533) , to the last decade of the twentieth century, declining every year and in 2006 amounted to 705 439 tourists which is 49 % less than in the record year. Almost similar relationship can show us the data on the number of overnight stays in Belgrade .

Table 6 overnight stays from 1970 to 2012

Year	1970	1980	1990	1995	2005	2010	2012
Totat	1333492	2048063	2167665	1544044	1418188	1366337	1366429
Domestic	734093	1343396	1463539	1380602	1204302	775754	794295
Foreign	599399	704667	704126	213886	213886	590583	572134

Source: Statistical Yearbook of Belgrade , 2012.

In the period since 1970. by 2012 the largest number of tourists that night in Belgrade in 1990 (2,167,665) , but is also in the last decade of the 20th century reduced each year and 2006th amounted to 1366429 tourists , a decrease of about 37 % in comparison to the year .

Table 7 tourist arrivals by type of accommodation
from 1980 to 2012

Year	1980	1990	1995	2000	2010	2012
Total	1046961	1374533	908049	795817	674785	705439
Hotels	837308	758023	425694	385169	439553	443218

Source: Statistical Yearbook of Belgrade , 2012.

Between 2012 1980.do largest number of tourists visited Belgrade hotel in 1980 (837308) , which accounted for about 80 % of the total visits to Belgrade , and the lowest percentage in 1995 (425 694) , or only 47 % of the total visits to Belgrade .

Table 8 of tourist nights by type of accommodation
from 1980 to 2012

Year	1980	1990	1995	2000	2010	2012
Total	2048063	2167665	1544044	1418188	1366337	1366429
Hotels	1510348	1292315	812369	815839	903271	884545

Source: Statistical Yearbook of Belgrade , 2012.

Between 2006 1980.do largest number of tourists that night in the Belgrade hotel in 1980 (1,510,348) ,

which accounted for about 74 % of the total number of nights Belgrade , and the lowest percentage in 1995 (812 369) and only 47 % of total rates Belgrade.

Thus , in the period from 2006 1980.do largest number of tourists that night in the Belgrade hotel in 1980 (1,510,348) , which accounted for about 74 % of the total number of nights Belgrade , and the lowest percentage in 1995 (812 369) and only 47 % of the total number of nights Belgrade.

Table 9 Nights in 13 countries - 2007a. The structure of foreign tourists

I- IX- 2007a. year . Index Share in%

	I-IX-2007. year.	Indeks	Share %
1.Montenegro	79.894	90	18,57
2. Slovenia	53.302	120	12,39
3. Italy	36.352	127	8,45
4. Germany	34.222	126	7,95
5. Bosnia	31.079	109	7,22
6. Croatia	30.543	127	7,10
7. Great Britain	27.483	147	6,39
8. Other european countries	24.651	197	5,73
9. USA	24.455	117	5,68
10.France	24.378	159	5,66
11. Russia	22.046	158	5,12
12. Greece	21.420	99	4,98
13.Austria	20.516	136	4,77

Source: Statistical Yearbook of Belgrade , 2012.

Utilization of accommodation facilities in Belgrade from 2000 . Constantly growing and they are talking about the next.Give to illustrate the increase in occupancy capacity although not yet published official data for 2010g . so that it can analyze the comparative period I- IX 2011th and I- IX 2012.

Table 10 Utilization of accommodation facilities in % in 2012 / 2011th the

Number of beds 2011th year to September Berths 2007a. year

September Utilization in September 2011th Utilization year in September 2012a. Year Utilization in% since the beginning of the year (January-September) in 2006. Utilization in% since the beginning of the year (January-September) 2012a.

	2009	2010	2011	2012	Use in percentage in 2011	Use in percentage in 2012
Total	11.031	10.999	48.2%	49.5%	33.6%	39.1%
Hotels	6.542	6.508	48.0%	49.9%	35.6%	40.1%
Motels	199	199	6.3%	9.8%	7.4%	8.6%
Hostel	835	835	37.8%	45.9%	36.2%	36.7%
Other object	366	366	3.4%	5.6%	1.2%	7.0%

Source: Statistical Yearbook of Belgrade , 2012.

Can be seen all forms of accommodation recorded an increase occupancy capacity .

In order to make the future development strategy of Belgrade hotel is interesting to analyze the capacity and occupancy of accommodation by category.

Table 6 hotels by star , according to the number of visitors and aged overnight and September 2007.

As you can see, the biggest a learning record three-star hotels , and hotels with two- star , then a four star hotel which should be the basis of future orientation in the construction of the hotel.

The organization offers accommodation Belgrade.The tourism industry and tourism enterprises in the contemporary , turbulent business environment , characterized by rapid and extensive changes in the environment , are increasingly dependent on adequate organization and the efficient and effective management. This means that modern business conditions , where competitors are constantly changing pressures and opportunities , represent a major challenge for the successful operation of any enterprise and therefore the hotel company . Therefore , in terms of the business of hotel companies , the role and importance of management comes to the fore . It should be borne in mind that " management workflow with the help and cooperation of others to effectively achieve organizational goals with efficient use of the limited resources in terms of changing environment " . The main task of management is that it is a practice of continuous and conscious modeling organization.

Management achieves maximum efficiency and effectiveness in the overall work process, including the

four main activities of management :⁹⁷ planning , organizing , leadership and control ;

The importance of management is reflected in its interactive nature , ie the interdependence between its main activities . Decisions that managers make in an organization have far-reaching consequences inside and outside the company . Undeniably, to meet organizational goals requires more than a reasonable strategic plan and reasonable organizational structure .. However , in order to translate into action the ideas managers must be willing to encourage and support the people who implement the plans and work within the structure .

Heterogeneity of the hotel leads to some differences in the establishment and organization of business functions (preparation , production and final) in relation to other activities . Just some of the features confirm the specificity of hotel :⁹⁸

- *presence of the user 's requirement of establishing the working process in the hospitality industry ;*
- *strong seasonal nature of the work ;*
- *Hospitality is directly dependent on the level of living standards of specific countries and time off ;*
- *Hospitality business is the future where art is irreplaceable human labor ;*
- *Hospitality is tied for vacation, recreation , leisure , entertainment , sports, and other needs ;*
- *modern hotel is and multiplicative activity ;*
- *The production and consumption process - providing the services at a time;*
- *has greater specific weight in relation to the second activity;*
- *in the hospitality gaming , as part of the hotel product , a specific gravity ;*
- *Hospitality is very sensitive to changes (climate , economic , political) ;*
- *services are very heterogeneous , in most intangible , sometimes invisible , partially perishable , packaged in an inseparable product , which is the most important so satisfy the customer or service user;*
- *Hotels are becoming increasingly department stores , and sales of luxury equipment and items which hotel is furnished and equipped ;*

On the other hand, quality is becoming more prevalent in the hotel industry , as an important factor in its success and growth , and one of the most important elements of quality assurance at the recognition of the needs and wishes of the guests . Application hotel standards is fundamental to the success of the hotel.

In Belgrade hotel structure is dominated by three-star hotels (17 hotels), and two star hotels (13 hotels) as evidenced by the following review .

Table 11

Hotels - owner status

RB Hotel name stars Owner

no status . room

Beds per e - mail website G.R.S

⁹⁷ Statistical Yearbook of Belgrade , 2012.

⁹⁸ Statistical Yearbook of Belgrade , 2012.

R.	Hotel name	Star	Status	Number rooms Number beds	E-mail	site	G.R.
1.	HAYAT REGENCY	V star	hot.lana	308/37	+	+	+
2	INTERCONTINENTAL	V star	DP	415/53	+	+	+
3	ALEXANDAR PALAS	V star	PP	9/18	+	+	--
4	ZLATNIK	V star	PP	21/36	+	+	--
5	ADMIRAL KLUB	IV star	PP	9A	+	+	-
6	IN HOTEL	IV star	PP	207/25	+	+	+
7	BALKAN	IV star	privatizov	77/13	--	--	--
5	IN HOTEL	IV star	PP	207/25	+	+	+
	MOSKVA	IV star	privatuzov	133/16	+	+	--
9	MAJESTIC	IV star	privatizov	83/12	+	+	--
10	BEST VESTERN-M	IV star	AD	167/28	+	+	+
11	SLAVIJA-LUX	IV star	JP	72/13	+	+	--
12	PALAS	IV star	Drž.hote	85/14	+	+	--
13	ŠUMADIJA	IV star	privatizov	84/17	+	+	+
14	ASTORIJA	III star	nac.	69/12	+	+	--
15	BABE	III. star	PP	39/68	+	+	--
16	METROPOL	III star	privatizov	193/26	+	+	--
17	KASINA	III star	privatizov	84/11	+	+	--
18	NACIONAL	II star	DP	62/10	+	+	--
19	PARK	III star	privatizov	131/22	+	+	--
20	PREZIDENT	III star	PP	27/35	+	+	--
21	PRAG	III star	nac.	118/20	+	+	--
22	REX	III star	privatizov	78/12	+	+	--

23	ROYAL	III star	privatizov	81/141	+	+	--
24	SKALA	III star	PP	16/25	+	+	--
25	SPLENDID	III star	nac.	49/83	+	+	--
26	SRBIJA	II star	pp	188/34	+	+	--
27	LE PETIT PIAF	III star	PP	9/18	+	+	--
28	UNION	II star	privatizov	66/10	+	+	--
29	HG REZIME PREZIDENT	II star	PP	6/6	+	+	--
30	BEOGRAD	II star	JP	58/90	+	--	--
31	HG SUČEVIĆ	II star	PP	11/18	+	+	
32	EXCELSIOR	II star	nac.	58/10	+	--	--
33	LAV	II star	PP	10/20	--	--	--
34	N HOTEL	II star	privatizov	74/13	+	+	--
35	POŠTA	I star	privatizov	33/60	--	--	--
36	SLAVIJA	II star	JP	511/78	+	+	--
37	RADMILOVAC	II star	PP	23/37	--	--	--
38	SRBIJA	II star	privatizov	153/27	+	+	--
39	TAŠ	IV star	PP	19/32	+	--	--
40	TRIM	II star	DP	26/36	+	+	--
41	MIHAJLOVAC	II star	PP	17/29	+	+	--
42	OBRENOVAC	I star	JP	103/161	--	--	--
				-			
43	VILA KALEMEGDAN	II star	pp	6/12	+	+	--

Source: Statistical Yearbook of Belgrade , 2012.

A key element in the development strategy of the hotel is a quality hotel product is based on hotel standards . Therefore , the standards and quality are key to the success of any hotel , and a survey of hotel standards is a continuing need and benefit. Highest star hotels have the highest standards and offer the highest quality products and services , the widest range of the highest prices . The structure of the hotel star , Belgrade , is as follows :⁹⁹

⁹⁹ Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, (2002)page 88

0 five-star has four hotels:¹⁰⁰ Hyatt " " " Balkan " , " Continental " , " Alexander Palace " , " " Gold coin ;
0 four star hotel has 9 " Admiral Club Beograd " , " Hollidey Inn " , " M - Best Western " , " Majestic " , " Moskva " , " Palace " " " Slavia Lux " and " Sumadia Best Western ";

With the development of the tourism offer all famous hotel systems were developing their own standards which are clearly defined program- space requirements as well as the technological equipment and materials that are installed in the building . So , all the major international hotel chains have established their own minimum standards used in the programming and design of new hotel which is restoring the old hotel buildings to bring in a certain established standards.

Hotel classification is the process of ranking of the same facilities as the quality . Belonging to a particular category of guarantees adequate quality in technological , organizational and personnel terms , and therefore in the domain range and manner of service . Quality which guarantees certain star entails appropriate prices . In conditions of uncertainty , intense competition and increasing customer demands , quality is one of the main factors for the survival of hotel companies in the market , increased profitability , and growth and development of the hotel business.

Categorization process must precede the classification , ie the determination of certain types of restaurants based on a minimum of common characteristics . In this sense, categorization represents , in fact, the kind of differentiation within the same building.

The system of complete quality hotel services is the appropriate personnel , such products and services , cleanliness and protection of tourists , the appropriate equipment , the real cost effectiveness , well-informed consumers and prevent all possible errors personnel .

Belgrade , as of mid- 2012 , had 43 hotels with 3,899 rooms , of which 87.4 % were categorized according to the official categorization system of the Republic of Serbia . While the market is dominated by three-star hotels , other hotels are categorized more or less evenly distributed on categories with five , four and two stars . About half of the hotel rooms are located in the city center - in the old part of the city and in the center . Other hotels are located in New Belgrade , Zemun and southern parts of the city . From a total of nine hotels with five and four star only two are associated with the multinational hotel chains Hyatt Regency (308 rooms) with a 5-star Best Western M (176 rooms) with four stars . InterContinental Belgrade (415 rooms of which 409 is available for guests) with a five- star hotel is in the process of re- joining the InterContinental hotel group . In addition to these three hotels , the hotel market of the upper categories in Belgrade received in 2013 three new buildings ; Aleksandar Palas (9 apartments) with a five-star , Gold coin (31 rooms) and a five-star Le Petit Piaf (12 rooms) with three star. Almost all the other hotels are outdated and do not meet international hotel standards assigned categories in terms of quality of facilities and services .

For the analysis (research) has been chosen method of field research , collection of baseline data on the elements of the marketing mix (product, price , promotion , sales channels) and using official data relevant authorities about the ownership status of the hotel , accommodation facilities , scope , structure and dynamics of tourist traffic (data :¹⁰¹ Ministry of Trade , tourism and Services , Agency for Privatization , Serbian Chamber of Commerce , Belgrade Chamber of Commerce , Statistical Office of Serbia , Institute of Statistics and Informatics Belgrade Tourist organization of Belgrade and HORES) .

¹⁰⁰ Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, (2002)page 88

¹⁰¹ Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, 2002 page 88

Based on the data obtained from the field data of official bodies and own calculations were made of the time series , tabular and graphical display and using statistical methods , regression and correlation analysis , comparison method , linear trend , index numbers and other methods used in the social sciences (dialectical , synthetic and verification methods , and methods of marketing, management , etc. .) , provides an overview of the overall condition of the Belgrade hotel industry , with special emphasis on selected hotels , comparative overview of the elements essential for the functioning of these hotels in the modern business conditions , results of research and proposed conclusions . Based on the established conditions and the position of the hotel market is made SWOT analysis , expressed through :¹⁰² the strong and weak points and threats and opportunities .The collection of primary and secondary data were used methodological procedures :¹⁰³ surveys, questionnaires , direct and indirect interviews , observation , in-depth interview . Interviews were conducted with the management of the hotel and the people responsible for certain types of work , such as promotion , sales , finance and human resources .The aim of the study was that based on the collected data and information establish positions on the basis of which it is possible to analyze whether, and to what extent , the business Belgrade hotels using modern marketing concept , as well as its application in accordance with the theoretical assumptions and modern trends in the hotel industry .Also, the survey is a special emphasis on quality, the role and importance of management , as well as the most essential element for the implementation of the strategic objectives of hotel companies for their adequate turning and positioning in a very sensitive tourist market .Criteria for the selection of hotels as well as basic types of properties located in the capital, based on the fact that Belgrade as administrative - political , business , cultural - sports and geo - strategic center , a very important source of overall tourist offer of Serbia . Hotels are selected based on the principle of location, category , ownership status , yet the structure and current market position.¹⁰⁴

Application of marketing concept in tourism relies on the definition of marketing mix. The essence of the concept of the marketing mix refers to the definition of instruments and their relationship, in order to meet the needs of selected market segments and on that basis achieve business goals. Therefore, the focus of the consumer with all the relevant characteristics, and the way to meet his needs is a combination of marketing mix, and adjustment of the offer requirements of the target market.

Basic issue in the application of the concept of the marketing mix refers to the defining the basic instruments that comprise it. Various authors have given their classifications marketing mix, but the most appropriate McCarthy believes the division into four main tools:¹⁰⁵ product, price, promotion and sales channels . According to this author, the analysis problems faced by large and small companies shows that the number of the instrument - marketing mix variables can be reduced to the specified four. These instruments are interdependent in effect and are directed towards consumers, ie. target market segments, as illustrated in Scheme. One of the primary functions of marketing mix concept is expressed in its impact on the formation of images, ie. image among

¹⁰² Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, 2002 page 88

¹⁰³ Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, 2002 page 88

¹⁰⁴ Popescu, J., Marketing in the tourism industry, Čigoja print, Belgrade, 2002 page 88

¹⁰⁵ McCarthy, Jerome E. . *Basic Marketing. A Managerial Approach*. Homewood, IL: Richard D. Irwin. 1960

customers and consumers how about the company itself, but also about its products or services. Synergies marketing mix produces the so-called synergy and increased effect, which contributes to the desired image of the company or its products, ie. services for consumers. Thus, the image of a form of perception of the product, ie. current services and potential consumers in accordance with their wishes and needs.

The concept of the marketing mix, and in particular, the manner and purpose of defining its instruments are subject to a critical review, particularly in relation to reviewing current marketing identity. The concept of marketing mix gives the sense of creating and mastering the event, which signals a sense of security, but is misleading with respect to changes in the market. Dynamic changes in the business area of marketing require new strategic view which implies vision, flexibility, scenario, alternative options and, above all, acceptance unpredictable.

Marketing should be seen as a kind of bridge between business and society that points to the future. You must always have in mind, however, all possible restrictions on its use, but also accept the basic reasons for it use:¹⁰⁶

- **rational strategic approach to achieving the goals business and**
- **an analytical tool for understanding, *analyzing and sorting* important issues related to the business enterprise.**

Defining the marketing mix and its instruments, the first stage in the application of the concept of the marketing mix. In the second phase, based on the analysis relevant factors, tends to create an optimal combination of instruments, primarily through the marketing program. Achieving the desired combination of instruments marketing mix based on the four systems related activities of the company:¹⁰⁷

marketing information system, marketing planning, organization marketing and control of marketing¹⁰⁸

When it comes to organizing marketing for business policy tourism, and hotel companies, it is important to insist that all work at being organized so that the center of its activities put the needs and requirements of hotel guests, as well as inside the hotel there are special Marketing departments that will research the tourism market, sales, advertising, supplies and the like.

The "Admiral", PR manager engaged in the business of marketing. It primarily engaged in:¹⁰⁹

- **finding and choosing some new ideas related to better marketing and selling hotel products;**
- **designing and implementing a marketing plan in order to profit and**
- **monitoring of accounts.**

¹⁰⁶ Popescu J, Marketing in Tourism and Hospitality- University of Singidunum Belgrade 2002, page 117

¹⁰⁷ Popescu J, Marketing in Tourism and Hospitality- University of Singidunum Belgrade 2002, page, 117

¹⁰⁸ Popescu J, Marketing in Tourism and Hospitality- University of Singidunum Belgrade 2002, page, 117

¹⁰⁹ Popescu J, Marketing in Tourism and Hospitality- University of Singidunum Belgrade 2002, page 120

Manager tries to start from the very guests in organizing their activities, to discover what they need and give them the best possible way to present and convey what hotel "Admiral" in accordance with its capabilities, equipment and personnel can offer.

3.2 Dimensions of the tourism market

Integrated tourism market comes in red the most dynamic markets in the world economy . What a partially market represents a large part of the total world market . However , each market has partial specificity compared to other partial market in relation to the supply and demand in the overall market . Any spending that generates economic activity is worth macroeconomic attention , and therefore the interest of economics for the tourist market has become a relevant interest in when the objective economic impact of tourism phenomena were firmly recorded in income national economies receptive tourism countries worldwide. This interest was strengthened by the interest of the less developed or developing countries with potential positive implications What would it develop tourism could bring in that environment . The economic dimension of tourism , and integrated tourist market , it is difficult to fully consider , because in addition to the direct effects of a number of additional , indirect and synergistic effects.

According to the WTTC in 2011 the tourism and travel industry have generated economic activity amounting to 6201.1 billion U.S. dollars .

Direct impacts include :¹¹⁰

- 74.223 million jobs in the world tourism , or 2.8 % of total employment in the world ;
- 1712 mlrd.US dollars of GDP or 3.8 % of world gross domestic product ;

The total volume of the tourism market , tourism industry and economic dimensions of tourism can be the best, complex , seen from the following table which gives an overview of accounts / demand balance

Table.12 Economic dimensions of tourism - in billions of dollars–

Category: bills demand	2012
❑	➤ 2833,1
❑ Consumption of residents of traditional services and resources	
❑ Spending on business travel(goverement and companies)	➤ 652,9
❑ Costs of goverement services to visitors(individual)	➤ 124,3
❑ Exports over visitors	➤ 818,3
❑ Costs ofgovernment services to visitors(collective)	➤ 161,1
❑ Capital investment of the private and public sectors	➤ 918,0
❑ Export(not over visitors)	➤ 694,1
Only "spending in travel and tourism"(expenditure-products and-services	➤ 4428,5

¹¹⁰ WTO, Madrid, 2011

by and for the benefit of visitors in a given industry/country)	
Total "Ask and travel and tourism"(economic activity)	➤ 6201,5

Source: WTO, Madrid, 2011.

All of the above categories can be displayed in a different way, and not only through the categories of demand, but also across categories offer.

However, one should bear in mind that, in the place where tourist traffic, total tourism market is seen as:¹¹¹

→ internationally,

→ domestic tourism market;

Travel offer is, basically, an integral part of both markets, it contributes at the same time meeting the needs of foreign and domestic tourists.

Table 13 Economic dimensions of tourism - in billions of US dollars -

Categories:Account/supply balance	Amount in 2012
▪ Direct GDP tourism and travel industry	❖ 1712,4
▪ Indirect GDP tourism and travel industry	❖ 1577,7
▪ Import of goods for the travel and tourism industry	❖ 1138,4
▪ Direct and indirect GDP economy travel and tourism	❖ 4775,7
▪ Import of goods for economy travel and tourism	❖ 1455.8
Total:offer tourism and travel industry	❖ 4428,5
Overall:"Offers business travel and tourism"(economic activity)	❖ 6201,5

Source:WTO, Madrid, 2012.

In consideration of the economic dimension of tourism should be borne in mind that tourism generally pervades the overall economy . According to the WTTC in 2012 tourism , directly and indirectly , including:¹¹²

v Total 221 568 000 jobs worldwide , or 8.3 % of world employment ;

v 4745.7 billions.US dollars of GDP or 10.6 % of world GDP ;

v 1512.5 billions.USD exports of goods and services, or 12 % of world exports ;

v 918.0 billions.USD capital investments , or 9.4 % of total investments in the world ;

On the other hand, for ten years and in 2015 , the World Tourism Organization predicts that these key parameters of the economic dimension of tourism look like this: ¹¹³

θ 10678.5 billion U.S. dollars of total economic activity;

θ direct 2.9% of total employment in the world and the total (direct and indirect) 8.9% of total world employment (1 of 11.2 employees) ;

θ direct 3.9% of GDP and total (direct and indirect) 10.6 % of world GDP ;

¹¹¹ WTO, Madrid, 2011

¹¹² WTO,Madrid,2012

¹¹³ Unković S ,Zečević B,Economic Of Tourism, University of Singidunum Belgrade 2008,page 163

0 10 % of capital investment in the world ;

Integrated tourism market can be primary (formed directly related to tourism demand and supply) and secondary (covering the whole national economy , which is implemented in the primary market their products and services) .

3.3 Tourism market research

Exploring the tourism market today can be considered developed scientific discipline. In the marketing concept, special attention is paid to market research as the basis for the successful implementation of the entire conception. Exploring the tourism market is an important component of marketing conception, because through its implementation provides data on the characteristics and requirements of present and future tourists as consumers, adequacy tourist supply relative to demand requirements, etc. Market research is to collect, record and analyze all problems associated with the market (ie in relation to the relationship between product and consumers, customers in order to determine the past, existing and potential future customers, that is. customers).

The most important areas of research tourism market are:¹¹⁴

1 survey of current and prospective conditions in the tourism market

- Research current and potential tourist needs,*
- Tourism demand and consumption);*

2 explore the adequacy of tourism from the standpoint of demand and

- Current consumption and an industry that should be answered*
- Requirements of potential demand and consumption:*¹¹⁵
- *Accommodation and facilities for food;*
- *The transport network and the structure of the transportation system;*
- *Trade network;*
- *Organizational forms of entertainment and leisure tourists at a tourist site;*

3 Research opportunities for tourism promotion:¹¹⁶

- *From the perspective of the organization, the strategies and the effects of propaganda;*
- *From the viewpoint of the cooperation with the public;*
- *From the perspective of the sales departments;*

4 Research prices of tourist services:¹¹⁷

- *Because of the economic opportunities of current and potential tourists;*
- *From the standpoint of competitive market relations.*

Market research methods can be quantitative and qualitative. Quantitative methods are based on secondary data sources (which already in the company, or may be obtained on the basis of official statistics) or primary sources of data (which can be obtained on the basis of their own research). These include historical methods (direct data) method tests and experimental method. Group qualitative method is based on applied psychology as a base and is mainly oriented research motives

¹¹⁴ Unković S ,Zečević B,Economic Of Tourism, University of Singidunum Belgrade 2008,page 163

¹¹⁵ Unković S ,Zečević B,Economic Of Tourism, University of Singidunum Belgrade 2008,page 163

¹¹⁶ Unković S ,Zečević B,Economic Of Tourism, University of Singidunum Belgrade 2008,page 165

¹¹⁷ Unković S ,Zečević B,Economic Of Tourism, University of Singidunum Belgrade 2008,page,165

Travel and attitudes, ie. opinions tourists. This includes in-depth interviews, technique so-called third party, techniques complement sentences projection techniques, etc..¹¹⁸. Market research for the successful conduct of business policy of the hotel performs the hotel manager with PR manager. The study found that today's tourism market is a brand new trends. Travel needs and demands of the tourism demand moving in a new direction. There is a growing interest of tourists during holiday you will be able to take care for your health, to relax mentally and physically, relaxing massages, aromatherapy, saunas and swimming pools, etc.. Emphasis is therefore placed on increasing the use of additional services hotel. The hotel has no ability to provide additional services within the hotel, but it is possible to organize the provision of additional services in the city (hotel has signed agreements with hairdressing and beauty salons, gyms, travel agencies, car rental agencies, etc.). Special attention is also paid to the exploration of possibilities to enhance the development. The staff, headed by the Governor proposed hotel and take action and activities for the successful marketing of the hotel product. Also implemented are activities on the advertising service of hotel in the media. Great attention is paid to the research needs of guests through surveys. In this way determining what is good in the hotel business, and what should be changed and the how to improve quality of service.

4 Strategic positioning in hotels

Access and phases of strategic planning a business function of modern business is a critical activity from the standpoint of the assumptions and possibilities of successful survival, growth and development of a modern hotel company . It is a complex and comprehensive process that begins and develops in the organization, eventually forming a specific and relatively enduring pattern of behavior that distinguishes one company to another. The study and application of planning a business function of modern business, though recent, is a complex research area of management , where they meet and intertwine different not only scientific but also practical disciplines:¹¹⁹ economics , statistics , mathematics , psychology , computer science , sociology, and other , that requires an interdisciplinary approach . In this paper, the field of research and the presentation is limited to the basic problems business planning activities which directly determine the operating results of the company. From this point of management , and business planning as the first step in this complex process , is a critical process for the organization, the leadership of the management and decision- making of all kinds is the key to leadership. Therefore, one should bear in mind the basic motto of business planning :¹²⁰ managers , good decision-making, capitalized on the wise choices , managers , poor decision making, frantically lose energy by correcting the consequences of wrong choices .¹²¹

4.1 Strategic positioning of Hotel Hyatt

One of the leading hotel corporations worldwide, Hyatt Hotels& Resorts emphasizes authentic hospitality and personalized service across more than 735 hotels and resort locations spanning 45

¹¹⁸ Unković S, Zečević B, Economic Of Tourism, University of Singidunum Belgrade 2008, page 166

¹¹⁹ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 114

¹²⁰ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 114

¹²¹ Čerović, S., Management in Tourism, Čigoja print, Belgrade, 2003. page 114

countries. These hotels and resorts include the Park Hyatt™, Grand Hyatt™, Hyatt Regency™, Hyatt Resorts™, Hyatt Place™, Hyatt Summerfield Suites® brands and more. Hyatt knows that customer service is paramount for success in the hospitality business. In 2004, the company began a powerful initiative to revitalize and upgrade its customer service with the goal of establishing a reputation for a distinctive brand of superior service across its North America locations.

4.1.1 Difficulty Prioritizing Candidates and Inconsistent

Interviewing

To achieve exemplary customer service, Hyatt sought key individuals to serve as front-office agents, food servers, attendants, guest-services personnel and other guest-interfacing positions. Hyatt was already tracking job applicants within its Taleo® system. However, the high volume of candidates for front-of-house positions meant there could be as many as 200 online applicants for a single opening. With so many applications, hiring managers had difficulty knowing where to start. Hiring efficiency and accuracy were lacking. Hyatt's interview process was somewhat simplistic, and it varied widely from interviewer to interviewer and from location to location. "We didn't always know if we were hiring someone who had that 'Hyatt DNA,'" said Randy Goldberg, Vice President of Recruiting for Hyatt Hotels & Resorts, North America Operations. "It was a very inconsistent process, and we didn't have a good way of easily filtering out those people we should not be considering." Another factor that made **Assess Systems** the right fit was its reputation and suitability for a long-term business relationship with Hyatt. **Assess Systems** was willing to work collaboratively with Hyatt and customize processes to help Hyatt achieve its goals, which was critical for an ongoing partnership. **Assess Systems'** experience and broad range of offerings enabled Hyatt to expand as needed. The first step for **Assess Systems** was conducting extensive investigations to determine fundamentals and key characteristics for success in a number of critical guest-interfacing positions Hyatt identified. The research included multi-site job observations and interviews with supervisors and top performers to define the requirements for best-in-class, Hyatt-brand service for the North American locations. After designing the assessments, **Assess Systems** tested current employees at all performance levels to ensure that performance data matched the assessments' predictions and that candidates with service-oriented personalities would rise to the top. The scoring was then customized for Hyatt. By completing its thorough criterion-driven validation process, **Assess Systems** ensured that the assessments were tailored specifically to Hyatt before integration with the Taleo solution began.¹²²

4.1.2 Proven System for Identifying Great Hires

When Hyatt first started using the assessments, the employment managers occasionally hired individuals whom the assessments recommended avoiding. The decisions were often based on factors revealed in interviews. However, **Assess Systems** performed a follow-up validation study a year and a half after the implementation that tested for assessment effectiveness and quality of hire. A full 80 percent of those who had received an "Avoid" score on their assessments were rated poorly by their supervisors. "Candidates receiving an Avoid score are automatically rejected from our system as a

¹²² www.hyattregencybeograd.rs

result of the validation **Assess Systems** had done,” said Randy. “For those that are recommended by the assessment, 73 percent were rated by their supervisors as ‘great hires.’ It was very, very clear.”¹²³

Today, as the numerous applications come in, candidates take assessments online, scoring is automated, and results are automatically stored in Taleo’s applicant-tracking system. Employment managers use the assessment results to decide who to interview first and the individualized interview questions to investigate an applicant’s weak areas. “It’s enabled us to make quicker and better hiring decisions,” Randy stated. **Assess Systems** fully revised and customized the entire report and the interview guide to reflect Hyatt language and branding. Such custom tailoring made a strong positive impact on Hyatt. According to Randy, the assessments have contributed to a measurable reduction in employee turnover and higher customer service scores. “Studies say, for positions like this, it’s usually a \$4,000 to \$5,000 cost for turnover per person. Very high turnover in these key service positions means constantly training new people who aren’t as equipped to take care of guest needs— so productivity because of retention is huge,” Randy said. “The first business result we’re always trying to achieve is customer satisfaction. We’ve seen that increase year over year.” Having realized such dramatic success with its assessments, Hyatt asked **Assess Systems** to develop customized assessments for managers. **Assess Systems** is including a matching development guide to improve managerial skills for the new hires. Hyatt anticipates that choosing and developing quality team leaders will further its investment in top-performing customer service associates.¹²⁴



Picture 1 Exterior

Source <http://hyattregencybeograd.rs/>

¹²³ www.hyattregencybeograd.rs

¹²⁴ www.hyattregencybeograd.rs



Picture 2 Lobby

Source http://hyattregencybeograd.rs/_popup/photos2.asp



Picture 3 King deluxe room

Source http://hyattregencybeograd.rs/_popup/gallery/photo3.jpg

Enjoy panoramic views of the city and park from a spacious 38-sq.-metre room. Subtle modern decor features a work desk with high-speed Internet, marble bath with separate tub and walk-in shower and king bed with soft imported Turkish cotton linens. Luxurious amenities include plush robes and turndown service.



Picture 4 Diplomatic apartment

Source http://hyattregencybeograd.rs/_popup/photos4.asp

Amenities: ¹²⁵

- o Robes
- o Marble bath
- o Hairdryer
- o 24-hour room service
- o Minibar
- o 25 inch or larger TV
- o Cable/satellite TV channels
- o Dual line phones
- o Speakerphone
- o Voicemail
- o High-speed Internet access
- o Analog phone line
- o Individual heat control
- o Individual air conditioning control
- o 24-hour concierge
- o In-room safe
- o Rollaways upon request
- o Crib upon request

¹²⁵ www.hyattregencybeograd.rs



Picture 5 Presidential Apartment

Source http://hyattregencybeograd.rs/_popup/photos5.asp



Picture 6 Presidential Apartment

Source http://hyattregencybeograd.rs/_popup/photos6.asp



Picture 7 Restaurant Metropolitan Grill

Source http://hyattregencybeograd.rs/_popup/photos7.asp



Picture 8 Pool

Source http://hyattregencybeograd.rs/_popup/gallery/photo11.jpg

4.1.3 Channels of sale

Hyatt's worldwide Sales and Marketing teams strive to build brand preference and drive revenue to our hotels. Our sales and marketing strategies are rooted in a comprehensive understanding of our

customer segments, the current dynamics of the marketplace and the most effective use of new technology and media platforms.

4.1.5 Marketing Strategy and Analytics

Hyatt's marketing strategy is designed to secure and build brand value and awareness while meeting the specific business needs of hotel operations. Building and differentiating the brand position of Hyatt and our sub-brands is fundamental to increasing Hyatt's brand preference and demand, rate premium and related business imperatives. Hyatt is focused on targeting the distinct customer segments that each of our brands serves and supporting the needs of the hotels by thorough analysis and application of data and analytics.

We maximize the potential revenue of our existing customers and expand the number of new guests through a marketing approach powered by data and analytics. Sophisticated, quantitative strategic analytics and predictive modeling identify the most profitable customers, enabling Hyatt to leverage preference in all facets of marketing.

4.1.6 Electronic Distribution

Electronic distribution channels are a key contributor to Hyatt's total reservations. As one of the most important interactions a guest may have with our brand, Hyatt.com is at the center of Hyatt's worldwide sales and marketing efforts. We continually work to optimize the marketing effectiveness, brand experience and booking efficiency of our website in order to ultimately facilitate the online purchase process and drive revenue. We have created dedicated teams that focus on the functionality, architecture, design and content of the site, as well as on driving site traffic via integrated marketing communications (e.g., search engine optimization and marketing, social media, viral marketing, email programs and distributed content). Our Business Intelligence unit employs sophisticated analytics to increase digital marketing efficiencies and enhance our e-commerce performance.

4.1.7 Central Reservation System

Hyatt's Central Reservation System is an important contributor to the performance of our hotels system-wide. The system booked 11.8 million room-nights in 2008, representing approximately \$2.3 billion in rooms department revenue. Reservation centers are located in the United States, Australia, India, UAE, Germany, Japan and China to provide 24/7 access to prospective guests.

We work closely with our distribution partners to ensure that we maximize market share across all channels. These include traditional travel agencies, online travel agencies, opaque agencies and multiple user-generated sites that link back to Hyatt.com.

Hyatt also has extensive marketing relationships with all global and regional airlines.

4.1.8 Sales

With a team of over 100 individuals located in offices worldwide, our sales strategy continues to focus on maximizing Hyatt's ability to grow top-line revenue.

As Hyatt expands its brand portfolio, our chain sales efforts include the Worldwide Sales Force (WWSF), focused on selling multiple brands to approximately 1,800 highly valued customers. Hyatt's exclusive sales automation application (Envision) allows our WWSF and National Sales Force (NSF) to have a seamless, direct connection to functionality, including researching availability and booking business at all properties. With the addition of Hyatt Place and *HYATT house*, the dedicated Business and Leisure Travel Sales Force within our WWSF now focuses on corporate, wholesale and leisure accounts.

4.1.9 Group Business

Through our group-oriented business expertise and worldwide reputation for convention hotels, Hyatt is a premier operator of conference hotels in primary and secondary cities around the globe. Benefiting from Hyatt's powerful National Sales Force, these large, full-service conference hotels capitalize on advance-booking cycles and associated substantial catering revenue. Professional meeting planners continually rate Hyatt among their most preferred hotel brands. Planner Rewards, Hyatt's specialized loyalty program for meeting planners, is a vital strategy for building and leveraging relationships with key customers across the network.

4.1.10 Worldwide Sales

Hyatt's properties and preopening sales offices are supported by a network of salespeople in key markets around the world. Our sales professionals represent all Hyatt destinations and focus on all relevant market segments. These include corporate accounts, M.I.C.E. accounts, key wholesalers, travel agencies and luxury travel specialists. Additional support is provided to our hotels with dedicated resources managing programs such as Virtuoso and American Express Fine Hotels & Resorts. The network includes offices in New York, Chicago, Los Angeles, San Francisco, Washington D.C., Mexico City, London, Mainz, Sydney, Melbourne, Riyadh, Tokyo, Hong Kong, Singapore, Beijing, Shanghai, Pune, Bangalore, New Delhi and Mumbai, as well as additional coverage throughout Continental Europe. Each office is responsible for ongoing support of the Hyatt portfolio. Additionally, each office coordinates the presentation of Hyatt and Hyatt's sub-brands at important industry events and shows such as ITB, World Travel Market and Asia Luxury Travel Market. Hotels also have the opportunity to participate in annual Hyatt fairs and sales calls coordinated by each worldwide sales office. These events provide the hotels with face-to-face access to Hyatt's best existing and potential clients.

4.2 Strategic positioning of hotel Metropol Palace

Metropol, luxury gem of Belgrade.



Picture 9 Front

Source: <http://www.metropolpalace.com/sr/gallery>

Stunning [five star Belgrade hotel](#), the Metropol has always been the heart of Belgrade's social life and the host to all its most esteemed guests. Designed by famous Serbian architect Dragiša Brašovan and originally opened in 1957, the Metropol Hotel reopened in 2012 as Metropol Palace, a Luxury Collection Hotel. Located in the [city center](#) near the Serbian National Parliament, after a total renovation and a new design by MKV, Metropol Palace can now be considered the luxurious modern gem of Belgrade again.

From the moment you walk into the Metropol Palace, its [wide lobby](#) emanates a sense of peace and comfort that instantly relaxes and unwinds. Our sumptuous selection of accommodations provides distinct design and supreme luxury: [199 elegant guest rooms](#) and [40 suites with magnificent view](#) over the Tasmajdan park, are all generously furnished to accommodate all types of requirements, and complete with the latest in communications and entertainment technology.¹²⁶

The enchanting five star hotel Metropol has always been the center of social life of the city and hosted most respected guests. Designed by the famous serbian architect Dragisa Brasovan and was originally opened in 1957, Hotel Metropol has reopened 2012th as Metropol Palace , a Luxury Collection Hotel .

¹²⁶ Internal documentation of hotel Metropol Palace

The Metropol Palace, a Luxury Collection Hotel in Belgrade, is also an impressive and perfect venue for [business conferences](#), [memorable weddings](#), [receptions and private events](#). Our function rooms can accommodate up to 1000 attendees and a highly personalized level of service will ensure that every moment at Metropol Palace is a great success.

Our hotel is equipped with the most modern [SPA and fitness centre](#) with a 25m long pool, sauna, Jacuzzi, steam bath and beauty salon. Our [A la Carte restaurant](#) serves breakfast, snacks and lunch, as well as afternoon tea, and award-winning dinner: [chef Christoforos Peskias](#) has created a unique and indigenous blend of tastes to satisfy even the most demanding palate.

[Overlooking the park, the Bar](#) offers an impressive view, whilst providing a selection of delicious light dishes and an excellent range of international beverages. Located in the city center, now after a complete renovation and redesign of the company MKV, Metropol Palace again be considered a luxury, modern gem Belgrade. From the moment you walk in the Metropol Palace, a spacious lobby gives the impression of peace and comfort that immediately relaxes the senses. We offer excellent accommodation provides a unique design and unparalleled luxury 199 rooms and 40 suites with spectacular views of the park of Tasmajdan are well equipped to satisfy all kinds of needs, including the most modern communication devices and technologies



Picture 10 Bedroom

Source: <http://www.metropolpalace.com/sr/gallery>

With enough space to accommodate the different demands of your day, the Classic Room are indicated for business or leisure. Combining intimate and elegant design, with modern amenities, they offer a seamless transition from day to night, and work to play.¹²⁷

- internet for free
- mini bar
- comfortable desk
- comfy armchair
- Spanish marble bathroom



Picture 11 Superior Bedroom

Source http://assets.metropolpalace.com/XLGallery/Metropol_Palace_Junior_Suite_Sleeping_Area.jpg

With enough space to accommodate the different demands of your day, the Classic Room are indicated for business or leisure. Combining **intimate** and **elegant design**, with modern amenities, they offer a seamless transition from day to night, and work to play.

- internet for free
- mini bar
- comfortable desk
- comfy armchair
- Spanish marble bathroom

¹²⁷ Internal documentation of hotel Metropol Palace



Picture 12 Deluxe room

Source

http://assets.metropolpalace.com/XLGallery/Metropol_Palace_Belgrade_Deluxe_room_sofa4.jpg

With enough space to accommodate the different demands of your day, the Classic Room are indicated for business or leisure. Combining **intimate** and **elegant design**, with modern amenities, they offer a seamless transition from day to night, and work to play.¹²⁸

- internet for free
- mini bar
- comfortable desk
- comfy armchair
- Spanish marble bathroom

¹²⁸ Internal documentation of hotel Metropol Palace



Picture 13 Spa Center

Source <http://www.metropolpalace.com/assets/u/Picture6.jpg>

SPA center

The Metropol Palace is delighted to present the amazing brand new 25m long Pool & Spa Center, opened on March 1st 2013.

Our Spa features:¹²⁹

Jacuzzi

Sauna

Steam bath

Natural light

Natural ventilation

Specialized massages

Detox & Anti-stress

Full body treatments

Our restaurants and bars | An indigenous culinary experience

Metropol Palace introduces its selection of dining venues: an exclusive collection for your **dining experience in Belgrade**.

¹²⁹ Internal documentation of hotel Metropol Palace

Metropol Palace Restaurant



Picture 14 Metropol restaurant

Source http://www.metropolpalace.com/en/restaurants_bar

This **fine dining restaurant**, serves signature dishes prepared by our consulting **Chef Christoforos Peskias**.

The menu blends **local flavours** and **Greek specialties** to create delightful dining experiences, specially designed for the Metropol Palace.

Overlooking the park, this stunning restaurant offers both **indoor** and **outdoor dining** options, to assure your utmost pleasure. We invite you to taste our astounding dishes and enjoy a spectacular **selection of imported and local wines**, as well as a selection of desserts that make dining at the Metropol Palace a true delight.¹³⁰

Lobby Bar



Picture 15 Lobby Bar

Source http://www.metropolpalace.com/en/restaurants_bar

The Lobby Bar, with its **summer terrace** offers a **stunning view of the park**, a relaxing, yet **vivacious atmosphere** and a magnificent selection of **cocktails**. Try the sizzling Stari Fizz, the Metropol Palace signature cocktail, or enjoy something more traditional, like so many movie starts before you.

¹³⁰ Internal documentation of hotel Metropol Palace

Spend a delightful **afternoon** or **evening** in the cozy **fire place seating area** of the bar curled up with a book, or take in the park view from the lounge.

If you are in the mood for a more active evening, sit at the bar, and enjoy a splendid selection of fine beverages and signature cocktails.¹³¹

4.2.1 Local Area

The Metropol Palace is located in the old part of Belgrade on Kralja Boulevard, one of the longest streets of the city.

Near to the hotel are the Tasmajdan Park, the National Parliament, the St. Marko Church. Within walking distance from the hotel are the shopping and pedestrian district (Knez Mihailova Street), the old Kalemegdan Fortress and Park, and Skadarlija - Belgrad's old-style bohemian area.

Airport Nikola Tesla is only 20 km (12.5 miles) away and the nearest highway exit is 1.5 km (1 mile) far.¹³² Metropol Palace is part of the Starwood Preferred Guest program and you can earn free nights . Learn more Fashion , style and elegance. Metropol Palace , a Luxury Collection Hotel is the perfect venue for business conferences , weddings memorable receptions and private events . Our meeting rooms can accommodate up to 800 guests , a highly personalized level of service to ensure that every moment in the hotel Metropol Palace is completely successful .



Picture 16 Rooftop Restaurant

Source: <http://www.metropolpalace.com/sr/gallery>

¹³¹ Internal documentation of hotel Metropol Palace

¹³² Internal documentation of hotel Metropol Palace

Hotel consists of a modern spa and fitness center which includes a gym other than 25m long swimming pool , sauna , Jacuzzi , steam bath and beauty salon .

Our A la Carte restaurant serves breakfast, light snacks , lunch and afternoon tea and dinner : chef Christoforos Peskias created a unique blend of flavors to satisfy even the most demanding guests . Overseeing the park , the bar offers an impressive view , with a selection of delicious light meals and splendid selection of imported beverages . Christmas holiday Sunday lunch | December 28, 2013 and January 5 & 12 , in 2014.The perfect place for your wedding in Belgrade.Fashion, style and elegance

4.2.2 Prices

Membership

Annual fee 1860 EUR

The six-month membership: 1140 EUR

Quarterly Membership: 670 EUR

Includes unlimited use of all facilities. Massages and treatments are not included in the price of membership. The club reserves the right to change prices. Hotel given a voucher for a relaxing massage for 30 minutes Platinum Starwood Preferred guest and 30 June 2014.For children younger than 18 years of daily price ticket is 12 euros. Children must always be accompanied by an adult.¹³³

4.2.3 Channels of sale

Metropol Palace, a Luxury Collection Hotel is the perfect venue for business conferences, weddings memorable receptions and private events. Our meeting rooms can accommodate up to 800 guests, a highly personalized level of service to ensure that every moment in the hotel Metropol Palace is completely successful. Hotel consists of a modern spa and fitness center which includes a gym other than 25m long swimming pool, sauna, Jacuzzi, steam bath and beauty salon. Our A la Carte restaurant serves breakfast, light snacks, lunch and afternoon tea and dinner: chef Christoforos Peskias created a unique blend of flavors to satisfy even the most demanding guests. Overseeing the park, the bar offers an impressive view, with a selection of delicious light meals and splendid selection of imported beverages. Christmas holiday Sunday lunch | December 28, 2013 and January 5 & 12, in 2014. The perfect place for your wedding in Belgrade.

4.2.4 Promotions

Hotel Metropol Palace , A Luxury Collection Hotel is located just 400 meters from the town center. It offers 2 restaurants , elegant accommodation with free Wi-Fi . Renovated 2012th years and has a spa with 25 - meter swimming pool .The hotel's spa center covers an area of over 1200 square meters . It has a 25 -meter swimming pool , sauna , hot tub , steam bath , gym, exercise and relaxation area . Standard amenities in all modern-style accommodation units include LCD TV with satellite channels, air - conditioning, safe and mini - bar . Bathrooms in the rooms are equipped with hairdryer .The 24 -hour desk can offer currency exchange services , dry cleaning and room service . Within the hotel there are

¹³³ Internal documentation of hotel Metropol Palace

ATM and gift shop .The building of the National Assembly and Church of Sv. Marco is located in the immediate vicinity. Hotel Metropol Palace is 10 minutes ' walk from the Kalemegdan Fortress, bohemian quarter Skadarlija and Knez Mihailova Street , where you have many options for shopping.The main bus and railway station are 1.5 km , and the nearest exit on highway A1 is located at 2 km from the hotel. Nikola Tesla International Airport is 20 km. Hotel Metropol Palace offers airport transportation service for an extra charge .¹³⁴



Picture 17 Front Look

Source: <http://www.metropolpalace.com/sr/gallery>

4.3 Strategic positioning of Hotel Admiral

4.3.1 Strategic marketing in positioning of Hotel Admiral

Hotel Admiral is currently not in business.

Marketing as a subject isn't hard to know, but it takes a lifetime to master it. We have all experienced marketing in some form and it is a well known fact that it influences us in different ways, that is why everyone has their own different opinion on what marketing really is. We are all a part of marketing, or under its influence in one way or the other. It hasn't been long since you've last seen a commercial for some air company, hotel, spa. We all live in the era of marketing which is an essential tool for getting our message across to potential customers. Marketing as a subject enables us to reach customers on a personal level and even influence them and guide them to our products. It is a potent tool in the era of

¹³⁴ Internal documentation of hotel Metropol Palace

tellecommunication and internet where the world is getting smaller by the minute, ad campaigns aren't hard to come by and it is essential that it is YOUR message that reaches the customer and guides it to YOUR product. Marketing has been used for decades, and its potential makes it a valuable and potent weapon to be used against the competition in a world where percentages are the difference between successful business and bankruptcy. It has often been said that we all live in the era of marketing, but what does that really mean? One of the possible ways of understanding marketing is its treatment as a development for ideas. Most of marketing theorists since the 50's define marketing as a competition. British Institute for Marketing in 1984 defined marketing as a "management process responsible for identifying and satisfying customer demands". According to Cottle, marketing is defined as a human activity which is used for satisfying the needs through market exchange. It is very important to know that the representation of the product could be as valuable as the product itself. A poorly marketed product will never see the light of day, while a well represented one through the fine arts of media will successfully be implemented and sold. According to Krippendorf, marketing in tourism is considered as "systematic coordinated adjustment of business policy of a company of tourist commerce, as well as touristic policy of the state on a local, regional, national or international level in the goal of achieving optimal satisfaction of needs of certain groups of consumers, and on that basis, a possible profit. Marketing orientation, as a means of market commerce, is a result of a growing production forces to the degree of enabling a bigger offer in contrast to the demand. Which means that in a company functions that are targeted towards the market become a dominant function. It entails a policy of products, price, communication with the market, channels of distribution and market research. Marketing application has to take into his extraordinary social importance and influence, and the role of spatial component in relation to the development of tourism. Thus, the marketing in tourism can be defined as the coordinated activity of carriers business and tourism policy in order to optimally meet the needs of selected / targeted market segments while achieving maximum economic performance and appreciation of the impact of social and natural environment and achieve adequate quality of life¹³⁵. The main goal of this paper is to provide evidence of the strategic positions of hotel Admiral which is soon to be opened. Through detailed analysis we deduce viable options for strategic repositioning of the hotel and its place on the tourist market. In order to achieve this we will use data on basic strategies SWOT analysis and other form of analysis. This paper is written in a form of a case study.

4.5 Types of services at the "Admiral"

Hotel Admiral is currently closed. Services in general are a special part of socially useful activities which stands out as the service sector of the economy¹³⁶.

Hotel services are divided into basic and additional. Hotel "Admiral" offers your guests the bed and breakfast. Like most city hotels that are characterized by a relatively short stay guests, hotel "Admiral" emphasis on comfortable and modern rooms.

¹³⁵ Popescu J, Marketing in Tourism and Hospitality- Belgrade 2002, page 21

¹³⁶ Bakić, Nikolić, Basics of tourism and hospitality Belgrade 1994, page 120



Picture 18 Double room at the "Admiral"

Source: Internal documents of hotel "Admiral"

Hotel "Admiral" offers its guests a bed and breakfast, or:

- accommodation services in comfortable rooms and suites. The guests are Available single and double rooms and four suites (*two of which were classical and two suites*);
- food service at a restaurant with 40 seats. We offer breakfast buffet where guests can use the rich offer of light cereals, delicious baked goods, various kinds of prayers, various types of cheese and ham. Also available is a large selection of fresh fruit, fruit juices and hot beverages. Recognizing the needs of modern guests, altered lifestyle monitoring global trends and functional improvement of the restaurant's aesthetic and operational terms, the main goal of which is led by the management team's decision to offer guests a buffet. In a restaurant, after finishing breakfast, guests can relax and enjoy a cup of coffee, TV, music and premium drinks from a variety of offers restaurants. On request, it is possible to organize a small celebration or business meetings.



Picture 19 Restaurant at the "Admiral"

Source: Internal documents of hotel "Admiral"

Hotels are facilities that are designed, constructed, equipped and edit specifically, that in order to ensure the course of business. The arrangement and equipment of the hotel, ie. its components (the receiving part, ng part, as for the provision of food and drink, work for various social and leisure activities, etc..) are very important in the business of any hotel. Hotel should be designed and equipped in such a way to provide guests with a sense of warmth and pleasant stay. This is one of the first factors in creating a positive guest impression of the hotel and will directly affect the future operations of the hotel. At each particular account should be taken of the order and equipment of each individual part, from access across the parking lot, main entrance for guests and the reception hall, the unit of accommodation and bathrooms in their entirety. Isto so very important technical and technological characteristics production facilities in the food sector and other public spaces provided at the hotel (in terms of provision of certain facilities and equipment).

In terms of organization and equipment of the hotel "Admiral" is characterized by its comfortable and modern rooms.

Hotel "Admiral" is made of a hard material to provide thermal, acoustic and waterproofing. Utilities (correlation with electricity, water supply, sewage, and PTT structure) is completely provided).

Reception hall. The main entrance to the building is very striking and emphatic. Entrance for visitors from the main streets is in goods through special entrance to a special elevator. Arrow pointing guests to the entrance of the building, are clear and precise. In the lobby of the building is a desk clerk who suggests direction that leads to the first floor and hotel lobby Reception is quite spacious and

immediately upon entering the reception desk can be seen that at the same time Tour information provision, where guests can get all the necessary information related to their stay in the hotel, book tickets for cultural events city, organize their onward journey. Opposite the reception desk, the lobby is equipped with very comfortable leather furniture, where guests have the opportunity, while waiting for a taxi, a colleague, a hotel account or simply want to relax in a pleasant environment, to read interesting facts from newspapers or magazines that are available to them, to information about events and attractions in the city, as well as trips that are They are available to complement your stay in Belgrade. In the reception desk set with LCD TV and radio sound. So admissions hall is adequately designed interior with wood elements and the ambience is very pleasant atmosphere (paintings, natural vegetation and etc.).



Picture 20 Bedroom

Source: Internal documents of hotel "Admiral"



Picture 21 Lobby "Admiral"

Source: Internal documents of hotel "Admiral"

The rooms and apartments. As already mentioned hotel "Admiral" has fifteen rooms and two suites. All rooms are furnished with period furniture of superior quality, so to provide them maximum comfort. Just upon entering the room comes to a hall where the most wardrobe closet. From the hall there is a bathroom. Within the area there are sleeping beds beside them the bedside with adequate lighting. Each room has air conditioning, safe, mini-bar, telephone, plasma TV, DVD and home theater connection Internet. The hotel is specially equipped for business travelers. Most rooms have great views the city, and the two bedrooms have large open terrace.



Picture 22 Bath at "Admiral"

Price range of rooms and junior suites exclusive suite is higher than the other rooms. These rooms are usually to VIP guests. Junior Suite room with king bed and sitting, which can also be used as a bed for one person. Equipped with air conditioning, safe, mini bar, DVD home theater, plasma TV, wireless phone, device, board, internet access. The room has semicircular terrace offering great views of the city. Luxury apartment is the largest room in the hotel. It has a double bed and sitting. It is equipped like the other rooms. Picture Apartment No.19 in "Admiral"

Source: Internal documents of hotel "Admiral"





Picture Apartment 23 in "Admiral"

Source: Internal documents of hotel "Admiral"

Apartments at the "Admiral" are very nice and luxurious. In addition to bedrooms and living room also has a mini-bar, air conditioning, bathroom, telephone in the bedroom and cable TV.

4.6 Price as a competitive factor at the Admiral

Price is marketing mix that should be the most complete reflect the overall goals of the business. The decision on the price is directly related the realization of financial results and profit. Under the cost means, from the perspective of the consumer, what gives, or sacrifice, to obtain a product. In this regard, the price includes, in addition of course, expressed costs and time spent, cost of seeking and psychological cost. Price is cash term value and an essential tool of marketing mix.

"The price is the strategic variable which affects both the implementation sales volume and profit in the short term, and to the work and development of the company in the long period. Price is a marketing mix that is quantified and whose the ratio of the winnings easily visible as is the case with other instrumentsn marketing mix (product, distribution and promotion)¹³⁷.

The formation rates affect internal and external factors. Internal factors the control of the company and these include: marketing objectives, marketing mix of strategy, organization, product characteristics and costs. External factors are beyond the possibility of the company or the effect is only possible in limited extent. The external factors include: demand, competition, economic policy and price controls. There are the following methods for pricing.¹³⁸

1 method based on the particular circumstances - requires tight integration with other marketing mix influencing the increase of their importance;

2 method of "removal cream" - applies when the product is new to the market and competition is weak;

¹³⁷ Milisavljević M, Marketing, Belgrade 1992, page 273

¹³⁸ Popescu J, Marketing in tourism and Hospitality- Belgrade, University of Singidunum 2002, page 140

3 market penetration - the establishment of a lower price at introducing products to the market in order to attract customers and providing good reputation on the basis of verbal propaganda;

4 price differentiation - means that the different market segments willing to pay different prices for the same or a similar product;

5 pricing in order to survive - used when the market circumstances, particularly competition, pointing to maximizing cash flow in the short term in order to overcome the liquidity problem;

6 method "harvest" - means profiting from previous marketing investments, when a product enters the decline phase;

7 pricing to prevent entry of competitors in the market

- The price is formed artificially low in order to prevent the entry competitors. In applying any of these methods it is important to use a planning approach which allows adjustment of the current situation the company, which provides activity rates as a factor in achievement of key financial results, volume sales and the best impact on consumers. A very important aspect of the pricing policy of tourist industry refers to the need for differentiating the price. This strategic approach is to existence of different prices for the same product in relation to the same or different customers. As the basic characteristics of price differentiation should noted the lack of difference in the cost, which would be the basis for billing different prices for different categories of consumers.

"With a number of companies in a stable economy, prices are determined for the year the day or for the season and not corrected, regardless of certain changes in or demand. It has a positive effect on sales channels. In most cases, company maintains a stable price level until the market accepts them, and to perceive a significant impact on earnings to price changes¹³⁹.

As already mentioned hotel "Admiral" offers its guests service bed and breakfast. Pricing decisions significantly affect the position of the company on market and the profitability of its operations. Service prices are formed under influenced by developments in the domestic tourism market. The present service differentiation policy rates to market segments and time use of services. Cost of the service is the same for domestic and foreign visitors, but differs for short and long stays, for weekdays and weekend days, for individuals and groups. the group is given a 10% discount, so the price for a double room individual guests 216 euros and 194 euros for the group.

¹³⁹ Milisavljević M, Marketing Belgrade 1992, page 277

CONCLUSION

Strategic aspects of market positioning of hotel companies in Belgrade is a very topical issue taking, primarily in the form of macro-economic commitments that recognize the strategic importance of tourism for the development of the national economy. In this sense, it is a strong need to Belgrade hotel companies adopt a business philosophy and methods of competitive struggle, and their internationally renowned market rivals.

However, to achieve higher levels of business performance in Belgrade hotel industry, it is necessary to rely on the core idea of the marketing concept - which fully meets the needs and desires of consumers and tourists.

The level of customer satisfaction is crucial to the realization of marketing objectives of hotel companies. One of the primary purposes of the business and is to be created, and then retain satisfied customers. In the hotel sector, a typical type of emotional business, it is especially important to determine the degree of fulfillment of the expectations of consumers. Existing business practices of most hotels in Belgrade, still do not appreciate this attitude. In doing so, the satisfaction of the consumer, and the most rarely are partially investigated. The only satisfaction surveys can offer the required value, which is certainly profitable. Satisfied customers will, thus, to a greater degree become loyal customers. The value of loyal customers stems from the fact that they are far more effective to keep an existing one, than to gain a new customer. Information to be provided by marketing research activities are needed at all stages of the process.

Be sure that the management of hotel is a critical activity from the standpoint of the assumptions and possibilities of successful survival, growth and development of the hotel business. It has been proven that it is a complex and comprehensive process that begins and develops in the hotel company, to form a specific and relatively enduring pattern of behavior that distinguishes one company in the hospitality of others. The study, positioning and application of management in the hospitality industry, is a complex research area of management, where they meet and intertwine different, not only scientific, but also practical disciplines: economics, statistics, mathematics, psychology, sociology and many others, and that requires an interdisciplinary approach.

Therefore, it was the starting point in understanding the complex issues of strategic aspects of market positioning, hotel companies Belgrade.

In this master thesis, the area of research and presentation restricted to the basic problems of management in the hospitality of Belgrade whose activities directly determine the operating results of the company.

From this point of view, it is undisputed found to be a critical management process for the hotel organization. It was also noted that the leadership of the management and decision-making of all kinds is the key to leadership. However, when the field of practical experience in the field exceeds the theoretical developments in the field of management in the hospitality industry sees the obvious discrepancy.

First of all, it is manifested as the development of two separate theoretical concepts, which have much in common. Normative models, defining rational procedures for decision-making, become highly sophisticated, while descriptive models, describing the ways in which decisions are made, damaging prospects election as predictable, consequent and rational. In recent years, the rise of the globalization

process, there have been some efforts towards exploring the possibilities of reconciliation such divergent views. The main motive is contained in the necessity of developing a conceptual framework that would have a pragmatic value.

From the standpoint of market positioning, hotel companies Belgrade and in the analysis of process management used the achievements of both theoretical concepts. It is, therefore, to a longer period of time opened up prospects to the formation of a unified and complete framework for decision-making in the company of hotel industry, bearing in mind the current situation as a starting position.

On the other hand, should constantly bear in mind that tourism has become a worldwide phenomenon, an integral part of the life of the greater part of the world's population and that the tourist needs, a significant portion of the world's population, have become almost part of their basic needs. The needs of people in developed countries, and not only them, with plenty of free time and with significant economic power, are an integral part of modern life and that is why they are given a multifaceted attention. There have significant quantitative, qualitative, structural, environmental, economic, social, cultural and other spheres of transformation both in demand and supply sphere. The spatial dispersion of tourism is impressive, as well as macro- and micro- economic effects. Almost all countries of the world are covered by travel trends, and as emissive and receptive fields as well. Tourism, especially the hotel market of Belgrade and Belgrade hotels offer should always be kept in mind. Modern management of hotel companies is concentrated in the formulation of a comprehensive development framework and appropriate tourism policy, which takes into account the existence of different elements within the hotel system and the creation of their harmonious relationship with the environment. The paper points out that modernity hotel management company primarily reflected the focus on strategic planning and financing the development of the hotel business. We believe that this approach brings significant changes compared to the previous period, because the focus is on the development of the plan, but the process is based on respect for the unpredictability of the coming changes, ready to welcome "the events of the future," the dynamic approach to the management of the engagement and the systematic anticipation of a turbulent environment.

He then noted that the simultaneity of the process of growth of tourist demand and requirements for better environmental space and its rapid decline, by establishing a balance between the growing tourist demand and environmental protection in Belgrade. Points, and so requires the determination of a clear boundary between the protection of natural resources and development needs of hotel companies in Belgrade.

Thus, the starting point of the object and purpose of research, this master thesis, included the elements of positioning strategy as a continuous process that hotel companies in the tourism industry of Belgrade, adequately directed towards a successful business in a variable environment. In accordance with the modern concept of tourism business, analyze the level tourist destination, ie. relationship associated companies with other relevant stakeholders in the tourist offer of Belgrade as a tourist center.

We believe that the main aim of the research was achieved, that is, in theoretical and methodological terms - starting from basis of the functioning of the hotel companies - pointed to the necessity of balanced. Approach hotel company in relation to the market changes and the one on their own capabilities and the necessary activities of a hotel company, Belgrade, on the other hand. That is, points to the necessary settings to hotel companies of the tourism industry in general and in particular

, that in accordance with its strategic aims and objectives should provide a successful response to the long-term and complex market changes in an otherwise dominating tourist demand in the overall tourism business . We believe it is an idea that, according to current concepts of strategic management , analyzing the setting of such a strategy in the hotel tourist companies , which will , in contrast to the approach in the 80s and 90s of this century , could have been avoided considering only market or only potential businesses and provide coherence between achieving competitive advantage in the market and internal capabilities of these company. Analyzing the application of modern management concepts in strategic management position with the company (strategic posture management) correspond to the conditions and organizations whose environment and the future can be predicted .

In addition it was pointed out that , on the development of tourism and its structure , hotel companies are increasingly turning to the strategy of differentiation " package deals " at market segments. From small and local companies specialized hotel development was in the direction of the formation of large multi - generation hotel companies in the domestic and international tourism . Along with this, more and more came to the fore size and economies of scale in the hotel industry . It is also increasingly underlined strategies targeting offers to selected market segments and consumer expectations. He then pointed out that the market position of the hotel are a result of its overall perception and knowledge of all relevant characteristics of tourists within the selected segments . It's about the needs , requirements and behavior of tourists . In this sense, endeavors to identify the key dimensions of tourists and to understand their perceptions and preferences when choosing one of the possible " package - deals " in the market . Concrete offer always makes certain combinations of range , price, service , communication and tourism areas .

It was pointed out that the selection of an appropriate strategy of market positioning key dimension for each hotel company refers to the offer of direct and indirect competitors . At the same time it was important to understanding the behavior of segments of tourists who prefer competitors . That will be determined the relative position of each dimension in the structure offered by the competition of tourism and hotel businesses. Positive difference , which in this domain from the point of view of specific tourist companies, open space to formulate a new strategy of market positioning . So , the key to effective positioning of the hotel company 's selection of market segments whose specific needs are most fully met. On that basis, designs a special " package offer" hotel company . Furthermore this means that a successful policy in the hotel must initiate permanent changes that represent a strategy of positioning and repositioning in the tourism market .

This paper has shown that the main drivers that dictate the nature and content of the process are contained primarily in the domination of a very flexible , discerning and increasingly sophisticated demand and extreme inelasticity of supply of hotel product . Economic, political , demographic , and other factors often cause rapid and significant changes in the volume of hotel demand and its requirements , and the natural and anthropogenic activities Belgrade and Serbia are also the basis of development of hotel and catering services and drivers immutability and inelasticity of supply , and therefore and its adaptability to difficult market functioning . This is especially pronounced after many years of working in extremely adverse circumstances functioning of the tourism market of Serbia (war environment , the UN sanctions , the war in our country , stop and slow the transition process , stopping the process of development , lack of technical equipment , failure to apply modern knowledge in the field of management and marketing , etc. .) should insist on the repositioning of hotels in Belgrade

So in the paper also pointed out that the hotel management company must be conducted in a consistent framework in coordination with the overall economic and tourist development of the city. When this will be specifically allocated necessity of concerted improvement of all instruments of market performance and improving the organization at all levels of decision-making and management of hotel companies . Especially if one takes into account the heterogeneity of demand emphasized in terms of the needs and demands of the trip , available resources , etc. . , But also the heterogeneity of the tourism industry and the total supply , ie . the presence of numerous participants in tourist services.To requires effective coordination of their work and submit them to the appropriate contacts and cooperation. This is all the more so as the demand , which is common to all service providers , concentrated in time and space and thus further raises the need to find an adequate market response and hotel deals.

Then, the paper emphasized that the functional characteristics of supply and demand are such that they provide a favorable position demand. So, but in the first part of the paper pointed out the drivers of mobility and elasticity of demand , and the inelasticity of the primary and secondary tourist offers. Relationship supply and demand imposed way of reacting businesses and need to be in the tourism industry adequately examine their own market position and it can be improved .

In the second part of the paper " Dynamic changes in the tourism market ," were analyzed long-term changes in driving factors of tourism demand as a dominant market enterprise. Included are specific economic, and demographic and socio - cultural , psychographic, and other factors that determine the demand in international tourism and domestic tourism . In particular, to analyze major changes in the business orientation of hotels . Emphasis is given to the analysis of internationalization and globalization of business hotel companies , phase transformation from domestic to global markets , the main areas of change in business orientation, factors in the development of international hotel chains, objectives and business benefits of hotel chains , the choice of certain ways of growth and development , changes in hotel management companies , the method of choice of optimal strategy , the implementation of marketing strategies , as well as the basic element of market researches . Especially emphasized aspect of product differentiation , market segmentation , profiling, image, sales channels , promotion , advertising and pricing policies of hotel companies .

In this sense, we started from the theoretical approach in formulating strategic management of hotel companies , and then highlight the technological and market positioning and other marketing tools to hotel companies .

Re- enter the international tourist market , assuming fulfillment of the necessary conditions do not exist , it will take a selective approach in identifying target segments and target markets and appropriate forms of development of a hotel .

The strategy of transformation of the hotel enterprises is particularly necessary in order to strategic positioning and adapting to market changes . Ownership transformation , as well as market and organizational restructuring in the tourism industry with ' one hand reflect the needs of the end of the transition process , as the other side is an important domain of overall strategic adaptation and efficient management in the tourism industry of Belgrade. Therefore, the further continuation of the transformation of the hotel , both in terms of titles, out- and in terms of organizational structure is one of the most important requirements that are placed in front of hotel companies Belgrade.

Problematic analytical approach in choosing appropriate strategies should therefore be approached

from a theoretical starting point with a critical analysis of existing practices in hotel companies Belgrade. It is especially pointed out the necessity of defensive strategy at first , followed by the application of appropriate strategies of growth and development of the hotel companies in Belgrade.

It follows one of the conclusions of this is that in the long run it is necessary to significantly improve the overall organization of the hotel and its operational functioning. It involves changes in the organization of market performance , primarily through the implementation of the concept of marketing in the hotel business and politics. In this context, it is significant and its inclusion in international business on the basis of adequate arrangements through appropriate forms of business cooperation with foreign partners .

Improving products and other instruments market performance of hotel companies is certainly one of the most important areas of its future strategic management . It is essential to the formation of such a range and quality that would ensure long-term adaptation to market demands and changes . It must be accompanied by strategic improvement sales - promotion activities , based on market research , development of booking and information systems , as well as the successful positioning of the hotel , which will contribute to improving the sales – promotional activities and their competitiveness in the tourism market . And to achieve the proper ratio of price and quality of services based on standards , is also an important domain of improving the overall market performance of hotel companies Belgrade.

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