

## POIANA BRAȘOV RESORT POSITIONING ON THE ROMANIAN MOUNTAIN TOURISM MARKET

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**ABSTRACT:** *Within a tourism industry characterized mainly by massive competition and similar offers, choosing a certain product significantly depends on the comfort degree and the existing facilities, on the quality and range of proposed services, on the time and distance to be covered, on safety, cleanliness, quietness and loyalty offers, all these representing principles of product performances assessment. In choosing the differentiation axis one will take into account also the tourists expectations, competence positioning and the potential strengths of the product, elements that compose the "golden triangle" where stands the positioning. This article aims to position Poiana Brașov resort within the Romanian mountain tourism, using in this respect the McKinsey matrix, the statistical information related to the tourist activities carried out within the resort, as well as the related national studies.*

**KEY WORDS:** *positioning; tourism industry; mountain resort; mountain tourism market; McKinsey matrix*

**JEL CLASSIFICATION:** *M31*

### 1. INTRODUCTION

The positioning process represents an efficient and valuable marketing instrument whose use with the expected effects supposes detailed study of the market to be penetrated, of the competitors and their actions, as well as of the target consumer perceptions. The analyses associated with this process contribute to the identification of the existing opportunities and creation of the aimed image basing on differentiation from the competitors and by accomplishing the market's needs at the highest level.

The positioning concept includes the ensemble of characteristics of a product that allows the consumers to place and identify the product within the universe of analogue products. In fact, the market positioning represents a relative concept that expresses not only the way of perception of a brand, but also the relation between the

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image perceived as compared to the one of competitors (Shoemaker, et al., 2007, p.354).

As a marketing strategy, positioning is achieved following a complex process composed of the following steps: identification of positioning level, determination of attributes and their localization on the positioning diagram, assessment of the options of positioning into the attention of target customers (Olteanu, 2003, p.156).

## **2. CHARACTERISTICS OF POSITIONING PROCESS WITHIN THE TOURISM INDUSTRY**

Within the tourist organizations we note certain differences between *tangible positioning* and *intangible positioning* (Shoemaker, et al., 2007, p. 352-354).

*Tangible positioning* is possible as a significant part of provided products/services are standardized, thus they present a high degree of tangibility (at the same comfort degree, the hotel rooms are very similar).

*Intangible positioning* is frequently encountered as within this field of activity the tangible elements turn into secondary aspects when they achieve a certain level of acceptability, being also very difficult to differentiate. Due to such reasons, the products intangible aspects are mostly used. The challenge consists in tangibilizing the intangible, respectively increasing the intangible realities throughout the manipulation of tangible characteristics.

*Identification of attributes* consists in drawing up the “positioning maps”, fact which represents the effective method to graphically express the consumers’ perceptions in relation with the alternative products. There are analyzed two dimensions which highlight the product’s performances, although being possible to apply tridimensional models or even larger, using in such situations software applications. The positioning maps contribute to the visualization of the marketing strategies, by highlighting the discrepancies that appear in a certain time in relation with the competitors’ products, and also the differences between the customers’ image about the company and the managers’ expectations in relation with such image. They also identify the competitors’ ensemble, as well as the free existing spaces on the market.

Positioning makes a statement of what the product is and how it should be evaluated. True positioning is accomplished by using all the of the marketing mix variables. This includes the products and services offered, how they are presented to the customer, the price, and all the methods used to communicate to the customer. Not a single element of the marketing mix can be ignored because it is there for the customer, whether or not the firm makes use of it.

*Figure 1.* totalizes the directions of analyses effective use in order to position, ensuring the necessary inputs for the decisions related to the strategies upon product development, price, logistics and communication (Lovelock & Wirtz, 2007, p.196).

Positioning affects policies and procedures, employee attitudes, customer relations, complaint handling, and the myriad of other details that combine to make a tourist experience. Positioning plays a vital role in the development of the entire marketing mix (Shoemaker, et al., 2007, p.357).

1. Provide a useful diagnostic tool for defining and understanding the relationships between products and markets:
  - How does the product compare with competitive offerings on specific attributes?
  - How well does product performance meet consumer needs and expectations on specific performance criteria?
  - What is the predicted consumption level for a product with a given set of performance characteristics offered at a given price?
2. Identify market opportunities for:
  - a. Introducing new products
    - What segments to target?
    - What attributes to offer relative to the competition?
  - b. Redesigning (repositioning) existing products
    - Appeal to the same segments or to new ones?
    - What attributes to add, drop, or change?
    - What attributes to emphasize in advertising?
  - c. Eliminating products that
    - Do not satisfy consumer needs
    - Face excessive competition
3. Make other marketing mix decisions to preempt or respond to competitive moves:
  - a. Distribution strategies
    - Where to offer the product (locations, types of outlet)?
    - When to make the product available?
  - b. Pricing strategies
    - How much to charge?
    - What billing and payment procedures to use?
  - c. Communication strategies
    - What target audience(s) are most easily convinced that the product offers a competitive advantage on attributes that are important to them?
    - What message(s)? Which attributes should be emphasized and which competitors, if any, should be mentioned as the basis for comparison on those attributes?
    - Which communication channels: personal selling versus different advertising media? (Selected for their ability not only to convey the chosen message(s) to the target audience(s) but also to reinforce the desired image of the product).

**Figure 1. Principal uses of positioning analysis as a diagnostic tool**

The concept of *repositioning* consists in modifying a position or image on market and it embeds the same elements as an initial positioning, the difference being made by the appearance of a new one, respectively the old positioning image removal. There may be several reasons for such actions: an unfavorable current position, other competitors with similar positions, the existence of an enormous niche of opportunity, targeting a new market segment, etc.

The repositioning procedure comprises the following components: current positioning determination, target positioning determination, real differentiation security of new product towards the one repositioned, initiation of repositioning campaign and the assessment of the degree in which the reposition was performed in the aimed direction (Shoemaker, et al., 2007, p.358-361).

The risks involved in positioning or repositioning are high. Thus, it is important to position on customers' perceptions, not managements', vis-à-vis the competition. The technique of perceptual mapping can be used to substantially reduce the risks.

A strategy of efficient positioning supposes (Balaure, V., et al., 2005, p.278):

- choosing in advance the position that the tourist product is to held in potential consumers minds, otherwise the product being positioned spontaneously and in an uncontrolled way;
- a correct positioning ensures high coherence to the marketing mix and a proper orientation of product politics, price, logistics and communication; therefore, choosing the positioning represents a decision prior to those related to the marketing mix structure.

Strategies are necessary whether initially positioning or repositioning. The checklist for developing positioning strategies comprises important data about the company (strengths and weaknesses, resources, management capabilities, values, objectives, etc.), the product/service (facilities, location, attributes, etc.), brand position (awareness, loyalty and image), customers (segments, benefits they seek, etc.), competition (their customers, differences, positions they occupy), marketplace (segments, generic demand, market share, etc.), opportunities (unmet needs, innovations needed, new uses, new users, greater usage) and decision (the best overall position).

Marketers can follow several positioning strategies (Kotler, et al., 2006, p. 280-281). They can position their products based on *specific product attributes* or products can be positioned *against another product class*. When two or more firms pursue the same position, each must seek further differentiation and build a unique bundle of competitive advantages that appeal to a substantial group within the segment.

From the multitude of strategic alternatives, the company will have to choose the one that allows considering, at the highest level, the action of exogenous and endogenous factors. Also, the existence of a complete concordance between the elaborated marketing strategy and all the other elements of the marketing policy is mandatory.

### **3. POIANA BRAȘOV RESORT POSITIONING ON THE BASIS OF MCKINSEY MATRIX**

We may assert that currently Poiana Brașov resort does not dispose of the necessary natural conditions (the altitude where it is located, the size of the ski area, etc.) and also of the characteristics related to the proper technical and material equipment (cable transport facilities, facilities and services associated with the mountain tourism, etc.) to make it compete with the mountainous resorts from those countries surrounding the Alps.

The altitude of location and the ski areas, just to highlight the essential elements, represent aspects which individualize the offer specific to the mountain tourism, and these favorable factors can not be competed by any tourist resort from

Romania. As related to the equipment, ensemble of facilities and tourist services quality, the specific analyses reveal the significant deepening of differences.

Thus, the real competitors of Poiana Braşov are the Romanian mountain resorts, mainly those from Valea Prahovei and Predeal, the grounds being associated mostly with the areas of origin of the visiting tourists, from this point of view the country's representative geographical regions being Bucharest, Constanţa and the cities of Transylvania.

An important element within the analysis of mountain resort activities is represented by the indicator of meters of track per place of accommodation, the standing for the competitive mountain resorts being revealed in *table 1*.

**Table 1. The value of the indicator of meters of track per accommodation place within the main mountainous tourist resorts of Romania**

Poiana Braşov	Azuga	Vatra Dornei	Sinaia	Predeal	Durău	Buşteni
4.75 m	15.25 m	5.17 m	2.89 m	2.47 m	0.53 m	0.47 m

The resort positioning is made on the basis of McKinsey matrix, by combining the following two variables:

- on the Ox axis the company's competitive position ("assessment" of the internal environment), detailed in *table 2*;
- on the Oy axis the sector's attractiveness ("assessment" of external environment), revealed in *table 3*.

**Table 2. The score calculation for the competitive position**

Key success factors	Share	Score Poiana Braşov	Score Sinaia	Score Predeal	Score Azuga	Score Buşteni	Score Vatra Dornei	Score Durău
Ski area size	0.2	(2) 0.4	(2) 0.4	(2) 0.4	(3) 0.6	(1) 0.2	(2) 0.4	(1) 0.2
Cable transport facilities	0.2	(3) 0.6	(3) 0.6	(2) 0.4	(2) 0.4	(1) 0.2	(2) 0.4	(1) 0.2
Service capacity (accommodation units)	0.3	(3) 0.9	(3) 0.9	(3) 0.9	(1) 0.3	(2) 0.6	(3) 0.9	(1) 0.3
Popularity	0.1	(3) 0.3	(3) 0.3	(3) 0.3	(2) 0.2	(2) 0.2	(2) 0.2	(1) 0.1
Resort's liveliness	0.2	(2) 0.4	(3) 0.6	(2) 0.4	(1) 0.2	(1) 0.2	(1) 0.2	(2) 0.4
<b>TOTAL</b>	<b>1.0</b>	<b>2.6</b>	<b>2.8</b>	<b>2.4</b>	<b>1.7</b>	<b>1.4</b>	<b>2.3</b>	<b>1.2</b>

The evaluation of competitive position is made throughout the following key success factors: ski area size, cable transport facilities, capacity of accommodation, resort's popularity and the existing liveliness, with different shares, each factor being

assessed with grades from 1 (the lowest level) to 5 (the highest level), values registered in table between brackets, the obtained score representing the product between share and the grade granted.

**Table 3. The score calculation for the sector's attractiveness**

Factors of the sector's attractiveness	Share	Score Poiana Braşov	Score Sinaia	Score Predeal	Score Azuga	Score Buşteni	Score Vatra Dornei	Score Durău
Accessibility (airport, national road)	0.2	(2) 0.4	(2) 0.4	(2) 0.4	(2) 0.4	(2) 0.4	(2) 0.4	(1) 0.2
Territory's touristic attractiveness	0.3	(3) 0.9	(2) 0.4	(3) 0.9	(2) 0.4	(3) 0.9	(3) 0.9	(3) 0.9
Existence of proximity markets	0.4	(3) 1.2	(3) 1.2	(3) 1.2	(3) 1.2	(3) 1.2	(2) 0.8	(1) 0.4
Seasonal character of demand	0.1	(3) 0.3	(3) 0.3	(3) 0.3	(1) 0.1	(2) 0.2	(3) 0.3	(2) 0.2
<b>TOTAL</b>	<b>1.0</b>	<b>2.8</b>	<b>2.3</b>	<b>2.8</b>	<b>2.1</b>	<b>2.7</b>	<b>2.4</b>	<b>1.7</b>

The calculation system used for the evaluation of attractiveness is similar, the factors taken into account in this respect being the accessibility (airport, national road), territory's tourist attractiveness, and existence of proximity markets and seasonal character of demand.

The studied business positioning is made on the basis of the values computed at the level of the two variables. The positioning matrix of Poiana Braşov resort is presented in *figure 2*.

The positioning matrix reveals the favorable position held by Poiana Braşov resort towards its main competitors. Sinaia and Predeal are following, with certain small differences. Sinaia registered a higher score for the competitive position, but a lower score for sector's attractiveness, and Predeal registered the same score for the competitive position and a lower value of the score for the sector's attractiveness. Those resorts are followed by Vatra Dornei, completing thus the list of the most attractive mountainous resorts of Romania.

Moreover, these conclusions are confirmed by national analyses (INSOMAR) according to which the most attractive mountainous touristic resorts are (Research report- Tourism services consumption in Romania, INSOMAR, August 2009):

- Sinaia (7.6 % out of the respondents preferred this resort);
- Poiana Braşov (6.8%);
- Vatra Dornei (4.4%);
- Durău (3.2%);
- Predeal (2.7%);

- Sovata (2.6%);
- Bran-Rucăr (2%);
- followed by Buşteni, Păltiniş, Praid, Borşa, Băile Tuşnad and Bălea (Făgăraş Mountains).

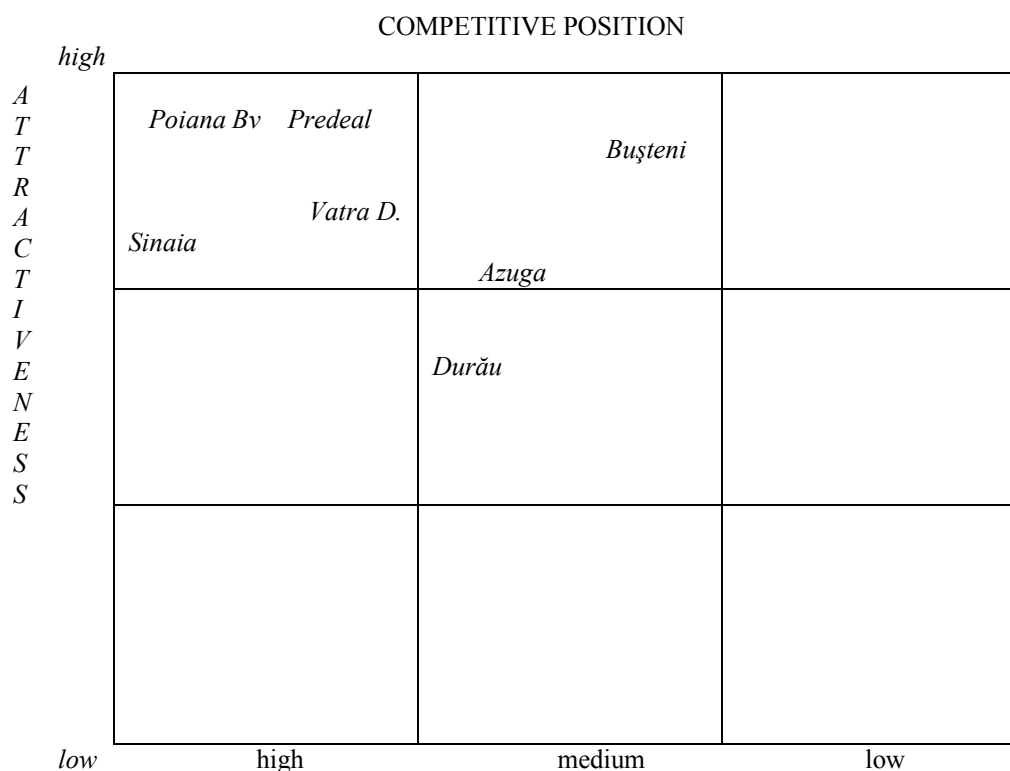


Figure 2. The McKinsey positioning matrix of Poiana Braşov resort

#### 4. CONCLUSIONS

The mountainous tourism from Romania does not have harsh competitors. However, it competes with its own capacity of adaptation to the Romanian tourists' demands, primarily, and with those of the foreign tourists became a tradition in visiting Romania.

This conclusion may be extended over the entire tourist sector from our country, and the hardly desired revival will produce sooner than expected. What misses is the wish to cooperate, a development strategy established with the participation of all those involved and interested and, thus, unanimously accepted, but also the professionalism of an important party represented by those who undertook the task of managing the valuable natural tourist potential of Romania.

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