

BEST PRACTICES IN DEVELOPING RURAL TOURISM IN CLUJ COUNTY, ROMANIA

by

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ABSTRACT

Rural tourism in Romania is underdeveloped, but in the last years, this activity has increased considerably. There are new entrepreneurs involved in this sector, and they are developing innovative tourism products and services that enhance the indigenous resources of the rural areas in a sustainable manner. The main purpose of our paper is to identify and present best practices in rural tourism and to describe the innovative actions implemented in Cluj County rural area. To achieve our goal, we used a semi structured interview. We searched for new ideas, processes or activities implemented by the units in order to improve their performances. The results obtained were organized into four categories: product innovation, process innovation, organizational innovation and marketing innovation. Our main findings highlight that some of the units understood that tourism products are in fact “experience products” based on tourists’ emotions, discovered the uniqueness of customs and traditional events and improved the results obtained from their operational and marketing activities using new technologies or focusing on niche marketing. Moreover, others had the ability to multiply their capacities through networking activities.

KEYWORDS

Best Practice, Rural Tourism, Nice Market, Networking

INTRODUCTION

Rural tourism represents a sustainable approach to economic development, facilitating new business initiatives, new employment opportunities and contributing to the preservation and conservation of the natural, social and cultural heritage. Even if rural tourism activities are still underdeveloped in Romania, they represent a way to maintain the young peoples in the rural areas, providing them additional incomes and alternatives for agriculture or forest exploitation. The lack of professionalism and a low innovation spirit (Iorio and Corsale, 2010) represent the main threats for the majority of these units. Fortunately, nowadays, the rural firms are more likely to adopt new technologies and applications (Galloway, Sanders, Deakins David, 2011), opening their activity to global markets, especially in the case of tourism.

LITERATURE REVIEW

The main focus of this paper is to reveal the best practices in rural tourism through the lenses of creative behaviour of local business leaders. “Creativity, as has been said, consists largely of rearranging what we know in order to find out what we do not know. Hence, to think creatively, we must be able to look afresh at what we normally take for granted.” (Kneller, 1965). Following this advice we tried to look for the specific ways business owners or actors from the local rural tourism industry rearrange their knowledge, or acquire new ones, in order to go beyond the common knowledge and access new levels of business success.

Since creativity is such a broad concept we tried to narrow it a little bit and differentiate between invention and innovation. Invention is an advanced form of creativity, a rare form, and represents the source code of creativity, a radical new idea. Innovation is a softer form of creativity, more common, and represents the upgrading process, a process that brings new layers of creative input. We start with a descriptive definition that fits our purpose: “Innovation is the process of making changes, large and small, radical and incremental, to products, processes, and services that result in the introduction of something new for the organization that adds value to customers and contributes to the knowledge store of the organization.” (Sullivan and Dooley, 2008, p.5). Going further with the literature review, a conceptual cloud for innovation started to form with useful implications for our best practices: innovation is multidisciplinary; involves external partners; is mainly behavioural not technological; depends on the local context; requires education, experience

and emotional intelligence; is customer oriented; adds value; involves risks, uniqueness; focuses on economic or social change; in rural tourism, innovation targets “emotional experience”; and finally innovation and internationalization in tourism are interwoven (Drucker, 1985; Decelle, 2004; Sundbo et al, 2007; Goleman, 2008; Williams and Shaw, 2010).

A classical approach to innovation, relevant for our paper, follows the OECD (2005), and Eurostat taxonomy, and involves four main types of innovation: product innovations, process innovations, marketing innovations and organizational innovations. We are in the presence of innovation if following criteria are met: to have a degree of novelty, to generate a significant improvement, and to diffuse on the market. The degree of novelty has three levels: on the first level of innovation, something is new to an institution; on the second level, it is new to the market, on the highest level, it is new to the world. Of course, sometimes, one innovation may have characteristics that span more than one single type and these cases need special attention.

The bad news for our interest is that innovation and tourism don't seem to go very well hand in hand compared with other industries. Companies operating in tourism are moderately innovative due to their small sizes (Pivcevic and Petric, 2011). Unfortunately for Romania, 45% of the total population live in rural areas (compared with 24% in EU), and rural tourism is an escape route, and an economic diversification strategy (Iorio and Corsale, 2010). Small size, family owned companies, constitute the majority of businesses in this industry. If these kinds of businesses want to survive, the innovation route is the only one (Sundbo et al. 2007). The following examples of best practices from Cluj County represent, at least for us, some encouraging pockets of light in an otherwise foggy industry of rural tourism.

METHODOLOGY

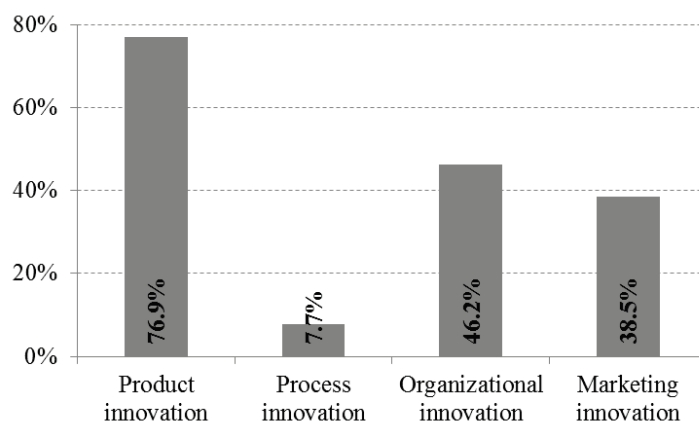
To identify the good practices in Cluj County rural tourism we started from the list of accommodation units available on the Ministry of Regional Development and Tourism's website. We have identified 190 touristic chalets, villas, touristic boarding houses and agro-touristic boarding houses from Cluj County, with 97 of them acting in rural tourism. We selected 29 units (that accepted to be part of our research) and applied a semi-structured interview during the summer of 2012. Besides the information regarding their activity, we asked the owners of the units about the collaborations they have with other actors from the local community. As a result, we identified another 15 units (NGO's and associations) acting in rural tourism and we visited them in order to discover examples of good practices.

The information collected during the interview refers to: services provided to their customers, profile of the clients, innovation activities, innovation benefits and obstacles, technical endowments and human resource capital. Analysing the data collected for these 44 target group members and according to the innovation definition of OECD (2005), we selected 13 units that can be considered innovative companies during the studied period. The aspects presented in following parts of the article will refer to these units.

RESULTS AND DISCUSSION

Introduction of new or significantly improved products represent the most frequent innovation type. As we can see in the figure 1, organizational innovations are second, marketing innovations are the third, while the less frequent are the process innovations.

FIGURE 1
DISTRIBUTION OF INNOVATION ACTIVITIES IDENTIFIED IN CLUJ COUNTY RURAL TOURISM



According to our observations, in Cluj County, the *product innovation* activities in rural tourism are concentrated on: development of tourist packages, promotion of Romanian village identity through its genuine elements, creation and promotion of new events and introduction of educational tourism products.

Most of the accommodation units acting in rural tourism are providing only basic services to their customers: accommodation and meals (some of them). This is the main reason for their poor results registered in the activity. Opposite to them, there are few accommodation units which realized that they have to provide a “tourism experience” and not singular tourist elements (Weiermair, 2004) in order to offer an unforgettable holiday to their clients. Examples of representative tourism products you will find in villages Beliș, Mărișel, Sâncraiu, Sic, Săcălaia and Scind-Mărgău, their focus being on “entertainment”, “educational” and “active” holidays.

Another innovative aspect of these products is the fact that they include genuine features and characteristics of rural areas. Social and cultural aspects of the Romanian village are promoted to the tourists: traditions, customs, gastronomy, household’s activities, events, architecture, etc. Also, the existence of numerous Hungarian communities in Cluj County, allow the tourists to discover a social and cultural diversity during their trips. Specific forms of innovative products are the gastronomic itineraries, which combine gastronomic activities (cookery activities joined by visits in the homes of the traditional producers) with visiting the main tourist sights to be found in the area. We have identified two examples of gastronomic itineraries, one starting from Turda and another from Mera, a village near Cluj Napoca.

The creation and promotion of new events related to the household’s activity or local customs represent another innovative activity. Events like Rosehip Festival and Grapes Harvest Festival in Sâncraiu, Onion Festival in Mihai Viteazu or Banffy Castle Cultural Days in Bonțida are good examples for this innovative aspect.

“Educational tourism products” focused on children, are also new in the Cluj County. We identified four units providing these services: a zoo park, an NGO, an equestrian tourism firm and a family pension. The zoo park is promoting the knowledge and protection of animals through direct contact with them. The NGO promotes the nature protection and conservation through educational activities indoor and outdoor around Turda region (Turda Gorges, Tureni Gorges, Borzești Gorges, the Hill with Butterflies). The equestrian tourism firm organized Gerula’s Camp (Gerula is an ancient army general from Dacia), a camp designed around children and parent interaction. Finally, one family pension organizes an Astronomy Camp aiming outstanding high school students from Cluj, building around the astronomical observatory nearby.

The *organizational innovations* identified during our research regards especially the establishment of new types of collaborations with the community where the units are located.

One type of cooperation is with local producers (suppliers). They provide the touristic units with meat and dairy products, forest fruits and mushrooms, lavender, strawberry, honey, wine, oil, traditional fabrics (cloths - hats, fur coats; carpets; wood carvings) or equestrian services. In most cases, tourists are allowed to visit households of local producers, having the opportunity to see traditional production methods and to find out the story which lies behind the technique. This type of innovation is consistent with the idea of integrated rural tourism (IRT) as described by Saxena and Ilbery (2010, p.260): “tourism is explicitly linked to the economic, social, cultural, natural and human structures of the localities in which it takes place”.

The second type of cooperation is between similar units from the same geographic area. It is a case of proto-clusters in rural tourism where a strange process of “co-opetition” (Decelle, 2004) takes place. We identified two cases where the units are cooperating and competing in the same time one with the others. In the first case, an accommodation unit from Mărișel is cooperating with another guesthouse in organizing events, sharing tourists and marketing activities. The second situation is registered in the village Sâncraiu, where over 40 small accommodation units are organized in a rural tourism network. The whole activity is coordinated by a travel agent, who creates the tourist packages, brings the tourists, organizes the activities and promote the village as a tourist destination, sharing all the costs with the network members.

The third type of cooperation is with public institutions. The success of tourism network in Sâncraiu determined the local representatives to increase their involvement in tourism. To support the tourism development, the village hall improved the infrastructure (roads, sanitation) and the design of the village (year 2012 was declared the Year of Flowers, the entire village being decorated with flowers).

The *marketing innovation* activities are concentrated on the use of social media and other web instruments to build connections with potential customers and openness to external market. Many tourism units have a Facebook or another social media page. Nevertheless, there are few units in Romania that use these facilities as a marketing instrument. In Mărișel village we identified an accommodation unit which uses its Facebook page in an interactive

manner: they present some of the daily activities of the boarding house, organize various events (tasting of traditional products, traditional evenings, demonstrations of traditional craftsmen) and invite clients to participate in their implementation. According to Facebrands.ro, at the end of July 2012, this unit recorded the highest number of fans for the Hotels and accommodation section: 21.457 fans. The two owners of the boarding house are using other online instruments, also: Google AdWords (an extremely effective advertising investment according to them and in the same time a rare practice in rural tourism), specialized tourism websites (TripAdvisor), media websites (press, radio, YouTube) and blogs (each year they are organizing a bloggers' meeting).

The openness to foreign markets is another new aspect for rural tourism. According to Williams and Shaw (2010), internationalization can be perceived as a form of innovation. The network we identified in Sâncraiu shows us how a group of 40 small touristic units compete on the global touristic market by co-operating locally (Novelli, Schmitz, Spencer, 2006). They attend national and international tourism fairs, promoting Sâncraiu as a tourist destination and inviting tourists to *spend their holidays in one of the most natural traditional regions in Europe*.

The *process innovation* activities are less present than other types. The lack of financial resources, a feature which characterizes most of the units acting in rural tourism, reduces their possibility to implement significant changes in the equipment and software (OECD, 2004). This is why we consider that the innovation process is less present than the other types of innovation in the case of tourism services. However, we did identify an example of process innovation in Cluj County. A travel agent that provides active holidays (without a guide) in Gilău and Vlădeasa Mountains for foreign tourists digitalized their tourism trails. At the beginning of the holiday, the tourists receive a GPS and information materials (map, description of the marked trail and additional information about the areas that will be visited and their touristic relevance). As a result, the firm has the guarantee that the tourists will arrive at the destination without any problem.

CONCLUSION

In spite of a low level of development of rural tourism, Cluj County can provide examples of innovative activities in rural tourism. After we analysed these best practices according to OECD specifications, we conclude that the most frequent innovation type is product innovation. This takes both forms: the introduction of new products and events on the market (educational packages for children, festivals) and a significant improvement of tourism products (providing upgraded services and developing recreation and entertainment activities based on the genuine elements of Romanian village).

Organizational innovation is the second most frequent type of innovation identified. The defining element in this case is the creation and/or the improvement of the units' collaborations with local community: producers – playing the role of suppliers, competitors – playing the role of partners in tourism activity and public institutions – supporting the development of tourism activity in the area. The development of rural tourism networks is a sign that this type of innovation will have a major role in the future development of the sector. We noticed that especially this type of innovation is dependent on local leaders, champions of innovation, people that move and shake the status-quo and characterized by emotional intelligence and leadership skills as described by Goleman (2008).

Marketing innovation is the third most frequent type of innovation identified. New placement methods for rural tourism – participation at international tourism fairs to promote a destination – and the use of new promotion instruments – social media, Google AdWords, specialized tourism websites, blogs – represent the main innovative activities identified in Cluj County.

The less frequent type of innovation is process innovation. Because most of the units are equipped with appropriate equipment and software to provide the tourism services, they are not interested to invest more resources in new technologies. Usually they replace the equipment without making a significant improvement, except the situations when the safety of the tourist or of employees requires that change.

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